

**ASSEMBLY STANDING COMMITTEE
LANDS AND RESOURCES COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

April 10, 2017, 5:00 PM.
Municipal Building Assembly Chambers

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. March 20, 2017 Minutes

IV. PUBLIC PARTICIPATION

(Not to exceed a total of 10 minutes nor more than 2 minutes for any individual).

V. AGENDA TOPICS

A. RecycleWorks Program Consolidation and Relocation

B. Dwight Williams and Carol Colp Application to Acquire City Property

VI. STAFF REPORTS

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

VIII. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

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

March 20, 2017 5:00 PM
City Hall, Assembly Chambers

I. ROLL CALL

Debbie White, Chair, called the meeting to order at 5:01 pm.

Members Present: Chair Debbie White; Assembly members: Norton Gregory; Jesse Kiehl;

Liaison Present: Paul Voelckers, Planning Commission; Chris Mertl, Parks & Recreation

Liaison Absent: Weston Eiler, Docks and Harbors

Staff Present: Greg Chaney, Lands Manager; Dan Bleidorn, Deputy Lands Manager; Rachel Friedlander, Lands and Resources Specialist

II. APPROVAL OF AGENDA

The agenda was approved.

III. APPROVAL OF MINUTES

A. February 27, 2017 Minutes

The minutes were approved as amended.

IV. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

There was no public participation on non-agenda items.

V. AGENDA TOPICS

A. Public Safety Building and Property Update

Mr. Bleidorn addressed the Lands Committee from his March 13, 2017 memo. The State of Alaska will be vacating the Public Safety Building on Whittier Avenue that is at the end of its design life. As owner of the building, the Mental Health Trust would consider sale of the property in accordance with their Management Strategy. Acquisition of this property and demolition of the building could be in the best interests of the CBJ and comply with the goals of the Willoughby District Plan.

Chair White asked if the Mental Health Trust changed their 20% land acquisition surcharge in the last 6 months and Mr. Bleidorn said the Trust's 2016 Land Management Strategy states a negotiated sale is the fair market value of the land plus a 25-30% surcharge to compensate for not selling the parcel through a competitive process.

Mr. Voelckers asked what happens with setting a negotiated price with the Alaska Mental Health Trust and Mr. Bleidorn replied the City must consider the Trust's disposal strategy but that there may be room for negotiations.

Mr. Kiehl said he was interested in what an appraisal might show, and that at this time he's not sure if he's prepared to support a motion to acquire the property. Mr. Kiehl asked if there was an estimate available for the value of the building and Mr. Bleidorn replied the 2010 Parking Strategy Plan ascribed a value of \$1.9 million.

Lands Committee unanimously moved a motion of support for pursuing an appraisal of the Public Safety Building with funds for the appraisal coming out of the Willoughby District Parking CIP.

PUBLIC PARTICIPATION ON AGENDA ITEM A

There was no public participation on Agenda Item A.

B. FAA Juneau Airport Wind System Lease

Mr. Bleidorn addressed the Lands Committee from his March 13, 2017 memo. The Department of Transportation, Federal Aviation Administration (FAA) currently leases three small fractions of property from the City and Borough of Juneau for the Juneau Airport Wind Systems (JAWS) facility sites. The FAA has requested to renew leases for these three sites. Lands Staff has determined that two of the leases could be combined into one so there will only be two leases needed for the three sites.

Lands Committee unanimously moved a motion of support to the Assembly for two leases to the FAA at no cost in order to insure the continuation of the Juneau Airport Wind Systems program.

Mr. Kiehl commented the map shown to the Committee did not highlight the wetlands overlook as a JAWS site and Mr. Bleidorn replied the three sites JAWS has inquired about are located on City property, and he believes the wetlands overlook site is on DOT right of way.

PUBLIC PARTICIPATION ON AGENDA ITEM B

There was no public participation on Agenda Item B.

VI. STAFF REPORTS

Mr. Chaney let the Committee know that the Pederson Hill subdivision preliminary plat was approved unanimously by the Planning Commission. Lands staff is in the final stages of working out a contract for the formal design of the project which will lead to a cost estimate and then an Assembly discussion to determine if the City should proceed with this project. There has been a request from a neighbor to consider sale of a portion of Rotary Park property due to inappropriate activities occurring in the area. The Pedersen family and Siddon family will both be on the agenda at the next Assembly meeting. Lands staff has reached out to Mayor of Angoon for arranging a meeting. Soon, Lands staff will

be bringing forward a proposal to acquire property at Norway point to secure access to a CBJ lot outside of the hazard zone.

Mr. Chaney wanted the Lands Committee to know staff is moving forward on many fronts.

Mr. Voelckers brought up a public comment made during the Planning Commission hearing of Pederson Hill regarding an argument for young couples to acquire lots as opposed to elders and wasn't sure if the City has targeted specific demographics before. Mr. Chaney replied that, as he understands it, preference on age would not be constitutional but staff would look into it. Mr. Voelckers wondered if the City can discriminate on income levels but not other criteria and Mr. Chaney replied staff will look into disposal options.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

There were no committee member or liaison comments or questions.

VIII. ADJOURNMENT

The meeting was adjourned at 5:17pm.

Assembly Goal 2017: Ensure that Juneau has a functioning local solid waste disposal option into the future.



The CBJ RecycleWorks Program protects the health and safety of our community and environment and aims to maximize diversion of wastes from the landfill.

Alaskan Brewing Company (AKB) would like to expand west and purchase CBJ Water Utility and Salt Box Lots.



4 CBJ Lots
Appraised Value- Buildings and Land

1.5 Acres
\$2,600,000

Factors to consider in evaluation:

Time

How long will it take to develop each lot and start up operations? How will this impact the public and the Alaskan Brewing Company (AKB)? How does the program relocation impact the 20 year life of the landfill timeline?

Diversion and Service

Does the site allow us to increase diversion from the landfill and thereby extend the life of the landfill? Is public access safe and convenient on the property?

Cost

Does the money spent = increased diversion/improved public service? Are there opportunity costs with the land?

Stability

How would the property serve the CBJ and program services over the next 50 years? Does it allow CBJ to retain control over programs, operations and assets?

4 properties considered for evaluation:

1. Valley Shop
2. Gravel Pit
3. Channel Construction
4. Capitol Disposal Landfill

1. Valley Shop, Barrett Avenue

The property is currently underutilized and is being used for equipment storage. The water utility could move into the existing 6000 SF building with minimal upgrades.

To also relocate HHW here, a new building would have to be constructed. The site cannot accommodate additional RecycleWorks programs due to vehicular and public access space requirements.

Time:

Water 6 months

HHW 1.5 years

Diversion and Service:

Water – Good for existing services

HHW – Decrease diversion potential and less convenient for public

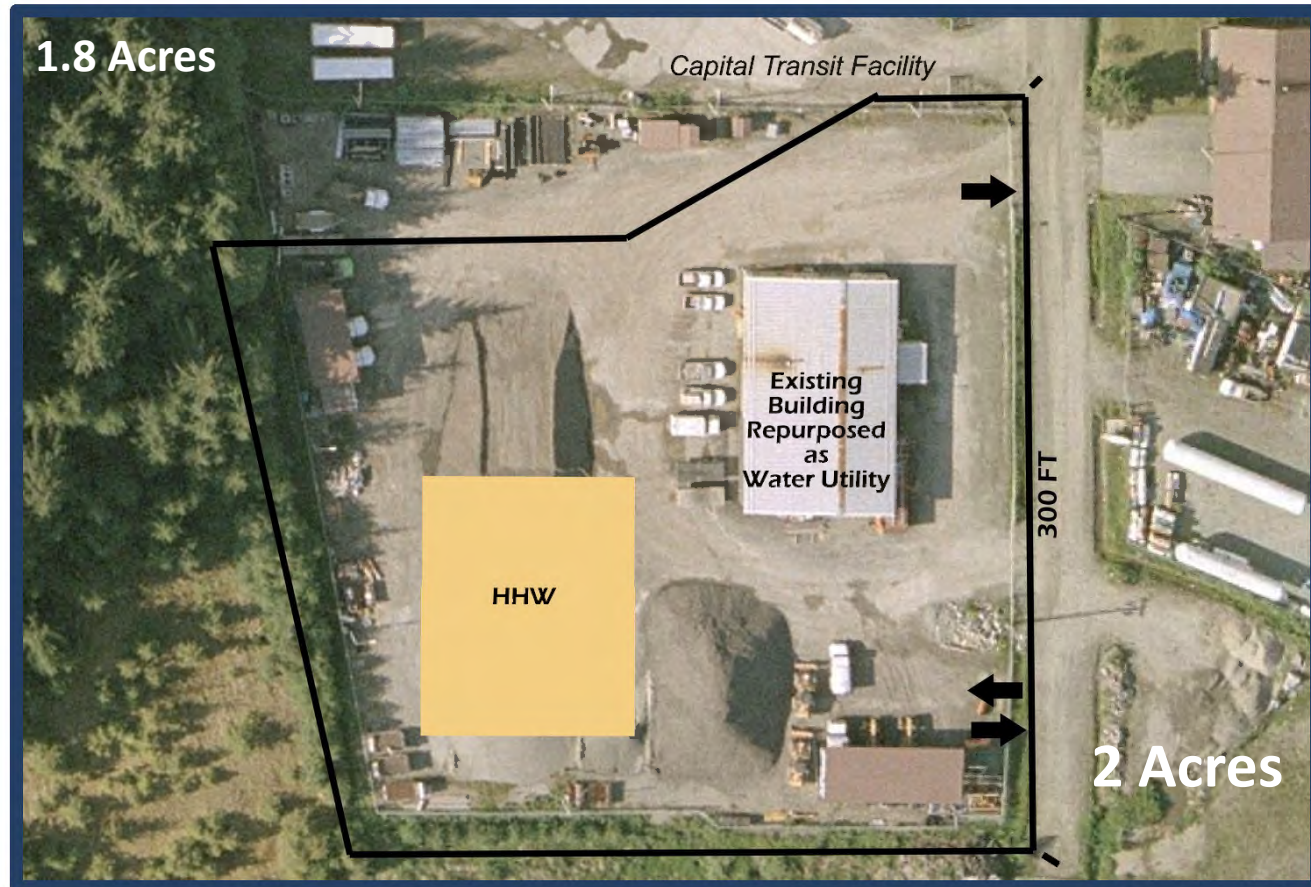
No service improvement for \$ spent

Cost:

~\$3.5M for Water and HHW only construction and start up

Stability:

Limitation on program expansion



2. Channel Construction Property, Anka Street

The property is currently used as shop space and storage for a construction company, it is adjacent to the CBJ junk vehicle contractor site. HHW could relocate into the existing 9100 SF building with code compliance modifications and canopy addition. A new covered structure would be built for the recycling baler operation. The appraised value is \$3.3M for the building and property.

Time:

HHW 6 months (existing building)
Recycling 10 months (new structure)

Diversion and Service:

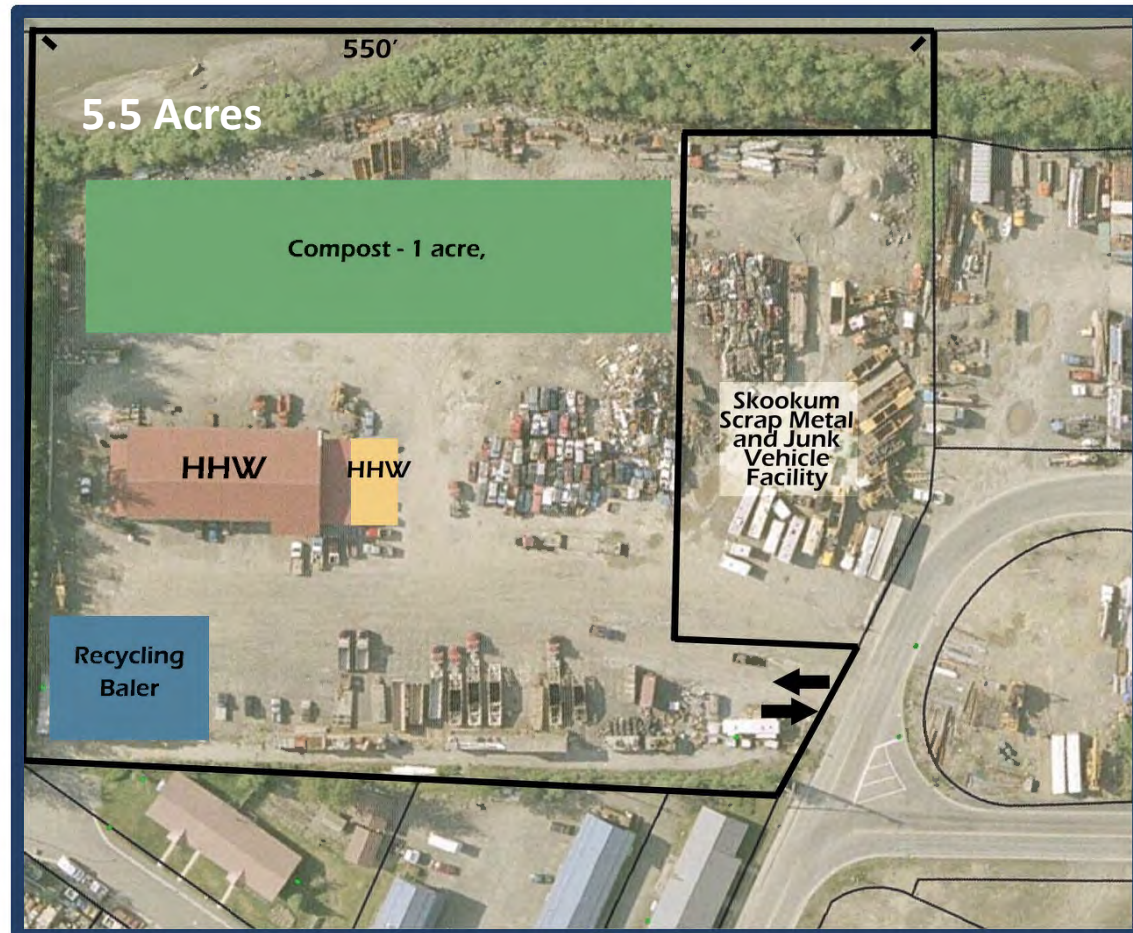
Increased diversion
Convenient Location/Safe Public Access

Cost:

~\$6.1M for land purchase, construction and start up (not including composting)

Stability:

The site can support RecycleWorks consolidation and could compost over 50% of the estimated organic waste from the landfill.



3. Old Gravel Pit, Lemon Creek

The land is currently being used for material extraction, but with the new northern pit opened this summer, the value of the material is very low and does not have high demand. CBJ does not have a subdivision plan or concept development plan for this land. To develop it an access road and utilities are required and estimated at ~\$1.5M. Future development potential may be impacted if the property is used for RecycleWorks programs.

Time:

5 years

Diversion and Service:

Increased diversion

Convenient Location/Safe Public Access

Cost:

~\$8.4M for construction and start up (not including composting)

Opportunity cost for land

Stability:

Opportunity for program consolidation

Can support composting



4. Long Term Lease on Private Property – Capitol Disposal Landfill, Tonsgard Court

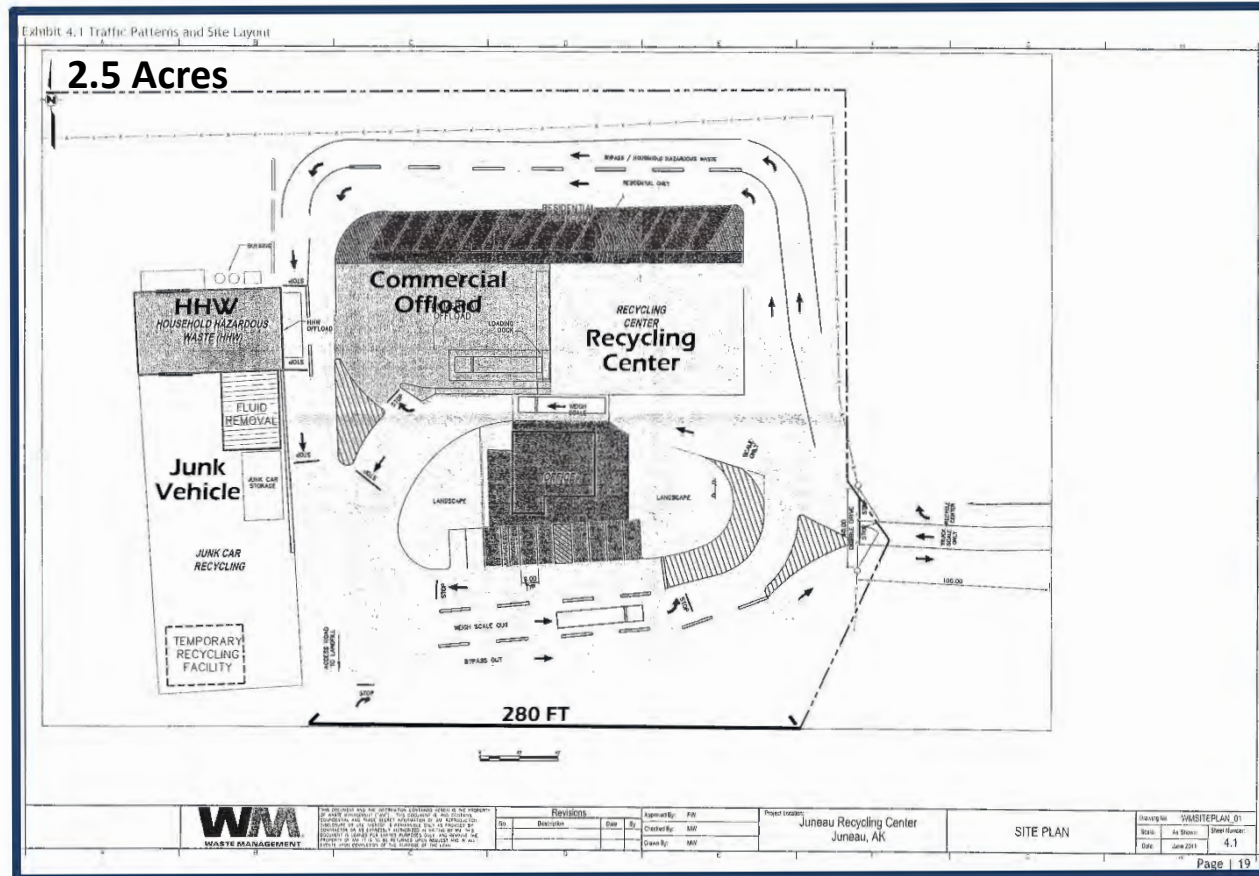
In 2011, CBJ issued an RFP for the consolidation of recycling, HHW and Junk Vehicle programs. 3 private companies submitted proposals. Waste Management is still interested in contracting with CBJ for this model. An RFP would be issued if a public private partnership/lease agreement is desired.

Time:
2 years

Diversion and Service:
 Increase diversion potential
 Convenient Location/Safe Public Access

Cost:
Unknown Annual Lease and Program
Operation Cost

Stability: No ownership of land or buildings, after paying lease and operations cost for many years, the CBJ still does not own or control the facility.





RecycleWorks Program Location Comparison

	Do Nothing	Valley Shop	Channel/ Anka St	Gravel Pit	Private/ Capitol Landfill
Time	NA	Medium Term	Short Term	Long Term	Medium Term
Diversion and Service*	No Change	Decrease	Increase	Increase	Increase
\$ Cost	\$0	\$3.5M	\$6.1M	\$8.4M	???
Opportunity Cost	Impact to AKB	NA	NA	\$3M Cost of Land, Impact on Future Sales	NA
Stability	Yes	Yes	Yes	Yes	No

**Our landfill has a 20 year life, increasing diversion rates will extend its life and reduce the risk of cost increases for the community likely to result from shipping waste.*

Does CBJ desire to sell the property to the Alaskan Brewing Company (AKB) and relocate the Water Utility and Household Hazardous Waste?

Sell to AKB

Increase rates: Relocate program and have options on services in short and long term, increase diversion and extend landfill life.

Don't increase rates: Relocate HHW to Valley Shop, cut recycling program, decrease diversion rates, shorten landfill life and budget okay for 10 years.

Don't Sell to AKB

Increase rates: Keep recycling program, maintain or moderately increase diversion rates, no improvements in operational efficiency.

Don't increase rates: Cut recycling program, decrease diversion rates, shorten landfill life and budget okay for 15 years.

Next Steps:

In order to begin negotiations for sale directly to the Brewery, without consideration for other potential purchasers, code requires a motion by the Assembly to direct the Manager to enter into such direct negotiations.

For the purposes of developing a cost and rate model, staff recommends that the following assumptions be made and forwarded to the Finance Committee:

1. Water Utility program moves to the Valley Shop
2. HHW and Recycling programs consolidate to the purchased Channel property along with other program components.





Memorandum

From: Rachel Friedlander
Lands and Resources Specialist *Rachel Friedlander*

To: Assembly Lands Committee

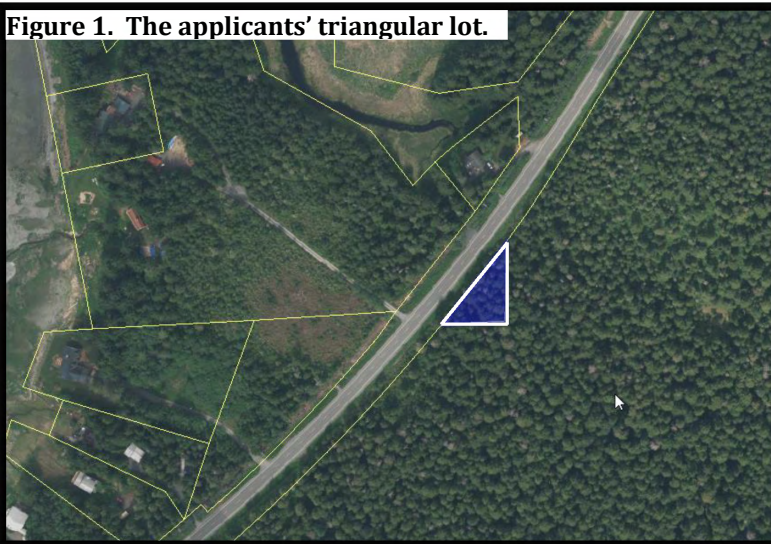
Date: April 6, 2017

Re: Dwight Williams and Carol Colp Application to Acquire City Property
USS 3559 Lot 2
6D1201110010 and 6D1201120080; LND-1421

City & Borough of Juneau
155 S. Seward Street • Juneau, AK 99801

The CBJ Lands Office received an application from Dwight Scott Williams and Carol Colp to acquire City property in North Douglas, about one-third of a mile outbound of the Fish Creek Bridge. The applicants own a substandard triangular shaped lot approximately 14,000 square feet at 11259 N. Douglas Highway (**Figure 1**). The applicants would like to purchase City property on each side of their lot to form a rectangular lot (**Figure 2**).

Figure 1. The applicants' triangular lot.



According to the applicant, the current triangular shape of their lot poses challenges with siting a driveway, installing a septic system, and building a desired residential structure. The applicant states that *"because the lot is dimensionally nonconforming and triangular, setbacks reduce the developable lot substantially."* In a letter dated February 14th, 2017, Mr. Williams explains the lot was created when the State of Alaska built this segment of the North Douglas Highway in the 1970's. It appears that the triangular lot was created as a remnant of a larger lot that was cut off by the highway.

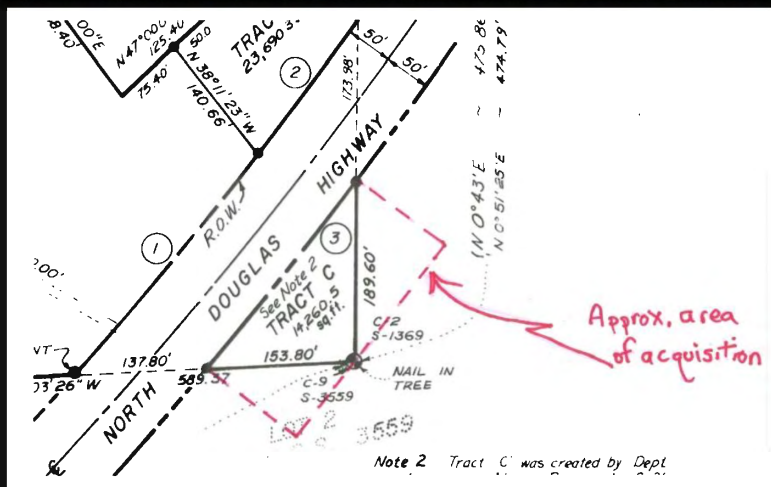


Figure 2. Diagram submitted by applicant illustrating City property to be acquired.

The two triangular additions would increase the applicants' lot size by roughly 14,000 square feet, making the lot 28,000 square feet overall. The minimum lot size in Rural Reserve is 36,000 square feet. While the applicants are open to the idea of increasing the amount of square footage they are requesting to meet the current minimum lot size of 36,000 square feet, they would like to move forward with their application as is for financial reasons. If an appraisal reveals they can afford more than the 14,000

square feet they are requesting, they would entertain the idea of acquiring more property in order to meet the minimum lot size requirement of 36,000 square feet.

The 2016 Land Management Plan categorizes the 92.05 acres of CBJ lot USS 3559 Lot 2 (LND-1421) as “retain/dispose.” The long range plan for this CBJ property is to subdivide once adequate services and utilities reach this section of North Douglas. The sale of approximately 14,000 square feet of CBJ property to the applicants from LND-1421 would not disrupt the City’s future development plans for this site.

CBJ§53.09.260 Negotiated sales, leases, and exchanges stipulates that once an application has been received, it must first be determined by the Assembly whether the proposal should be further considered by direct negotiation with the original proposer or if the property should be offered for public sale to other individuals. In this case, the applicants would not be creating a new lot, only adding to an existing lot to alter its shape and size to make it more compliant with existing minimum lot dimensions and lot design standards. Additionally there are no other private neighboring landholders, aside from the applicants, near CBJ lot LND-1421.

The applicants are requesting the City waive the \$500.00 application fee on the grounds that they will incur a cost burden from initiating the purchase and transfer of City property, which should offset any administrative time taken throughout the negotiation process. *CBJ§53.09.260 Negotiated sales, leases, and exchanges* stipulates that a \$500 fee is required to submit an application to purchase CBJ property. Therefore staff recommends upholding CBJ code and not waiving the \$500 fee. Except in very unusual circumstances, every applicant interested in purchasing CBJ property is required to pay the \$500 application fee, and to pay for to all other services needed to complete a potential sale, including surveying costs, appraisal fees, subdivision fees, and recording fees.

Lands staff is requesting that the Lands Committee provide a motion of support in favor of the sale to the original applicants while maintaining the \$500 application fee.

Suggested Motion: A motion of support to the Assembly for a fair market value negotiated sale of approximately 14,000 square feet of City property located at USS 3559 Lot 2 (CBJ LND-1421) to the original applicants, Dwight Scott Williams and Carol Colp.



APPLICATION FOR A NEGOTIATED FAIR MARKET VALUE SALE OF LANDS OWNED BY THE CITY AND BOROUGH OF JUNEAU

Application No.

Staff only

Assessor's No.

Assessor's number available using the CBJ Assessor's Database: <http://www.juneau.org/assessor/data/sqlassessor.php>

Legal name of applicant(s)

Mailing address

1. Legal description of property to purchase (attach map)

CBJ Lands #1421 according to the CBJ Lands Plan of 2016 directly adjoining Tract C Entrance Point Subd. at 11259 North Douglas Highway at approx. 7.75 mile upland (south) side of the roadway.

2. Existing parcel size

Square feet: Acres:

Parcel data size available using the CBJ Assessor's Database: <http://www.juneau.org/assessor/data/sqlassessor.php>

3. Existing utilities

Water: On Site ☐ Public ☒ None ☐

Sewer: On Site ☐ Public ☐ None ☒

Utilities information available using the CBJ Assessor's Database: <http://www.juneau.org/assessor/data/sqlassessor.php>

4. Access

5. Provide a brief description of your proposal to purchase CBJ land(s)

We are requesting the city approve the sale and transfer of such land surrounding our property to increase its area to approximately 28,000 sq. ft. (total acquisition of about 14,000 sq. ft.) The proposed geometrics would essentially add triangles to either side of our lot to form a rectangle with side lot lines roughly perpendicular to the North Douglas Hwy. The increase in lot size would ameliorate the difficulty in siting the driveway onto the lot and to increase the usable area in which to site both the on-site septic system as well as, the residence structure we intend to build. Because the lot is dimensionally nonconforming and triangular, setbacks reduce the developable lot substantially.

We also formally request the CBJ waive any application fee. At this time, we are merely asking for city review and approval which in no way requires a cost to the public which would not otherwise occur.

5. *Continued*

We as buyers, will have substantial cost of purchase, platting / survey and ultimately, property taxes, which more than offsets any cost burden should any occur during the administration of a land sale..

6. Comprehensive plan designation for property *(Staff only)*

7. Zoning designation

Rural Reserve

zoning designation available using the City's Assessor's Database : <http://www.juneau.org/assessor/data/sqlassessor.php>

I HEREBY CERTIFY THAT all of the statements made in this application and its incorporated attachments are true and correct.

Dwight S. Williams

Name and Title (Please Print)

Dwight S. Williams 3/20/17

Signature

Carol L. Colp

Name and Title (Please Print)

Carol L. Colp 3/20/17

Signature

Return application to the Lands and Resources Office, 105 Municipal Way, Third Floor or Lands Office@juneau.org

Staff only

RECEIPT of the above application and attachments together with filing fee (non-refundable) in the amount of **fee waived** \$500.00 is hereby acknowledged.

FULL APPLICATION RECEIVED by Lands staff on

03/28/2017

by

MM/DD/YYYY

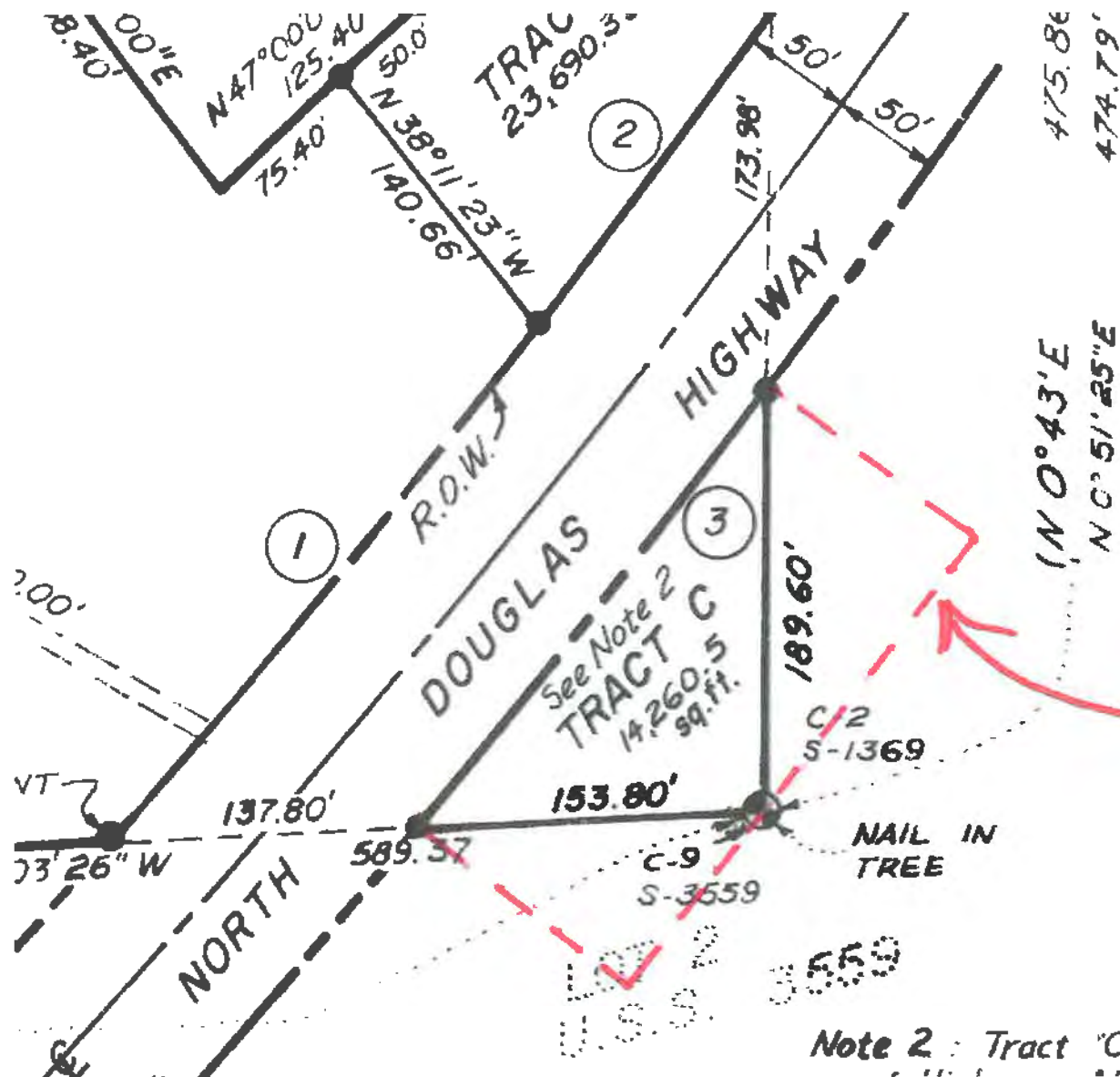
Rachel Friedlander, Lands and Resources Specialist

Name and Title (Please Print)

Rachel Friedlander

Signature





Approx. area of acquisition

Note 2 : Tract "C" was created by Dept

February 14, 2017

City and Borough of Juneau
Division of Lands and Resources
Attn: Mr. Greg Chaney
155 S. Seward Street
Juneau, AK 99801

Re: Request to Purchase
Portion of CBJ LAND # 1421
11259 North Douglas Hwy

Dear Mr. Chaney,

As you may remember, a few weeks back I called you to discuss my intent to formally request a purchase of city lands adjoining my property on North Douglas Hwy. This letter, is my request to purchase a portion of CBJ LND #1421 that adjoins my lot.

My property is located at 11259 North Douglas Hwy about 1/3 mile outbound of the Fish Creek Bridge (south side of the roadway). The legal description is "Tract C Entrance Point Subdivision USS 1369." The lot is currently 14,260 sq. ft. in size and is triangular in shape. The lot was created when the State of Alaska (Dept of Highways) built that segment of North Douglas Highway in the early 70s. My lot is surrounded by CBJ Lands, more specifically, CBJ LND #1421 according to the CBJ Land Mgt Plan of 2016. That plan assigns both "Retain and Dispose" to that city-owned tract of land.

I am requesting the city approve the sale and transfer of such land surrounding my property to increase its area to approximately 28,000sq. ft. (total acquisition of about 13,700 sq. ft.) The proposed geometrics would essentially add triangles to either side of my lot to form a rectangle with side lot lines roughly perpendicular to the North Douglas Hwy. The increase in lot size would ameliorate the difficulty in siting the driveway onto the lot and increase the usable area in which to site both the on-site septic system as well as, the residence structure I intent to build. Because my lot is nonconforming and triangular, setbacks reduce the developable lot substantially.

Upon approval by the city we can move forward in the discussion of terms for acquisition.

Thank you for your consideration.

Dwight "Scott" Williams
P.O. Box 83117
Fairbanks, AK 99708
907-388-7129

Attachment: plat drawing