

# ASSEMBLY LANDS HOUSING AND ECONOMIC DEVELOPMENT MINUTES

May 05, 2025 at 5:00 PM

Assembly Chambers/Zoom Webinar



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## A. CALL TO ORDER

## B. LAND ACKNOWLEDGEMENT

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. Gunalchéesh!

## C. ROLL CALL

**Members Present:** Chair Wade Bryson, Paul Kelly, Ella Adkison, Neil Steininger

**Other Assemblymembers Present:** Greg Smith, Christine Woll

**Members Absent:** none

**Liaisons Present:** Lacey Derr, Planning Commission liaison

**Liaisons Absent:** Jim Becker, Docks & Harbors Committee liaison; Paulette Schirmer, PRAC liaison

**Staff Present:** Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands and Resources Specialist; Alix Pierce, Tourism Manager; Robert Barr, Deputy City Manager; Beth McEwen, City Clerk

## D. APPROVAL OF AGENDA – Next meeting date updated to June, 2, 2025, approved

## E. APPROVAL OF MINUTES - 1. March 17, 2025 Draft LHED Minutes – approved as presented

## F. AGENDA TOPICS

### 2. Tlingit and Haida Grant for Floyd Dryden

Mr. Bleidorn and Mr. Barr discussed this topic. Ms. Adkison asked about one of the funding sources in the memo, the deferred maintenance CIP, how much is currently in that? Mr. Barr replied that there is zero as of right now, but assuming the Assembly will approve the FY26 CIP, there will be \$2,100,000.

Ms. Derr wanted to let the Committee know that the Planning Commission had heard a conditional use permit on April 8th for an established childcare currently the Floyd Dryden building. They were placed there, due to the glacial outbursts that destroyed their facility and have been there since August 2024. When we were hearing this case, we did ask the CDD director and City attorney in regard to granting 2 conditional use permits for the same facility, and were told that in this case it would be okay, because it was through the leasing process that the entities could figure out those spaces. I came to find out that this established childcare in Floyd Dryden has been issued a 30 day vacate order, and they will be closing their doors on May 22. I just wanted to bring that to the Committee's attention, as I don't know if our intention is to close one childcare to allocate up to a million dollars to establish a future childcare, it just seems counterproductive. There's adequate space that both can be in, and they both have children. I just wanted to make sure that the Committee was aware that the Planning Commission had issued 2 conditional use permits, and the idea was that both would be allowed to exist in Floyd Dryden as there was space because UAS had backed out. Mr. Barr replied that yes, we have had a private childcare center in Floyd Dryden since the 2024 GLOF event. They're there on an emergency licensing basis. When the GLOF happened, we worked with that center, the State, and the declared emergency that we had to get licensing approval for them in that space. There is some questions, some doubt that that licensing will be able to continue past May without substantial work. I'll note that a conditional use permit is not a lease, there's a differentiation between those 2 terms. The Planning Commission did approve conditional use permits for both of those childcares, but it is the Assembly's decision to lease space. The current childcare center there with an emergency basis does not have a lease and has not had one since being placed there. We are working with them and with local nonprofits to help them find a new space. And, in fact, the Assembly has a childcare grant startup program that they would be eligible for. Any childcare startup that is seeking to become a licensed childcare center would also be eligible for that

grant. I think the Committee is probably aware of all the past process that has gone on with regard to trying to find tenants for the school space at Floyd Dryden that can cover the operating and maintenance costs of that space, I won't dwell on that point, but that would be another follow up note on this topic that I think is worth having within your whole consideration.

Ms. Adkison asked if Tlingit and Haida wants specific parts of Floyd Dryden, is the current childcare space in an area that Tlingit and Haida would like. Mr. Barr replied that Tlingit and Haida has indicated interest in the whole building and in line with the Assembly's process, recommendations, and survey that you did, the amount of space that's being leased to them is the whole building minus the space necessary to rent out the gym. That and childcare were the 2 top uses that the Assembly indicated. The gym would remain available for community use, and childcare, and then there's a small section of the building that is going to be reserved for Facilities Maintenance to be able to continue to do work on that building. The rest of the building would be for Tlingit and Haida.

Mr. Kelly commented that he already had this conversation with Mr. Bleidorn, but wanted to get the response on the record. Usually, when renovations are done, it's usually the landlord that does the renovations, and then charges the lessee a higher rent based off of the improved property. What would the challenges be if the Assembly chose to take that route. I see that it is an option in the memo here, but what sort of challenges might there be with that route? Mr. Barr replied that if the Committee, and eventually the Assembly, would prefer to go down that path, that is certainly a choice you have. That is something that staff would work to negotiate with Tlingit and Haida, and those negotiations would either be successful or they would not be successful. I guess the risk there would come later, when we worked to negotiate what's before you is a grant request to cover those costs. Tlingit and Haida's words are in the memo, so you can see that there, I think a point that they would make is that childcare is a key Assembly and community priority, and thus the reason for the abnormal request, because you are correct that it is typical for improvements to be made and then baked into a lease cost. We certainly see that when we go into a space that someone is renting to us, and we want improvements, it is typical for those costs to be baked into a lease cost that we then pay overtime. That is still a choice that you have, you could do both, one, all of the grant, or some lease costs, so options are many.

Mr. Kelly asked if there would be issues with procurement, and if that would delay any of the changes that they required if we end up doing it ourselves. Mr. Barr replied that yes, as currently proposed, regardless of which funding mechanism you choose, they get into the lease with a combination of those, Tlingit and Haida is doing the tenant improvements, if the direction were for CBJ to do the project, that that would be quite challenging, and from a timeline perspective, and maybe not feasible.

Chair Bryson asked if we were to give a grant, as we see the benefit of having one entity operate this large childcare facility, are there any additional concessions for the City to bring the place up to snuff. Are they offering any other concessions in response to asking us for this grant. Mr. Bleidorn replied that he wouldn't say that there's any concessions as far as the negotiations to this point, but called attention to the fact that any renovations in the building would be owned by CBJ since we own the building.

Ms. Adkison asked about the deferred maintenance CIP taking theoretically half of what will be in there, are there specific projects that the City had identified to work on with Floyd Dryden or is it going to be general maintenance, what would the effects of that be. Mr. Barr replied that we maintain a deferred maintenance CIP that lists when building systems are coming due for major maintenance or replacement. We would likely at some point need to come to you and say this is due, It's there's not enough money in the CIP, we can punt, we can kick the can, or maintain it in some lesser way.

Mr. Steininger asked if we were to bake the cost of these grant into their rental rate, right now it's \$2 a square foot, would that rental rate go up to if we had to put a million dollars in there. Mr. Bleidorn replied he didn't have that number off the top of his head, with the price increase per square foot, but it was equivalent to about \$16,000 a month if it was a 5 year term.

**Ms. Adkison moved that they discuss and forward a recommendation for \$1,000,000 to the Assembly Finance Committee for inclusion in the FY26 budget process. Motin passed unanimously.**

3. Title 69 Legislation Amendments. This ordinance was introduced at the April 7, 2025 Assembly meeting. This ordinance provides updates to Title 69 regarding hosting platforms such as Turo, Airbnb, VRBO, or others within the City and Borough of Juneau. Mr. Barr discussed this topic. Chair Bryson asked if we are to discuss the amendments and pass them. Mr. Barr replied that the appropriate motion on these would be to forward them to the full Assembly, so that the Assembly can adopt these amendments at time of public hearing. Chair Bryson asked that we're not to adopt these amendments yet, we're going to pass all 3 of these amendments and forward to the Assembly. Mr. Barr replied that the appropriate motion is, or the Clerk can weigh in, but because the legislation has been introduced at the Assembly level, the Committee can't change it.

Ms. McEwen commented that could be the route to take if that's what the Committee chose. You could make the amendments here and move the amended ordinance to the Assembly with those amendments. It would be another version of the ordinance that would be put forward for public hearing. At the Assembly meeting, should they decide not to accept those amendments, they can make amendments on the floor at the meeting to remove those amendments from the ordinance at that time.

Mr. Kelly commented that normally we see amendments after something has been moved, do we need to move something at this Committee before we make amendments. Ms. McEwen replied that procedurally, the 1st thing you would do is make a motion to put the ordinance on the floor before the Committee, and then the Committee would then make amendments on the ordinance, or move all of the amendments to the Assembly with the ordinance as it currently stands as it was introduced.

Chair Bryson noted that there are 3 important amendments for the ordinance and not enough time left in the meeting to adequately discuss and vote on them. Does the Committee want to commit to the rest of this meeting to get these amendments sorted, or would it be better to move this whole package to the Assembly, so we don't redo the work.

**Ms. Adkison moved that the Committee adopt all 3 amendments and move an amended ordinance to the Assembly for consideration, and asked for unanimous consent.**

Mr. Kelly objected for the purposes of amending the second amendment, and moved to amend the requirement that vendors submit their reports in Excel or CSV, to state that reports will be submitted in a CSV format, CBJ staff may designate alternative optional formats and ask for unanimous consent. Motion is approved as amended.

Mr. Steininger objected to comment, that we are looking to change subsection C, where it's calling out Excel and CSV formats. Mr. Kelly replied that he was concerned that we would be basically putting the requirement to use proprietary software into our code and wanted to just give Staff the continued flexibility to receive things in whatever format works for them. Mr. Steininger replied back that CSV is not a proprietary format. Mr. Kelly replied that Excel is proprietary. Mr. Steininger's point is that any data set that we're getting from an entity is going to come in as listed here and that he's missing what other format might exist, but not going to belabor the point. Mr. Steininger removed his objection.

Mr. Steininger asked about the underlying ordinance, it seems to specifically call out short term residential rentals in terms of renting your house or an accessory unit on a platform like the VRBO or Airbnb. The overall definition of marketplace facilitators seems to include other types of entities like Turo, where you're renting out a car or something like that. Reading the requirement for permit numbers and some of the requirements related to those, the violations and fines, they seem specific towards just residential rentals. Is something missing here where there are penalties if you don't have a registration number for your Turo rental or something like that. Mr. Barr replied that we don't have a registration program for Turos or non-STR marketplace facilitators, that's why you don't see penalty clauses for those in that section 69.40.030, nevertheless, other non-STR operators are required to collect and remit sales tax, and should they fail to do so, we would pursue collections and other means.

**4. Privatizing Eaglecrest Operations.**

Chair Bryson discussed this topic, as it is something that he had requested from the CBJ law. His purpose was to show that it is legal for us to contract with a private entity to operate Eaglecrest. I got this information out without a named entity, because we could realistically do an RFP, as the ordinances show that it is legal for another entity to operate Eaglecrest. I raised this at this time because we're going to have a very difficult time finding the funding to bring Eaglecrest 100% up to snuff. A private sector business might be more effective than having the City try and bring Eaglecrest to its next chapter.

Ms. Adkison said she recognizes that this is just a Law Department memo, but also read that this is not a unilateral decision by the Assembly. Have you spoken to the Eaglecrest Board, has anyone gotten their take on it. Chair Bryson replied that there have been a bunch of conversations and anecdotal responses. One of the options, or outcomes of having this discussion is, we could forward this memo that would let them know that they have another option other than waiting for CBJ to hand over 5 million dollars, which is what their last request was. The only thing that this memo does is it lays the groundwork that if we think status quo is not working anymore, we could give this memo to the Board and let them start working on what another potential outcome might be.

Ms. Adkison commented that she see where Chair Bryson is coming from and it's always daunting to have a big capital investment necessary, but wanted to point out that a big reason that we, as the City, operate many things that can be private, such as our hospital or docks, is that they do serve a public purpose, and if people have to make money on something, the prices tend to go up for the consumers. I get that having an investment on the City's part of things is a challenge, but it can also be a challenge for our residents to afford things if we are not paying for it as a City. Chair Bryson replied that this is the number one concern that has been expressed when talking about privatizing Eaglecrest. Couple of points that have been brought up, if Eaglecrest only has to lease that business for a nominal fee, then they don't have a new business capital outlay. If their only capital investment is equipment repair, or bringing a new thing online like a gondola, then anecdotally everybody understands that the prices have to be kept in check for this to work for the community. I think people are moving forward with that mindset or that understanding. Nobody wants Eaglecrest to go private and then have \$150 lift tickets, that's not going to work, nobody would sign up to be part of that. This just gives us the ability that shows that this isn't the only way that we have to run Eaglecrest. I know that I'm only one of 9, but one of the things that we look at is big dollar figures. The ordinance that we just passed is going to put more money in the Juneau community, having it where we don't have to put out a million or 2 million a year, plus other large dollar figure, makes this worthwhile to have a conversation of could we do it cheaper. So up to the Committee, you guys could kill it here, or we could forward this to the Eaglecrest Board and let them have the same look at the same information, it's up to the Committee.

Mr. Kelly thought that rather than killing this here, he'd be interested in a more holistic discussion and what our options are, as this is one of them. He shared Ms. Adkison's concerns with serving a public need and trying to keep this affordable. He felt a little bit worried that this is requiring a large capital investment, and was uncertain about the future of Eaglecrest, finding some sort of solution is an idea. He has his own ideas that might not necessarily include this and having some sort of discussion where we can all bring our ideas and put them on the table might be the better course of action. He might want to dig a little bit more into the memo, was wondering about CBJ charter, from reading the memo, it requires that the Eaglecrest Board operate Eaglecrest, and was wondering what that will look like, would they continue to be providing oversight if this did go private. He wants to discuss more options.

Mr. Steininger said he thinks it'll be good to send this memo to the Eaglecrest Board and hear that robust conversation, because there are aspects of management up on the mountain that they probably would be receptive to not having to deal with on a day to day basis, but figuring out where that remains a direct City responsibility and what ends up getting outsourced is a good conversation to have. As we do put in significant investment, whether it's financial or just the time that we're paying into discussing the gondola and summer operations, and what pieces become City responsibility, or something that we outsource and contract. It's a good discussion to hear from the Board and get a better idea of what they have some concerns over, if that just means that we have a ski resort that's pricing all the locals out of skiing, and I don't think that's the outcome that anyone here wants. We'll make sure that we guide this in a way that retains that community asset that drives people to live in Juneau because it is an accessible ski area that we have here right now.

Ms. Adkison hears that the Committee that members want to get input from the Eaglecrest Board but is hesitant to do that when there's still so many unanswered questions, and we haven't even talked about the PERS issue brought up in the memo. She wants to keep this in Committee and do a little more work on it, because sending it off to the Board when we're really not sure if this is a direction we want to go, or we have unanswered questions, seems a little premature.

**Ms. Adkison moved that this topic will be held in Committee for further discussion. Motion passed unanimously.**

**5. Request to Purchase CBJ Property located at 2nd Street and Franklin Street**

Mr. Bleidorn discussed this topic. Since the request from NorthWind Architects, the City has had interest from one other party, who has done two RFPs with the City, in 2014 and 2016. The Assembly has been considering the disposal of this lot for a number of years and developing this parking lot has been included in the Assembly Goals for 2025.

Mr. Kelly asked for clarification on what would happen if we did decide to forward negotiating with the original proposal to the full Assembly, how would it work if that other bid came, would we need to forward something new to the Assembly? Would this still work within that guise, or what would need to happen procedurally? Mr. Bleidorn replied that if they submitted a complete application that met the requirements for proposing to purchase City property it would be forwarded to this committee. It's a good situation for the Assembly to be in if we have 2 interested parties and it gives the Assembly opportunity to work with the better project that completes more of the Assembly goals. At this point, CBJ received an email from a potential party, but no information regarding what could be built or any type of plans, diagrams, or anything like that. If we do receive something more substantial, we can bring it back to LHED Committee and discuss both projects and then determine how to move forward at that point in time.

Chair Bryson thought that this property has been on the market since 2012. Have any of the proposers looked at this property before, has anybody tried to develop this with it being on the market since 2014? I had notes about an RFP in 2014, could you speak to that? Mr. Bleidorn replied that in 2014, we had an original proposer come forward with an idea, that was the 1st time the Assembly had considered the disposal. Prior to that it was managed by the Parks Department, and before that it was owned by JAMHI. The City did a land trade in the early 2000s to acquire this property. At the time there were 2 buildings on it that the City demolished and created the surface parking. In 2014, we did an RFP with a short time frame and ended up working with the original proposer. At that point it kind of stopped when the proposer didn't provide additional information. There were some financial constraints that were discussed. Same thing in 2016, CBJ had an original proposer. CBJ did an RFP process and worked with the original proposer and then some new information came to light in 2016, which led to the no parking district, this being included in that. There's been progress made at the Assembly level with each of these proposals that's moved the Assembly towards the direction of development.

**Mr. Steininger moved that the Lands, Housing, and Economic Development Committee forward this application to the full Assembly with a motion for direct negotiations with the original proposer as per 53.09.260 (a). Motion passed unanimously.**

**6. BLM Request for Information on Mayflower Island**

Mr. Bleidorn discussed this topic. Ms. Adkison noted this was put as an Assembly goal, but was curious if the BLM letter was unsolicited or if we reached out to them. Mr. Bleidorn replied that we have had conversations with BLM and DIA over the past few years. BLM sent that letter requesting that we move forward with a resolution. They want to have some acknowledgement of the City's plans because they have their own disposal process. If the City isn't going to acquire this from them, their plan is to do a competitive sale, which is similar to the City's, where they offer it to the public.

Mr. Steininger asked about the condition of the building, would we become responsible for any current building issues or conditions, or hazardous materials that might be on the site. What's the responsibility that the City would be taking on by taking it in our hands before transferring it. Mr. Bleidorn replied that there had been remediation of hazardous waste on the property completed by BLM prior to the discussion of disposing of it. I've been through the building, and I think it's in decent condition. If a resolution is passed, BLM will begin their process to evaluate the disposal. They've told me that it could take up to a couple of years, and during that timeframe between when the Assembly passes a resolution authorizing the acquisition of this property, and then the time when we're going to talk about producing a deed transfer, we're going to be working closely with them and DIA to make sure that the City liability is limited and to understand all the consequences, even if the City owns it for an hour between acquisition and disposal.

Ms. Woll said the last time I think we talked about this, there was interest in the City staying out of it, letting BLM negotiate directly with DIA. My understanding of what you just said is that's not an option, BLM either has to give it to the City or put it out for public bid. This is a way of getting it to DIA even though the City has to be involved, is that correct? Mr. Bleidorn confirmed. With his conversations with BLM, they have said that there is no opportunity within their parameters and code that would allow a disposal to anybody besides CBJ without following their normal procedure, which would be a sealed or some type of competitive bid through the public sector. They've told me numerous times that there's 2 options, either the City acquires it, and then we determine to do with it, or they go through that public process which would open it up to the public at fair market value.

**Mr. Kelly moved that the LHED Committee direct the CBJ attorney to draft a resolution accepting this property from BLM with the intention of disposing of it to DIA and forward it to the full Assembly for public hearing. Motion passed unanimously.**

**7. Liscio Douglas Highway Easement Request**

Mr. Bleidorn discussed this topic. Mr. Kelly asked if granting this easement what sort of effect would have on any future development, would that make it potentially easier or more difficult to develop any of the surrounding property. Mr. Bleidorn replied that it reminded him of a question earlier today about the Second Crossing going through the City property. Speaking with the Engineering department, they had mentioned that they didn't seem to think that this would have any negative consequences towards that, even though this is a potential route. This easement would likely make it more developable. But I want to acknowledge the fact that this is Parks land, and it's basically undevelopable, it's wetlands. Easements are permitted within the park properties, but development is restricted. There would be a number of hoops to jump through before CBJ considered developing this property. Any type of subdivision here would require that the City bring that easement, or right-of-way, up to City street standards. Given the fact that it's wetlands and Parks property and has a few other things that would prevent it from being developed, it's not super high on our list, but we're always thinking those types of questions whenever the City has an easement request, usually easements increase the access to the remaining City property which can be good for the CBJ.

Chair Bryson asked if this was going to be a rudimentary driveway, just an easement so the homeowners can get a driveway in there. Mr. Bleidorn replied that it was also his understanding and when we grant an access easement like this, if it's 30 feet wide, the applicants could do with it what they would as long as it stays within their easement.

**Ms. Adkison moved that the LHED Committee forward this application for an easement to the full Assembly with a motion of support. Motion passed unanimously.**

**8. Community Partner Scope Analysis**

This topic was kept in the LHED Committee as time ran out for discussion. Chair Bryson noted that this topic will be the first Agenda Topic item at the next meeting.

**G. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS**

- Planning Commission Update  
Ms. Derr gave an update from the Planning Commission that they reviewed 2 cases and approved the preliminary development of 2 lots, one near Auke Bay, which has 30 lots, and then one out North Douglas for the 1<sup>st</sup> phase with 25 lots. We have some nice movement on potentially some more housing, and then the Title 49, I don't believe this Committee, but the Assembly heard the 1st rewrite, that was from March and working with Mr. Dumouchel has been great, and we look forward to the rest of the rewrite coming up toward you guys soon.
- Docks and Harbors Board Update – no update
- Parks and Recreation Advisory Committee (PRAC) Update - no update

**H. STANDING COMMITTEE TOPICS – no discussion**

**I. RED FOLDER - Marketplace Facilitator Ordinance Staff Requested marketplace facilitator penalty Amendment v1**

**J. NEXT MEETING DATE:** June 2, 2025

**K. ADJOURNMENT – 5:57pm**