

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

January 26, 2015, 5:00 PM.
Assembly Chambers

I. ROLL CALL

Jesse Kiehl called the meeting to order at 5:00pm.

Members Present: Mary Becker; Kate Troll; Jerry Nankervis; Jesse Kiehl

Other Assembly Members Present: Mayor Sanford; Debbie White; Loren Jones; Karen Crane

Liaisons Present: Mike Peterson, Docks & Harbors Board

Liaisons Absent: Jeff Wilson, Parks & Recreation Advisory Committee

Staff Present: Greg Chaney, Lands Manager; Jessica Beck, Lands Specialist; Rob Palmer, Assistant Municipal Attorney

Public Present: Tamara Rowcroft; Wayne Coogan

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. December 29, 2014

The minutes of the December 29, 2014 Lands Committee were approved.

IV. PUBLIC PARTICIPATION

There was no public participation on non-agenda items.

V. AGENDA TOPICS

A. Ordinance 2015-02 - An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Remote Subdivisions Area Map for Hidden Valley Tract B, Located in the Upper Lemon Creek Valley, from "Not Remote" to Remote.

Mr. Chaney: There are several people here regarding this subject: Alan Steffert, Gravel Pit Manager; the Applicant Zach Worrell and his attorney; CDD staff for current and proposed code; and Rob Palmer, from the Law Department. We have a lot of people here because the issue is a fairly broad one. The lot is north of Costco and Home Depot. There is a haul road to Secon's property. There are powder magazines located along the haul road. They're up here because it's out of the way. It's a road for hauling rock materials and sand and gravel. The other interesting thing is the subject property is outside of the urban service area. This is not an area where there's an expectation that City services will be extended. It's important to keep things in perspective. The City owns the property just north of Costco and along the haul road. The haul road goes through city property. There are easements to the upstream property owners to use this road. That easement is currently expired and we are working to update it. In order for people to get out and Secon to get their material out, they have to drive through City property. This all used to be one lot and when subdivided, the documents allowed the people upstream to drive through the downstream properties.

Mr. Peterson: Can you point out where the bridge is that crosses Lemon Creek?

Mr. Chaney: Sure, it's owned by Secon.

What we're talking about tonight is the privately owned lot. The owners would like to subdivide this property. There is a provision in the Land Use Code that allows for remote subdivisions. If it's classified as a remote subdivision, the access requirement goes away. The Remote Subdivision Ordinance was primarily for island properties so that you don't have to build a road to the lot. Along this alignment there is a foot trail. It is possible to hike to this lot.

Mr. Nankervis: What is that middle yellow block? Who owns that?

Mr. Chaney: These lot lines are approximations we don't have a survey. The main property is owned

by Secon. That is where they have their rock quarry.

Normally when you're changing zoning we don't know what the property owner is going to do. In this case we have a subdivision application. We have a live subdivision application, but we're talking about the zone change. It has 23 regular lots and two large tracts. The bigger tracts are set aside. If things go well there will be 23 separate property owners at the end of the road. There used to be an old logging/placer mining track. What has happened recently is that the applicant has refreshed and graded the road. There were no permits issued. It was done with heavy equipment. Looking at the before and after photos, there's a new bridge. There was no building permit for the bridge. We've got an interesting situation here. The haul road is used for heavily loaded gravel trucks. The drivers coordinate with each other. We're talking about putting civilian traffic on that road. We have a road built across city property without permits.

This is my recommendation: as a condition of the remote subdivision ordinance (without further improvements) would be to have these conditions. These would be conditions the Planning Commission would review before approving the subdivision:

- address the potential need to relocate the powder magazines;
- survey the recently constructed access road;
- complete grading permit for that road;
- get a building permit for bridge;
- get easements through CBJ property;
- and, address haul road safety conflicts.

Mr. Palmer: I want to talk briefly about the big picture concept. There are three processes that have the potential to occur. First is amendment to remote map. That is coming to the Assembly on Monday. Currently the area is considered not remote but the applicant is asking to change it to remote to get a remote subdivision. That's a decision for the Assembly to make in its legislative capacity. Decision number two, if the remote map amendment is approved, the Planning Commission will review a remote subdivision. Third, if the Assembly approved the remote map amendment and if the Planning Commission approves the subdivision, then Lands would be coming back to the Assembly for approval for an easement agreement across CBJ property. The easement agreement depends on the extent of the road that was punched into the applicant's property. At the same time we will negotiate an access easement agreement with Secon. That easement decision will be made in its proprietary capacity. I make that distinction because just because the Assembly may approve the remote map amendment, but the Assembly may not want to approve the easement. The big issue is the existence of the new road to the proposed subdivision. Remote subdivisions generally are not connected to roads. If this issue was brought before the Planning Commission before the road had been pushed. Once the CBJ was aware of the new road, CDD believed there was a substantial change in conditions, so they brought it back to the Planning Commission and specifically asked them if this new road that connects it to the road system, does that still qualify it as a remote subdivision? The Planning Commission decided that since the access road was not constructed to meet street standards, that it's still a remote subdivision. If the Assembly moves forward with the map amendment on Monday, the end result could be that the applicant will be reviewed with a 23 lot subdivision with an access road to their property. This may be one of the first times in the history of the CBJ that a "remote subdivision" is kind of connected to the road system. The Planning Commission has addressed it twice. They recommend the Assembly adopt the remote map amendment and they know it has substandard road access.

Mr. Chaney: The new subdivision ordinance that is being considered may adjust some of the rules we're operating under now.

Ms. Becker: My question was whether you could have a subdivision with a road going into it and call it remote and not have it follow all the rest of the subdivision rules and you said yes.

Mr. Palmer: The new Title 49 that will be presented to you may change that.

Ms. Troll: There's a lot to absorb here. I'm trying to get a gist of the general process. If we approve this and the remote subdivision gets approved, then it will always have a pioneer road to it? Are we setting ourselves up to having 23 lots with difficult access?

Mr. Palmer: I think that's a fair interpretation. Yes, I think the concept behind the remote subdivision is to provide an alternative means for cabin type development in Juneau. It would provide a pioneer road to some type of cabin development.

Ms. Troll: Is there any history of people desiring to put a cabin in this place?

Mr. Chaney: I believe the applicant strongly believes there is.

Mr. Nankervis: I guess it depends on what your definition of "is" is. Is this a road?

Mr. Palmer: The Planning Commission said that according to CBJ Code 49.70.1120c the Assembly has the discretion to determine if this is a road because "privately owned land proposed for inclusion within a remote subdivision area should not be... connected to the road system." This issue was brought back and the Planning Commission and they said this pioneer road does not make it connected to the road system.

Mr. Kiehl: There is a problem with tautologies and that's that they're tautological.

Mr. Peterson: With all the conditions, do any of them address the bigger road that crosses the creek and go up a hill, or do all of these activities take place after that bridge?

Mr. Palmer: The subdivision takes place upstream from the bridge. If the Assembly does approve the remote map amendment change, I would envision the Planning Commission's focus will be safe and adequate access to the subdivision which will include a detail review of the bridge and the road. If the Assembly makes this remote map amendment change, it would then have the opportunity to consider easement terms that it feels comfortable with.

Mr. Peterson: I have intimate knowledge of that bridge over Lemon Creek. I encourage that when the opportunity comes, that you deal with it closely.

Ms. Becker: Are there problems with being asked to put in water and sewer?

Mr. Palmer: The applicant has tentatively put in proposed restrictive covenants that describe that these properties would not be connected to or nor that there be any expectation that they're connected to City water and City sewer.

Mr. Kiehl: Have we had conversations with Secon about the traffic?

Mr. Chaney: Somewhat. Hidden Valley Tract B has an easement through the Secon property. The exact alignment can be adjusted. I believe they think they can work together.

Mr. Palmer: We have been working with Secon and the applicant in negotiating the easements for the access to Secon's property and also the easements around Secon's property. I believe Secon's intent is to provide some sort of thoroughfare on the far edge of their property such that the subdivision's users could traverse Secon's property without having a substantial impact on Secon's mining operations. That access route will have to be created by Secon. Secon does have a legal duty to provide that access because it was agreed to in the deed that Secon acquired.

Mr. Kiehl: This ordinance was not officially referred to the Lands Committee so we don't have any action here. It's scheduled for Assembly consideration at our next regular meeting. I encourage everyone to have conversations with whatever staff they need to before the next Assembly meeting.

B. DOT Glacier Highway Reconstruction; Fritz Cove Road to Seaview Avenue Easement (Auke Bay)

Mr. Chaney said the Department of Transportation is proposing to reconstruct the main road through Auke Bay. As a result they need some locations to improve drainage and do temporary work while reconstructing the road. There are two types of easements: permanent easements and temporary easements. The permanent easements are the ones I'm most concerned about. In this case, we have a permanent drainage easement in front of the Auke Bay Wastewater Treatment Plant. The drainage infrastructure will be underground once it's installed. In addition they need a small square by the Auke Bay Fire Station. Once again, this will be an underground installation with no impact on that facility. Both of these easements have an appraisal. We are asking for a recommendation from the Lands Committee to the Assembly to approve these two easements, so we are asking for support for the Assembly to adopt a resolution authorizing the manager to convey four temporary construction access easements and two permanent drainage easements across CBJ property in order to complete Glacier Highway reconstruction from Fritz Cove Road to Seaview Ave. Neither the construction nor the permanent installations will obstruct the daily functions of the treatment plant, fire station or the school.

Motion: Ms. Becker: I move we forward a motion of support to the Assembly to adopt resolution pursuant to 53.09.300 authorizing the manager to convey four temporary construction easements and two permanent drainage easements across CBJ property in order to complete the Glacier Highway reconstruction project from Fritz Cove Road to Seaview Avenue.

Hearing no objection, motion passes unanimously.

C. Juneau Affordable Housing Fund Accessory Apartment Grant Incentive Program

Mr. Chaney said we have Tamara Rowcroft and Wayne Coogan to speak on this item.

Ms. Rowcroft: Wayne Coogan and I are here representing the Affordable Housing Commission. For about the last year we've been working on several pilot programs to try to get some creative affordable units in the community. One of them is the Homeowner Accessory Apartment Grant Incentive program. It's a fairly simple program. We're looking at utilizing leftover grant funds from the State of Alaska to provide a \$5,000 incentive to homeowners who are interested in putting in an accessory apartment in their homes. We have looked at the program in different ways but think this is a good way to get folks who have been thinking about this for a long time to actually step forward and do this. It's simple to manage which is something we wanted to take into consideration, not taking a lot of staff time to manage. The Accessory Apartment program has been really popular with the City. 68 units have been permitted since 2010. We think there's a lot of unmet demand and we think this may push homeowners who have been considering building an accessory apartment. By definition these units tend to be small which makes them affordable. We modeled it after the AHFC energy rebate program which has been a successful program, providing rebate to folks who upgrade their homes. There have been over 10,000 home owners that have used that program. This may be an incentive for people to actually do this. This evening we're asking you to take a look at this and we'd like to move it forward to the Assembly.

Ms. Troll: Since this is supposed to be a program aimed at affordable housing, do you have any problem with giving a preference for people willing to lease at affordable rates. I don't want to create an administrative burden, but if there's people willing to put it out on the market for X amount, why shouldn't they get preference?

Mr. Coogan: This was heavily flushed out. We've spent hours and hours going over this. We tried lending, but the drawback to that was the overhead and management of that. City staff didn't have time or resources for that. My fear of having a preference would create a greater burden for CBJ staff, someone in the city would have to step up and monitor that. We're talking about 15 grants. For the size of this to get some incentive to get people to develop apartments for the City to manage it for price structure, we would run against the same issues of the inability of trying to chase that down.

Ms. Troll: I wasn't suggesting a price structure, but that in the application the applicant would indicate their willingness to rent at lower than the average rental rate.

Ms. Rowcroft: We did talk about that and had a model for that. In the end, we decided that by smaller units they come out at an affordable price. We weren't sure how to monitor that commitment. It would be great to state that as our intent up front, I would be more than willing to amend the program description to include that. It would be difficult to monitor that and follow through.

Ms. Troll: I would be fine with that. I'm not looking to create something that is difficult to monitor. Since it's grants and not loans, the target is to get more affordable rentals out there and it would be good to put that in there.

Mr. Coogan: Someone like me who is developing 24 units, we're not able to participate in this. It's one grant per applicant per homeowner and you have to have a certificate of occupancy to get it. I think it will achieve the goal.

Mr. Nankervis: I'm not in favor of Ms. Troll's recommended language. If we did that we would be asking homeowners to give subsidized housing for the \$5,000 grant. I do not think it's appropriate for us to ask that. With the increase in units, we will see more supply and the price go down. The prices are high because there aren't any out there right now. The grant is small enough for \$5,000 that I wouldn't feel comfortable to ask a private homeowner for below market rental rates.

Ms. Becker: It may be a burden to figure out what affordable housing really is and I don't know that we want to evaluate every one of these projects, so I'm okay with how it's worded.

Mr. Kiehl: I don't agree when you say \$77,000 of a leftover state grant because initially the grant was used for a revolving loan fund. I know that so far that fund has made one loan and some of the funds in a non-revolving way to pay for the housing action plan. I'm reluctant to use the grant in a way that doesn't return and depletes the fund and won't come back to the fund in payments. It makes me nervous. Having reviewed the earlier proposals from the Commission, when they were loan proposals they weren't looking at \$5,000 benefit per unit. How did we reach a \$5,000 grant?

Ms. Rowcroft: We were looking at a way to get enough of an incentive for a homeowner to step up to

make the decision to build a unit and we were looking at what would be a reasonable incentive to actually do this. There's quite a bit of work involved for a homeowner to build the unit (permitting, financing, construction). This will add to the housing inventory. We did spend a lot of time looking at the model you were talking about it. We would love to see the money come back. There was a lot of discussion about turning the loan program into a grant program, but the burden of responsibility on the City when you're looking at doing a loan and we felt that wasn't feasible in terms of staffing and resources right now.

Mr. Coogan: In recent years, lending rates are low and people can get loans. The fractional difference that you can give someone that is an advantage is not going to create a big stampede of people to say they want to do that. A grant is attractive. To put it in perspective, this grant probably pays back the fee for the building permit and again. In context it's not a huge thing, but I do take to heart what you're saying about the fund. We've run against nothing but these stumbling blocks and the fund languishes for years. It's been a long hard slog and we've given it a lot of thought.

Mr. Kiehl: I appreciate all the work the Commission has put into it.

Motion: Ms. Troll: I move we forward Homeowners Accessary Apartment Incentive Grant to the full Assembly for approval.

Mr. Kiehl: I will note continued reservation but I won't stand in the way.

Ms. Troll: I would also like to note that when come to preferences, not a subsidy, that if the department has to choose between a couple applicants, and one is clearly going to be putting out affordable housing, that they should have the preference.

Mr. Nankervis: Is that part of the motion?

Ms. Troll: No.

Hearing no objections, motion passes unanimously.

D. Montessori School Parking Lot Expansion and Elimination of Savikko Park RV Parking

Mr. Chaney said the Juneau Montessori School in Douglas currently uses the upper parking lot for pickup and drop-off. Below them is the lower parking lot (parking, RV parking and ball field parking). The Montessori School has a playground master plan and they're hoping to build some of it. For now they want to put a fence around to keep cars and unwanted visitors away. Once they put in the fence, they'll start building the playground. This is the dream concept. There is a barricade between the two parking lots below the Montessori School. The lower parking lot has four RV parking spaces, which are administered by the Harbors Department. People can pay \$10 per night to park their RV. The rest of it is mixed parking for the public, for ball fields, school, etc. Right now Montessori wants to shift their parking down below and revise the parking to have a flow through design. The people will drive in, go through and drive out. You don't want to have people driving in and backing out, etc. They had requested to turn all of it into vehicle parking with no RV spots. We had the Harbors OPS/Planning group look at this. RVs aren't really the main part of the Harbors mission, but it's something they've inherited. It's the only RV parking on City property in this part of town or in downtown. The Montessori School requested the RV spots move across the street to the harbor parking lot. The Harbors people are not interested in that because they spent a lot of money developing that for Harbors purposes. Over the last 3 years there have been about 100 rentals of these RV parking spaces. Occasionally it's two at a time; usually it's a single use. If we have two RV spots, we could accommodate current demand. The staff would like to remodel the lower parking lot for flow through traffic to develop a parking lot design with two RV parking spots. There will still be room for parking and those vehicles will also be using Savikko Park. The flow through parking with the drop-off zone is the main feature.

Ms. Becker: Does the Montessori School have so many staff members that they need that many parking spaces?

Mr. Chaney: Not to my knowledge. There's an average use of five parking spaces, not including the morning and evenings. That accommodates most of their staff for parking demand.

Ms. Becker: They want these spots?

Mr. Chaney: They have special events. There is a lot more parking in this area just 150 feet away.

Mr. Peterson: Could you show us on a slide when the rent was negotiated what areas were included in that lease?

Mr. Chaney: The lease lot is here. They are not leasing the lower lot. That is a joint use area. The ordinance said they have joint use options in the lower lot.

Mr. Peterson: And that use would continue out to the ball field lot?

Mr. Chaney: I would assume so; it's not real clear in the ordinance. The ordinance specifically mentioned about the remodel for the playground with the idea that the lower lot would absorb the parking use.

Ms. Becker: Do we have use for the four RV parking spots?

Mr. Chaney: My understanding is that it's normally rented in the summer months.

Ms. Becker: If they were removed, it would mean the hookups would be removed?

Mr. Chaney: They are bare spaces to park. There are no hookups or improvements.

Ms. Becker: They would be available in the summer anyways?

Mr. Chaney: There are no other designated RV parking spaces that are this big. I'm not sure where else they can park legally.

Ms. Becker: I like the idea of the drive through. Can you do that and still keep the RV spaces? And if so, would there be any new spaces for Montessori?

Mr. Chaney: You could orient the RV spaces a different direction and have a drive through with parking. The aisle is oversized. The spaces could move closer together. We'd lose two or three parking spaces but it wouldn't be that bad. We haven't drawn it up yet. It would take some time to do that.

Ms. Becker: It probably could be done?

Mr. Chaney: Yes.

Ms. Becker: I like keeping them if we have space.

Mr. Kiehl: The management of lower lot, is it all under Lands?

Mr. Chaney: The four RV spaces are Harbors and Parks & Recreation manages the rest.

Mr. Kiehl: It seems that there's a minimum of conflicts between Montessori and ball field users and those two times a year when there are conflicts, we'll get phone calls about it. Is there a plan for what the signs will say? How do we help the public?

Mr. Chaney: I'm sure the Montessori School would be good at coming up with language about sharing. Unlike downtown Juneau, there's a lot of parking just off this site. I don't think there'll be a parking shortage. They'll just have to walk a little farther.

Mr. Peterson: I'm not a voting member of this committee, but I'm wondering if Mr. Chaney could come back with a slide to show where the RV spots will be located.

Mr. Chaney: OPS Planning Committee recommended keeping two spaces.

Mr. Peterson: Rather than a motion of support for something we don't see, I would suggest they come back with a slide of what it actually is.

Mr. Kiehl: My own thought would be that if the Committee supports the concept, that we send them off to go play nicely and if they can't they come back to us.

Ms. Becker: D&H rents these spaces and the money goes to them?

Mr. Chaney: Yes, that's my understanding.

Ms. Becker: So, you're giving away their money?

Mr. Chaney: They're trying to do a service. It's not something they're passionate about. They barely cover their costs for renting the spaces. It's not a big money maker.

Ms. Becker: I would like to see the drawing that keeps the four, has a drive through and has parking for staff?

Mr. Chaney: Did you say four RV spaces?

Ms. Becker: I asked you about whether you could keep four and I thought you said yes.

Mr. Chaney: I'm sorry, I meant yes to two spaces.

Ms. Becker: That changes my thinking then. I meant could you keep it all.

Motion: Ms. Troll: I move the Lands Committee supports Harbors and the Montessori School work together to design a remodel of the lower parking lot to accommodate a flow through parking pattern that includes two RV parking spaces.

Hearing no objection, motion passes unanimously.

VI. STAFF REPORTS

There were no staff reports.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

There were no committee member or liaison reports.

VIII. ADJOURNMENT

The meeting adjourned at 5:59pm.