

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

August 29, 2016 5:00 PM
Municipal Building Assembly Chambers

I. ROLL CALL

Kate Troll, Chair, called the meeting to order at 5:00 pm.

Members Present: Chair Kate Troll; Assembly members: Debbie White, Mary Becker; Jerry Nankervis (telephonic participation)

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

Liaisons Absent: Bob Janes, Docks & Harbors

Staff Present: Rorie Watt, City Manager; Carl Uchytel, Docks and Harbors Port Director; Greg Chaney, Lands Manager; Dan Bleidorn, Deputy Lands Manager; Scott Ciambor, Chief Housing Officer

II. APPROVAL OF AGENDA

The chair asked that item "D" on the agenda be moved up as soon as the City Manager was available to give the presentation. The agenda was approved as amended.

III. APPROVAL OF MINUTES

A. August 15, 2016

The August 15, 2016 minutes were approved.

IV. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

There was no public participation on non-agenda items.

V. AGENDA TOPICS

A. Docks and Harbors: CBJ/Central Council Tlingit Haida Indian Tribes of Alaska (CCTHITA) Lease

Mr. Uchytel addressed the Lands Committee on the proposed CCTHITA Thane Ore House lease and answered questions from the committee. The Docks and Harbors board approved the CCTHITA lease in its July 2016 meeting, and the lease will now be heard at the next Assembly meeting pending the Lands Committee's recommendation, said Mr. Uchytel.

Mr. Mertl asked if the public would still have access to the piece of DNR and CBJ property that runs through, and adjacent, to the property that will be leased and Mr. Uchytel replied that during the RFP process, a successful proposal had to provide 5 parking spaces for roadside fisheries. CCTHITA noted they had no objections to the public driving through the lot to access the DNR land, said Mr. Uchytel.

Ms. Becker asked what area was DNR property and inquired about the process needed by CCTHITA to propose changes to the lease and Mr. Uchytel referred to a diagram (page 40 of the packet) of the leased area and replied that in the terms of the lease, the CBJ has only requested 5 parking spaces and that the waterfront is DNR property.

Ms. White made a motion that the CBJ/ CCTHITA lease be forwarded to the full Assembly. The motion was approved unanimously.

PUBLIC PARTICIPATION ON AGENDA ITEM A

There was no public participation on agenda item A.

D. Parking Issues Update

City Manager, Rorie Watt addressed the Lands Committee on the fee in-lieu of parking ordinance and provided an update on the use of fee in lieu of parking in Juneau. Mr. Watt recounted the previous Assembly's desire to encourage housing development by modifying code, reviewed why structured parking costs are high, and highlighted the financial constraints of developers when attempting to build housing that may include parking. Mr. Watt stated he plans to meet with DBA and DIG as an ad hoc parking committee to examine parking efficiency on the streets and in the garages.

Ms. White commented that between purchasing the lot and getting it paved, the City has \$1 million dollars invested into the North Franklin lot. She asked for confirmation and Mr. Chaney replied he believes the City spent \$1.3 million purchasing and developing the lot.

PUBLIC PARTICIPATION ON AGENDA ITEM B

There was no public participation on agenda item B.

B. Recommendation for Negotiated Sale of North Franklin Parking Lot

Mr. Ciambor reviewed the North Franklin parking lot items in the agenda packet and reminded the committee that the proposal before them would be forwarded to the Assembly to enter into a negotiated sale, and that any development to occur on the property will go through the permitting process and Planning Commission. After the August 15th Lands Committee meeting, Mr. Ciambor contacted Eagle Rock Ventures (ERV) representative Scott Shapiro to see if ERV could include parking in their proposal and Mr. Shapiro replied ERV is not interested in providing parking. Mr. Ciambor encouraged the committee to accept staff's recommendation of forwarding ERV's proposal to the full Assembly for staff to enter into a negotiated sale and highlighted

how the proposal matches the needs outlined in the Juneau Economic Development Plan and Housing Action Plan.

Mr. Mertl asked what type of parking requirement this new facility would create and Mr. Ciambor replied none of the design components are concrete since this is only a recommendation to put forward an ordinance for a negotiated sale. Mr. Ciambor said he provided Eagle Rock Ventures data on fee in lieu of parking measures.

Mr. Nankervis said the Assembly ended this project previously by requiring parking, and that he supports the sale of this parcel to Eagle Rock Ventures.

Mr. Greene confirmed that the ERV proposal has no parking system devised and Mr. Ciambor replied that the proposal provided by ERV does not incorporate parking and instead the developers want to use the City's fee in lieu of parking system. Mr. Greene asked if staff has a sense of where the people who currently use that parking lot will park in the future, in addition to where the tenants of the new units will park and how the Baranof Hotel will be impacted. Mr. Chaney said the Baranof Hotel has expressed they use the North Franklin lot daily, and that the facility is in a PD-1 parking zone which allows reduced parking so hypothetically if 60 units were constructed, 24 parking spaces would be required by code, which reflects that many residents in a dense urban environment do not own cars. Mr. Ciambor replied the project is fair-market, studio apartments targeting a niche of young professionals, workforce housing, transient residents, and the development is affordable due to its density and reliance on transit corridors.

Ms. Becker said she wasn't sure if she got a direct answer from staff on if staff has been looking and finding places downtown that could be developed for parking that currently are not used for parking, and Mr. Ciambor replied that is a part of a greater conversation.

Mr. Greene asked if the City has worked with the developer to see what would make sense financially to incorporate parking and Mr. Ciambor replied ERV is looking to provide affordable housing and that providing parking would prevent this from happening.

PUBLIC PARTICIPATION ON AGENDA ITEM C (limited 2-3 minutes)

Steve Hamilton, representing the Westmark Baranof Hotel and Goldbelt Hotel, spoke in objection to the disposal of the North Franklin lot. The Baranof would be directly impacted by the proposed development, and any downtown development should comply with requirements like parking. Mr. Hamilton urged the Lands Committee to not move forward with the proposal until a viable parking solution is in place.

Joanie Waller remarked she was surprised the RFP for the North Franklin Lot did not have a parking requirement. Ms. Waller commented she read through the Housing Action Plan looking for a parking component and only found it towards the end of the document. Ms. Waller advocated for a Chief Parking Officer and for making a parking expansion plan.

Mandy Cole, valley resident who works and visits downtown frequently, spoke in favor of housing and parking issues being addressed together and was impressed by Eagle Rock Ventures proposal to the point where she was not dissuaded by the proposal's lack of parking. Ms. Cole said she is fortunate to have a car, and there are many who are not fortunate enough to have a home. Ms. Cole acknowledged she sits on the Affordable Housing Commission but is not representing the commission.

Heather Sincic, representing Franklin Street Barber Shop, discussed what keeps Juneau running in the winter time and how parking influences her business. Ms. Sincic said she is relying on the North Franklin Lot for her clients every day, and she needs a spot to park when she drives from the valley to downtown.

Tracy Ricker, representing Eagle Rock Ventures and herself, said the DBA provided a letter of support for this project. Ms. Ricker said the City needs to revitalize downtown and support what the private sector is doing. Ms. Ricker said the lot does not meet the highest and best use of the area as a parking lot by real estate standards. Mr. Mertl asked how many commercial and housing units the developer is intending and what the parking requirements for the facility will be and Ms. Ricker said the developer is waiting to see what the development costs will be and what will be required by the Planning Commission.

The motion before the committee is to move ERV's proposal to the full Assembly to direct for an ordinance of a negotiated sale. Ms. White objected because the City is losing \$770,000 of public dollars by selling this lot to ERV, that this could hurt small businesses, the parking garage is oversold, and that while she sees the need for housing downtown, she does not want to exacerbate the parking downtown.

A vote was called:
Ms. Becker- No
Mr. Nankervis- Yes
Ms. White- No
Chair Troll- Yes

The motion to move Eagle Rock Venture's proposal to the full assembly to direct for an ordinance of a negotiated sale failed 2-2.

C. Disposal of Lot 3, Renninger Subdivision to the Juneau Housing Trust for Less Than Fair Market Value

Mr. Bleidorn reviewed the history of the sale associated with Lot 3 to the Juneau Housing Trust, and reviewed the negotiations as outlined in the August 25, 2016 memo.

Mr. Mertl asked if the City had sold land to the Juneau Housing Trust at below fair market value before and Mr. Bleidorn replied that in 2014, the City did sell a lot in the South Lena Subdivision at less than fair market value in addition to selling the Trust a foreclosed lot for the price of the foreclosure. Mr. Bleidorn said the main difference between the sale price of Lot 3 in Renninger Subdivision and the 2014 South Lena Subdivision lot was that the Lena lot had more expensive development constraints. Mr. Mertl asked what rate did the Juneau Housing Trust receive previously and Mr. Bleidorn replied for the Lena lot it was initially 50%, but because of wastewater constraints, it was approved at 40% of fair market value.

Ms. White moved that the Lands Committee recommend to the Assembly to enable staff to dispose of Lot 3 in the Renninger Subdivision to the Juneau Housing Trust for less than fair market value. Ms. White added that the Trust originally received donated lots so she is glad to see the City give a break on this property since it is helping the next generation of builders. Chair Troll asked Ms. White to confirm that the motion is for 50% of less than fair market value and Ms. White confirmed it so.

The Lands Committee unanimously approved that staff be empowered to dispose of Lot 3 in the Renninger Subdivision to the Juneau Housing Trust for 50% less than fair market value.

PUBLIC PARTICIPATION ON AGENDA ITEM D.

There was no public participation on agenda item D.

VI. STAFF REPORTS

There were no staff reports.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

Mr. Mertl said on September 6th, PRAC will be taking public testimony on the use of fireworks on CBJ properties.

Ms. Becker said she is going to ask for reconsideration of the North Franklin parking lot and that the item be brought back to the Lands Committee at the next meeting to see if there is more information available at that time. Mr. Chaney asked what specific information Ms. Becker would like, and Ms. Becker replied more information on the

future steps to provide parking in the upper part of the downtown core. Chair Troll requested more information on where an additional 23 parking spaces could go in addition to parking for other residents. Mr. Nankervis noted he has math questions for staff in the future, and Chair Troll interpreted that as the value of the North Franklin lot and parking. Ms. McEwen clarified that a motion of reconsideration cannot be contested, and the North Franklin parking lot agenda topic will be brought up at the next meeting.

VIII. ADJOURNMENT

The meeting was adjourned at 5:58 PM.