

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

December 9th, 2016 12:00 PM
Conference Rm. 224, City Hall

I. ROLL CALL

Debbie White, Chair, called the meeting to order at 12:01pm.

Members Present: Chair Debbie White; Assembly members: Mary Becker; Jesse Kiehl; Norton Gregory; Ken Koelsch, Mayor

Liaison Present: Carl Greene, Planning Commission; Chris Mertl, PRAC

Liaisons Absent: Weston Eiler, Docks and Harbors

Staff Present: Greg Chaney, Lands Manager; Rachel Friedlander, Lands and Resources Specialist; Scott Ciambor, Chief Housing Officer; Beth McKibben, Planning Manager; Rorie Watt, City Manager

II. APPROVAL OF AGENDA

The agenda was approved.

III. APPROVAL OF MINUTES

A. October 31, 2016

The October 31, 2016 minutes will be brought up at the December 12, 2016 Lands Committee meeting.

IV. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

There was no public participation on non-agenda items.

V. AGENDA TOPICS

A. A Discussion of Potential Modifications to the Draft Housing Action Plan

Chair White felt it important to call this meeting as a result of the attention and public reaction to the Housing Action Plan (HAP). Chair White had concerns due to how the HAP was perceived in the business and building community, and that a major builder in particular would not build anything new, and only remodel, if the HAP was passed.

Mr. Mertl asked what the key concerns from contractors were, and Chair White replied the "percentage of everything built being sold for less money." Chair White also provided an example of a property manager that usually is at full capacity with their 100 rentals, but has considerable vacancy with 7 two-bedroom apartments being unoccupied, when typically at this time of year there is only 2-4 vacant.

Chair White directed the Committee's attention to the HAP for review:

- Pg. 2: Chair White highlighted the last three bullet points as being of high importance.
- Pg. 8: Chair White said spending the City's resources is one thing, but committing the tax payer dollars and business and property owner dollars as a levy is unacceptable for a lot of people; Chair White's first idea to address this was aggressive disposal of City property with a percentage of this money going into the Housing Fund, which would spread the tax burden to everyone rather than raise property taxes for a select few. Chair White also said more land should go into circulation.

Ms. McKibben responded that Juneau has a lot of amenities for a community of its size, so the concept is for the community to recognize that housing is important and allocate funding towards housing, which is a community resource.

Mr. Gregory said the community needs to understand the Assembly's priorities. Mr. Gregory said there are people who cannot afford to live in the Juneau community, which means they are using resources not for food or healthier lifestyles but instead towards rent and mortgages. Mr. Gregory said the Assembly's priorities are "out of whack." Chair White agreed and said it doesn't give [builders] an impetus to build more housing, but instead provides an incentive to build more subsidized housing, and the Plan is not saying "let the market work." Mr. Kiehl respectfully disagreed and said these ideas were encompassed in the plan, and Chair White agreed and said she wanted to add "require or mandate market behavior" this concept is currently missing from the plan. Mr. Kiehl said the plan could be more general, but is appropriate in terms of comprehensiveness. Chair White said more emphasis needs to be placed on comprehensiveness, rather than mandating what builders do.

- Pg. 8: Chair White invoked discussion concerning: "the key goal recommended in the Plan is 1,980 new units", the market responding to need, and the timeline associated with constructing a subdivision. Chair White said the market is responding, and that more units were produced than were mentioned in the HAP. Chair White said people had problems with the idea of a housing levy and significant funding to offset housing costs. Chair White said there is the attitude that "some people aren't working to pay their share" which is causing others to pick up the slack.

Mr. Gregory said the HAP identified that Juneau has a "pent up housing market," and that there is a lack of choice and selection, and due to the lack of choice and selection, there are homeowners at every housing stage that would like to live in other areas or different homes, but these community members do not want to move due to the lack of choice and selection. Chair White said the idea might be to build more houses, so when builders say that "there are elements of this HAP that scare the living daylights out of me and I'm going to stop building houses," that's a red flag. Mr. Gregory replied that to him, that particular response is a lack of understanding for what is happening with the Juneau housing market. Mr. Greene asked where the lack of housing in the market is,

and that the City needs to target where the lack is, and Ms. McKibben replied housing is needed at every stage. The Lands Committee continued to discuss the difficulties associated with Juneau's housing market, and then returned to discussing specific areas of concern within the Housing Action Plan:

- Pg. 10: Chair White was concerned about the projections of Juneau's population and was curious if the State has updated these numbers.

Mr. Ciambor commented that he is planning to meet with CDD to update the data found in the 2014 Housing Needs Assessment, and could provide this information to the Committee.

- Pg. 11: Chair White read the opening sentence to the "there are too many factors, real and perceived" paragraph and asked Mr. Chaney if the City's rock and gravel sales are a significant portion of the Lands Fund. Mr. Chaney replied it is significant, but that Lands also redirects these funds back into the quarries to cover costs associated with operations and expansions.
- Pg. 13: Chair White discussed clarifying the section that discusses what "other communities" are doing so that it does not imply Juneau will be required to replicate those efforts.

Mr. Watt reminded the Committee where the Housing Action Plan stood before the Assembly, with the direction being to bring back a resolution on December 19th and make changes.

Chair White passed around the draft resolution and suggestions for the Housing Action Plan made by Mr. Watt. Chair White asked if the Assembly goes forward with the resolution, could the Committee still make changes, to which Mr. Watt replied no, since the Plan will have been adopted. Ms. Becker said she does not think the Housing Action Plan is ready for adoption as is. The Committee then discussed alternatives to passing the Plan on December 19th. Chair White asked if she could work with Mr. Ciambor individually, and Mr. Watt confirmed it so. Mr. Watt said the best course of action would be to draft a memo of suggestions that are distributed in advance of the Assembly meeting. Ms. Becker wanted to know if there was an urgent issue instigating a quick adoption of the Plan, and Mr. Watt responded that the Assembly has already begun to use parts of the Plan.

PUBLIC PARTICIPATION ON AGENDA ITEM A

There was no public participation on agenda item A.

VI. STAFF REPORTS

There were no staff reports.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

There were no committee member/liaison comments or questions.

VIII. ADJOURNMENT

The meeting was adjourned at 1:37pm.