ASSEMBLY STANDING COMMITTEE MINUTES
LANDS AND RESOURCES COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
August 10, 2020, 5:00 P.M.
City Hall, Assembly Chambers, Zoom Webinar Meeting

I. ROLL CALL

Chair Edwardson called the meeting to order at 5:00pm.

Members Present: Chair Rob Edwardson, Alicia Hughes-Skandijs, Carole Triem

Members Absent: Greg Smith

Liaisons Present: Chris Mertl, Parks and Recreation; Dan Hickok Planning Commission

Liaisons Absent: Chris Dimond, Docks and Harbors

Other Assembly Members Present: Loren Jones

Some Members of the Public Present:

Staff Present: Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Jill Maclean, CDD Director, Scott Ciambor, Chief Housing Officer

II. APPROVAL OF AGENDA

The agenda was approved as presented.

III. APPROVAL OF MINUTES

The June 22, 2020 Draft Minutes were approved.

IV. PUBLIC PARTICIPATION

No public participation.

V. AGENDA TOPICS

A. Upstairs Downtown Housing Inventory, Downtown Parking and Tax Abatement

Ms. Maclean and Mr. Ciambor presented this item to the Committee. This item was previously presented at the March 2, 2020 Lands Committee meeting. The goal of this project to is encourage more residential and commercial development downtown. Ms. Maclean and Mr. Ciambor highlighted the Story Map Inventory interactive tool that includes 181 housing units in the study area, which include 37 short-term rentals that are registered on Airbnb/VRBO. The total employee assisted housing for seasonal rentals is currently unknown. The study area has the characteristics of a business district with 100 business/government use buildings vs. only 37 residential units, which creates a downtown that is mainly populated between 9am and 5pm. The age demographics in the downtown housing area are 18 – 49 years old. There have been zero housing units developed in the study area since 2017. The age and condition of the buildings can be a pro or a con. They can be expensive to rehabilitate or convert to housing, but providing character may be grant eligible for the Historic Tax Credit. 79% of the properties are locally owned and there are significant barriers to development, which include hazards zones, parking regulations and management.

There are a number of municipal tools available to encourage development. These include working with parking, which includes a lower or zero parking requirement, eliminate fee-in-lieu payments, and/or cover the costs of parking. Other tools are a downtown tax abatement program, grant programs that include working with the Juneau Affordable Housing Fund and an Upstairs Downtown Grant program. Municipal tools could also include loans and to provide land for development.

Ms. Hughes-Skandijs asked about the short-term housing rentals in the Story Map presentation that was listed as 11 and not 37 for this definition. Mr. Ciambor replied that it needs to be updated, as it is a snapshot in time, with 37 registered through Airbnb/VRBO as of last October and only 11 when the study was first conducted. A timestamp on the Story Map would be helpful to define this. Ms. Hughes-Skandijs asked about the definition of short-term rentals and Mr. Ciambor stated that they are listed under Airbnb/VRBO but there is another subcategory under this, which is employee assisted housing, such as if an employee has housing for its employees but that information may not be available. Under the housing action plan, it has been suggested to create a registry so we know who is doing what with the properties downtown.

Mr. Hickok asked if this area also includes Gastineau Avenue. Ms. Maclean replied that when they looked at the upstairs downtown area, directed by the Assembly, the project was just a few blocks wide for review at staff level to see what areas of information they could accumulate. The map area has been expanded from the original outline. Ms. Maclean noted that an expanded boundary now would be appropriate, which would include Gastineau Avenue, through downtown and up the hills to 6th Street and down through Willoughby, Egan, and Glacier Avenue, which are commercial districts but all have opportunity for development.

Fee-in-lieu was adopted in 2006 and the idea was that the funds would help pay for a structured garage, which was constructed sometime after that date but not entirely with fee-in-lieu. Since then, fee-in-lieu has only been used 4 times and has generated $175,000. To put that into context for example, the Archipelago development, when they were looking at their parking waiver or their variance, their fee-in-lieu would have come in over $800,000. Ms. Maclean wanted to note that Juneau's historic district is a set of guidelines but not regulations, as there have been questions about following certain architectural standards following current code.

Ms. Hughes-Skandijs asked to verify the locally owned locations versus non-locally owned, if that was determined by mailing addresses or how was that determined. Mr. Ciambor replied that it was a combination of working with the Assessors and Water and Utility Billing. Ms. Hughes-Skandijs followed up by asking about those who are eligible for the historic tax credit, how limiting is that to claim and renovate. Ms. Maclean replied that a question had come up about the ability to demolish and build new; if that was cheaper or if historic, district regulations restrict or stop demolition. This is not accurate, but as far as using historic tax credits, you would have to keep the character of the building, and in particular the facade. Through the tax credit program, it is strict but you do get the tax credit if you keep the character of when the building was constructed or sometimes that applies to a later year if a building has been renovated previously.

Chair Edwardson asked if or when this topic would come before the Lands Committee next and what touch points are there between the Lands Committee and the projects that have been presented at this meeting. Will there be further information for the Lands Committee to consider or will this go to the Public Works Committee or another committee. Ms. Maclean commented that as far as parking, that will be up next for Title 49 on August 19 and it might stay there for a little bit and then it would go through the Planning Commission and then either Public Works or the Committee of the Whole, in which direction at this point would probably come from the Manager or the Assembly. Mr. Ciambor commented that when this project started before the COVID-19 pandemic, the thought was to work on this and bring back language about downtown tax abatement that would mirror a couple of different programs, such as the one that was put in place in Anchorage in January 2019. Language would be developed that is similar to the assisted living tax abatement program and would include a number of parameters, such as the number of units and piggybacking off that program. Chair Edwardson followed up to ask if it is fair to say that this may come back to the Lands Committee, depending on how the projects evolve. Mr. Ciambor replied that downtown tax abatement is a 2020 Assembly goal and could see this coming back to a committee.

Chair Edwardson noted a few other touch points, if there is some sort of public-private partnership involving CBJ land or a land grant and if that developed, then that discussion would go through Lands rather than Public Works and if that were the case then it would come back to this Committee. Mr. Ciambor replied that was correct and another piece is the Affordable Housing Fund program that was on its way of establishing a funding round this summer, prior to COVID. Post-COVID, the funds are sitting in the housing fund. This would be another tool that could be brought back to this Committee for implementation.

VI. STAFF REPORTS

A. Taku Terrace Request to Purchase City Property Update (verbal)

Mr. Bleidorn updated the Committee about the progress for this request that was brought to the Committee on June 22, 2020. Since then it went to the Planning Commission with a recommendation to precede with the sale as well as to amend the Lands Management Plan, in which there is a mistake that this property was listed as to be retained. Another recommendation is to make the purchasers aware of the potential for unknown gravesites. Potential gravesites are thought to be very unlikely with a cemetery review a few years ago not indicating any potential gravesites. The next step is that this will go to the full Assembly as new business as a request to work with the original proposer and to update the Land Management

Plan. We would then work with the applicant and this would come back to a Lands Committee as this progresses.

Ms. Hughes-Skandijs asked about the unmarked graves, if we are making them aware of any rules to follow or to just be aware of the graves. Mr. Bleidorn replied that we would just be making them aware in general. When this building was built in the 1970s, the area was undeveloped and the applicants need to be aware of any potential gravesites. The likelihood of them finding any graves is very unlikely, as they are not planning on any new construction.

Mr. Hickok asked if this property is a non-conforming building. Ms. Maclean replied that the property is already non-conforming and would be issued a non-conforming certification. It pre-existed the current zoning and Community Development is working on resolving this issue.

B. Water Quality Update (verbal)

Mr. Bleidorn highlighted the annual water quality reporting that they City performs. The City samples two locations at the former AJ Mine, three times a year. This program has been going on since 2000 and Lands contracts out to a private lab for testing. The results are reported on the Alaska Department of Environmental Conservation website and the City has had no exceedances during all the years of reporting.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

No Liaison reports provided.

VIII. ADJOURNMENT

Chair Edwardson adjourned the meeting at 5:51PM.