

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

March 20, 2017, 1:00 AM.

Municipal Building Assembly Chambers

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. February 27, 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. Public Safety Building and Property Update

B. FAA Juneau Airport Wind System Lease

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**

February 27, 2017 5:00 PM
City Hall, Assembly Chambers

I. ROLL CALL

Debbie White, Chair, called the meeting to order at 5:00 pm.

Members Present: Chair Debbie White; Assembly members: Norton Gregory (telephonic participation); Jesse Kiehl; Mary Becker;

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

Liaison Absent: Weston Eiler, Docks and Harbors

Staff Present: Greg Chaney, Lands Manager; Dan Bleidorn, Deputy Lands Manager

II. APPROVAL OF AGENDA

The agenda was approved.

III. APPROVAL OF MINUTES

A. January 30, 2017 Minutes

The minutes were approved.

IV. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

There was no public participation on non-agenda items.

V. AGENDA TOPICS

A. Drainage Easement Request by Sleepy Spruce Apartments

Mr. Chaney discussed the application and Deputy Land Manager Dan Bleidorn's February 22nd, 2017 memo, which summarized Sleepy Spruce Apartments' drainage easement request near the City's Johnson Youth Center. Sleepy Spruce Apartments would like to access the ditch to keep it free of debris to prevent flooding.

Mr. Kiehl: Does JYC have any concerns about this?

Mrs. White: I have spent time on this property, and this is outside the secure area.

Mr. Bleidorn: The applicant has been in communication with JYC concerning this easement, and currently there are no concerns.

The Lands Committee unanimously forwarded a motion of support to the Assembly for staff to begin the review process for an easement across City property in order to allow Sleepy Spruce Apartment to continue to maintain proper drainage.

PUBLIC PARTICIPATION ON AGENDA ITEM A

There was no public participation on Agenda Item A.

B. Siddon Application to acquire City Property

Mr. Chaney reviewed the application request and his February 23rd, 2017 memo, and let the Lands Committee know that the Siddon family is present at the meeting and available to answer questions. Chris and Elizabeth Siddon would like to acquire a City lot in the vicinity of the Fourth Street stairs, adjacent to their home, which happens to be in the hazard zone. Their plan is to consolidate the CBJ lot with their current property to provide room for making structural improvements to their existing home, including mitigation against natural hazards.

Mr. Volkers asked if there was any chance Kennedy Street would be built and Mr. Chaney replied it would be highly unlikely.

Chair White asked who pays for the appraisal and Mr. Chaney replied the applicant. Chair White asked if the applicant chooses the appraiser, and Mr. Chaney replied the applicant and the City mutually agree who the appraiser is.

Mr. Kiehl asked if the lots above Kennedy Street are in private hands, and Mr. Chaney replied maybe 1-2 but the majority of lots are owned by the City. Mr. Kiehl asked if there are steps the City should take to ensure the upland property owners' interests are protected and Mr. Chaney replied that would be a part of the building permit review.

The Lands Committee unanimously forwarded a motion of support to the Assembly for a fair market value sale of City property located at Juneau Townsite, Block 115, Lot 5 to the original applicants, Chris and Elizabeth Siddon.

PUBLIC PARTICIPATION ON AGENDA ITEM B

There was no public participation on Agenda Item B.

C. Potential Purchase of Lot to Provide Right of way

Mr. Chaney addressed the Lands Committee with his February 23rd, 2017 memo, which summarized the CBJ Lands and Resources Division's interest in acquiring access to City property from Aurora Arms Condominiums by building a road through their current parking lot to the site.

Ms. Becker asked if there has been resistance from Aurora Arms and Mr. Chaney replied no and that Aurora Arms is interested and very supportive in this proposal as it relates to a rezone of the property.

Mr. Mertl asked why the property is a donut-hole and not a hazard zone and Mr. Chaney replied the hazard maps have been updated 4 times, that this area has been found to be outside of the zone with every study, and that this area is outside the 500 year reoccurrence interval for avalanches. Mr. Mertl then asked if the City has evaluated lot sizes and the topography that could work with the draft road alignment and Mr. Chaney this is really early in the process, and the area isn't as steep as the Behrends neighborhood.

Mr. Volkens said this is exciting way to get 8 acres of housing inventory downtown and congratulated Lands staff.

Mr. Kiehl appreciated this property not being in the slide zone but asked how the map related to secondary hazards and Mr. Chaney replied this area is outside of the secondary hazard area. Mr. Kiehl then asked if Aurora Arm's current zoning poses problems if they need to rebuild, and Mr. Chaney replied if the Aurora Arms building needed to be rebuilt today, it would not be allowed under current zoning.

Mr. Gregory asked if the existing road in figure 1 had too sharp of a curve and if that was the reason why the City needed to purchase the land and Mr. Chaney confirmed it so, saying that this road is in the high hazard zone and that an alternate route would be preferred to help mitigate risk. Mr. Gregory said he was concerned because he had witnessed a slide on Judy Way.

The Lands Committee unanimously forwarded a motion of support to the Assembly to continue to investigate options to purchase the lot located at 1870 Glacier Highway to provide access to eight acres of CBJ owned residentially zoned property outside of the mapped hazard zone.

PUBLIC PARTICIPATION ON AGENDA ITEM C

There was no public participation on Agenda Item C.

VI. STAFF REPORTS

Mr. Chaney let the Lands Committee know that the Pederson Hill Subdivision preliminary plat hearing is before the Planning Commission tomorrow.

Mr. Volkens said the Planning Commission has been focusing mass wasting and the amount of acreage that is complicated by this designation. The Planning Commission is interested in an updated new mass wasting study to clarify where danger exists or where valuable property in the City is. Mr. Kiehl asked how often does the slide zone change and Mr. Volkens replied that mass wasting events in the past may have been attributed to man-made patterns like clear cuts and mining. Chair White commented how engineering techniques for avalanche evaluation is better today than ever.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

There were no committee member or liaison comments or questions.

VIII. ADJOURNMENT

The meeting was adjourned at 5:35pm.

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan.Bleidorn@juneau.org
(907) 586-5252

TO: The Assembly Lands Committee

FROM: Dan Bleidorn, Deputy Lands Manager

SUBJECT: Public Safety Building and Property Update

DATE: March 13, 2017

The State of Alaska will be vacating the Public Safety Building on Whittier Avenue (attachment 1) and the Mental Health Trust will take control of the property on May 1, 2017. As of yet, the Trust does not have plans for the building or the property. The Public Safety Building is beyond its design life and needs to be torn down.

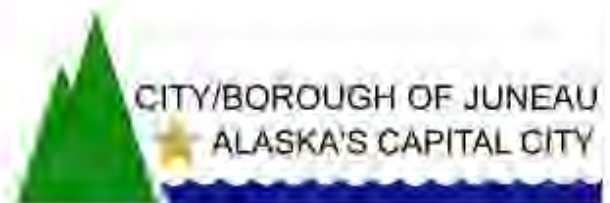
Acquisition of this property and demolition of the building could be in the best interests of the CBJ. If the Assembly is supportive, the next step would be to acquire a property appraisal. The property could be used as an interim parking lot and developed in conjunction with the goals considered in the Willoughby District Plan (attachment 2). Lands Office staff reviewed the acquisition with the City Manager and Skye Stekoll, the Willoughby District Parking CIP Manager, and suggest that this CIP (~\$1.4M available) could be an appropriate source of funds for acquisition of the property and removal of the building (Attachment 3).

The Trust Land Office Director has indicated that the Trust would consider sale of the property in accordance with their Management Strategy (attachment 4). If CBJ proposed purchase, the sale would likely be considered at the Board of Trustee's meetings in August and September of this year. The Trust's Land and Resource Management Strategy from 2016 states that "A negotiated sale is based on a current appraisal plus a 25 to 35 percent surcharge to compensate for not selling the parcel through a competitive process". This surcharge is something that the City needs to consider while evaluating any property managed by the Trust.

Staff recommends a motion of support from the Lands Committee to the Assembly for the potential acquisition of Mental Health Trust property with funding from the Willoughby District Parking CIP.

Attachments:

- 1) Public Safety Building Map
- 2) Willoughby District Plan excerpts
- 3) Scope of Work, the Designated Legislative Grant Program for the Willoughby District Parking CIP
- 4) Excerpt from the AMTH 2016 Land Resource Management Strategy





Public Safety
Building

City owned
Property

LAND RESOURCE MANAGEMENT STRATEGY

2016 RESOURCE MANAGEMENT STRATEGY

grant permissions or rights for compensation. The basis of an authorization type is predicated on:

1. The amount of risk to the Trust associated with the proposed activity;
2. The term or extent of the authorization; and
3. Infrastructure added or modification of the property.

Authorizations types are described below.

Income-Generating Authorizations

Letter of authorization: A revocable and non-exclusive land use for a short period of time, with low risk and low impact to the surface lands. Often, these are used for community-supported events and may provide opportunities for positive public relations for the Trust.

Revocable license for land use: A license allows non-exclusive use of the surface lands and is revocable without cause and infrastructure is temporary.

Land lease: A lease allows exclusive use of the property and typically will add more infrastructure associated with its use. At the end of the lease term, the infrastructure may be removed, sold to another party or retained by the Trust. It is considered a disposal and requires consultation with trustees.

Non-perpetual easement: A long-term easement for land use development that may include communication towers, roads, trails, or utilities. Co-locations require a separate authorization by TLO. A master easement agreement was created for applicants that required multiple easements over time.

Interest from land sales: The contract interest rate is set by statute and determined by the prime rate as reported in the Wall Street Journal on the first business day of the month plus 3 percent.

Principal-Generating Authorizations

Perpetual easement: A disposal of the surface land in which the mineral rights are usually retained by the Trust. Perpetual easements are negotiated on a limited basis because of the potential for lost economic opportunity in the future. Perpetual easements are treated as a negotiated sale and the value is determined by an appraisal plus a 25 to 35 percent surcharge to compensate for not selling through a

competitive process.

Competitive land sales: The program is designed to dispose of subdivided lots and small parcels that do not lend themselves to resource development. The competitive nature of the program is derived from the directive to maximize revenue from Trust land.

TLO regulations require the disposal of the surface lands on a competitive basis, unless the executive director determines a negotiated sale is in the best interest of the Trust. The land sale program since 1998 has contributed revenue above appraised values and historically, has averaged 26 percent over appraised values. Generally, the appraised value establishes the minimum bid.

An outgrowth of the competitive land sale program is the Outcry Auction. Since 2006, properties with unique characteristics (waterfront, scenic view sheds and islands) are offered for sale in the Outcry Auction. Although the number of parcels offered in the Outcry Auction is usually low, the competitiveness of auction dynamics often increases revenues compared with other methods.

Negotiated land sales: From time to time, private parties, communities, conservation groups, nonprofits and local governments approach the TLO, interested in acquiring Trust land. Each request is carefully evaluated and subjected to a stringent adjudication process. If pursued, each sale requires consultation with trustees, a written finding of a best interest decision and publication of a public notice under 11 AAC 99.050. A negotiated sale is based on a current appraisal plus a 25 to 35 percent surcharge to compensate for not selling the parcel through a competitive process.

Risk Management

Risk management is the mitigation of the Trust's liability through a process that identifies and assesses the risk associated with a resource management decision and establishes a method to minimize, monitor and control the risk within the parameters of land resource management criteria. Best policies include:

1. Use of contract stipulations requiring indemnification and insurance in all land use contracts issued by the TLO. Boilerplate language for risk mitigation has been recommended by the State of Alaska risk



Legend

Civic, Arts or Cultural	
Commercial	
Residential	
Mixed Use	
Office	
Structured Parking	
Water Feature	
Seawalk	
Stairs	
Transit Stop	
Possible Public Art Locations	
Picnic or Pocket Park	
Signalized Intersections	

Figure 7. Future Development (Build-Out Scenario for Technical Analysis - See Tables 1 and 6)



Attachment A Scope of Work

1. Project Description

The purpose of this FY 2015 Designated Legislative Grant in the amount of \$1,574,465.52 [pursuant to the provisions of AS 37.05.315, Grants to Municipalities, SLA 2014, SB 119, Chapter 18, Section 41(e), Page 130, and Line 9] is to provide funding to City and Borough of Juneau for use towards construction of a joint city, state, and federal parking facility in the Willoughby District. The objective of this project is to evaluate and partially fund a joint City and Borough of Juneau, State of Alaska, and Federal employees parking facility.

This project may include, but is not limited to:

- A parking study.
- Architectural plans.
- Secure site.
- Site preparation.
- Construction of initial phase of structure.

No more than five percent (5%) of the total grant award may be reimbursed for Administrative expenses for projects involving equipment purchase or repairs and no more than ten percent (10%) of the total grant award may be reimbursed for Administrative expenses for all other projects. To be reimbursed for eligible administrative costs, expenses must be reported on the Designated Legislative Grant Financial/Progress Report form.

2. Project Budget

Cost Category	Total Project Costs
Project Funds	\$1,499,490.92
Administration	\$74,974.60
Total Grant Funds	\$1,574,465.52

3. Project Management

This project will be managed by the Grantee.

Signatory authority for execution of the Grant Agreement and subsequent amendments is granted to the chief administrator. For grants appropriated to a municipality, the mayor is the chief administrator unless the municipality operates a managerial form of government; then the city manager/administrator acts as the chief administrator. For named recipients and unincorporated communities, the executive director or highest ranking official will act as chief administrator.

The chief administrator may delegate authority for executing the Grant Agreement and amendments to others within the Grantee's organization via the Signatory Authority Form. The chief administrator also designates financial and performance progress reporting authority via the Signatory Authority Form. Such delegation is limited to others within the Grantee's organization unless otherwise approved by the Department.

The Grantee must establish and maintain separate accounting for the use of this Grant. The use of Grant funds in any manner contrary to the terms and conditions of this Grant Agreement may result in the subsequent revocation of the Grant and any balance of funds under the Grant. It may also result in the Grantee being required to return such amounts to the State.

If applicable under state law, grantees must be registered and in good standing with the Department of Commerce, Community and Economic Development's Division of Corporations, Business and Professional Licensing.

4. Reporting

The Grantee shall submit a Designated Legislative Grant Financial/Progress Report Form provided by the Department each month, or quarterly, with the concurrence of the Department, during the life of the Grant Agreement. Grant Financial/Progress Report Forms are due thirty (30) days after the end of the month or quarter being reported. The report period is the first of the month through the last day of the month. If quarterly reporting is approved, the report period is the first day of the first month through the last day of the third month of the quarter. The final Financial/Progress Reports must be submitted within thirty (30) days following completion of the project.

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan.Bleidorn@juneau.org
(907) 586-5252

TO: The Assembly Lands Committee

FROM: Dan Bleidorn, Deputy Lands Manager

SUBJECT: FAA Juneau Airport Wind System Lease

DATE: March 13, 2017

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 City has leased these parcels to the FAA since 1997, and the leases are set to expire of April 30, 2017. Over the last 20 years, this has been a successful partnership.

The FAA has requested to renew leases for these three sites. Since two of leases are so similar, north Douglas off of Fish Creek Road and south Douglas, on Dock Street, they have been combined into one lease application. In 1997 these were separate independent leases. The third lease location is on Juneau Police station property in Lemon Creek. This will remain a separate lease because the property is managed by the Police Department and due to security concerns; special conditions will need to be involved for any site maintenance.

The FAA will pay two application fees as required by CBJ§53.09.260(a) and has requested these new leases continue to be offered at no cost because of the continued mutual benefit to the City and Borough. CBJ§53.09.270(a) - Disposals for public use states that "*The lease, sale, or other disposal of municipal land or resources may be made to a state or federal agency for less than the market value provided the assembly approves the terms and conditions of such disposal by ordinance.*" The next steps for these leases will be to finalize the application, a review by staff and the Planning Commission, followed by an ordinance introduced to the Assembly for adoption.

Staff recommends a motion of support from the Lands Committee 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.

Attachments:

2009 JAWS Site Plan for the Lemon Creek location
FAA JAWS Lease Location Regional Map

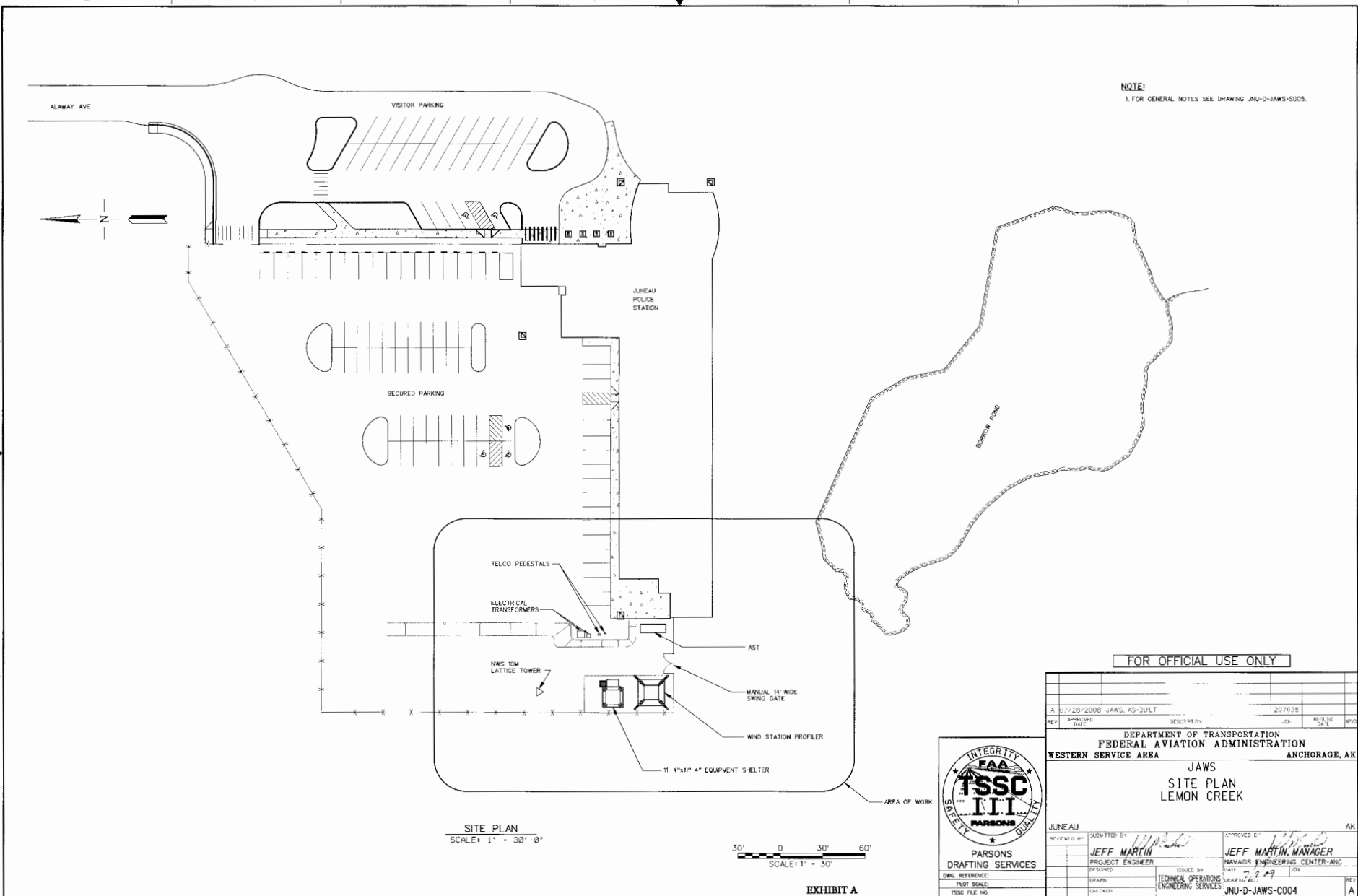


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NOTE:
1. FOR GENERAL NOTES SEE DRAWING JNU-D-JAWS-S005.

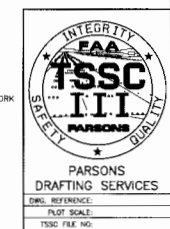


SITE PLAN
SCALE: 1" = 30'-0"

30' 0 30' 60'
SCALE: 1" = 30'

EXHIBIT A

FOR OFFICIAL USE ONLY



A 07/28/2006 JAWS, AS-BUILT		207635	DATE	SCALE	REV
REV		DATE	SCALE	REV	DATE
DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION WESTERN SERVICE AREA ANCHORAGE, AK					
JAWS SITE PLAN LEMON CREEK					
JUNEAU		DESIGNED BY	APPROVED BY		AK
REVISED BY		JEFF MARTIN	JEFF MARTIN, MANAGER		
PROJECT ENGINEER		NAVADS ENGINEERING CENTER-ANC			
CHECKED BY		DATE			
DRAWN BY		TECHNICAL OPERATIONS			
DATE		ENGINEERING SERVICES			
TSSC FILE NO.		JNU-D-JAWS-C004			

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