

ASSEMBLY LANDS HOUSING AND ECONOMIC DEVELOPMENT MINUTES

December 19, 2022 at 5:00 PM

Assembly Chambers/Zoom Webinar



<https://juneau.zoom.us/j/94215342992> or 1-253-215-8782 Webinar ID: 942 1534 2992

A. **CALL TO ORDER** - Chair Hughes-Skandijs called the meeting to order at 5:00 pm.

B. **LAND ACKNOWLEDGEMENT**

C. **ROLL CALL**

Members Present: Chair Alicia Hughes-Skandijs, Wade Bryson, Christine Woll

Members Absent: Wáahlaal Gíidaak

Liaisons Present: Mandy Cole, Planning Commission

Liaisons Absent: Lacey Derr, Docks and Harbors; Chris Mertl, Parks and Recreation

Staff Present: Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Jill Maclean, CDD Director; Carl Uchtyl, Port Director; Rorie Watt, City Manager; Dave Scanlan, Eaglecrest General Manager

D. **APPROVAL OF AGENDA** – approved as presented, no changes

E. **APPROVAL OF MINUTES** - November 28, 2022 Draft Minutes, approved as presented, no changes

F. **AGENDA TOPICS**

2. **Goldbelt and CP Marine Application for a Land Trade**

Mr. Bleidorn discussed this topic. Mr. Bryson commented that he has been on the assembly long enough that this is second time he has seen this. We did a similar land swap with the Archipelago lot, and we failed to take into consideration parking in the land trade. I was wondering if we could talk with Goldbelt to make sure that they have the right understanding. We did a trade, CBJ got the land they wanted, the other party got the land that they thought they wanted, and it ended up not working out, and we do not have a project built. I would like to ask Goldbelt a question or two, so that we can prevent that same scenario from happening, because it looks like we are doing almost identical type of land swap. Mr. Bleidorn replied that as this goes through the Planning Commission process, we would make sure that parking is considered and that negotiation would take place after we have the initial motion of support from the assembly to work on this. This is definitely noted, and something we want to keep in mind.

Mr. Bryson asked if there are any other zoning or waterfront issues that the Archipelago lot ran into when they that stopped their development because it was the design phase that they were stopped in. I want all that on the record to benefit Goldbelt so that we do not make the same errors again. Ms. Maclean replied that she did speak to Goldbelt and in those discussions; there is a lot of complexity to this site, their ability to use their building or reconstruct a rehab, because it is cited closely to the property lines, as one cannot cross those or come so close to them. That spurred this on for them on how to best use their land and the buildings that they have. We can look at those issues when the applicants come in for their pre-application conference. Other than that, I am not aware of any other challenges aside from how the lots are laid out and they cannot proceed as is.

Ms. Woll asked if we are losing any control of the waterfront, with CBJ owning the property where the gangway is from the dock-to-shore. Mr. Uchtyl replied that the applicant is proposing renovating the existing Seadrome building over the water, adjoining the seawalks. As far as having access to the Seadrome dock, it is on CBJ owned tidelands but Goldbelt owns the dock. Control of the Seadrome dock would remain with Goldbelt unless they elect to do something else with it.

PC Cole asked when the assembly approves moving forward by direct negotiation with a particular party, in this case Goldbelt, does that signal that no other parties can be considered until negotiations

are concluded in either the affirmative or the negative. Mr. Bleidorn replied that once we have that initial motion of support from the assembly, staff works specifically with them. It does not mean that somebody else cannot apply but then the assembly would have to reevaluate it as they have already given us direction, and to work with somebody else, or to look for other applicants would be a change of direction. We would need another motion and something from the full assembly to move that forward.

Chair Hughes-Skandijs noted that she shares Ms. Woll's sentiment and is a little wary about trading tidelands for uplands but sees the benefit in this, and approves of the motion of support at this time.

Ms. Woll moved that the Lands, Housing, and Economic Development Committee provide a motion of support to negotiate with Goldbelt and CP Marine on a land trade. Motion passed no objections.

3. Ordinance 2023-03 An Ordinance Amending the Private Shared Access Requirements of the Land Use Code, Title 49, Related to Maximizing Residential Density.

Ms. Maclean discussed this topic. Mr. Bryson asked how this ordinance helps with infill, putting a neighborhood next to a neighborhood that did not have one before, and some of the "you are coming into my backyard," situations. Ms. Maclean replied that she is not certain that we will ever have a great answer for "I have enjoyed this undeveloped property that is nice and treed for 30 years, and now they want to develop that." A planning board member from back East would say, "You should be happy that you got to enjoy that nature as long as you did, because you did not buy it, nor do you pay taxes on it either." I know that is difficult for people. First, I would urge homeowners, property owners, and buyers, to educate yourselves on what your area is zoned, what zoning it allows, and what the neighboring properties are zoned as they may not be the same, even though you are side by side. As far as this helping with shared access and infill development, this ordinance does not go quite as far as the Title 49 Committee was looking at, but it is a start on improving the ordinance, and one of the unintended consequences, which was a 90 acre property being developed into 12 lots, which was D3 or D5 zoning. I think this should alleviate that challenge given the language in the purpose statement as well as the other verbiage that the city attorney added. Those areas are underlined in your packet, with it limiting acreage. We did have some discussion back and forth, which was the best approach to that. It is difficult, because I am always concerned about in Juneau, specifically the lots that are left, they are not the same, and it is tricky to apply code that would be flexible enough for everyone. We were trying to obtain as much discretion as we can to address the individual situations. For instance, you will notice that some of it was left to the director to look at a particular site. That would go a long way and overall this is moving in the right direction, and the direction that the title 49 Committee was also looking for.

PC Cole commented that she was surprised to see this, because the Title 49 Committee did look at this and made some suggestions, which are not in here, and some that are different intentions that are in here. I think Director Maclean is correct in that it is moving in that direction, but I would not say that what is before you would be what the Title 49 Committee would want to send to the full assembly for adoption. I feel confident in saying that because it does not contain some of the pieces that we felt would make the most impact. My hope is that this goes back to the PC before it goes to the full assembly. Chair Hughes-Skandijs asked if that is part of the process with the staff recommendations. Ms. Maclean replied and made a correction; that the bottom of the memo said that it was to go to the full assembly. It will go to the full assembly, but through the usual process of kicking it back to Title 49 through the Planning Commission and up to assembly for full adoption.

Mr. Bryson asked for elaboration on what was missing. Chair Hughes-Skandijs replied that we would let that work through the process given that the items remaining on tonight is agenda. I do not think we will go into a joint Title 49 – Lands meeting.

Ms. Woll commented that this conversation made her realize she does not have the full context on why this is in front of us now. Is it because there was a conversation at the retreat that highlighted it, or assembly members brought this forward, or is it a coincidence that it is coming to us. Ms. Maclean replied that her understanding is that an assembly member or multiple spoke with the city attorney after the retreat and was asked to work on this ordinance.

Mr. Bryson asked if there are any other ordinances or pieces to this that would help facilitate increasing density, such as being able to split a lot. I know that becomes an issue many times. What other components does maximizing residential density need to give us the results that we are looking for. Ms. Maclean replied that one larger item that we will have to tackle is how many lots is too little or too many, is four the right number, and do we want to encourage more. When this comes back through, we can give some of the history of how we arrived here today. The concern was that too many owners would result in complications for maintenance and agreeing to pay for maintenance over time. The number of lots was one other area to look at. I think this is moving in the right direction, and as Commissioner Cole, stated, not quite, as far as Title 49 was looking but it gets us about halfway there.

PC Cole commented that the number of lots that are permissible is a big factor and Title 49 was leaning toward more, which would potentially satisfy Mr. Bryson's comment. This would be a little in conflict and result in large lots with multiple, buildable, residential sites. I think there is some tweaking that may have to happen in order for it to make sense to the public if they were to get this document and read what is intended and what is prioritized. I am not sure that this says many residential lots is the priority.

Mr. Bryson commented that he knows exactly what we are doing. Beach Drive over on Douglas, they are running into the issues that we are trying to prevent with these ordinances right now. They cannot get the city to take it over; it has to be run by residents. Mr. Bryson would like to thank everybody for working on this because it sounds like we are sometimes being a pain or being difficult, we are preventing future problems because they do have a problem right now, so thank everybody.

Mr. Bryson moved that the LHED Committee continue to work with CDD on ordinance 2023-03 and introduce it to the full assembly through another visit of LHED after it works through CDD and the Planning Commission. Motion passed no objections.

4. Ordinance 2022-65 An Ordinance Authorizing the Eaglecrest Ski Area to Enter Into a Franchise Agreement with Mountain Lift, LLC, for Coffee and Baked Goods Service.

Mr. Scanlan discussed this topic. No comments or questions from the committee members.

Mr. Bryson moved that the LHED Committee schedule ordinance 2022-65 for public testimony at the next regular assembly meeting. Motion passed no objections.

5. Harris Homes LLC Request to Purchase City Property

Mr. Bleidorn discussed this topic. Mr. Bryson asked how long has the Pederson Hill properties been available for sale. Mr. Bleidorn replied that we had our first land sale in 2019 with 18 properties and since then we have been working on the next couple of phases or next couple of sections of phase one. This lot had not been advertised, we had not worked on selling it, but it was listed in the Land Management Plan as dispose in 2016.

Ms. Woll asked what the alternative to this would look like. The recommendation is deny, given that we have a request that we said to move forward with, if we were not to pass this what happens. Mr.

Bleidorn replied that there are probably many alternatives to the denial and this request. This committee could come up with any motion that they would want staff and the city manager to move forward. An alternative motion could be to evaluate this proposal simultaneously to the Moline one. It gets very complicated fast, because that Moline direction was work with them as the original proposal. It was not to work with multiple people or to solicit bids. I think we would have to discuss it with the attorney or the city manager if we wanted to try to move forward with anything besides what we have already have. Mr. Watt commented that to put oneself in Moline's shoes, they came to the assembly and said they would like to buy this property, are going through the process, and we made a motion to work with them. Then they went and invested some resources, filed an application to do rezoning, spent some money filling out an application for the tax credit program, and probably doing some other development work. If we made a motion to do anything different, I am sure Moline Investment would be thinking, "Should I be working on this, do they still want to sell the property to me?" I think they would be very confused as to what we think about them.

Mr. Bryson asked how many other city owned parcels that are even remotely close to this size, are either available for sale or marked as retain/dispose that would also be available to a second developer or any other developer that wanted to build something in the community. Mr. Bleidorn replied that this property currently exists as a very large lot and Moline is actively working to subdivide it into about 10 acres. There is probably a handful of large track properties that could go through the minor subdivision process. It takes a lot of staff energy, with a lot of engineering and CDD people involved in it. It is something that staff could look at if that is a goal of the assembly. Mr. Bryson followed up to ask if there are any properties that are further along to be put up for sale or something that is maybe just a step or two below the development of Pederson Hill. Mr. Bleidorn replied that we have two Renninger lots that are between 3 and 5 acres that are currently on the market and zoned D15 in Lemon Creek, right across from DZ middle school. Like all city property, they have their complications to develop. Those are available on the market, and somebody could come in and fill out an application to purchase them over the counter at any time.

Mr. Watt wanted to remind everyone of the city's GIS tool. You can use it to see privately owned property that is also undeveloped. While the city is a landowner, we are not the majority landowner; there is lots of private property out there. Chair Hughes-Skandijs commented that they got to see the new tool with the GIS map at the retreat and was wondering how much you can dial in with it, as she hasn't played with it yet. Do we know if this applicant is represented on that map with vacant, developable land, or do we just have it marked otherwise. Mr. Bleidorn replied that at this point, the GIS map has all private property as a single color. It does not get into ownership, but you could go through and select ownership on that or the assessor's database.

Chair Hughes-Skandijs asked if the applicant has any land right now that is substantially different from this piece of property. Mr. Harris replied that they have nothing of this size or similar to this and he did not realize this property was even available. Once we did hear about it, we just looked into it and it has been evolving as we go. He does not think anyone knew this property was available. It was the opportunity to buy a nice piece of developable property with water, sewer, and utilities right there ready to go. It seems like that should be put out to all developers in the community that have ability to a bit on it. Chair Hughes-Skandijs asked if they would consider multi-family versus single family. Mr. Harris replied that the D10 would actually be needed and worked well with the attached homes that they proposed, so attached homes or single family. He felt that was better connection to the neighborhood where the city had put it out as a single-family development type. We were trying to hit that same neighborhood. High-density multi-family, I do not know that the neighborhood really wants it there, but that was where we came up with that proposal.

Mr. Bryson moved that the LHED Committee provide a motion to deny the Harris application to purchase City property. Motion passed unanimous consent.

Ms. Woll objected for a comment. We gave direction and are already going down that path, which makes sense to deny this. Because the original proposal matched the direction that the assembly was trying to move with this property, I think it is the right move, but I do think that it warrants a conversation at some point about which properties we are directing towards direct negotiations and what are being opened up to the community for proposal. Sometimes I think it makes sense to work directly with a specific entity and other times it might not. Objection removed.

Mr. Bryson objected for a comment. He had a similar reason, and feels bad knowing that Harris Homes has developed many homes in the community. I think it would be a horrible business precedent for us to say to a business that we are going to do business with you, make a deal with, approve the deal and let them begin their work, and then say, sorry we changed our minds. I think that that would have long-term, negative consequences, as we need to do land trades with other entities in the community. I think that we need to stay in the direction that we said as a precedent to set. I would like to state that I do not think that we are going to have another piece of land that is available for sale that the entire community is not 100% aware of. In our desire to create more housing, we have obviously missed that step. I would like to have a conversation with Mr. Bleidorn to make sure that everyone has the list of what is available for sale, so that future home developers do not miss opportunities. Objection removed

G. STAFF REPORTS

6. Mendenhall Valley Air Quality Program

Mr. Bleidorn discussed this topic. Mr. Bryson asked for elaboration on why we do not wave the ban when the temperature goes down to below 10 degrees, and what a citizen could do if their furnace goes out during a burn ban but their wood burning stove is their secondary heat source. Mr. Bleidorn replied that first, if your furnace goes out, and there is an air emergency in effect, there is a phone number on our website that you can contact. You can contact the Land Office or the fire marshal at the fire department, and we will try to issue an allowance for a couple of days, or until you get to fix it. For the other question, regarding why we do not cease to call air emergencies when it is very cold outside, it is because when it is very cold outside that is when we get air inversions set up. The air quality is part of the Clean Air Act at the Federal Government level, and they set the parameters. Of all the parameters, particulate matter is the only one we have an issue with in Juneau, and in particular just in the Valley. That is why we are following the Federal mandates using data that is provided by the State Government, and then we do enforcement at the local level.

H. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS – none

I. STANDING COMMITTEE TOPICS

- 7. Telephone Hill Updates** - Mr. Bleidorn gave a verbal update that site visits were taking place and staff was working on a RFP for a property manager.

J. NEXT MEETING DATE - January 23, 2023

K. ADJOURNMENT – meeting adjourned at 5:40 p.m.