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

Monday, December 9, 2013, 5:00pm
Assembly Chambers

I. ROLL CALL

Carlton Smith called the meeting to order at 5:00pm.
Members Present: Carlton Smith; Loren Jones; Mary Becker; Jesse Kiehl
Liaisons Present: Nathan Bishop, Planning Commission; Mike Peterson, Docks & Harbors
Liaisons Absent: Jeff Wilson, PRAC
Staff Present: Greg Chaney, Lands Manager; Dan Bleidorn, Deputy Lands Manager; Jessica Beck, Lands Specialist
Others Present: Honey Bee Anderson, AHC; Margaret O'Neal, AHC

II. APPROVAL OF AGENDA

There were no agenda changes.

III. APPROVAL OF MINUTES

The minutes of the following Lands Committee were approved:
September 30, 2013

IV. PUBLIC PARTICIPATION

There was no public participation on non-agenda items.

V. AGENDA TOPICS

A. Proposed Sale of Remaining Lena Lots

Mr. Bleidorn gave the history of previous Lena land sales. Lands is proposing to sell two lots in 2014 but sell the remaining 12 over the next 10 years. The two lots to be sold in 2014 are Block A, Lot 5 and Block C, Lot 8, both in the South Lena Subdivision. These two will be used to test the market and determine how we sell the remainder lots.
Mr. Kiehl: Can you fill me in on the lots that are not and will not be for sale?
Mr. Chaney: At the time of the subdivision one of the lots had an active eagles nest on it and another had an inactive eagles nest on it. In the future if the eagle's nests go away, then the lots could potentially be sold.
Mr. Jones: The map of Lot 5 shows that most of it has wetlands and the CBJ has a permit to fill. Does that mean the city would fill it and sell it at a higher price or sell it at a lower price and the permit transfers to the owner?
Mr. Bleidorn: The permit would transfer to the new owner.
Mr. Kiehl: The plan is to take sealed competitive bids. Do we set the appraised value as the minimum?
Mr. Bleidorn: Correct. We will have appraisals done for the lots and will set the appraised values as the minimum bids.
Mr. Kiehl: Is that set by ordinance or policy?
Mr. Bleidorn: The ordinance for the type of sale.

Motion: Mr. Kiehl moved that the lands committee forward a motion of support to the Assembly to dispose of the remaining 12 city owned lots in the South Lena Subdivision over the course of the next 8 years.
Hearing no objection, motion passes unanimously.

B. Twin Lakes Easement to ADOT for Highway Lighting

Mr. Bleidorn reviewed his memo discussing giving the Alaska Department of Transportation a utility easement at Twin Lakes which would contain a load center to connect new highway lighting via an underground electrical line to the existing power grid.

Motion: Ms. Becker moved we forward a motion of support to the Assembly to grant the Alaska DOT an easement for electrical utilities.
Hearing no objection, motion passes unanimously.

C. Switzer 2A and B Subdivision Concept

Mr. Chaney discussed the design concept for Switzer Area 2A. Area 2A is the easiest CBJ owned property to develop at this time. He would like support for the concept.
Mr. Bishop: Would the city put the road in?
Mr. Chaney: Right now, we have about enough money to build the short road but the ultimate goal is to build to Area 3. There would be an easement for driveways for Lot 3 and Lot 6.
Mr. Bishop: It seems prudent to develop the farther areas, but it would be easier for the developer if there were already a road there. It would make the developer want to build closer to the cul-de-sac and in the more sensitive habitat area.
Mr. Chaney: That is valid. This gives us flexibility for the future. We can eventually build the road out later.
Mr. Bishop: The constructed road, is that the extension of the proposed road or is it lower down?
Mr. Chaney: Yes, it moves the road up from the alignment suggested in the report. The report gives options but it is not a recommendation.
Mr. Bishop: The new road is now tracking the stream a lot farther, rather than crossing it perpendicular.
Mr. Kiehl: I share Mr. Bishop's concern about the road alignment. The concept in general is a good one. We made available the 2A parcel to affordable housing developer and didn't get any solid bites. Making available smaller chunks if somebody is interested or they can take the whole thing. I appreciate the concept.

Motion: Mr. Kiehl moved for support of the concept.
Hearing no objection, motion passes unanimously.

VI. STAFF REPORTS

A. Affordable Housing Commission Proposals for the Juneau Affordable Housing Fund

Mr. Chaney said the Affordable Housing Commission has been working to come up with proposals for the Affordable Housing Fund. There are two draft proposals. There are people from the Affordable Housing Commission here tonight to answer questions. One of the programs is an incentive program and the other is a mobile home down payment assistance program. These are not live programs yet, just proposals.
Mr. Bishop: The accessory apartment program money is on the rear end and doesn't allow people to who don't have money up front to build.

Ms. O'Neal: The homeowners we were thinking would use it are people who are empty nesters, etc. but need a nudge to get them started. It makes it smooth to operate and there is not a lot of extra work for staff.
Mr. Bishop: How much does that save for the homeowner?
Ms. O'Neal: It will depend on how much people take in a loan or what their financing is.
Mr. Bishop: It could provide an incentive for those paying out of pocket.
Ms. O'Neal: There is interest in the program.
Mr. Smith: What's the next step to make it available?
Ms. O'Neal: We would make an order of operations instruction sheet for CDD staff to discuss the process with the applicants.
Mr. Smith: When would we see an impact?
Ms. O'Neal: I would guess within 2 years. It seems like the demand is high.
Mr. Bishop: There are many non-conforming accessory apartments. How would we make sure it wouldn't be included?
Mr. Chaney: This program would require them to get a building permit and it would be inspected before the loan is dispersed. Ideally, if an apartment wasn't built with a building permit, there are potential life health and safety issues that would be brought up to code before it's rented again.
Mr. Jones: I like the concept. Who would set the rules, who would approve the loans, who would sign off on them, and who staffs the collections?
Mr. Chaney: The assembly would approve the basic rules. We have a facility to take in payments on these sorts of things. We will use existing staff to use the fund, so the costs to run the program will be external from the fund.

Mr. Smith: What is the contemporary definition of a mobile home?
Ms. Anderson: We're talking about mobile homes in a park for the most part, not homes on a lot.
Mr. Chaney: They are built under a HUD standard, not necessarily to the local building code.
Mr. Kiehl: Would we restrict this program to mobile homes only within a park?
Ms. Anderson: We would entertain that. It's more difficult to get financing when in a park.
Ms. Becker: Is this for brand new purchases or homes already in a park?
Ms. Anderson: Already in an existing park. They would have to be 1977 or newer. New mobile homes have a better chance at getting a longer term.
Mr. Bishop: Modular homes would not be covered?
Ms. Anderson: We'd want to look at that model. They can go with regular loans. You can't get conventional loans on mobile homes in parks.
Mr. Bishop: People can't get into them and this would provide an incentive.
Ms. Anderson: The difference is that if they can get a conventional loan over 30 years, the payments would be different. The mobile homes are on 7 year terms.
Mr. Jones: Doing the math for the amount given out each year and the amount you would get back by the next year, it doesn't seem like an incentive to put all the money out the first year and have little in subsequent years.
Mr. Chaney: There's more money in the fund. We want to get the program out and see how it works. We could double or triple within the existing budget if it goes well. We're not giving the money away; it's paid back.
Ms. Becker: What if they don't pay back, what happens?
Ms. Anderson: If they don't pay back, we would be alerted if there were a deficit. We would work with lender to take over that.
Ms. Becker: I don't want to see us as the owners of mobile homes.

Mr. Chaney: It's risky. We're giving money to people who were not previously in home ownership.
Mr. Kiehl: In terms of that risk, the underwriting would be written by a credit union. The borrowers would have to disclose that they're getting a down payment loan. They're doing the risk assessment for us. The loans don't disperse until the whole package closes.
Ms. Anderson: The funds would be issued to the lender at the time of the closing. We would work with the lender and they would oversee and collect that money.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

Mr. Peterson: Nothing to report.
Mr. Bishop: The Planning Commission met on November 26. There was a zone change in Auke Bay and are still allowing comments from the Auke Bay Steering Committee. The Auke Bay Steering Committee met on the 4th and decided they didn't have adequate time to give us their input on that matter. They would like to give comments on future projects if there's more time allowed. There was a rezone that the Planning Commission recommended approval for a parcel above the Pioneer Home to change the zoning from D5 to D15. We also looked at a zone change for Hosinger Pond from Rural Reserve to Industrial and General Commercial. Many people attended.

VIII. ADJOURNMENT

Meeting adjourned at 5:54pm.