

**ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE**

May 20, 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.

Assemblymembers present: Mayor Beth Weldon, Maria Gladziszewski, Mary Becker, Loren Jones, Rob Edwardson, Carole Triem, Wade Bryson, Michelle Hale, Alicia Hughes-Skandijs

Assemblymembers absent: None

Staff present: City Manager Rorie Watt, Deputy Manager Mila Cosgrove, Municipal Clerk Beth McEwen, Chief Housing Officer Scott Ciambor, Housing and Homelessness Coordinator Irene Gallion, Lt. Jeremy Weske, Parks and Recreation Director George Schaaf, Engineering/PW Lori Sowa

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. February 25, 2019 Committee of the Whole DRAFT Minutes

MOTION by Ms. Becker to approve the minutes of the February 25, 2019 meeting as written.
Hearing no objection, the minutes were approved.

IV. AGENDA TOPICS

A. Child Care Committee Update

Ms. Gladziszewski noted that recommendations 1-3 of the Child Care Committee Report have been implemented and recommendations 4 and 5 are before them for consideration.

Recommendation #4 - long term: The Best Starts model be funded with some structural changes to clearly delineate how the program would prioritize increasing capacity until child care demands are fulfilled. (FY21)

Recommendation #5 - long term: With the FY21 budget to the Assembly, the CBJ Administration present an implementation plan for Recommendation #4.

Funds will be allocated to the City Manager to work on the recommendations from the committee and Ms. Gladziszewski asked the members if they had any questions or comments to add to this process. Mr. Watt said it would be helpful to receive questions from Assemblymembers that they would like answered through the process.

Mr. Jones said he put together a list he hopes other members of the committee might add to. Primarily, they are hoping the Manager might be able to identify public facilities suitable for child care providers to be in, with or without remodeling. If remodeling was needed, what kind of costs might be

involved.

Mr. Jones said they would like the Manager to put together an RFP for how a child care provider would be chosen, how best to make the facility useful and to set the policy for those kinds of things. The committee felt the program should use the Best Starts model as its beginning point but then potentially re-branding it as well as determine who would write the policies, establish those policies and how they might be carried out. He said the state is looking at increasing some of the rates and that may have an impact on recalculating the formulas used. Mr. Jones said the point is for the Manager to have something ready to propose to the Assembly by the time the FY21 budget is presented to the Assembly next April.

Ms. Hale also noted that while the Best Starts model is a good beginning, she is hoping to see what the Manager's proposal will look like, what would be changed, what might be kept and what the budget for the program might be. She said they would expect it to start off very similar to the Best Starts proposal in the first year or two but then learn as they go and changes for improvement might be made as time goes by.

Mayor Weldon said she would like to see an evaluation process built into the program to ensure it is hitting the targeted goals. The main goal is to provide up to 400 quality child care spots and she wants to ensure there are some metrics to evaluate if the goals are being reached.

Mr. Edwardson suggested the best way to go about this might be to see if the Manager has any questions for the Assembly. Mr. Watt said he feels this will be a repetitive process and he suggested bringing back a first look around October 2019 instead of April 2020 to ensure he is going in the direction the Assembly wishes.

Ms. Gladyszewski agreed with that timeline.

B. Senior Housing Tax Abatement

Mr. Watt explained that the Assembly look at this topic through the prism of housing programs. He also noted this is an entirely new program the Assembly is looking at and he didn't expect they would complete its work on it during this meeting. He suggested the Assembly take some time to review and discuss the philosophical approach.

Mr. Ciambor gave a brief overview of the memo and the draft ordinance as found in the packet. He pointed out that the draft ordinance and memo are targeting only new construction of 4 or more residential units and that it does not apply towards land purchase or remodel projects.

Members had discussions as to the overarching purpose of the tax abatement program and whether it should be narrowed down to focus on the senior assisted living facilities at this time and/or to look at it more broadly for a variety of housing types that might qualify for tax abatement.

Mayor Weldon and others supported narrowing the focus to the senior assisted living issue at this time and look at the broader tax abatement questions later.

Mr. Jones said he would not support narrowing it at this time. He suggested doing something different as there may be more than just tax abatement needed for the senior assisted living facility such as grants or other assistance from the city. He suggested looking at a possible land grant and/or a property tax forgiveness program for the senior assisted living development and he has a number of questions regarding this project.

Mr. Edwardson agreed with Mayor Weldon about focusing on senior assisted living issue but also agreed with Mr. Jones' questions relating to other potential options. He asked about process and which committees/meetings this would go to if they wished to do one or more of the following scenarios: 1) do nothing, 2) move forward with tax abatement, or 3) look at alternative funding

options.

Mr. Watt said he has thought a lot about the questions from Mr. Jones and Mr. Edwardson and has been able to see some of the confidential pro forma from one of the proposers and he does think there may be quite a large gap in terms of feasibility. He said while the numbers are exact, it lets him know the purchase of the land is not the only hurdle they face, and knowing that, he suggested the path of acquiring the land to get to a competitive process. That would put the Assembly in the driver's seat for that competitive process. He said the next assumption he made was that the thing the Assembly would want to do last was a cash grant. As such, he has steered the conversation toward tax abatement discussion second. Mr. Watt gave some scenario examples and said the Assembly could choose to do one or any of a number of options.

Mr. Edwardson is glad to hear that the Manager has given this a lot of thought but he would like to see those thoughts on paper with some proposed timelines rather than verbally at the meetings. He said that document could go from meeting to meeting with the ideas and progress updated each time allowing members to study the options and prepare their own thoughts and questions in advance of the meetings.

Ms. Gladziszewski said she was thinking along the same lines as the Manager assuming that they wanted to do tax abatement before cash grants were pursued, and she agreed that it would be good to have it in writing.

Ms. Triem asked Mr. Palmer how they determine whether something meets the definition of economic development property and asked how much leeway the Assembly has in determining that.

Mr. Palmer said the overriding authority is in AS 29.05.050(m) and is referenced on page 17 of the packet in the last paragraph. He said the online versions of the state statutes are not always up to date. He said there seems to be some confusion on that topic and the current draft of some of the state statutes online, especially on the touch and go system, that do not include the Senate Bill 100 (SB100) revisions. He said that SB100 liberalized the options. It used to be limited to five years and you had to be able to meet all of the criteria. Now it is whatever the Assembly says is the duration. The amount of the exemption or deferral and the time frame is now up to the Assembly to decide. He said that "Economic Development Property" is defined in three ways:

- 1) It has to have been previously not taxed; or
- 2) It has to be used in a trade or business, specifically for a project, such as assisted living, that creates employment in the municipality; or
- 3) It has to enable a significant capital investment in physical infrastructure and there are a couple of subcomponents.

He said with respect to #1, Anchorage considers new construction as qualifying for that designation. With respect to #2, the senior assisted living scenario would likely fit in this category. With respect to #3, the Assembly would have the discretion to determine what a significant capital investment is. Maybe that is \$3 million dollar investment or a \$20 million dollar investment but that is up to the Assembly to decide. Those are the overarching authorities to determine what an economic development property is. The process that is sketched out in the draft ordinance would be the applicant would have to apply and it is their burden to prove that they meet those requirements. It would then be up to the Assessor to make the initial determination like they do on other exemptions and that would be subject to an appeal process.

Additional questions/answers took place regarding tax status for the land and how that would translate if CBJ owned the land.

MOTION by Mayor Weldon to adjust the language of Ordinance 2019-23 COW v. 1 to page 1 on lines 20-22 to read:

(a) Purpose. this section authorizes property tax exemption exclusive of 2.65 mils for schools for construction of at least 15 (strike 4) new senior assisted living residential units on a

property that meets the definition of economic development property in AS 29.45.050(m).

Mayor Weldon also noted that if the above amendment is accepted, it would need two other minor changes. Page 3, Line 4 would need to change the number of units from "four" to "15." On line 19, she changed the number of years from "ten" to "twelve" due to the fact that she kept it at 2.65 mils.

Ms. Triem asked Mayor Weldon what the reason was to change to 15 instead of 4 units. Mayor Weldon explained that this initial ordinance was generic for any kind of tax abatement and she picked 15 units because she feels they are looking for a facility for assisted living rather than a residence plus three other units.

Mr. Edwardson said he thought that would work for the project on the river but asked if that also works with the Alaska Legacy Partners project. Mayor Weldon said she spoke with two of the Alaska Legacy representatives and they have confirmed that 15 works and they are hoping for 15 units with double occupancy so space for up to 30.

Ms. Hale said that since they are really looking to tailor this to senior assisted living, in looking on page 3 lines 15-18, she had concerns about the reference to the square footage language will jive with the Assembly's intent.

Ms. Gladziszewski noted that type of language review is something she is hoping the City Attorney will look at closely and adjust as needed. She also asked any other members that if they have language concerns to direct them to Mr. Palmer.

Mr. Jones said he doesn't know if they have articulated the purpose well enough for him. His concerns are that the numbers keep changing and he hasn't seen the full costs and would need to see more details as Mr. Edwardson suggested. He would be willing to do a tax abatement if that helps but he hopes that when this comes back with wording change, the Manager can provide actual numbers as to what is involved before the Assembly has to say yes or no to the final decision. He can say yes tonight but that might not be his final vote unless he sees the road map and what the potential liability for these incremental costs might be.

Ms. Becker said if they do all that, she would like some assurances that this will be enough and they can actually get the project built rather than it not being enough and having to come back for more and more funding from the city.

Ms. Hale said she appreciates the concerns that were raised. She noted that tax abatement on a project not built, that won't be built without the tax abatement, means that we aren't losing any money. We are not losing taxes on something that can't be built without the abatement.

Mr. Watt said he thinks they can do three things, two are easier than the third.

- 1) We can collect specific questions like the aggregate of foregone taxes that we currently have and categories;
- 2) We can bring back a new draft ordinance with some changes that targets senior housing; and
- 3) To formulate what will essentially be the draft of what the solicitation or legal contract might look like.

Mr. Watt said the first two should be fairly easy to come up with and bring back to the Assembly the information requested fairly soon. As for the third, that would take more time and he said he can't commit to how quickly he would be able to come back to the Assembly with that information. He also noted that there are two likely paths for this info that he would look to the Assembly for direction on. Path A - the Assembly stipulate that they want to only spend "X" amount of money and/or provide tax abatement credit and request proposals based on those parameters; or Path B - the Assembly indicates it wants to see "Y" number of units (possibly 60-80 units) and is requesting proposals to see what that total price is based on that number of units.

Ms. Gladziszewski asked the Manager if he had all the questions from the Assembly that he can move

the ball ten yards forward. Mr. Watt said he hopes to at least move it 8 yards forward. He did say that developers will eventually be asking him and Mr. Ciambor "What does the Assembly want?"

Mr. Palmer commented that if we own the land, CBJ can control the solicitation and whatever the arrangement. He said that this ordinance in front of them is somewhat different. It is borough-wide, regulatory in nature and in general, CBJ would not have a lot of control over that piece of property. He said that if someone meets this criteria, they get the exemption. He noted these are two different models and they do overlap on a Venn Diagram but two slightly different models.

Hearing no objections, Mayor Weldon's motions carried.

Ms. Gladziszewski agreed that this ordinance as currently proposed, would apply to anyone who would use it.

Ms. Gladziszewski then recessed the meeting for a short break.

C. Chronic Nuisance Property Ordinance

City Manager Watt welcomed Lt. Weske from JPD to give a presentation to the committee on the topic of chronic nuisance properties. Over the years, there have been a number of properties around town that have received a lot of service from our first responders, particularly JPD and those properties have infuriated their nearby neighbors. Lt. Weske has been working on this concept that would be a philosophical change in how we approach policing in difficult situations by introducing the concept of cost.

Ms. Gladziszewski said the goal at this meeting is to hear the presentation and this is another brand new idea for Juneau. She said the COW will not be deciding on what the ordinance will look like right now.

Lt. Weske gave his presentation. He said the main purpose of this is to protect the safety, security, and quality of life for our neighbors. He said that the Assembly has all heard complaints from neighbors regarding safety and security concerns. The purpose of this proposal is to assist homeowners and landlords and give them options for how to handle problem tenants and the hope is that it identifies and corrects behavioral problems. It provides the city with actionable means to address a problem in an effective and timely manner. Lt. Weske said that we've seen some homes and businesses such as the Gastineau Apartments, the Bergman and homes in the valley where the problems have been taken care of but that it took a lot of work over a long time and this type of ordinance would allow for JPD resources to be focused on other needs in the community.

Lt. Weske gave an overview of the definitions of a chronic nuisance property and examples of ordinances already in use across the country, including in Anchorage. He said the number of responses vary from community to community but on average, it is 6-10 calls every 12 months before a property is considered a chronic nuisance.

Lt. Weske reported that there are some types of calls excluded from the count and those would include calls reporting domestic violence, sexual assault, and child neglect as they do not want to hinder those calls in any way.

When Lt. Weske reviewed the calls that came in from 2016, 2017, and 2018, there was an average of 17 residences that could potentially have been categorized as a chronic nuisance property. He also gave details about the safeguards they would build into any ordinance to prevent unfounded neighbor complaints.

Lt. Weske and Mr. Palmer answered a number of questions from Assemblymembers regarding this type of ordinance vs. those that CDD enforces as well as ordinances pertaining to junk vehicles. They also discussed, under this type of ordinance, who would receive fines, how those fines would be

collected and the property lien process.

Mr. Edwardson asked how the public might be able to comment on this proposed ordinance. Mr. Watt explained a number of avenues such as sending emails to BoroughAssembly@juneau.org as well as when the ordinance comes before the Assembly for public hearing.

Members of the committee discussed the nuances for types of properties, the length of time (12 months), the types of calls, whether fireworks complaints would count, etc...

Ms. Triem and others expressed concerns that this type of ordinance could potentially be used in a discriminatory way and they wanted to ensure safeguards were in place to prevent that from happening.

Members heard from Lt. Weske about how these types of ordinances work in other communities and how it might assist landlords and tenants alike depending on the situations involved. When asked about other cities in Alaska, Lt. Weske replied that Anchorage is currently the only other Alaskan city with this type of ordinance and the ordinance he is hoping to draft would mirror their language as well as those in state statutes.

Ms. Gladziszewski said when this comes back to the Assembly, she would like to see evidence that what is being asserted is true and she would like data showing how this has been implemented in other communities. She said the members were in general support of moving this forward.

Mr. Edwardson asked about taking comments from the public on this once there was a draft ordinance. Ms. Gladziszewski said that the draft ordinance would be coming back to the COW and if they wished to take public testimony at that meeting, she would be willing to allow that.

D. Parks & Recreation Master Plan

The Draft Plan previously submitted to the Assembly COW can be found online the following link <http://www.juneau.org/parkrec/documents/ParksRecreationMasterPlan2019-2029FDRAFTsmall.pdf>

This packet contains a memo from Parks and Recreation Director George Schaaf and replacement text for Chapter 7.

Parks and Recreation Director George Schaaf gave a brief overview presentation following the more intensive presentation that Alix Pierce had provided the Assembly a couple months previous. He noted that his presentation would focus primarily on the changes and answer questions from the Assembly. He noted that it has been a couple of decades since the last Master Plan was adopted and it was past time for this work to occur.

Mr. Schaaf's presentation included an overview of the public engagement and community/public meetings held relating to this plan. There had been a special committee of the Parks and Recreation Advisory Committee that held a series of 16 public meetings over the past two years to develop the Master Plan. The key themes that came about as a result of the meeting and were included in the plan were that we need to take care of the facilities that we have. We need to be mindful to keep our programs equitable and accessible for everyone in the community. They want to maintain a focus on partnerships and to ensure they remain financially sustainable.

Mr. Schaaf explained that one of the things a Master Plan like this does is to inventory all the things they have and to provide a snapshot in time of their parks facilities and programs. There are 33 developed parks and within those parks there are 17 playgrounds, 4 tennis courts, 9 basketball courts, 6 picnic shelters, 17 different kinds of athletic fields, nearly 200 trash cans, 21 restrooms, a whale and they manage over 6,000 acres of land. Juneau has two aquatics facilities with two pools in each facility for a total of four pools. They have the only sheet of indoor ice in Southeast Alaska, one gym (Mt. Jumbo gym in Douglas) and the Zach Gordon Youth Center. He said the plan does not include items that the Parks and Recreation does not manage such as Eaglecrest, the Dimond Park Field

House, or Juneau School District facilities but they did consider those when they thought about how many facilities were in the community overall.

Mr. Schaaf said the survey was one of the best things that came about from the plan. The Parks and Recreation Department has never really done something like this previously. The survey is an appendix found in the back of the plan. One of the key results from the survey was the fact that last year 89% of Juneau residents used a trail. He said he didn't know if there is any other segment of the community, aside from the airport, that is used so widely by Juneau residents. Trails is also one of the things they spend the least amount of money on.

Some of the other take aways from the survey was the large number of residents still interested in developing ATV parks and also the need for more gym space in the community. One of the things they found was that we are behind in our investment in replacing playground equipment. As far as programming needs, they need to provide more programming for early childhood, after school programs, and to focus on our aging community.

Mr. Schaaf said the memo in the packet provided some requested changes in regards to the lands disposal piece of the Master Plan. He said that what they did in the Master Plan was to include a lot of great maps from cartographer Quinn Tracy. One of the maps identified specific parcels that could be suitable for disposal that are currently managed by the Parks and Recreation Department. With respect to background on that, CBJ Parks & Rec has acquired management of a lot of land over the years since statehood and CBJ unification. They have a lot of park land they actively manage they also have a lot of vacant land they are surprised to find out they manage. There are also some large tracks of land that were given to the department because they manage land without a specific intent that the land would be used for recreation in the future. In some cases, they need to plan for growth but they also identified some areas in the Bayview area, N. Douglas, Mendenhall Peninsula, Fritz Cove, Engineer's Cutoff, and Tee Harbor that have some fairly large parcels that could be useful for other Assembly goals such as housing.

He said that their approach was to provide a fairly straightforward explanation of how they look at proposals to dispose of park land. They consider most park parcels were designated that way for a reason and they created a chart that would help people interested in acquiring a piece of parkland navigate that process. There is a simplified, streamlined version of the chart that was in the initial draft plan. The first step is to meet with staff to highlight any potential problems such as if that parcel was a historic cemetery or something else. If things look good, the applicant can then go to the Lands and Resources office, file an application, pay the application fee, the application goes through an initial review through the City Manager's office and by that time they have more information. Lands staff tells them how it fits into the Lands plan and the Parks & Recreation Advisory Committee would have an opportunity to look at the proposal and provide a recommendation. From there, it goes to the Assembly and the Assembly could decide to reject the proposal or they can give staff direction to negotiate with the applicant. From there, it would follow the current process through the Lands & Resources Office and ordinance process.

Mr. Schaaf said the last piece is how they intend to implement the Master Plan. It is a 10-year plan and the last plan they had on the books for almost 30 years so these have a tendency to go beyond their shelf life. Every year, they want to go through and review the priorities, annual goals, and recommendations. Every three years, they want to review the mid-range recommendations and update the goals of the plan. Every five years, they want to take a hard look at it and update the Master Plan and review the goals and priorities.

Ms. Becker said that lands issues are interwoven with this and the plan did not go to the Assembly Lands Committee for review and she asked if there was any reason it did not go to their committee for review.

Mr. Schaaf said he thought it did go through the Lands Committee.

Mr. Watt said that by way of clarification, this plan has a lot in it about prioritization of the department

and operations of the department and Lands Committee has a very specific role in the event of land leases or disposals and this helps clarify that role for the public. He said that he thinks it is sometimes hard for the public to understand how we manage land and that would be unchanged.

Ms. Becker asked if there was anything in the plan that changes the action of the Lands division. She said that she thought she read in the plan that Parks and Recreation would sell land so they would have money to support parks. Mr. Watt explained that the plan does not change the Lands Committee's role and all land disposals would still go to the Assembly Lands Committee. If there were financial resources that came from those disposals, the Assembly would have to decide, by ordinance, where to direct those funds. He said that they acknowledge that in the balancing act that the Assembly has to do selling a piece of land that is designated park land. Even if it is not currently being used by the public much or if at all, the Assembly may want to direct use of some of the resources from the sale in a particular way to ameliorate neighborhood comments or concern. The plan does not change the role of the Lands Committee in that process and it doesn't change the discretion of the Assembly on whether or not to pursue a land disposal or how to manage funds from a disposal.

Ms. Becker thanked Mr. Watt for his explanation and said her main concern with the disposal of any CBJ park land is that first it be made available to other departments or the school district for their needs. She said the draft plan had not come before the Lands Committee so she had not been able to ask those types of questions that would have likely come up during a Lands Committee review of the draft plan.

Mayor Weldon thanked the group who wrote this plan as it was one of the easiest plans to read and appreciated the recommendations in each section. She had some questions on some of the recommendations. Her first question was relating to the recommendation to work with Eaglecrest and the Juneau Community Foundation about taking over management of the Dimond Park Field House and asked why they wanted to take on that role.

Mr. Schaaf said the plan recognizes that we don't have enough indoor gym space and so they struggle to find a home for some of their programs with Community Schools. That led to a conversation about the field house and a lot of the community already assumes that Parks and Recreation manages the field house. He said he feels there is good alignment with the department and the Wells Fargo Dimond Park Field House. They have just begun having conversations about this and it is still very much in the early stages of exploration.

Mayor Weldon asked about the comments at the back of the plan and the comment about the potential to have Lemon Creek Correctional inmates help with trail work and if there was any merit to exploring that. Mr. Schaaf said there is some merit in trying to use trail work for court required community service hours but he also gave the example of how the Municipality of Anchorage actually charges \$65/hour for their Parks and Recreation staff to supervise incarcerated persons for trail work.

Mr. Jones mentioned an item that was before the Assembly Lands Committee earlier in the evening. He asked about the role of the Parks and Recreation Department with respect to the ownership and management of cemeteries. Did they specifically remove cemeteries from the master plan, if so, why. He said he knows they manage Evergreen Cemetery but asked what their role might be with respect to the cemeteries in Douglas and possibly others around town.

Mr. Schaaf explained that the city charter provides for the different departments and one of the specific duties assigned to Parks and Recreation is to maintain the municipal cemeteries and also the record keeping for the cemeteries. That is where that fits into their department and at this time, Evergreen is the only cemetery that they fulfill all those duties on. He said they do provide some maintenance to one cemetery by an elementary school. It is basically a one-off managed and maintained by our Parks and Landscape Division, we don't have any plans other than to maintain the service levels at the cemetery and it was not included in the Master Plan. They are not really keen to stay in the cemetery business and they did not include in the Master Plan a proposal to acquire additional land for future cemeteries. They did not get into the details on the specific proposals for the

Douglas Cemeteries because at the time they were beginning to work on the Master Plan, it was the same time that issue was just starting to be discussed.

Ms. Hale agreed that this was a really easy to read and use Master Plan. She said with respect to the Dimond Park Field House, it is one of the best kept secrets in Juneau and needs more exposure.

Ms. Hale and then Mr. Bryson both spoke to the lands disposal process. Ms. Gladyszewski noted that the Lands Management Plan identifies CBJ land for disposal and those lands identified for disposal would be considered before park land was considered for disposal.

Mr. Watt explained that the Lands Management Plan is a catalogue of all CBJ owned land, the managing departments associated with that land, and the land disposition (retain, dispose, etc...) recommendations. At the time that Mr. Chaney was updating that plan, there was a question about what to do with the park inventory. Mr. Watt said he instructed Mr. Chaney to leave those lands out until after the parks master planning process was completed. If the Assembly wants to look at that, they could ask for that to make recommendation on some potential land disposals that are currently classified as managed by Parks and Recreation so that would be a next step.

Mr. Edwardson said that managing land isn't new, the state has been doing it for a long time. In the state system, when a park becomes a park, it is removed from the public domain. When it is de-designated as no longer park land, it becomes general land to benefit the public for the highest and best use and there is not an expectation that the money goes to the parks.

Mr. Schaaf clarified that on page 101, the intent language is to consider the proceeds of land sales go towards acquisition of different lands for additional park uses.

MOTION by Mayor Weldon to forward the Parks and Recreation Master Plan to the Assembly for adoption and asked for unanimous consent. *Hearing no objection, the motion carried.*

E. Valley Transit Center Update

Mayor Weldon recused herself from the discussion since she has a business that is affected by this project.

Engineering/Public Works Project Manager Lori Sowa presented an update of the Valley Transit Center. She said this has been in the works for several years and prior to her time at CBJ. The project has been discussed at numerous PWFC meetings over the past year. Capital Transit has been looking for a location to build an improved transfer facility in the valley to better serve riders, bus drivers, and provide for a park and ride facility that would encourage more commuting via bus. She said the site has been identified at the Mendenhall Mall area between Asiana Gardens and Heritage Coffee. The Mall was recently sold to Alaska Legacy Partnership and they plan to subdivide this parcel out and sell it to the city.

The preliminary site plan has been completed and is included in the packet which is currently at 35% of the full design. Eng./PW staff has applied for a Conditional Use Permit (CUP) and it is going through the review process and scheduled to go before the Planning Commission on June 25. Recommendations will be sent to the Assembly at a future date.

With respect to scheduling, on June 3, at the Assembly Meeting, they are transferring and consolidating CIPs into the Valley Transit Center CIP. That has gone through the PWFC. Staff is thinking it will be late summer or fall by the time they can purchase the property. She said they are looking for a grant funding decision soon for the construction funding on the project. They have already received \$800,000 from a previous grant for the project. Their hope is to go into design this winter and if everything goes well, construction would take place summer 2020. Staff will keep the Assembly updated through the PWFC. They are not asking for any particular action at this meeting, they primarily wanted to give the Assembly an update on the status of the project.

Mr. Jones asked about process and timing. He said that for the past few years, there has been money moved around and gone through this process of agreeing to this site and setting money aside to try to purchase the property. Given that the Mendenhall Mall is privately owned and one huge lot, the owners will need to go through the subdivision process. Then it has to be surveyed, platted and an appraisal has to be done so it can be brought back to the Assembly to see if they would be willing to pay that for the land. Given those steps required and it being a six month or longer process, he asked how CBJ can be applying for a CUP for this project on land that we don't have control of.

Ms. Sowa said the plan is to go before the Planning Commission based on the project itself. She said that the Mall property will not be subdivided into individual lots for all of the different business, the subdivision would be just for this portion of the property with access to Riverside which is a public road and that is what allows the owners to go ahead and subdivide that before any other subdivisions are made. She said she wasn't aware that it was a condition that we had to own the property before going before the Planning Commission for the CUP.

Mr. Watt said that on a project like this, there is no ideal time to get a CUP. He said that generally the counsel is that earlier is better than later which affords the public the opportunity to comment. He said that you can apply for a use permit if you have the consent of the property owner that is authorizing you to go forward. He said that we have the problem of trying to line up many things in no particular order:

- Various Assembly approvals, including grant appropriations
- Grant requests,
- Negotiating with the property owner,
- Getting public comment that might come through the use permitting, it might come directly to the Assembly, it might come through the City/State project review.

Mr. Watt said on something like this, there is no perfect sequence where you can map it all out and it is better for the public if they can get the use permit public process done earlier.

Mr. Jones said that in discussing this with Mr. Vigue, while Heritage Coffee and NAPA Auto Parts don't own their property or the buildings, they were looking at some access to some of that same property so depending on how CBJ negotiates with those two businesses that are leasing Mendenhall Mall property might determine where the property lines are in terms of the Valley Transit Center. He said that would all need to get worked out so the Assembly could know what the appraisal/purchase price was.

Ms. Sowa said that late summer is likely too optimistic to work everything out but they have already moved the proposed property lines once to accommodate Heritage and staff is trying to be as flexible as they can while still being able to build the bus pull through and the park and ride. She said they will continue the conversations and may end up adjusting lot lines a couple more times.

Ms. Hale said that at some point there was a discussion of having a heated place for people to wait. There were concerns that if you provided a heated place, there would be homeless people staying in the heated place. She said this is a bigger conversation as CBJ needs to address our Downtown Transit Center (DTC) because it is basically unusable as a transit center because there are so many people sleeping or hanging out in it in the winter. She asked what the plan is for the transit center to have a heated waiting area.

Ms. Sowa said that the planned building is strictly a break room for drivers to be able to get out of their bus and take a break. CBJ does not currently have an enclosed waiting area proposed for this facility. They want to make sure the shelters are covered and have a good place for people to get out of the weather but they haven't proposed an enclosed facility in part due to issues they've seen downtown.

Ms. Hale said she worries about us making decisions like that about enclosed vs. not enclosed when we build something and it gets used for something else then we just throw up our hands and give up.

She was very concerned about that.

Mr. Bryson said he has two issues. He actually tried to purchase this piece of land several years back and the previous owner would not separate his land because he had a grandfathered-in, very low assessment of the property because it was the property as a whole and some of it was undeveloped. He asked if we know what the assessed square foot value is for this piece of property and what they anticipate the cost to be. His other question/concern had to do with security. As someone who has been attached to the other mall, he said he watched it go through a progression, it was almost like a transit center at the Nugget Mall. In the early days there was a hallway that had vending machines, restrooms, and while there may have been some issues, they were minimal. He said when a little bit of vandalism happened, they began to lock the back door. Then the riders didn't have vending machines or restroom access and that happened to coincide around the same time they saw the rise in crime in the area. He said that knowing a transit center can have all sorts of visitors, he asked what security precautions are being planned for this transit center.

Ms. Sowa said CBJ had an appraisal done on a hypothetical lot and they had to call it a hypothetical lot because it has not yet been subdivided. She said the square footage is similar but not exactly the same as the outline they presently have. The property value was just over \$1 million. That gives them an idea of what the cost would be. Once the lot is subdivided, they can do another appraisal to determine fair market value.

Ms. Sowa stated that in terms of security, this is early in the process so they don't have all the details worked out. The intention for management of the design is to be well lit and open but the details have not been worked out. Mr. Bryson asked if it would be possible to find out the per square foot cost. Ms. Sowa said she can forward the appraisal that they had but from her memory, it was \$16/square foot.

Ms. Gladziszewski asked about history of transit centers and how much we might be learning from other places. She said that all over the nation, you go to transit centers and they struggle with livability and struggle with being great because they are a place for people who don't have a place to go. She asked what lessons we have learned from that and design elements to make it acceptable to everyone. She said she is worried about the park and ride. She asked if they have done surveys or if people who live in the valley are interested in the park and ride. It has to be a nice enough place for citizens to park their car and feel comfortable waiting for the bus.

Ms. Sowa said she believes there is definitely a demand for it. She said she didn't know if there were surveys that went out that have surveyed the community in terms of whether they would use a park and ride facility in this general area. She said there is a huge parking crunch downtown so the goal is to have more people riding the bus and commuting into downtown. She said having the facility be very open and well lit in the evening hours, can go a long way to feeling more safe and secure than if you are somewhere that is dark and not well lit and has lots of little corners that you can't see around. From a design perspective, that is what they are looking for. She said that if you get more people into the facility and actively using a park and ride, this would be a different facility then without the park and ride feature. They are looking at putting in bike lockers and good pedestrian access from the valley into the design of this facility.

Mr. Watt said that circa 2014, we tried to survey downtown employees about this issue but they were unable to get the state facility manager to cooperate in sending it to state employees as there had been tension between Department of Administration, provision of parking facilities and state employees so they were unable to get the best information through the best avenue. He said that he would echo Ms. Sowa's comments that if it is easy to use and it is nice and pleasant, then success will be directly correlating.

Members then discussed concerns about the need to meet the issues head on. Ms. Hale said that as a follow-up to what she mentioned earlier is that they need to address the DTC before we try to understand best options in the valley. Members were all in agreement that there is a need for riders to have a place to use the restrooms. They shared their experiences with the Anchorage transit center

and those in the Seattle area and how there are different concerns relating from urban park and ride centers vs. downtown transit centers. Members also asked what kind of outreach and publicity staff has planned about the park and ride and the transit centers. Ms. Sowa said that they do not yet have an outreach plan in place but that is something they will be developing as this moves forward.

Ms. Gladziszewski said she has heard from businesses in that area that they are quite concerned that there will be a lot of people attracted to that facility.

V. EXECUTIVE SESSION

A. Executive Session - Contract Negotiations

MOTION by Ms. Triem to recess into Executive Session for the purposes of discussing matters, the immediate knowledge of which could have a detrimental affect on the finances, specifically an update on collective bargaining. *Hearing no objection or requests for public comment, the meeting recessed into Executive Session at 8:51p.m.*

VI. ADJOURNMENT

The Assembly came out of executive session at 10:26 pm. Assemblymember Triem reported that the Assembly heard updates on employee contract negotiations and provided direction to staff. There being no further business to come before the body, the meeting adjourned at 10:27p.m.

Respectfully submitted,
Beth McEwen, MMC
Municipal Clerk