ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE

December 9, 2019, 6:00 PM.
Assembly Chambers - Municipal Building

MINUTES

I. ROLL CALL

Deputy Mayor Maria Gladziszewski called the meeting to order at 6:00 p.m. in the Assembly Chambers.

Assemblymembers Present: Maria Gladziszewski, Loren Jones, Rob Edwardson, Wade Bryson, Michelle Hale, Carole Triem, Alicia Hughes-Skandijs, Greg Smith and Mayor Beth Weldon.

Assemblymembers Absent: None.

Staff present: City Manager Rorie Watt, City Attorney Robert Palmer, Municipal Clerk Beth McEwen, Assistant City Attorney Emily Wright, Library Director Robert Barr, Museum Director Beth Weigel, Community Development Director Jill Maclean, CDD Senior Planner Beth McKibben, CDD Senior Planner Irene Gallion, Port Director Carl Uchytil, Code Compliance Officer Nate Watts, Chief Housing Officer Scott Ciambor

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

Ms. Hale requested approval of the minutes with one small correction. *Hearing no objection, the minutes were approved.*

Ms. Hale commented that in the August 26, 2019 minutes, it mentioned that staff anticipated bringing back the successful bid proposal for the senior housing development to the COW on December 9 and she was impressed that they did just that.

A. July 29, 2019 Assembly COW Minutes

B. August 26, 2019 Assembly COW Minutes

C. September 23, 2019 Assembly COW Minutes

D. December 2, 2019 Assembly COW Minutes

IV. AGENDA TOPICS

A. Chronic Nuisance Property Ordinance 2019-30, Public Testimony

Mr. Watt explained that there is a memo from Lt. Weske summarizing the ordinance along with memos from the Law Department that had previously been before the COW and the purpose of tonight's meeting was to take public testimony on the draft ordinance.

Public Comment

Brock Tabor, a resident of 7th Street: Mr. Tabor thanked the Assembly for taking this up and said the Assembly has heard from him numerous times over the years about this issue. He said it is very important that the Assembly put some time and thought into this tool. He reviewed 20 public nuisance ordinances from around the country and this one is extremely well written, thoughtful, and he commended Mr. Palmer and Lt. Weske for their work on putting this together. He said they addressed right up front some of the major concerns that people have raised such as domestic violence and ensuring that victims are not negatively affected by the ordinance. He said the biggest thing is that it add accountability to property owners which is incredibly important, especially after living just blocks from the Bergman and witnessing what had gone on there. He said he hates to see city resources used in a way that ties their hands. He said he thinks that this ordinance will give CBJ and JPD another tool to address chronic property issues in our community.

Cathy Swanson, a resident of Aurora Court: Ms. Swanson said she was wondering what would constitute a "nuisance property" and if the local crack houses fall in that category. She said this is fine for properties that have a lot of cars or police calls but she thinks we need to look at something a little stronger than that for these other instances. She said she could take them on a tour and show them where all the stolen property ends up, especially the firearms. She said it is traded between these houses, usually for drugs. She said that she is a property investor and she has been trying to sell a property on Nugget Drive up from the local house there. She commended Nate Watts for all that he has done. She said there is not a whole lot that he can do and he needs some more tools in his tool box. She said this may help with police calls but a lot of times, if you are neighbors with those people, you don't want to call the police because you don't want them mad at you. She said she has a lovely home that is going for well under market value due to the neighbors four doors up. She is going to end up moving into it because people won't buy it. She went on to describe the neighboring house and its condition and the health hazards that were posed by the behaviors of the people coming and going to that property.

Ms. Gladziszewski thanked those who came to testify and there being no further individuals wishing to testify, she closed public testimony on this ordinance. She asked committee members if they wished to take action to forward this ordinance as is or if they had any comments, questions for staff, or changes they wished to make to the ordinance.

MOTION by Ms. Hale to forward this ordinance 2019-30 to the Assembly for public hearing and action and asked for unanimous consent.

Mayor Weldon objected for purposes of a question. She said that Ms. Swanson asked a question and she asked if page 3 of the ordinance, line 7 that refers to violations of A.S. Title 11, Criminal Law would address some of Ms. Swanson's concerns on whether they could call on a house with suspicious activity.

Mr. Palmer responded that is correct that lines 5 and 6 on that page referencing violations of the CBJ Penal Code and violations of Alaska Statute Criminal provisions would generally capture the prior testimony.

Mayor Weldon thanked Mr. Palmer and withdrew her objection.

Hearing no other objections, the motion passed.

Ms. Gladziszewski noted that it will be coming before the Assembly for action and it will again have an opportunity for Public Hearing when it comes to the Assembly.

B. Non-Conforming Ordinance 2019-37

The following additional documents related to this ordinance are linked at https://beta.juneau.org/assembly/assembly-minutes-and-agendas

- August 27, 2019 Planning Commission Meeting Minutes
- September 17, 2019 Planning Commission Minutes
- October 15, 2019 Planning Commission Minutes
- For copies of the staff reports with attachments please follow the online link above to the October 15, 2019 Planning Commission meeting.

Ms. Maclean gave a presentation regarding the background of the ordinance, and what "Non-Conforming" means in the context of Juneau's properties, the process that they went through to come up with the proposed ordinance and how it compares with the code that is currently in place at this time. Some of the key points covered included the following:

- A "Conforming" property is one that is totally compliant with the current code as is.
- "Non-compliant" means that the property is illegal or has an illegal use. She gave the example of an illegal car junk yard on River Road that is an illegal use in a residential zoning district and it has never been permitted legally.
- "Non-Conforming" is a bit of a twist on the above two. Non-conforming means that there was a use or a structure that were platted, created, or established in a time that you met the zoning that was in place or you were not prohibited by any law that was in place. She gave examples such as the flats neighborhood in which most of those lots and structures met the zoning at the time they were platted.

Ms. Mclean said she would give examples of a few well known properties for illustrative purposes so they can understand what this ordinance is all about.

She said that one non-conforming use would be the Amerigas propane store that is located on the Mendenhall Loop Road. It is now in a D-5 zoning district which only allows for single-family residential but it is non-conforming because when it was established and obtained its building permits, it was a legal use at that time and the zoning was different. The zoning changed in 1987 and so it became non-conforming. She said that isn't to say it is bad, they are a good neighbor and there have not been any complaints, it is only to say they are currently a non-conforming use.

She gave the example of a non-conforming residential density property which is Aurora Arms. They were constructed in the early 1980's, they met the zoning at that time, it allowed for many more units to be constructed than currently exists. In 1987 when CBJ rezoned that area as well, it was rezoned to D-5, and the density of the number of units on that property exceeds the number of units that would be allowed today.

Ms. Maclean explained that the flats neighborhood would be a good example of ones that were not prohibited by law. The law didn't exist when the flats were constructed and platted. Those lots were platted before subdivision regulations existed. The structures and houses themselves were constructed when we did not have building codes, no fire codes, no set backs, or any zoning.

Ms. Maclean then explained that the current code stipulates that if a home sustains damage and the cost to rebuild it exceeds more than 75% (excluding the foundation cost), you can't reconstruct what you have today. Ms. Maclean explained that 75% is a standard cut off across the nation. The idea is that zoning should shape the built environment and should shape what the community wants to look like and the zoning should encourage the types of development that you want. If you have become non-conforming, the idea is that those are uses, structures, or lot sizes that the community no longer wants to see in that area.

Ms. Triem asked why a standard is based on the value of cost to rebuild. Ms. Maclean said that if you are having to rebuild and put in a significant amount of money to reconstruct, then you should really just conform to what is current with code today and become what the community envisioned it to be. If it is a lesser amount such as 10% or 20%, that would not necessarily trigger the need to make it conforming. She said they were looking at other communities and many of them have the threshold at 50% rather than the 75% that CBJ has. She said that in some instances, some cities don't base it on the value and rather, they require properties to come into compliance within a certain time frame such as conforming within 5 years of a code change. She said they are not proposing that for Juneau, they haven't heard from the community that they want to go that way and the driving force for CBJ to change the code was the banking and financing world. Juneau's code hasn't changed in many years related to non-conforming but after the recession, the banks looked at things differently. When they were reviewing the 75% cost to reconstruct, CDD was finding and hearing that places like Aurora Arms and others could not get mortgage or financing to buy and sell those units because they couldn't be reconstructed if there was an accidental or natural disaster.

Title 49 is not currently user friendly. Ordinance 2019-37 has many other sections at the beginning of the ordinance to make sure all affected code sections are also updated when it touches non-conforming code.

Ms. Maclean then explained situations under which properties can and cannot reconstruct as allowed with the proposed ordinance. She then went on to explain two separate processes that someone might go through to apply for either a non-conforming status review or a non-conforming situation review and the differences between the two, if the ordinance passes as is.

Ms. Maclean closed by outlining the public process that this ordinance has gone through. They have been working on it for a couple of years and the Planning Commission (PC) at the committee level held public testimony on it three times. The PC Committee of the Whole heard it a couple of times. There were numerous Title 49 Committee meetings, although no public testimony was taken at those meetings. She said they met with various community groups such as realtors, real estate agents, bankers and real estate appraisers to get their input on this ordinance. She also spoke before the Southeast Alaska Building Industry Association (SEABIA) to give them a heads up of what was coming. For the most part, they have received support of the ordinance as it is written. She said they believe it will solve the issues that the residential developments have been having with the density. She said she also thinks that the way this ordinance is laid out, it is much more clear and user friendly. If things do continue to change in the private sector with banking, the ordinance as drafted would allow for subsequent changes to be made more quickly.

Ms. Maclean then answered a number of questions from Assemblymembers on a variety of scenarios if the ordinance is adopted as is.

MOTION by Mayor Weldon to forward Ordinance 2019-37 to the Assembly for action and asked for unanimous consent. *Hearing no objection, the motion passed.*

Ms. Gladziszewski and Ms. Maclean thanked staff for all their work on bringing this ordinance about.

C. Senior Housing Assisted Living Sealed Competitive Bid Results

Mr. Watt said the packet contained a memo written by Mr. Ciambor. Mr. Watt said they put out an RFP to find a developer of the land in Vintage Park that CBJ recently acquired for purposes of developing a senior assisted living and memory care facility.

Mr. Watt said they received two proposals and he was advising the Assembly that he intends to proceed with negotiations with the best bidder (Torrey Pines Development Group) under the sealed competitive bid section of our code 53.09.250(b) post-bid negotiations. Mr. Watt said that they don't often use that code section. However, they are using that section of the code because a significant factor in the award of the bid is the development proposal made by the bidder.

Mr. Watt said staff is notifying the Assembly of the selection and reminding them of the process. He

is advising them that he hopes to come back with the best negotiated solution that he is able to reach with that bidder. He said he anticipates two possible outcomes should the Assembly decide that it wants to proceed.
1) An ordinance authorizing a land sale; and
2) An appropriation of grant funding.

He said he hopes they can complete the post-bid negotiations soon although that can sometimes take awhile.

Ms. Gladziszewski thanked the Manager and staff for their work on this and the Assembly looks forward to that process completion once it is done.

D. Waterfront Museum Concept/Downtown Waterfront Improvements Phase 1 Update

Mr. Watt provided a memo in the packet along with several images and attachments. He said that he has been busy trying to come up with the concept in the event that the Assembly will provide him with direction on whether this concept of relocating the City Museum to the waterfront for inclusion of the Morris Alaska art collection is one that he should pursue or not pursue further.

He provided an update on the Downtown Waterfront Improvement (Archipelago) project, Phase I, which is currently underway. The contractor is presently working on the deck over project and currently pouring the concrete retaining wall which is the interface between the private property and the to-be-constructed public deck. Mr. Watt said that Mr. Uchytil and his staff envision a second phase of that work going out to bid in late spring, complete with development of a waiting shelter and restroom area as well as other amenities on the deck. Mr. Watt provided a brief history of the timeline related to the complicated land purchase and sale agreement negotiated in January 2019.

In looking at the big picture, Mr. Watt said he wants to explore the construction of a new City Museum on the waterfront. The goals would be multiple:
1) To improve and expand the Capitol Campus with the current City Museum across the street from the Capitol;
2) To put the museum in a location where it could be cost neutral and not require general fund support;
3) To meet some of the downtown revitalization goals by activation of the waterfront for year-round uses; and
4) To partner with the cruise industry together in things within both our interests.

Mr. Watt said he met with CLIAA executives and executives from the member lines and pitched this idea and they like the concept and see a lot of upside to it. They think their passengers would enjoy something like this with a lower cost tour option in the downtown area. By having this in the downtown area, it also lessens the burden of tourist transportation to locations outside the downtown area.

The final goal would be to showcase Mr. Morris' collection of Alaskan art in the museum's display.

Mr. Watt elaborated on how this concept originated during the negotiations of the Archipelago property and a discussion of the art collection came up. Mr. Watt had heard that Mr. Morris had acquired the property in the 1990s with the intent to open an art museum and during the negotiations he asked the architect about the art collection. Through several discussions, he learned more about the Morris family and how they had partnered in their hometown of Augusta, GA for the Morris Museum of Art in 1992 dedicated to southern art. He said that was the same concept they were thinking of for their Alaskan art and Mr. Watt provided a copy of Mr. Morris' speech from the Augusta, GA museum opening.

Mr. Watt said that Mr. Morris was quite enthusiastic to make a long term arrangement should we be able to proceed with some kind of project where we could properly care for and display the art. He said that he and Interim Engineering/Public Works Director Robert Barr discussed the concept with

Mr. Boily and Mr. Bibb from Northwind Architects and came up with an option for how the museum might sit on the waterfront and penciled out some cost estimates. He said that this is just a start and one option but not necessarily the final option. The cost estimate is approximately $8-9 million.

Mr. Watt said that he also included in the packet a summary of the Economic Plan and that this project hits a lot of notes on the Economic Plan. He said that the project would require a complicated funding package and it would not all come from outside but that some of the funding could come from outside. He said he would like to work on this to see if he could advance it further as it is not a done idea and it needs more public process, proof testing, and a thumbs up or thumbs down from the Assembly. He compared it to the proposal for a new City Hall in that if we could figure out how to invest now, then we can have a long-term, infinitely better facility and visitation that would make it cost neutral.

Ms. Gladziszewski said that what Mr. Watt is looking for at this stage is a general green light to continue to pursue this further or not.

Mr. Watt answered questions from Assemblymembers regarding the concept and whether the Archipelago property owners would approve this. Mr. Watt said that they were enthusiastic about this concept.

Mr. Jones said his initial reaction would be to object to the proposal due to concerns about whether CBJ should be using public money to support the arts. His concern is that the recent ballot initiative failure was an indication that the community is not willing to put out a lot of public money on the arts.

Ms. Triem said she would be interested in hearing more about what might happen with the building on 4th and Main and if there would be any cost savings related to that if this concept goes through.

Ms. Hale said that at one time she lived directly across the street from that parcel of property and has a good sense of how empty that part of town gets when the tourism season ends. Rather than all the boarded up and papered windows, she likes the idea of bringing an exciting new city museum in that location especially right next to a parking garage. She said that it would be a great way to revitalize that part of downtown, which they have been discussing in the Blueprint Downtown process. She said that she likes the idea of exploring this idea. She said it would be important to have good collaborative conversations with the state museum on ways to balance the city vs. the state exhibits so they are not competing with one another.

Mr. Edwardson said that he goes back to his stance on the Archipelago project. It sounds like a fantastic project but it is just not a public project if it is going to be a private museum and charging people like a private museum. He said he is not in favor of this, especially with the additional $8 million price tag. He likes the city museum where it is.

Mr. Bryson asked how much it costs to run the current City Museum. Mr. Watt noted those costs are listed on page 1 of his memo at $475,000/year. He explained that the Morris art would be given on permanent loan to the city and it would still be operated as a public museum.

Mr. Bryson said that for the cost of development of waterfront property, he couldn't see the math pencil out to make it work as a for-profit private museum. He expressed his support for this project by the city.

Ms. Gladziszewski said the purpose of this is to ask questions rather than making statements. She asked to get everyone's questions they wish to ask of Mr. Watt and then decide how they want to proceed.

Mr. Smith said the city museum currently charges admission and he asked at what level of visitation it would take to get them to a cost neutral position. Mr. Watt explained that the city museum receives 24,000 visitors a year and takes in approximately $64,000. He said that is due in part to the private contributions made by local citizens to underwrite the expense of winter admission. The current admission price is $5 for seniors and $6 for adults.

Mr. Smith asked about cost recovery estimates. Mr. Watt said that they have not yet developed a business plan for this new concept but he would anticipate that for this concept, it would be a different type of experience and would expect the fees to likely be in the $20/person range.

He said there is a clear need for bathrooms and visitor information on the waterfront and some of those things could be bundled with the facility as well and that could help with the operating costs because there would be Marine Passenger Fee dependent activities in the facility. Additional discussion took place about possible funding sources, including corporate sponsorships and other revenue sources.

Ms. Hughes-Skandijs said she would like to see more information on the proposal for the new facility as well as more information on what would happen to the current city museum.

Ms. Gladziszewski asked if the Manager had any discussions regarding possible contributions by the Morris family to the construction of the facility. Is he suggesting that CBJ build it and he would provide the art or is he possibly looking at contributing money towards building it since it would in essence fulfill his 1992 vision to build a museum to showcase his art. Mr. Watt said he has not had those conversations. He said the conversations they have had were more along the lines of Mr. Watt understands what Mr. Morris' art collection is and what would it take to keep that art collection in Juneau and would Mr. Morris be interested in doing a deal with the city.

Mr. Watt said that it is one of the largest collections of oil paintings by Alaskan Masters 1850-1960 roughly. They are approximately 250 oil paintings but he would not characterize it as primarily Alaskan Native art but some of it is.

Ms. Hale requested that when Mr. Watt brings back information about the current city museum, if they could also include all the different ways that facility has been used over the years, including a children's library.

Mr. Edwardson said he is presuming his point will not prevail so one of the things he would like to see brought back is the life cycle replacement costs of the new building - how much it will cost over the next 50 and 100 years.

MOTION by Mayor Weldon to direct the City Manager to continue to develop the Waterfront Museum Concept/Downtown Waterfront Improvement, taking into account all the concerns expressed by members today.

Objection by Mr. Jones. Mr. Jones said that while he appreciates the comments and questions expressed, they haven't changed his mind. He said that while he is in favor of opening up South Franklin, he doesn't want to do that to the detriment of the downtown area. He said that one of the things that draws people from the cruise ships through the downtown area is the Capitol Building and the City Museum.

Additional discussion took place and Mr. Bryson and Ms. Gladziszewski spoke in favor of the project but asked for additional details as commented on above.

ROLL CALL VOTE on the motion for the City Manager to continue to develop the City Museum Concept/Downtown Waterfront Improvements project.
Ayes: Mayor Weldon, Triem, Smith, Hughes-Skandijs, Hale, Bryson, Gladziszewski
Nays: Edwardson, Jones
Motion carried. 7:2.

On a separate but related matter, Mr. Watt explained that Mr. Uchytil, in the urban waterfront plan that they brought forward, had a building that included restrooms and visitor waiting room. He said they need clear direction on whether he should proceed with that or hold. There are some underlying foundation issues that are embedded in the current construction project if that building is going forward. Mr. Watt said that Mr. Uchytil could speak further on that if they wish but that issue needs to be resolved as well.

Ms. Gladziszewski said they may want to have this back before the Assembly to look at in more detail because the most recent version she saw was a conceptual sketch and not an approved final plan.

Mayor Weldon said that she would say the waterfront/museum concept trumps that building, whatever it was, and maybe the buildings could be combined.

Ms. Triem asked if the building with restrooms was the one referred to in the bus waiting area. Mr. Watt said there is a site plan that he wished they had included in the packet that would show that building but it is not one that is before them to see at this time.

Ms. Gladziszewski said she thinks they would need look at this in more detail. Mr. Jones asked if the building referred to is the one mentioned at $2.5 million in Mr. Watt's memo. Mr. Watt agreed that was correct.

Additional discussion took place regarding the structure, foundation, and the issue is that the best practices for building a building on an elevated deck would be to do a concrete slab and then the building would come up. If that building is not going in that location, they would not build that concrete slab and they would just put deck down for now.

Ms. Gladziszewski said they just voted to explore the museum concept further and that means that area is not yet done being designed. Mr. Watt said he would work with the Port Director and come up with a rational plan to bring back to the Assembly.

Mayor Weldon said that the Archipelago project was one example of an issue that the Assembly thought was significant enough to be dealt with at the Assembly level and once the Assembly was done with it, Docks and Harbors carried it out. She said the waterfront plan is similar to that. She said that as most people know, the Norweigian Cruise Line representatives would be in town this week if the fog lifts. She said that before we get ahead of ourselves too much, there is a lot of public scrutiny, there is a Visitor Industry Task Force they are waiting to hear from and she would like the Assembly to take the lead on this one. She said they will talk about any other similar issues at the joint meeting with the Docks and Harbors Board in January. To make this clear for this project going forward, she spoke with the Port Director today about this, she wanted to formally make the following motion.

MOTION by Mayor Weldon that the Assembly should be the body, and not the Docks and Harbors Board, that schedules and directs anything related to NCL purchase of the subport property. *Hearing no objection, motion carried.*

V. ADJOURNMENT

There being no further business to come before the body, the meeting was adjourned at 7:32 p.m.

Respectfully submitted,
Beth McEwen, MMC
Municipal Clerk