

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

June 22, 2015, 5:00 PM.

Assembly Chambers

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. June 1, 2015

IV. PUBLIC PARTICIPATION

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

V. AGENDA TOPICS

A. Mobile Home Down Payment Assistance Program

B. Gastineau Apartment Demolition

C. Fisheries Development Committee - Potential Land Trades

D. Authorization to Begin Negotiations for a Lease with Pacific Coast Paving for an Asphalt Plant

VI. STAFF REPORTS

A. Renninger Subdivision Update

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**

June 1, 2015, 5:00 PM.
Assembly Chambers

I. ROLL CALL

Jesse Kiehl called the meeting to order at 5:03pm.
Members Present: Mary Becker; Kate Troll; Jerry Nankervis; Jesse Kiehl
Other Assembly Members Present: Karen Crane; Loren Jones
Liaisons Present: Bill Peters; Mike Peterson; Gerry Landry
Staff Present: Jessica Beck, Lands Specialist; Greg Chaney, Lands Manager

II. APPROVAL OF AGENDA

There were no agenda changes.

III. APPROVAL OF MINUTES

A. May 4, 2015

The minutes of the May 4, 2015 Lands Committee were approved.

IV. PUBLIC PARTICIPATION

There was no public participation on non-agenda changes.

V. AGENDA TOPICS

A. Ordinance 2015-30 An Ordinance Authorizing the Manager to Continue Leasing Approximately 1.31 Acres to the State of Alaska for Employee Parking, Located Between the Juneau Arts and Culture Center and Centennial Hall.

Mr. Chaney: The area is referred to at the Willoughby District. The CBJ leases a fair amount of parking to the State of Alaska. The lease area is an unusual shape. In 1999 we leased a small area to State of Alaska for parking. There are signs on both sides of that area for legislative parking that never went away. There is an area we purchased in 2007 and leased the area to the State of Alaska for parking. In 2008 we purchased another area and also began leasing out the area for parking. In 2011 we got the new piece and began leasing that area. That made up 144 parking spaces. We were received \$111,000 for that lease. Now we have 155 parking spaces including the additional strip. We have a new appraisal for \$122,760. This is a one year lease with 4 one-year renewals which gives us some flexibility. There's been lots of talk about putting the Willoughby Arts Complex down here. This allows us to change our mind every year if we want. This ordinance will be at the next Assembly meeting.

Mr. Nankervis: I noticed the appraisal company is out of Colorado. Did we not get anyone local that was interested?

Mr. Chaney: We couldn't get anyone local in the timeframe we were looking at and that person is from Juneau. They moved to Colorado, have been doing appraisals in Juneau, and have plans to move back here.

Motion: Ms. Becker: I move the Lands Committee forward a motion of support to the full Assembly to lease approximately 1.31 acres, located between the Juneau Arts and Culture

Center and Centennial Hall, to the State of Alaska for employee parking for one year with up to four one-year renewals.
Hearing no objection, motion passes unanimously.

VI. STAFF REPORTS

A. Miller Asphalt Plant

Mr. Chaney: This is an interesting application so I thought I would bring it forward. We haven't done any real analysis yet. Pacific Coast Paving (which I believe is a subsidiary of Miller Construction) is requesting to lease a small area for an asphalt plant. Murray Walsh, with that company, is available to answer questions. It's a portable plant. It won't take long to setup or take down, if need be. It's a fairly simple site plan. There are some bends for aggregate, oil, heating plants, mixing drum and the drive-through loader. It's a simple flow through pattern. There are two different tracks going on right now. The applicant has applied for a use permit which is only for one year. That would be approved through a recommendation from the Planning Commission by the Managers Office. They have also applied for a long term lease. The lease will have to go to the Assembly first to see if they want to consider other proposals. Whichever way that is approved (direct negotiation with original proposer or by competition with other proposals) we will follow the Assembly's direction but either way the pathway for approval is through the Planning Commission and back to the Assembly by Ordinance. It will probably come to you one way or another for the long term lease. I don't have a whole lot more. I wanted to alert you of this application and to answer questions. I'd heard earlier that there was concern about conditions for environmental cleanup. That would be part of the conditions we would draft when we're doing our review. I'm happy to answer questions but it's early in the review process so I probably don't know the answers.

Mr. Peterson: On the area outlined, it's been my experience that there's aggregate piles to feed the bins. Is there been talk about an area by the road or behind as to where the piles will be located.

Mr. Chaney: That's something we'll have to refine. We don't have that on the proposal yet.

Mr. Peterson: My experience with SECON, even though it's quite a ways from where there asphalt mixing plant is, there's a large ditch. I would assume it would soak into the ground before it hits that ditch. So that I would want to see where that containment drainage is.

Mr. Chaney: There would be a SWPPP or something.

Mr. Kiehl: For these temporary land use permits, how do we determine a lease rate?

Mr. Chaney: We get an appraisal to determine the lease rate.

Mr. Kiehl: So the same process for a longer term lease?

Mr. Chaney: Right, the code says fair market value so we get an appraisal to get a good reasonable rate.

Mr. Kiehl: By any chance, you don't have the ability to point to the prevailing wind do you?

Mr. Chaney: I do not. I presume it comes out of the valley. It sort of blows out of Lemon Creek and across.

Mr. Kiehl: Can you describe, you mentioned this comes from the Planning Commission.

Mr. Chaney: For both processes (temporary use permit and long term lease) it goes to the Planning Commission for comments to the Manager or the Assembly. I'm not certain if it will go to the Planning Commission for a conditional use permit. I'm not certain if that decision has been made yet.

Ms. Becker: It looks noise will be minimal and no air pollution because that's what it says. It's pretty self-contained with no water pollution. The noise will follow our noise standards and will it have start and end times during the day? Are you going to put limits on the time of operation?

Mr. Chaney: We could. We haven't started analyzing the application. If you think that's important it's something we can consider.

B. Renninger Subdivision

Mr. Chaney: We've called this subdivision a few things but Renninger Subdivision is what it's called on the plat. It's also been called Area 2A and the Switzer subdivision. The term "2A" is going back to our earlier study completed by R&M. Going back another step, was another study where we looked at 12 different areas in Juneau for the Buildable Lands Study. This was considered one of the prime candidates. R&M did a study of the area for us. This is area 2 to the right as you're driving up the road to Dzantiki Heeni Middle School. This is an 8 lot subdivision. Lot 1 is a remainder of the lot. It goes from the Public Works building by Sunny Point to Lemon Creek. Originally it was area 2A and 2B. This is a multifamily zone. Even though there is challenging wetlands in the area, you get credit for that in a multi-family zone - you can cluster your development. Even though you may not want to build in the steep area you can take some of that and cluster the density in the lower slopes, for example. That's why the boundaries got stretched out. There's a lot to be said for density but then there's also reality. The area is mostly developed for 8 units down in Gruening Park, so I put 8 unit buildings and the parking areas on each lot to show you. Even though we're going to talk about potential density, 48 units is more likely. There are lots 1, 2-7 and Lot 8. Lot 8 is still in play a little bit. We don't have our Army Corps of Engineers permit yet. We talked to them on Friday. I've been told that until we have the permit in hand we can't really relax yet. We're moving ahead as if it will be issued soon. The preliminary plat was approved by the Planning Commission on May 26th. There were 3 conditions: traffic impact analysis, crosswalk design between this development and Dzantiki Heeni Middle School and to connect our sidewalks with existing sidewalks on Renninger Street. We had intended to this all along. Now we'll use the traffic study to refine the crosswalks to meet the safe walks to school standards. Most of the traffic comes up and around (to the school avoiding the crosswalk). We don't expect a lot of conflict here. Students will walk up and we will put in a crosswalk where the Traffic Impact Analysis says is the best spot to do that. We have adequate funding in our CIP to do the subdivision. The preservation lot - we might change its geometry. This meets current code as a lot with frontage on a right-of-way. This is the area we wanted to set aside for the Corps permit mitigation. This would be "permittee responsible mitigation", meaning we would be custodians of the site. We could get up to 170 dwelling units in the subdivision with this configuration. Then if the Subdivision Code changes before the plat reaches its final stages. Under the proposed code we could call it a "Conservation Lot". They are not meant to be occupied and wouldn't need to be connected to the right-of-way. Then we get a few extra dwelling units. If we pay fee-in-lieu mitigation, we could do this as a "Preservation Easement". It would be set aside for preservation purposes but it would be part of the lot. That density could be put somewhere else. With that, we could get 189 units. We're moving along and have made considerable progress. We have a design team working on the roads and a Traffic Impact Analysis started. If everything goes well, we could have this constructed this year (but more likely it would be paved next spring). The new street that would be built would be called Jackie Street. Some of you knew Jackie Renninger's story. She worked for the Juneau Police Department and passed away very young. She was uniformly liked. Everything that I have heard about her was great, so it seemed logical to have Jackie Street come off of Renninger Street.

Ms. Troll: We're going through the subdivision rewrite. There aren't any changes in that that would affect the layout?

Mr. Chaney: The only thing is the "Preservation Lot". This panhandle isn't really necessary for an area that is being reserved as a wild area. Under the new Subdivision Ordinance, this could be a "Conservation Lot" and it would be a rectangle that would live in the corner.

Ms. Troll: If that goes forward, and we still have the "Conservation Lot", does that still get you 189 units?

Mr. Chaney: The easement would get us to get the maximum number of units, but that depends on what the Corps does. If the Corps lets us do onsite mitigation, there's a lot of reasons why that's a good thing. If they tell us that they want us to pay a fee-in-lieu, then we have to pay money to a mitigation bank to go out and buy property to set aside for preservation. To me, that's inefficient and silly, when we already have a lot of high value wetlands that are suitable to set aside. It really makes a difference when you get to Pederson Hill. The bill for that is over \$600,000 and we have thousands of acres that are suitable for wetland preservation.

Ms. Troll: Whether it's a "Conservation Lot" or easement, it depends on the corps permit. Regardless, of how it's identified, if in the future you wanted to put play equipment in that area or a bike path...

Mr. Chaney: Generally no, it's intended for wetlands preservation and it's not intended to be built on. People can walk through there. We would have to get a lot of approvals for any construction. Right now there's a trail on the base of the subdivision. It goes out to Switzer Natural Area Park. It's boggy and marshy and easy to get to this area.

Ms. Becker: When you come up Renninger Avenue and before you turn off to the school, there's a pull off area, is that where this is happening? That has been used for a bus queuing area in the past. Is that not happening, or are you planning to make sure there's another place?

Mr. Chaney: That is part of what the traffic impact analysis will tell us.

Mr. Nankervis: I appreciate that this has been pushed to the front burner. A lot of people are under the mistaken belief that we have a lot of easily developable land. There isn't a lot out there and you've pushed this admirably. I think it's a great project.

Mr. Landry: You kind of answered my question about what you could do on the "Conservation Lot". From a parks standpoint, even a nice trail through there. The Lemon Creek area... if you look at Juneau, we have a lot of parks in valley, Douglas and downtown... there's really none in Lemon Creek. Adding another neighborhood in the area is great, but how can you work with Parks to get another pocket park. Lemon Creek is very underserved.

Mr. Chaney: I don't know if we're going to be able to solve all the problems the City has. There are a lot of recreation opportunities at the Dzantiki Heeni Middle School. This is a natural area park. It's not an improved park. It's a natural area park. We would, either through easement or setting aside a lot, put this corner aside so that it wouldn't be developed. This area just feels like it continues. Then we can take the density and put it above. In terms of a baseball diamond or something like that, we haven't proposed that for this subdivision. Although it has a high potential for density, it's not a very big subdivision. There is a trail that already exists. Another thing, but it's not really a parks thing, is that we are assuming that the lots will be disposed of through sealed competitive bid because that's how we disposed of them previously. That will have to be approved by the Assembly.

Mr. Kiehl: You talk about a team working on the road. There has been talk about utilities and sidewalks. To what standard are we building the road?

Mr. Chaney: This will be one of the largest or nicest roads we've built in the recent times. The subdivision ordinance has down grade the requirements but we don't have that yet, so we designed it to current code. It will be a 28 foot wide street with sidewalks on both sides, curved gutter, a street light, fire hydrant. I know it's unlikely, but if we get 170 units, we want that stuff. It will be a full standard street.

Mr. Kiehl: It strikes me as wise if this becomes the second access to development Area 3.

Mr. Chaney: That's what the tail on the subdivision is for. It shoots off over to Development Area 3. The primary access to Area 3 will probably be through Mountain Avenue. It will need two accesses if there are over 100 dwellings so the R&M proposal was to have Jackie Street turn into a very large street when it's done. I'm not sure if I'll be alive when that's done. Development takes so long.

Mr. Kiehl: Optimism, Mr. Chaney.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

Mr. Peters: You have a revised subdivision ordinance. That came out of the Planning Commission at our last meeting. We met on Title 49 and are going to be recommending some changes to the TPU that will be coming to the full Planning Commission addressing daycare.

Ms. Troll: I want to echo Mr. Nankervis' comment regarding it's really encouraging to see this development moving along. I know you're waiting for the Corps permit and those things. Keep pushing and thank you for your perseverance. This will make a significant contribution.

Mr. Kiehl: Let me echo the thanks of the other members.

VIII. ADJOURNMENT

The meeting adjourned at 5:37pm.

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Greg_Chaney@ci.juneau.ak.us
Voice (907) 586-0205
Fax (907) 586-5385

TO: CBJ Lands Committee 
FROM: Greg Chaney, Lands and Resources Manager
DATE: June 16, 2015
SUBJECT: Mobile Home Down Payment Assistance Program Proposal

Mobile Home Down Payment Assistance

Finding Housing in Juneau is problematic for many families because of the high cost and low availability of homes. Mobile homes are often less expensive, but very few lenders will finance a mobile home, and only with a high percentage of money down.

The Mobile Home Down Payment Assistance program was developed by the Affordable Housing Commission in an effort to lessen the challenges facing Juneau families trying to purchase a home affordably.

Proposed Program Description

Loan Application, Disbursement of Funding and Repayment Process

- Qualified buyers would receive assistance of up to 50% or up to \$10,000 of the lender required down payment to purchase a mobile home in Juneau.
- The CBJ loan would only require 1% interest for five years.
- These funds would be issued to the lender at the time of closing, and the lender would escrow repayment of this loan in conjunction with loan servicing.
- A secondary lien would be placed on the mobile home title to secure the loan.
- The mobile home must be owner occupied for the life of the loan term.
- Loan approval would be determined by the Affordable Housing Commission subject to funding available. As this is a pilot project, it is anticipated more applications may be received than can be funded.
- Applications will be available at the CBJ.

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The program has been capitalized with \$100,000 (FY16 operating budget) from the Affordable Housing Fund. This program would be available to any lending institution qualified to make mobile home loans. The Law Department is currently working on a written agreement to be signed by CBJ and participating lenders. The program would work in the following manner:

1. Contract/agreement is signed.
2. Once a bank has qualified borrowers they will request loan funding from CBJ.
3. The bank will administer the loan as well as process and handle the monthly payment schedule. Monthly the bank will report payment activity to CBJ and annually remit a return of loan proceeds.
4. Any loan that is not repaid after bank has tried to collect will not be pursued by CBJ for collection.
5. Whatever portion of the \$100,000 does not get loaned in FY16 will lapse to the Affordable Housing Fund and need to be re-appropriated in FY17 etc.

Staff Recommendation:

The Lands Committee adopt a motion of support to the Assembly for the CBJ to administer the Mobile Home Down Payment Assistance program as outlined in the June 16, 2015 memo presented to the Lands Committee.



Engineering and Public Works Department
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-0800 Facsimile: 463-2606

DATE: 6/18/15

TO: Jerry Nankervis, Chair
Assembly Committee of the Whole
Jesse Kiehl, Chair
Lands Committee

FROM: Rorie Watt, P.E., Director 
Greg Chaney, Lands Manager

SUBJECT: Gastineau Apartments Demolition Funding

The owner of the Gastineau Apartments does not appear to be making progress towards demolishing or repairing the fire damaged apartment building. The Manager has requested that we bring a funding transfer proposal for consideration by the Assembly.

There are no easy fund sources available, the best source is one of the CIPs that contains funds for housing land development. As part of a prior sales tax approval, funds were placed in a CIP entitled West Juneau-North Douglas Access Study (R72-041). The idea was that a secondary road connection could foster land development and better traffic flow in that area. The idea did not pan out and the \$3.2M of sales tax in this CIP have been long planned be transferred to another housing/land development project (presumably Pederson Hill or another phase of Switzer).

Demolition costs are estimated at \$1.8M. If the Assembly appropriates the funds and directs the demolition and eventual resale of the property, we will recommend that monies collected from a future resale be directed back to a housing/land development project.

Recommendation:

The Manager has placed a transfer request for \$1.8M from R72-041 to a new CIP entitled Gastineau Apartments Demolition on the 6/29 Assembly Agenda. No action is required by either Committee. We recommend that the Assembly consider this request and provide direction at that time.

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Greg_Chaney@ci.juneau.ak.us
Voice (907) 586-0205
Fax (907) 586-5385

TO: CBJ Lands Committee

FROM: Greg Chaney, Lands and Resources Manager

DATE: June 16, 2015

SUBJECT: Roadside Fisheries - Status Update

Attached is a letter from Greg Fisk concerning enhancing roadside fishing opportunities and acquisition of property from the University of Alaska between Harris and Aurora Harbors.

The roadside fisheries issue is focused on the area at the end of Channel Drive. Mr. Fisk's letter outlines the issue but does not contain any diagrams. Therefore Lands Staff has included a couple of aerial images with property lines and ownership information. DOT owns and maintains Channel Drive and Egan Express rights-of-way. In the past, DOT has indicated that they did not want to allow an improved pedestrian path to tidewater in this area or encourage parking in the cul-de-sac.

Trucano Construction owns two parcels at the end of Channel Drive and CBJ has two parcels along Channel Drive under a long term lease. The Lessee of the CBJ lots has the first right of refusal to renew this lease under extremely favorable terms. Any action taken by CBJ in this area will require purchasing property, executing a land trade or taking over ROW (including maintenance) from the state. While land trades do not require the cash outlay that a purchase entails, they are still expensive. Land trades require appraisals, title searches and staff time. The recent, but ultimately unsuccessful, land trade for Honsinger Pond cost over \$25,000 in appraisals and fees. Taking over the ROW may not be possible since during previous discussions, DOT wanted to retain this ROW to help maintain Egan Express.

The second issue is the Fisheries Development Committee's desire to obtain waterfront property for an expanded commercial fisheries service center. This topic is explained in the information supplied in the attached documentation including a graphic indicating where the Fisheries Development Committee hopes to obtain property from the University of Alaska.

Staff Recommendation:

These two topics could generate significant discussion. It may not be possible for the Committee to develop recommendations concerning these topics in the time allowed. Perhaps a reasonable approach would be for the Lands Committee to consider these items separately, identify if additional information is needed and to request Lands staff to schedule these items for future agendas where more time is available.



Figure 1. Area near the end of Channel Drive.

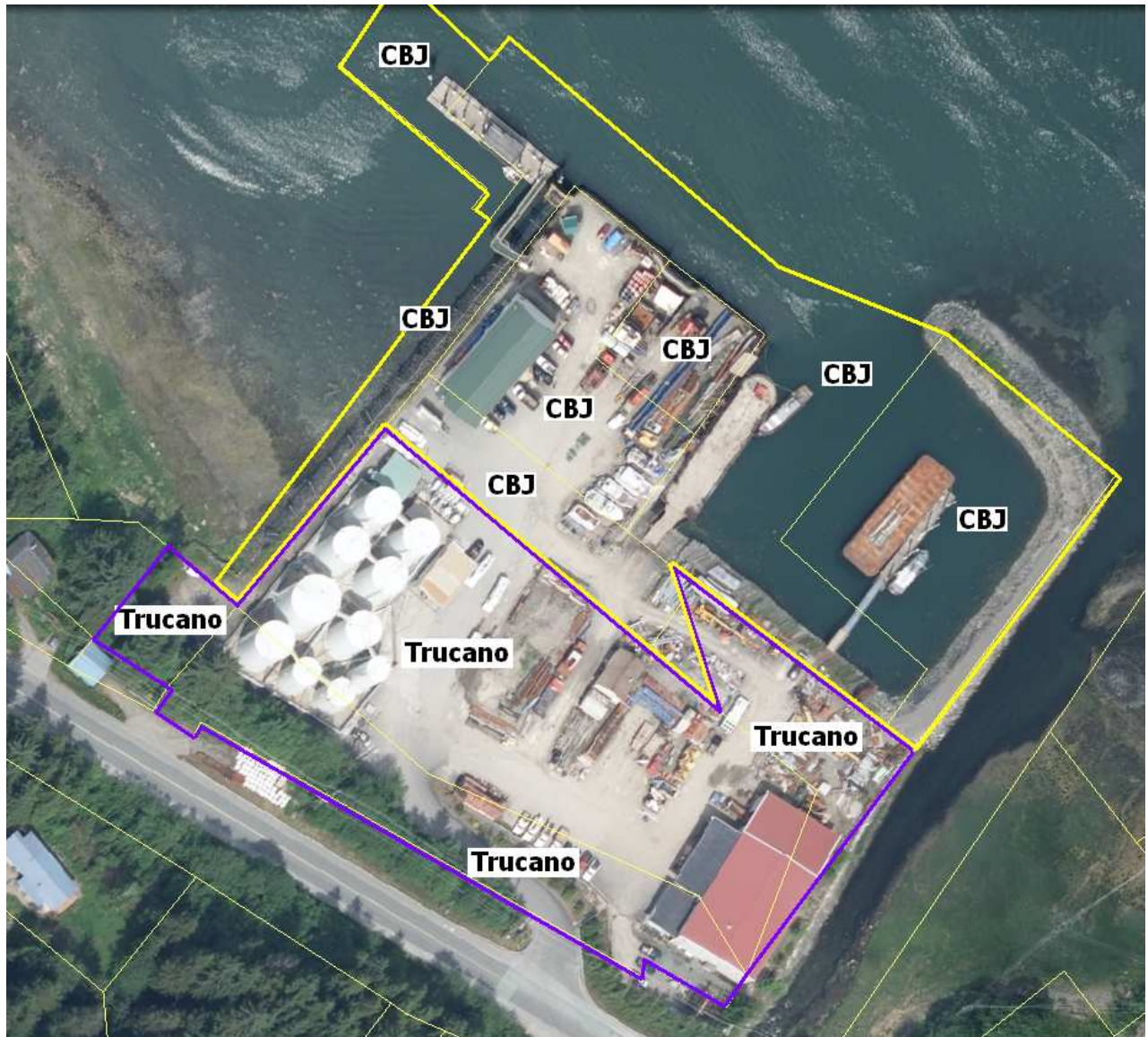


Figure 2. Trucano construction and port facility.



FISHERIES DEVELOPMENT COMMITTEE

June 17, 2015

Assemblyman Jesse Kiehl, Chairman
CBJ Assembly Lands Committee
155 S. Seward Street
Juneau, AK 99801

Re: Fisheries Related Lands Issues

Dear Chairman Kiehl & Members of the Committee,

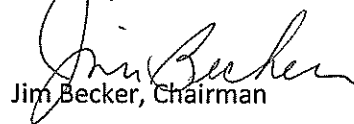
The CBJ's Fisheries Development Committee (FDC) was constituted by the Assembly to provide advice to Borough bodies respecting all aspects of fisheries related development in Juneau. We have two lands related issues that that will require your attention. Both involve land swaps that we believe will be very beneficial to the CBJ.

- 1.) Channel Drive – The CBJ owns two parcels of uplands and tidelands near the end of Channel Drive. These are past DIPAC, towards town. Trucano Construction owns two adjacent uplands / tidelands parcels, and has expressed interest in swapping these parcels for tidelands that it currently leases from CBJ Docks & Harbors seaward of its construction yard site on Douglas Island near the bridge. The FDC's initial interest in this idea stemmed from the Committee's work to provide additional roadside fishery opportunities in Juneau. The end of Channel Drive is frequented by anglers targeting coho and king salmon returning to the DIPAC hatchery, but access is unimproved and there are significant safety and usability concerns. However, we see long-term advantages to the CBJ consolidating ownership in this area for future development purposes. It is a potentially very valuable site for future marine related industrial development. There are also advantages for Trucano Construction in making a "value for value" swap with the city. For them it would consolidate uplands and tidelands ownership at one of the more important waterfront industrial sites within the Borough, making planning for future development easier. The FDC believes a swap would be mutually beneficial for the city and Trucano and would foster overall economic development in Juneau. However, there are complicating issues:
 - a.) Docks & Harbors currently receives approximately \$25,000 annually in revenues from the tidelands lease in front of the Trucano industrial yard. Although the combined Channel Drive site has development / lease potential, any revenue from such development is in the future, and would not immediately compensate for D&H's loss of revenue from the existing tidelands lease;
 - b.) CBJ policy does not support alienation of tidelands. However, the ordinance quite apparently did not contemplate the idea of swapping tidelands of comparable type and / or value. We think that a swap that did not result in effective net loss of tidelands would fall within the intent of the existing ordinance, but clearly that is a matter for Assembly deliberation and decision.

- 2.) University / Fisheries Terminal Site: The CBJ currently leases important uplands and tidelands from the University of Alaska between Harris and Aurora Harbors. The purpose of the lease is to foster mutually beneficial economic development. However, funding to develop the area has been difficult to obtain, and efforts to do so are complicated by the ownership question. Accordingly, there have been discussions for many years of a possible land swap between the CBJ and the University that would foster the development goals of both entities. Any such swap would be "value for value", but the exchange would boost overall economic development in Juneau. It has not been easy to define the parameters of a land exchange, but recently the University has offered up two parcels of tidelands at the site. The FDC has previously identified the completion of the Fisheries / Marine Terminal Project between Harris and Aurora Harbors as the top commercial fisheries infrastructure project in the CBJ (November 11, 2014 letter to Docks and Harbors Board attached). We believe that achieving a land swap with the University on tidelands parcels A and B (see attached aerial view) would be an extremely important step in getting this project moving. The Fisheries Terminal Project has been worked on since the early 1990's, and is a vital economic development project that entirely fits within the goals of the Economic Development Plan.

We very much appreciate the Lands Committee's attention to these matters and urge you to give them high priority.

Sincerely,


Jim Becker, Chairman

cc. Merrill Sanford, Mayor
 Kim Kiefer, Manager

53.09.150 - Land management plan.

(a) The planning commission shall recommend to the assembly a land management plan for all City and Borough lands. The plan shall address the retention, use, disposal, development, and subdivision of City and Borough land and selected land and the acquisition of private lands for public purposes. The plan may be developed and adopted in stages. The plan shall identify the management intent for each parcel of City and Borough land. Prior to adoption of its recommendation, the planning commission shall hold a public hearing on the draft plan.

(b) The commission shall recommend changes in the land management plan as necessary.

(c) When developing a recommended land management plan or a change to the plan, the planning commission shall be guided by the following principles:

(1) Multiple use should be encouraged;

(2) Use of land for natural resource extraction or removal should be consistent with future use of the land;

(3) A sound local economy will be promoted;

(4) Development will be encouraged in areas where public services already exist or can be economically extended or where development of a viable economic base is probable;

(5) A significant quantity of land of a variety of types and locations should be reserved to provide an opportunity for future decisions; adequate lands for public development and public use, including recreational beaches with appropriate uplands, should be reserved;

(6) Tidelands should be leased only for specific water-dependent and water-related uses and not sold;

(7) Wetlands should be leased only for specific uses and not sold;





FISHERIES DEVELOPMENT COMMITTEE

November 11, 2014

Dr. David Logan, Chair
CBJ Docks & Harbors Board
155 S. Seward Street
Juneau, AK 99801

Re: Commercial Fisheries Infrastructure Priorities

Dear Chairman Logan & Members of the Board,

The CBJ's Fisheries Development Committee (FDC) was constituted by the Assembly to provide advice to Borough bodies respecting all aspects of fisheries related development in Juneau. Of particular concern to the Committee is the state of public infrastructure needed to support commercial fisheries. The FDC has worked to catalyze industry, public and government support for important projects in the past, including the CBJ's investment in the dock adjacent to Taku Smokeries, the "crane dock" between Harris and Aurora Harbors, and most recently the Auke Bay Loading facility. Each of these are important components of Docks and Harbors' (D&H) infrastructure portfolio, and have helped spark a renewed, and now very vital Juneau seafood industry, which is an important and growing sector of our economy. We are writing to you to express what we believe are the most important CIP projects for the Board to work on in support of our commercial fishing industry. In order these are:

1. Completion of the **Juneau Marine Terminal** project begun in 1990, and only partially completed with construction of the crane dock;
2. Completion (Phase ii) of the **Aurora Harbor Rebuild** project;
3. Construction and operation of a **Fishermen's Direct Market Facility**; and
4. Installation of **Work Floats** for fishermen to repair and maintain gear.

Juneau Marine Terminal - In 1989 the CBJ and University entered into a long-term lease on much of the University owned tract between Harris and Aurora Harbors.¹ The agreement included a \$500,000 grant to support construction of the Egan Library on the UAS campus. The leased lands, including the 35-ton Marine Travel Lift, were placed under D&H management. The plan at the time was to construct a marine development and support facility modeled on Seattle's Fishermen's Terminal – with haul out and maintenance yard, space for marine related support businesses, retail and offices, harbor management facilities, and continuation / further development of the University's marine related technical and vocational training at the Marine Tech Center. The paved, sheet-pile cell structure, with its two yellow cranes - known generally as the "crane dock" – was built in the early '90s, but only partially finished. The north facing side was never completed. The center tract of land and travel Lift were sublet to Juneau

¹ The lease included the tidelands seaward of the Marine Tech Center main building and "welding" shop (including a timber dock and crane), the Travel Lift, a block of land now occupied by Juneau Marine Services, and a corridor connecting that tract with the Travel Lift facility. The term of the lease is 35 years, with a renewal option for an additional 35 years. There 10+ years remaining in the initial term.

Marine Services, and remain the most important marine service facilities in Juneau. Small tracts have been sublet to important marine related businesses like Maritime Hydraulics. These are all successes. Indeed the crane dock has been an important business incubator for the seafood industry in Juneau. For example, Alaska Glacier Seafoods got its start using that public facility to offload fish. But, the original vision – which remains very valid to this day – has been only partially realized. Much remains to be done. The existing 35-ton Travel Lift is at the end of its useful life and is woefully inadequate capacity-wise. We need a 150-ton lift to service vessels like seiners, tenders, tugs, commercial landing craft, tour vessels, and even the large yachts that visit Juneau. More space is needed for vessel service areas, and must be created by filling much of the leased tidelands. Buildings are needed for marine service businesses and to house D&H's own operations. The crane dock needs to be completed.

Various plans have been developed by D&H over the years, and the FDC urges the Board to renew efforts to implement them. A very important element in that regard is to finally achieve a land swap between the CBJ and the University that would put the entire tract between Harris and Aurora under D&H management. There is currently strong interest in accomplishing this, as UAS wants to acquire CBJ owned lands in proximity to the Auke Bay campus. Ownership of the land would make it much easier for D&H to finance the millions of dollars of improvements needed to build out the Juneau Marine Terminal. The FDC wants to stress that it does not want to see the University presence on the site end. On the contrary, we think that the University should continue to own, maintain and use the Marine Tech Center building.² However, we are confident that overall planning, development and operation of the entire area can best be accomplished under D&H's enterprise management. Finally, we would note that the proposed land swap is truly a "win, win, win" opportunity from the broad community perspective. Docks & Harbors and the fishing / marine community win by getting a much needed developable site under clear ownership for development. The University wins by getting lands it needs for expansion of the Auke Bay campus while maintaining its current, water-adjacent VocEd site. The CBJ and Juneau community win by seeing two vital engines of our economy further empowered to achieve important economic development.

Aurora Harbor Rebuild – The FDC is well aware of the Board's efforts to date to get the much needed rebuild of Aurora Harbor accomplished. Phase I, now under way is a big step. We urge the Board to keep Aurora Phase II very high on its priority list. Aurora Harbor already houses a large proportion of our commercial fleet, and its steady deterioration over the years has been of great concern to many fishermen. We particularly encourage the creation of additional larger moorage slips as designed for the north end of the harbor. This is very important for accommodating commercial fishing vessels, which typically require these large slips. Juneau has potential to attract additional fishing businesses, as our local fisheries remain among the strongest and most consistent in Southeast. In the past, long waiting lists for moorage discouraged expansion here. D&H has done a good job of reducing wait times for slips. Additional larger vessel moorage can give us an opportunity to actively attract additional fishing enterprises. When seeking the additional funding required to complete this vital project, we recommend that you stress Aurora's great importance to the commercial fishing industry.

Fishermen's Direct Market Facility – This is a long-discussed idea, and we are aware that D&H received some planning money to scope a project in the fairly recent past. That effort indicated that the best

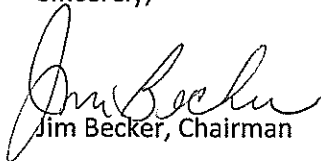
² As part of a land swap deal, the CBJ could lease back the land beneath the building for nominally cost and other "good and valuable" consideration, namely the University's agreement to maintain and enhance its important trades training programs like hydraulics, diesel technology and the like.

location would be on the south side of Harris Harbor, with uplands improvements and signage near the highway to alert consumers to boats at the facility with product to sell. Juneau is the largest market in Southeast and offers fishermen the opportunity to reach a substantial number of seafood-savvy consumers. But the “hit and miss” method of selling from regular moorage slips in the various harbors and advertising with funky cardboard signs by the roadside leaves a great deal to be desired – and more importantly, a lot of valuable business undone. A well-developed, well-known direct marketing site would be a boon to fishermen and consumers alike, and would likely become an important point of interest for visitors. The South Harris site is accessible and will be immediately adjacent to the currently proposed end of the Waterfront Seawalk. Indeed, it might be opportune to think of including the Direct Market Facility as an integral part of that Seawalk terminus.

Work Floats – These have long been an “ask” by the commercial fleet. Since many fishermen here are gillnetters, they are commonly referred to as “net floats”. But, they would also serve the needs of our large contingent of trollers who would use them to service trolling poles. With the recent advent of an important DIPAC supported seine fishery near Amalga, there are sure to be seiners who would use them to service / repair their large nets. While fishermen appreciate D&H’s willingness to allow net work to take place on the moorage floats, we understand that the situation is less than ideal from both fishermen and other user’s perspectives. The FDC understands that siting and the cost of floats are difficult, but inclusion of these facilities would make Juneau a much more “user friendly” place for both resident and visiting commercial fishermen. This is not just a convenience item. Juneau literally sees hundred of non-resident fishing boats in the summer, and providing better facilities is important to continuing to attract their business. It’s important for our processors, for local marine service businesses and for the retailers and restaurants these fishermen patronize. Can any of the floats being removed from Aurora be rebuilt for this purpose rather than being scrapped? If so, perhaps this longstanding need can finally be met at a reasonable cost.

Thank you for considering our recommendations, and please call on us if we can provide help to any of the Board’s important efforts.

Sincerely,



Jim Becker, Chairman

cc. Mayor Sanford & Members of the Assembly
Kim Kiefer, CBJ Manager

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan_Bleidorn@ci.juneau.ak.us

Voice (907) 586-5252

Fax (907) 586-5385

TO: Lands Committee

FROM: Dan Bleidorn

SUBJECT: Pacific Coast Paving, Inc. application to lease City Property to operate a general-purpose asphalt plant on CBJ land in the Lemon Creek area

DATE: June 10th 2015

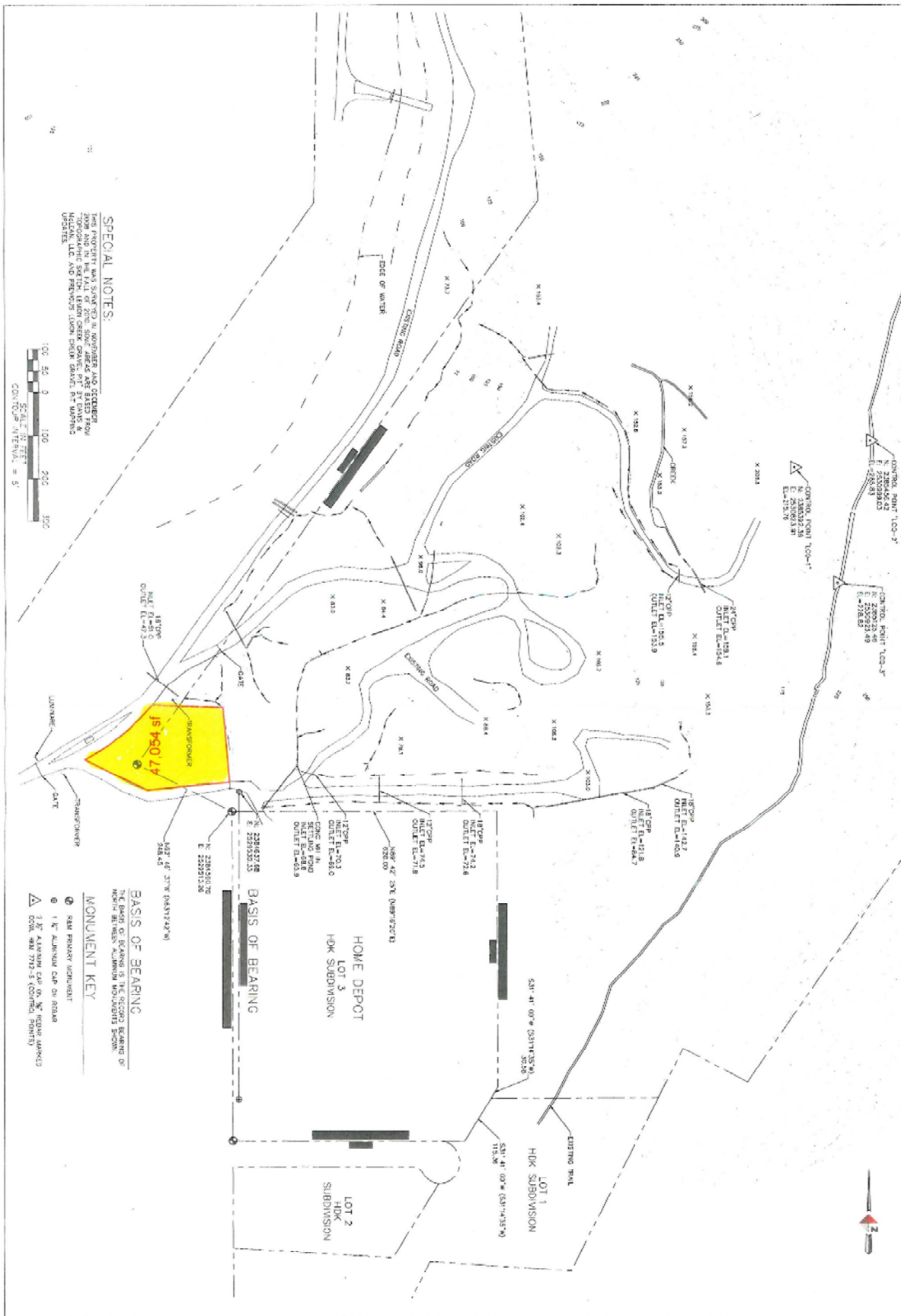
On June 2nd, 2015 the Lands Office received an application to use City and Borough Property from Pacific Coast Paving. The applicant's intentions are to operate a general-purpose asphalt plant on property located adjacent to the Lemon Creek Material Source on City owned property zoned industrial. According to the CBJ code 53.09.260, the Assembly must provide direction on how to proceed. The request is to lease roughly an acre on City property at the end of Anka Street. This property was selected because of its zoning and for the fact that this location is served by a high capacity electrical transformer that will be used to heat the petroleum product that is the binding factor in asphalt which will eliminate the need for a generator.

53.09.260 - Negotiated sales, leases, and exchanges

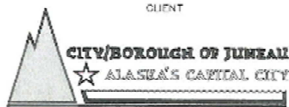
(a) *Application, initial review, assembly authority to negotiate.* Upon application, approval by the manager, and payment of a \$500.00 fee a person or business entity, may submit a written proposal to lease, purchase, exchange, or otherwise acquire City and Borough land for a specified purpose. The proposal shall be reviewed by the assembly for a determination of whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the assembly by motion, the manager may commence negotiations for the lease, sale, exchange, or other disposal of City and Borough land. (*emphasis added*)

If the Assembly should decide to move forward with this request, the lease application will go before the Planning Commission, as a City State Project application (CSP) where they will provide further direction to the assembly in the form of a recommendation. This will take into account comments and concerns received by Public Works and Engineering. Once the Planning Commission reviews the CSP application it will be brought to the Lands Committee for a recommendation to the Assembly.

Lands Staff is requesting a motion recommending to the Assembly whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals, as stated in CBJ§53.09.260

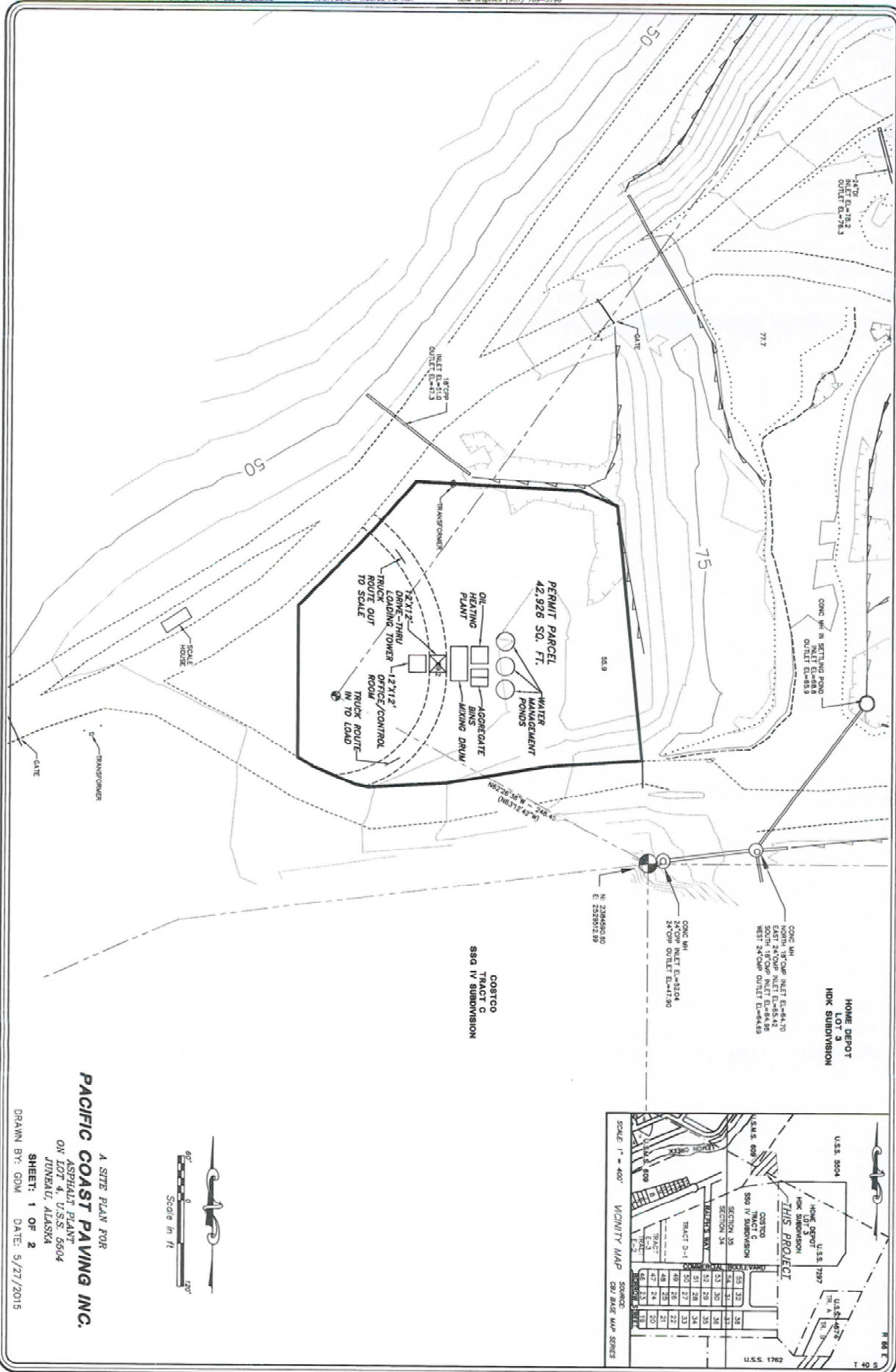


LEMON CREEK GRAVEL PIT
TOPOGRAPHIC SURVEY
DEC. 2008



DOWL HKM
5368 Commercial Boulevard
Juno, AK 99801
(907) 780-3533 Fax (907) 780-3535

Revision
By _____ Date _____
Drawn by: STAFF
Checked by: BP
Date: APRIL 2010
Proj No. 070301



MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Greg_Chaney@ci.juneau.ak.us
Voice (907) 586-0205
Fax (907) 586-5385

TO: Lands Committee

Greg Chaney

FROM: Greg Chaney, Lands and Resources Manager

DATE: June 16, 2015

SUBJECT: Renninger Subdivision - Status Update

The Lands Division continues to make progress on the Renninger Drive subdivision.

On Friday, June 12 2015 the US Army Corps of Engineers issued the wetland fill permit for the Renninger Subdivision located in the vicinity of Switzer Creek. Although the Corps application was submitted 1½ years ago, it remained the final permitting hurdle prior to construction. The wetland fill permit was issued without requirements for further mitigation. The Corps determined that sufficient allowances were made to avoid and minimize wetland fill so that no further mitigation is required. As a result, the "Preservation Lot" that was presented in the previous memo will be converted to a "Preservation Easement". The advantage of an easement is that it allows the owner of the lot to utilize the density (dwelling units) allowed under zoning in the environmentally sensitive portion of the property, to be built in another location on the lot. As a result, the theoretical maximum density for subdivision will increase from 170 to 189 dwelling units.

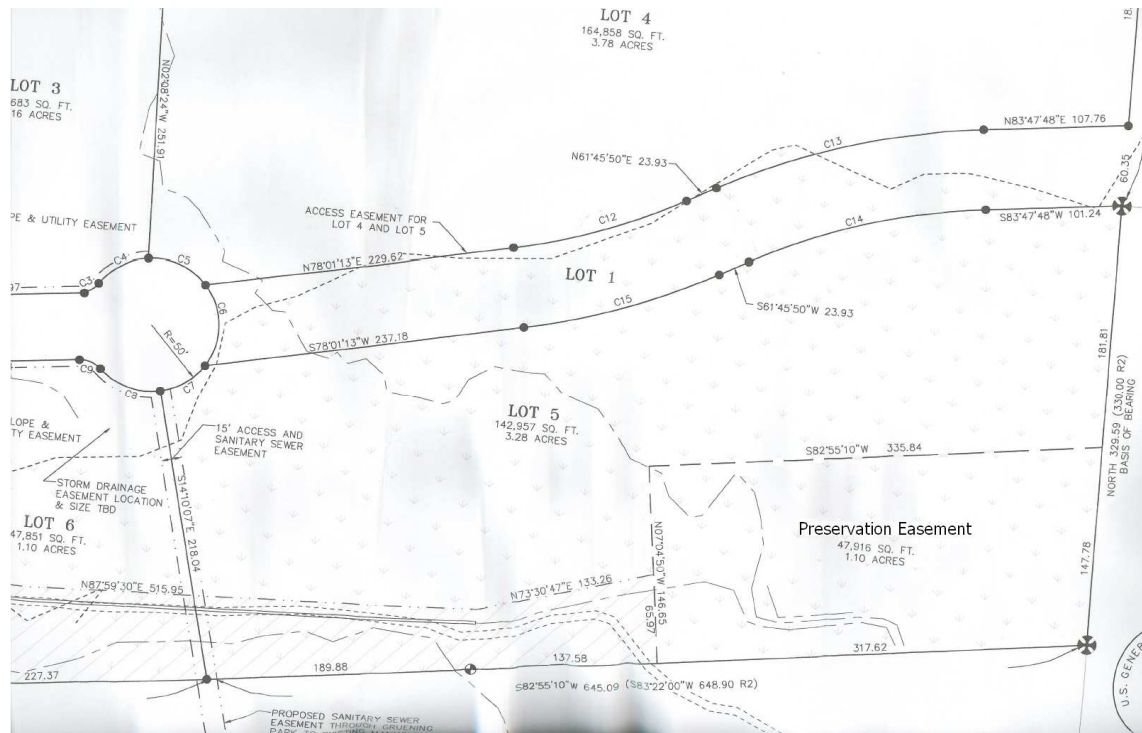


Figure 1. Revised Renninger Subdivision layout with "Preservation Easement"

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The engineers are finalizing the project designs and should have them ready by the beginning of July. If everything is in order, the project will be advertised in mid-July. Bids will be due in early August and, assuming there are no unexpected problems, a notice to proceed could be issued by the end of August.

An additive alternative has been included with the bid packet that requests that applicants provide bids that will include clearing, grading and filling building pads. There are several advantages to doing this work during subdivision construction.

- If trees are left in place, as individual lots are developed, trees on neighboring properties often become unstable and fall on newly cleared lots.
- It is significantly more efficient to clear and fill a large area in one coordinated effort rather than doing the work one lot at a time.
- Hauling associated with clearing and filling the site can be done prior to paving. This saves wear and tear on the new road.
- Sites that have been cleared, graded and filled are easier to sell and the increased sale price would be available for future land development.
- Once a site has been cleared, much more is known about the condition of underlying soils. This reduces uncertainty about engineering building foundations and makes financing construction projects easier.
- It takes less time to develop property that has been graded and filled.
- After the areas have been filled that were subject to the US Army Corps of Engineers Wetland Fill Permit, the permit will be finalized. If these areas remain unfilled, the permit will lapse and new permits will be required which will be evaluated under future regulations that may be different than current regulations.

The primary disadvantages to clearing, grading and filling building pads in a subdivision are:

- Increased initial subdivision cost. DOWL Engineering will provide cost estimates for this work but the actual costs won't be known until bids are received.
- Surrounding neighborhoods may complain about early vegetation removal.

The issue was brought to the Lands Committee for the purposes of discussion. The topic will be brought to a future Lands Committee for guidance once costs are known.

The project will not require further Assembly approval to complete however Assembly approval will be required to sell or otherwise dispose of the lots when they become available.