

APPROVED MINUTES

Agenda

Planning Commission

Regular Meeting

CITY AND BOROUGH OF JUNEAU

Erik Pedersen, Chair

October 28, 2025

A. LAND ACKNOWLEDGEMENT – Read by Mr. Gamez

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!

B. ROLL CALL

Erik Pedersen, Chair, called the Regular Meeting of the City and Borough of Juneau (CBJ) Planning Commission (PC), held in Assembly Chambers of the Municipal Building, virtually via Zoom Webinar, and telephonically, to order at 6:01 p.m.

Commissioners present: Commissioners present in Chambers –Erik Pedersen, Chair; Adam Brown, Clerk; Douglas Salik; Nina Keller; Larry Gamez

Commissioners present via video conferencing – Lacey Derr, Vice Chair; David Epstein, Vice Clerk; Mandy Cole

Commissioners absent: Jessalynn Rintala

Staff present: Jill Lawhorne, CDD Director; Forrest Courtney, Senior Planner; Tanya Howard, CDD Administrative Officer; Madeline Carse, CDD Administrative Assistant; Nicole Lynch, Attorney III; Ilsa Lund, Planner II; Brandon Robinson, Planner II; Justin Smith, Planner I

Assembly members: Greg Smith

C. REQUEST FOR AGENDA CHANGES AND APPROVAL OF AGENDA

D. APPROVAL OF MINUTES

E. BRIEF REVIEW OF THE RULES FOR PUBLIC PARTICIPATION

F. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

G. ITEMS FOR RECONSIDERATION

H. CONSENT AGENDA

I. UNFINISHED BUSINESS

J. REGULAR AGENDA

1. **AME2025 0002:** Applicant requests a rezone of 3.79 acres at 5200 and 5220 Commercial Boulevard from Industrial to Light Commercial.

Applicant: Charles Donart
Location: 5200 & 5220 Commercial Blvd.

Director's Report

The Applicant requests a rezone of 3.79 acres at 5200 and 5220 Commercial Boulevard from Industrial to Light Commercial. The proposed rezoning is in contradiction to the adopted maps of the Comprehensive Plan, which designates the area for light industrial uses; the changes in allowed uses therein are in contradiction to the intent of the area in keyways, such as opposing intents for manufacturing uses and residential uses. Residential units, which the Comprehensive Plan has stated should be restricted in this area, are a key component of the applicant seeking rezoning.

Staff Recommendation

Staff recommends the Planning Commission adopt the Director's analysis and findings and forward a recommendation of denial of AME2025 0002 to the Assembly.

Charles Donart, applicant, discussed the industrial zone classification. He stated that he could only think of one business establishment Juneau's industrial zone that needed industrial zoning to exist where it is. He noted that he set up a pre-app conference with CDD planning for the two parcels in his application to rezone in 2021 from industrial to general commercial and it failed

and the two parcels have been for sale as industrial lots ever since. Therefore, with this rezoning application, they are attempting to dispel the notion that the highest invest use for the parcels is to maintain the industrial classification. He noted that of the 90 total permissible use cases in the table given by CBJ, there are 34 use cases that overlap and are allowed in both zoning classes, and of the 28 different policy comparisons between industrial zone class and light commercial zone class on how they fit with the 2013 Comp Plan, 10 were conforming, 10 were conflicting, and 8 were mixed. He said that out of the activities listed for the conflicting businesses, it showed that approving the rezoning request would not be sacrificing much in terms of attracting other businesses to the area. He mentioned that since 2023, the Assembly has had a stated goal of addressing housing to assure adequate and affordable housing for all CBJ residents, and the proposed development on the two parcels in the rezoning application are for 114 units of studio and one bedroom apartments, which would support that goal and is the highest and best use of the properties.

Chair Pedersen asked for public testimony.

Geoff Larson, 4740 Thane (ph) Road, part-owner of the property in question and member of the Alaskan Brewing Co., pointed out that the Lemon Creek industrial area is surrounding by commercial property, with over 50 apartment type residential units, and the property that is being asked to be rezoned to light commercial is also on the edge of the property. He added there are about 8 units within the industrial area that have the allowed uses of the custodial type apartments. He stated that the Alaskan Brewing Co. has a real challenge in getting housing for their staff, and this would be an advantageous element for them to continue to grow and have staff with a place to live. He voiced that the property is also fairly well developed and ready to build on, with water, sewer, access, and a safe environment.

Public testimony was closed.

Chair Pedersen expressed that while it does seem like a good idea to change the zoning and provide more housing, there is a limited number of industrial parcels available in Juneau.

Mr. Gamez agreed that the housing issue in their community is tough and this is a vacant lot, but he was concerned with the traffic and not sure how it would work on the corner lot.

MOTION: *by Ms. Derr to accept staff's findings, analysis, and recommendations, and deny AME2025 0002.*

Mr. Epstein commented that traffic is certainly a concern, but he believed the city would require a traffic impact analysis and the applicant would probably be required to develop mitigation plans to handle that. He was torn because the applicant made a good point of the need for housing, but the community development staff went through the application thoroughly and made their recommendation, and he would have to think hard about voting against that.

Chair Pedersen clarified they are deciding on a rezone and not a theoretical development of the parcel.

Director Lawhorne further explained that when the Planning Commissions hears a rezone, they can only judge the rezone itself and cannot be based on any developments or conditioned unless for public safety reason.

The motion passed 5-2.

2. **AME2025 0003:** Applicant requests a rezone of 4.03 acres at 7170 Glacier Highway from D18 to Light Commercial.

Applicant: Marciano Duran
Location: 7170 Glacier Hwy

Director's Report

The Applicant requests a rezone of 4.03 acres at 7170 Glacier Highway from D18 to Light Commercial. The proposed rezoning is in contradiction to the adopted maps of the Comprehensive Plan. The site is designated Medium Density Residential (MDR), which means urban residential land for multifamily dwelling units at densities ranging from 5 to 20 units per acre. Any commercial development should be consistent with a residential neighborhood, as regulated in the Table of Permissible Uses. Light Commercial can reach a density of 30 units, allows for many uses that are not residential, and does not require residential as part of the development.

Staff Recommendation

Staff recommends the Planning Commission adopt the Director's analysis and findings and forward a recommendation of denial of AME2025 0003 to the Assembly.

Marciano Duran, applicant, explained that they are trying to develop the parcel to get mixed use out of it, with mostly residential units, condos, or apartments three floors above a lower level of some commercial use properties to be able to service the neighborhood with some amenities. Those amenities could be things similar to a coffee shop or yoga studio, something to enhance the neighborhood and lessen impacts on the road by keeping residents on site. He noted that the light commercial parcel right next to them is a city shop and the current zone change of D18 allows 73 units, and with the light commercial zone, they could go up to 121 units, which would help make the project more viable to get developed and out on market. He said the denial recommended is based on the 2013 Comp Plan, but this is pretty much in compliance with the 2018 Lemon Creek area plan. He stated that this rezone would be something the neighbors and people that live in this development would appreciate.

There was no public testimony for this item.

Mr. Duran voiced that he submitted some photos of the conceptual ideas that they are trying to do with this development. He expressed that they did have some negative discussion with the mental health lands trust right above them, but after speaking with them, they were impressed with the plans. He added that these ideas and plans are different and something Juneau does not have, but have worked in other places.

Director Lawhorne noted that the applicant did not meet the submittal deadline with the photos they sent in, so they were not included with the packet.

Mr. Epstein asked the applicant to comment on the nature of the units that could be constructed and what they plan to provide.

Mr. Duran answered that they would like to do studio, one-bedroom, and two-bedroom apartments, with just a few three-bedroom apartments. He added that this is the perfect location for the workers for the Alaskan Brewing Co., which was mentioned earlier in the meeting. He said they would also like to do condos to try and hit as much of the Juneau housing need they can. He said they did submit the photos late, as they did not know about the cutoff date, but wished they would be able to see those.

Mr. Epstein expressed that there was a development toward Fred Meyer in this area that did not turn out as originally thought, and he was concerned they may end up in the same situation with this development. He hoped for a strong consideration to be given towards housing affordability.

Mr. Duran responded that the applicants for the property Mr. Epstein mentioned were from out of state and not familiar with Juneau, but he has been here for 50 years and has the experience.

Chair Pedersen closed public testimony and asked for Commission discussion.

Director Lawhorne reminded the Commission that they are rezoning this to all the uses that occur in light commercial and there is no guarantee that it will be housing. She added that while the applicant could get a higher density with light commercial, the staff report demonstrated that they can get around 91 units using the current code. She said D18 also provides for childcare services and recreational facilities within an alternative residential subdivision, so housing and childcare are two of the top priorities for the community. She stated that they cannot condition their rezone for particular uses.

Ms. Derr commented that if they rezone to light commercial, it does not have to be housing and they cannot guarantee that, but with D18, there is a good amount of housing that could be on this lot.

MOTION: *by Ms. Derr to accept staff's findings, analysis, and recommendations, and deny AME2025 0003.*

Mr. Salik expressed that if they converted the property from D18 to light commercial, they would have light commercial right next to D5. He was in support of the motion.

Mr. Brown stated that the adjacent lot is also light commercial, so he did not feel like it being D5 next to light commercial would be a deciding factor.

Chair Pedersen voiced that he would not view it as spot zoning, as it is within another decent block of light commercial, and there might not be a lot of transition to get between the light commercial and D5, so he could see that both ways.

The motion passed 5-2.

The Commission took a 5-minute at ease.

3. USE2025 0010: Conditional Use Permit for Juneau Hydropower Inc.

Applicant: Juneau Hydropower Inc.
Location: CBJ-Wide

Director's Report

The applicant requests a Conditional Use Permit (CUP) for the Lower Sweetheart Lake hydroelectric dam and related infrastructure, a high voltage transmission line, and electric distribution from the Lena Point Substation to Cascade Point and the Kensington Mine in Berners Bay with a substation at Echo Ranch Bible Camp. The Sweetheart Lake dam portion of this project received a CUP in 2016, but no building permit was issued for the proposed development before February 23, 2018, and the CUP expired.

Staff Recommendation

Staff recommends the Planning Commission adopt the Director's analysis and findings and APPROVE Conditional Use Permit USE2025 0010 with conditions.

Dolph Mitchell, Managing Director of Juneau Hydropower, applicant, stated that they are locally owned and will hire local labor and hire, believe in local community values, will have local management decisions, investment in Juneau, and local power for local property. He shared that they just had two RCA dockets approved unanimously that were reconsidered and denied, which created an RCA certificate for Juneau to have a second utility. He explained that they were given 106 square miles of territory outside of AEL&P to serve the unserved areas of the city and borough of Juneau, and they received all the interconnection, transmission, and transmission accommodation agreements, where they will pay AEL&P around \$2 million a year, which will help lower their rates. He added that around \$270 million will be invested in the community, EPC and EPS will be helping them, and Juneau Labor Trades will be fulfilling jobs and make sure they get

things done. Mr. Mitchell said they are on the right southern end of the board of CBJ, and they are going to put transmission lines all the way up through the northern border of CBJ. Their project is 19.8 megawatts, 116,000 megawatt hours, 20-25% new generation in Juneau, 50.63 miles of high voltage transmission, which is roughly 3% of all of Alaska's transmission assets. He discussed the development timeline, submarine cables, and landform barrier. He said they meet the code compliance, state and federal regulations, and the requirements in the Comprehensive Plan. He added they have a lot of support and have done a good job of trying to meet all the rules and conditions with the CBJ, and they agreed with the staff recommendations.

Ms. Derr asked the applicant if they see their project assisting with the dock electrification for the other docks, as there were concerns about having enough hydropower.

Mr. Mitchell responded that their RCA certificate gives them 106 square miles that is all rural Alaska, and their financing is with USDA Rural Utility Services. He said there is provisions at some point in the future where they may be allowed to sell or provide AEL&P power for any of their needs within their service territory, but they would not be able to directly furnish any dock electrification or within AEL&P service territory.

Mr. Gamez inquired if Kensington Mine is helping them pay for this.

Mr. Mitchell answered that they have a power purchase agreement with them, meaning that they will buy the power that they deliver as customers. He explained that Kensington burns between 9,000 and 11,000 gallons of diesel a day, and this project in conjunction with them, reduces the greenhouse gases in Juneau by around 12%.

Mr. Gamez asked the applicant to explain their game plan on the sockeye fishing down south and how they facilitate that.

Mr. Mitchell responded that fishery is a no deposit and no return fishery and the sockeye never get up to that lake naturally, so the fish that they get are the 20% that survive of the half million fry that are put in there every May, as 80% of them die from becoming bird bait. He explained this would alleviate that, bring them down, and noted the more sockeye they have going out, the more whales and seals will come in, so there is always a balance. He added that they are going to put a nice rock thing in there to make it easier to catch the fish in nets, and they believe they will be able to increase the number of sockeye and protect them. However, it will be up to DIPAC Board on whether they determine to continue that fishery or not.

Ms. Cole asked the applicant if they foresee any impacts on current AEL&P customers in terms of rate changes.

Mr. Mitchell answered that they are paying \$1.2 million a year a AEL&P, which is the equivalence of two dock electrifications, and the average dock electrification is about \$600,000 a year, and he believes they will give a lot of that back to the ratepayers, as they are only allowed to claim so much profit.

Ms. Keller inquired about the applicant's experience with managing hydropower projects.

Mr. Mitchell responded that he has been involved with other developers of hydropower and first got into hydropower through fishing, and he helped run and get the hydropower in Pelican stabilized and ran that utility and still helps them with their FERC processes. He commented that he has been involved with FERC licensing, legislative affairs for the FERC permitting and licensing, and investment tax credits.

Chair Pedersen asked the applicant to speak more to the proposed submarine cable.

Mr. Mitchell answered that they have three modern, fiberoptic submarine cables that zero out the EMF. He added that by combining the cables, it zeroes out the electromagnetic fields.

Ms. Cole inquired what will happen if the project runs into a snag like what happened in 2016, where they are left with some built and some unbuilt infrastructure.

Mr. Mitchell stated that FERC will not provide them a notice to proceed until they have the funding and financing to complete it, as they do not allow starting a project and not completing it. He stated that they have hired Ameresco, who has built many large pieces of infrastructure so that risk is very low. He commented that for every dollar they spent, they get 50 cents back in investment tax credits.

Mr. Epstein asked if there would be a connection to other fiber systems that convey internet between us and the lower 48 or if it strictly for their own use in the system.

Mr. Mitchell responded that they will eventually be connected to the lower 48, but not through them. He said their operation is to provide the actual fiber on the cables and their personal company needs.

Mr. Gamez asked if they already have all the permitting they need for this big of a project.

Mr. Mitchell answered they have an EIS for all of the project on the southern side, special use permit from Forest Service, 404 permit, Fish Habitat permit, etc. He added that they hired a lot of locals in all the permitting process.

Ms. Cole asked the applicant to speak to any vulnerabilities or issues they could expect moving forward.

Mr. Mitchell responded that there is a small percent of all submarine cables that fail. He said another large risk is if they build this and then have a drought and not fill the reservoir, as they would have a dam not producing power, but that is very unlikely. He noted they have went over the risks and provided how they would overcome it. He added there is also a construction risk and if they could get enough laborers to do the work, but they can implement apprenticeship programs to put as many young people in Juneau to work as they can. He voiced that his team has thoroughly worked out the contingencies for anything they may encounter, as well as the financial wherewithal with ensure they overcome any risks that may come to existence.

Chair Pedersen asked for public testimony.

Matthew Bell spoke in support of the project. He stated that families and taxpayers in the community will benefit from this. He said it was nice to see a project of this size in the community being orchestrated by locals, and they have gone through the various obstacles to get to this stage and they will be paying AEL&P a pretty substantial amount of money.

Dave Hanna voiced that he hopes they approve this unanimously, as he has studied it quite a bit there is no downside to the project and so many aspects of it that are going to be so good for the community. He mentioned that they want to put in a big battery backup, which would do a lot for emergency service. He stated that right now we cannot supply energy to cruise ships or always supply energy to Greens Creek Mine, and AEL&P could buy energy from this project for things like that. He noted that this will also even out the stream on Sweetheart Lake and be an enhancement to the fisheries.

Patrick McNabe, Vice President of Construction for the Federal Business Unit of Ameresco, spoke in support of the project. He said they are honored to serve as the engineering procurement and construction partner for Juneau Hydropower Incorporated in the development of the Juneau Hydropower Utility System. He said it will provide locally generated renewable power that will strengthen grid reliability and energy security. He noted that their teams have engineered and constructed multiple renewable generation projects and their founder and chief executive officer owns and operates several hydropower facilities and understand technical and environmental complexities of building resilient grid systems in remote and challenging terrain. He voiced that they are proud to be a member of this team and look forward to advancing the project for Juneau.

Roger Callaway was in favor of the project and said it was a quarter of a billion dollars of private investment coming into southeast Alaska and power that we need to support the future and growing needs of the community.

Wayne Koogan, Auke Bay resident, talked about the need for this kind of project in Juneau. He commented that Juneau is in economic decline, and they are working on things to help with that. He said all spoke about the new projects going on right now all rely on safe and reliable energy, and currently Avista is at capacity, so they need the Juneau Hydropower Project to meet the needs of these local initiatives. He added that this project is of the most importance to this community going forward and will give the taxpayers of the city of Juneau security over time.

Jesse Young, North Douglas resident and Assistant Business Manager for IBEW Local 1547, requested they accept their two letters of support for the Juneau Hydropower Utility Project that were submitted after the deadline, which express strong support for the project as an essential investment in Juneau's renewable energy future that would create family supporting jobs, apprenticeship opportunities, and strengthen the community's long term energy security.

Joel Groves, Anchorage resident and professional civil engineer, who has over 20 years of experience predominantly focused on developing Alaska hydro projects, commented that the project team that Juneau Hydropower put together is very exemplary and top notch, and he was very confident that the new utility assets they bring to the Juneau grid will be managed to increase the grid's reliability, security, and resilience in the future.

Chair Pedersen closed public testimony and invited the applicant to come back up.

Mr. Mitchell voiced that it was not easy to get through a FERC Licensing process, but they persevered and stuck to it. He said this is Juneau money invested in Juneau for Juneau's future. He stated that they have mines that want lower cost power that create jobs and pay our schools through property tax, so extending the lives of those mines through lowering the cost of power helps the community in many ways. He expressed that he knows this is a complicated project, and they need to get their permits, do it right, and have everyone be proud of the project. He added that they sat down 15 years ago and saw they were running out of power and that it was not being made locally, and they are trying to do everything right environmentally.

Chair Pedersen asked if any information was evaluated about the energy usage of Juneau changing when looking at the viability of this project.

Mr. Mitchell answered that yes, there were high, low, and medium cases predicted. He noted they have helped push heat pumps and electric cars and he believes in beneficial electrification, as it is good for the environment, but if they want a vibrant and solid community, they have to have long term low cost power. He added that until we are on a grid where we can borrow power from others, it is essential to strengthen energy security.

Chair Pedersen inquired if they had any thoughts on the two conditions staff recommended.

Mr. Mitchell responded that they are building the mound, putting the rock out of the tunnel, and are going to put seed and other dirt on there so it blends in with the natural environment over time, which was also a FERC condition. He stated that on the Flood Plain Development Permit, they are in a rural area near Cowee Creek, which has tidal influence, so there are nuances to it. He said they need to get their hydrologist and parse out those nuances with FEMA.

Ms. Keller asked if they were working with ALE&P and see them as a partner or as competition. She was surprised they were not there and that they had no letters of support from them.

Mr. Mitchell expressed that he wants their relationship to be great, but there have only been two utility applications contested in Alaska history and they were one of them. He expressed that they are not going away and have an open door to work with them.

Mr. Gamez inquired if this project would ever coincide with the future ferry terminal expansion going northbound.

Mr. Mitchell answered that they may be bringing power to them as some point because they are in their service territory.

Chair Pedersen asked for commissioner discussion and/or a motion.

Ms. Keller was disappointed that AEL&P was not present and that she did not have a better idea of the numbers. She was not convinced of the need for this project right now, and she has seen that AEL&P has the ability to provide us with power.

MOTION: *by Ms. Derr to accept staff's findings, analysis, and recommendations, and approve USE2025 0010.*

Chair Pedersen expressed that the motion implies that the entire project and transmission lines are located in the Rural Reserve District, but there to be other zoning districts that will have slight impacts. He asked staff if they could leave the rural reserve portion out of the motion.

Director Lawhorne agreed that would be the easiest solution.

Ms. Derr approved the friendly amendment and restated the motion with removal of the Rural Reserve Zoning District.

The motion passed 7-1.

K. OTHER BUSINESS

1. **AME2025 0005:** Title 49 Rewrite, Phase 1 Wave2: Reasonable Accommodation, Zoning Maps, and Subdivisions on Arterials

Director Lawhorne clarified that this was not an item for action, and stated that this information is up for hearing at the November 18th meeting. She said they just wanted to get the information to them in advance should they have any questions.

L. STAFF REPORTS

Director Lawhorne thanked Mayor Weldon, Deputy Mayor Smith, and Assembly Member Kelly and Assembly Member Hall for being present at the meeting. She said this Friday will be one of their planner's last day, so they will be short again and have three full-time planner vacancies. She noted they will have a new planner begin next month, but now is the time to start talking about how the department needs to operate and realign the positions and budget that they have and will work with the code and the expediency that they expect permits to be issued, as the current is not working and eats up a tremendous amount of staff time that could be put to better uses. She appreciated the manager's support in their budget and the capacity they have maintained. She announced that Monday evening, they will be having the Lands, Housing, and Economic Development Counsel, and the Douglas West Juneau Area Plan will be at the Lands Committee for their review, with hopes of a motion to the Full Assembly for adoption into the Comprehensive Plan, and they want to have that before the Assembly for public hearings to be adopted by the end of 2025. She said that after the Lands Meeting, they will have a Committee of the Whole, where there will be a memo regarding the Goldbelt West Douglas Project and overview of the conditional use permit process. Director Lawhorne reminded the Commission that they will only have one meeting next month, on November 18th, at 6 p.m., Zoom only.

M. COMMITTEE REPORTS

Chair Pedersen reported that the Title 49 Committee met today and discussed different zoning districts and what could be changed in the dimensional standards for different zones to benefit development.

N. LIAISON REPORTS

Greg Smith voiced that he appreciated the work the Commission does and the important decisions and considerations they make every night. He expressed that he is the chair of the Title 49 Advisory Committee and thanked Chair Pedersen for his overview of that. He also thanked staff for all they do.

O. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

P. PLANNING COMMISSION COMMENTS AND QUESTIONS

Q. EXECUTIVE SESSION

R. SUPPLEMENTAL MATERIALS

1. Additional Materials

S. ADJOURNMENT

The October 28, 2025 Planning Commission Meeting was adjourned at 8:22 p.m.