

**ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
MINUTES**

December 29, 2014, 6:00 PM.
City Hall Assembly Chambers

Assembly Worksession - No public testimony

I. ROLL CALL

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

Assemblymembers Present: Mary Becker, Karen Crane, Maria Gladziszewski, Loren Jones (telephonic), Jesse Kiehl (telephonic), Jerry Nankervis, Merrill Sanford, Kate Troll and Debbie White.

Assemblymembers Absent: None.

Staff present: Kim Kiefer, City Manager; Amy Mead, Municipal Attorney, Rob Steedle, Deputy City Manager; Laurie Sica, Municipal Clerk; Rorie Watt, Engineering Director; Kirk Duncan, Public Works Director; Bob Bartholomew, Finance Director.

II. APPROVAL OF AGENDA

Hearing no objection, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. December 8, 2014 Committee of the Whole Draft Minutes

MOTION, by Crane, to approve the minutes as corrected by removing the words "...without CBJ involvement, or become part of the eminent domain process with us..." on page 2. Mr. Kiehl also requested the addition of comments from Ms. Mead to the effect that "if a private sale occurred, she would return to the Assembly with information and not proceed with eminent domain." Hearing no objections, the minutes were approved as corrected.

IV. AGENDA TOPICS

A. Housing First Update

Several were present to discuss the Housing First project, including Paul Voelckers of MRV Architects, who was helping to design the facility; Mandy Cole, representing the Juneau Coalition on Housing and Homelessness, Mariya Lovishchuk, Executive Director of the Glory Hole; Ricardo Worl, Tlingit Haida Regional Housing Authority, a member of and contributor to the Housing First project; Bruce Denton, Board member of the Glory Hole and with the Downtown Improvement Group; Scott Ciambor, Planner for the State of Alaska and Chair of the Alaska Coalition on Housing and Homelessness, and Norton Gregory, Tlingit and Haida Regional Housing Authority and member of the Affordable Housing Commission.

Ms. Lovishchuk said the Housing First project was a priority for the community and the Special Needs Housing Grant application deadline was February 20, which was driving the quick pace of preparing the project details for submission. The people at the table were present to discuss the layout of the project, the budget and the need for the facility. Representatives from Juneau Alliance for Mental Health, Inc., Bartlett Regional Hospital, and other partner agencies were present to answer any questions from the Assembly as well.

Mr. Voelckers described the building and showed draft plans. The project is a phased facility, and the first phase would cost an estimated \$6.8 million. It would include non-profit and clinic space on the

first floor and housing on the 2nd and 3rd floors. The housing included 32 single occupancy rooms, efficiencies with private cooking and restrooms. The first floor included a dining area and commercial kitchen, storage, laundry and three support offices, for 16,500 square feet at \$375/sf. He showed a site plan, which includes two lots donated by Tlingit Haida. A future Phase II included a non-profit center with additional residential rooms. The materials would be simple and durable. The site is in Lemon Creek in a general commercial zoning district and there was potential for a pedestrian link to Glacier Highway. The building and density proposed were according to code and the setbacks and height were met. They may request a parking variance as the residents would not require a lot of parking.

Ms. Lovishchuk said the bulk of the project funding was anticipated to come from the Special Needs Housing Grant which was administered by the Alaska Housing Finance Corporation. This source was funded now but was not guaranteed to be funded in the future, so the time to build this project was now. She gave an overview of the estimated revenues and annual operating budget. The estimates were based on the Glory Hole and St. Vincent de Paul's numbers. Many of the residents would qualify social security and disability and would pay rent, and AHFC vouchers would be part of the picture. The facility would be staffed 24 hours a day.

Mr. Nankervis said the packet indicated that the operating costs were "conservative." Ms. Lovishchuk said that conservative to her meant that she believed the costs would be less.

Ms. Troll asked about the qualifications for the staff. Ms. Lovishchuk said the facility was primarily housing and mental health counseling would be provided by partner agencies such as JAMHI. The staff would promote community, ensure safety, and they would receive training in mental health and first aide but they would not be mental health professionals.

Ms. Gladyszewski said the revenue figures were aspirational and Ms. Lovishchuk said that was true. She said there was virtually no chance of receiving a SNH grant without community funding as it would not be able to out-compete the other projects. If there are community funds, they know that AHFC is very aware of this project and it has not funded any projects outside of Anchorage and Fairbanks in a long time.

Ms. Becker asked about Phase II and asked if the United Human Resources had been contacted to be a part of this. Ms. Lovishchuk said they had talked only with Southeast Alaska Independent Living at this point but they want to ensure completion of Phase 1 at this time, considering the economic realities.

Mr. Worl said THRHA stood behind Housing First and the working committee of volunteer members. He said this model works and is certain that it will work in Juneau. THRHA decided to contribute the land to this effort as it was the missing piece needed to move forward. These leaders and agencies have done their homework and put together a plan to put the Juneau homeless situation on a new level. He asked for the Assembly's funding support.

Ms. Cole said there were many economic reasons to do this but more human reasons to make this happen. Every time the community loses a homeless person to the elements it is a tragedy. The Homeless Coalition was a disparate group of providers with many agendas but felt this project put them all on the same agenda and would help those most in need in the community. Years of slow measured progress have led to this quick response to take advantage of this opportunity.

Mr. Gregory said the Juneau Affordable Housing Commission believed that this project fit with its mission and would add value to the community. The AHC supported this project and encouraged the Assembly to do the same.

Mr. Ciambor stressed the competitive nature of the SNHG and said it was important to submit a timely, solid application. The way to end chronic homelessness is to provide permanent supportive housing units. Since 2000, the community had invested in 124 housing units, but none that served those most in need. The only time this population had been addressed was in the creation of the

Glory Hole.

Mr. Denton said he could not speak for the Downtown Improvement Group (DIG) as it was just a bunch of people talking and learning. When DIG brought in stakeholders and heard from Mr. Ciambor and Ms. Lovishchuk, it became clear that a Housing First project was needed before any change would be seen in the downtown area. It was difficult to quantify the economic impact of this population downtown, but he thought this project would positively impact the downtown economy. He said this also could leverage funds to support the building community as there were not a lot of CIP projects on the horizon.

Ms. Crane asked about support from other funding agencies. Ms. Lovishchuk said she had positive communications with the Juneau Community Foundation, would meet with the Rasmussen Foundation on January 5, and had contact with the Murdoch Charitable Trust.

Mayor Sanford suggested that the THRHA land donation be added to the list of funding sources. He said this project had been discussed for a long time but this was the first time there was a concrete proposal with such great community support. He was surprised that CBJ was only asked for \$1.5 million, which was a lot of money, but he thought more would have been needed. He asked staff for funding ideas.

Ms. Kiefer said there was \$5 million dedicated from the 1% sales tax to go into the budget reserve with \$1 million of that slated in 2016, that could be investigated for use. There had been no discussions with the hospital yet regarding its possible financial support. A portion of the tobacco tax could be used, and available sooner if the Assembly did not take the increase in excise tax to a public vote. Additional unanticipated fund balance might be available, so there were options.

Mayor Sanford suggested looking into the housing loan program from JEDC.

Ms. Crane discussed funding, her support for the project, and that a commitment at this meeting would assist the working group gain the support from other funders.

Ms. Troll said this was a ripe opportunity and she did not want to lose an opportunity for a \$3.5 million grant.

Ms. White asked if the Glory Hole Shelter would be moved from downtown. Ms. Lovishchuk said that the Glory Hole would continue to operate the emergency shelter and meal service at its current location, but would likely discontinue the sack lunch program which had started when the chronic inebriates were no longer allowed to be in the shelter or day room when intoxicated.

Mr. Kiehl supported using a portion of the tobacco tax increase as a funding source and thought this project would improve the community.

Ms. Becker said she completely supported the project.

***MOTION**, by Troll, to forward a resolution of the support for \$1.5 million for the Housing First project for Assembly action at the next meeting of January 12, and to bring forward funding recommendations to be acted on at a later date.*

Ms. Crane supported this and said she wanted to see the commitment made and the Assembly had time to work out the details.

Hearing no objection, it was so ordered.

B. Housing Matrix Update

Mr. Steedle said the subdivision ordinance would be before the Assembly soon. To clarify, a minor subdivision was proposed to be up to and including 13 lots, a major subdivision was 14 lots or

more. There would also be an accessory apartment ordinance before the Assembly.

Ms. Crane said that the FEMA flood map issue was not necessarily complete, but CBJ staff was working with individual property owners to resolve map issues. Mr. Steedle said that was true.

Mayor Sanford asked to have the completed items removed from the list. Mr. Steedle suggested also removing items that were opinions or not actionable as they conflicted with state law, and there was no objection.

The Assembly discussed the issue of culture at CDD and acknowledged that positive progress had been made.

Mr. Steedle presented a memo about property tax exemptions that CBJ could enact and said those could be taken up in a future meeting. Mayor Sanford said this was another one of the goals of the Assembly - how to facilitate private businesses to remodel and upgrade buildings. Mr. Steedle said the ideas in the memo were reviewed with the city attorney. The Assembly would need to talk about the implications of these as potential ordinances. The current exemption that was in the code was unenforceable and did not comport with state law and that needed to be fixed.

Ms. Crane suggest a worksession on these ideas as she had a lot of questions.

C. Transit Plan Update

Mr. Steedle said staff was doing a "reset" on the work on the Transit Plan and it was time to change the process to be more driver-centric. That they were excluded before had caused the project to suffer. This memo had a draft schedule of work that is aggressive and he asked the Assembly for any comments on the priorities that were the guiding principles to come up with a new plan, essentially, what was hoped to be accomplished by changing the plan. He reviewed the list and asked for feedback.

Ms. Becker asked if adding service on Riverside Drive cause a real problem. Mr. Steedle said that everything was related and was either an opportunity or a problem, because it was not possible to change one thing without affecting another without adding funds to the system. He spoke about the public input and surveys on the various tradeoffs which provided guidance to the consultants. Riverside Drive was an area that wanted service. You can drop the goal of serving Riverside, but you would need agreement as an Assembly. Ms. Becker said she would make up her mind on that based on how many other pieces of the system could be fit back.

Mr. Steedle said the next time this issue was before the Assembly there would be several alternatives or a recommendation, but it would be helpful to know how the Assembly felt about funding transit.

Mayor Sanford said it meant juggling priorities.

Ms. Troll commended staff for the approach. The timeline was aggressive but a lot of planning was done and the public was expecting some improvements. She would wrestle with the funding question in the Finance Committee but transit was a priority for her.

Ms. Crane said she was shocked that there were 1800 people with free passes and that needed a close review of mandated eligibilities. She suggested possibly a modest increase in fares.

D. Juneau Arts and Culture Center Management Issues

Ms. Kiefer said she was seeking direction, as a decision was made some time ago that Juneau Arts and Humanities Council (JAHC) is the arts agency for the Assembly, the Assembly provides them funds and they issue grants to other agencies. When the armory building known as the Juneau Arts and Culture Center (JACC) came to the city, JAHC agreed to manage the facility. Some improvements were done to the facility and they were finishing paying for the upgrades, and in

addition to the upgrades that the city has done, they have paid for other improvements. She recommended continuing the lease to the JAHc for a five year period, with JAHc paying on-going maintenance fees, which were calculated based on actual expenditures at the end of each year, and those costs were divided by 12 and charged to the JAHc monthly starting in January.

The Assembly discussed landscaping and snow removal and the various areas of responsibility.

Ms. Crane asked about subleasing, noting the food truck parked at the JACC. Nancy DeCherney, Executive Director of JAHc, said the carts pay a rental fee and had appropriate permits. Ms. Kiefer said she would address subleasing in an updated lease agreement.

Mayor Sanford asked if there was a list of maintenance repairs that needed to be done at the JACC, and said this was an example of the need to have that facility's list placed on a master list for all CBJ maintained buildings. Ms. Kiefer would check on those issues with building maintenance.

Hearing no objection, the manager was authorized to enter into an extended five-year lease with the Juneau Arts and Humanities Council for management of the Juneau Arts and Culture Center.

V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

None.

VI. EXECUTIVE SESSION

A. APARC Update

MOTION, by Becker, to enter executive session to discuss a topic of which the immediate knowledge could have an adverse effect on the finances of the municipality, namely, APARC negotiations.

Hearing no objection, it was so ordered.

The Assembly entered executives session at 7:13 p.m. and returned to regular session at 7:54 p.m. Attending the executive session were the Assembly, Ms. Kiefer, Ms. Mead, Mr. Steedle and Bob Blasco (telephonically).

Upon returning to regular session, Ms. Becker noted that the Assembly provided direction to the staff regarding the APARC issue.

Ms. Kiefer said that the clock downtown on Front Street had been repaired.

Ms. Becker reminded the Assemblymembers about the special Committee of the Whole meeting on January 5 at 5 p.m. in the Chamber to discuss the Economic Development Plan.

VII. ADJOURNMENT

There being no further business to come before the Assembly, the meeting adjourned at 8 p.m.

Submitted by Laurie Sica, Municipal Clerk