

Minutes
Assembly Lands Committee
Monday, July 1, 2013, 5:00 p.m.
Assembly Chambers

I. Call to Order

Chair Carlton Smith called the meeting to order at 5:00 p.m.

Members Present: Mary Becker, Johan Dybdahl (Teleconference), Loren Jones, Carlton Smith.

Members Absent: None.

Liaisons Present: Jeff Wilson, Parks and Recreation Advisory Committee

Liaisons Absent: Nathan Bishop, Planning Commission; Michael Williams, Docks and Harbors Board.

Staff present: Greg Chaney, Lands & Resources Manager; Lauri Sica, Municipal Clerk; Hal Hart, Community Development Director; Rob Steedle, Deputy City Manager; Alan Steffert, Engineering/Architect I.

II. Agenda Changes

There were no agenda changes.

III. Approval of minutes

The minutes of the following Lands Committee were approved:
June 17, 2013

IV. Public Participation – non-agenda items

There was no public participation on non-agenda items.

V. Action Items

A. Proposal for Zone Changes on CBJ Lands at Pederson Hill

Greg Chaney spoke about potential zoning changes for CBJ lands in the Pederson Hill area. Several areas are suitable for residential development but were now zoned D-1. D-1 is not the most efficient use of the properties there. He showed the zoning designations in the general area surrounding the properties. He spoke about the wetlands and streams on the property and the idea is to cluster development on the buildable lands. He suggested that the area suitable for single lot development be rezoned to D-10SF and the area with more geographical challenges to be rezoned D-10. This is consistent with the zoning on adjacent property. A rezone to D-15 might not create any gain due to the topography. He spoke about the difference between D10 and D10-SF. D10-SF allows for small lots to be created similar to the lot sizes downtown in the Casey Shattuck subdivision. D-10 is a multi-family zoning district, which allows for larger lots to cluster development on condensed building sites. D10-SF allows small homes on small lots and D-10 is similar to condominium housing. Mr. Chaney said he was looking for direction

and if the committee was supportive, he would begin the process of rezoning, by holding neighborhood meetings and starting the paperwork for the review process.

Ms. Becker asked how many acres would be dedicated to D10-SF and if it would allow for a mix of uses. Mr. Chaney said approximately ten acres and said yes, a mix of residential types of housing could be allowed. He said D10-SF could have smaller lot sizes allowed than could D10 and zoning areas should not be too small – the uses should be similar and not result in a patchwork of uses. The property could all be rezoned to D10 but that made it difficult to create a layout for smaller lots.

Mr. Wilson said he supported D10-SF and asked if any subdivisions had that designation currently. Mr. Chaney said D10-SF was a new designation and at present there were no mapped D10-SF zones, however, in practicality, this zoning designation was designed to replicate much of the existing lot layouts in the downtown Juneau and Douglas areas.

Mr. Wilson noted that the D10-SF allowed for a three-foot side yard setback and houses could potentially be six feet apart, and asked if the Fire Marshals commented on this. Mr. Chaney said the Fire Marshal was part of the discussion and those setbacks could be allowed if the buildings were built to allow for that setback.

MOTION, by Dybdahl, to support staff's recommendation (to begin the rezoning process as outlined). Hearing no objection, it was so ordered.

Mr. Smith asked Mr. Chaney for the next steps and timing. Mr. Chaney said he would hold public meetings in about a month, in coordination with the Planning Division, and Planning Commission review approximately a month after that.

VI. Information Items

A. Sale of CBJ Sand and Gravel for Private Affordable Housing Projects

1. Island Hills
2. Creek Side Park Mobile Home Park
3. Sunset Boulevard

Mr. Chaney said he is new to this issue and was rapidly learning about CBJ's resources. CBJ had lots of rock, but not as much sand and gravel, which were deposits from rivers and above sea level. Sand and Gravel (S&G) was a limited resource. It did not need quarrying and crushing, and could be scooped and used or screened and used without further processing. CBJ's S&G was used primarily for city projects. The CBJ project rate was a little over \$2.00 per ton, and for private projects, CBJ had sold gravel at the current market rate. There were three private "affordable housing" projects interested in using the CBJ's S&G, that were not publicly subsidized or CBJ projects. Prior to his hire, a reduced rate arrangement of \$1.97 per ton was negotiated with the Island Hills Development (Coogan Construction) at the top of Cordova Street, for construction of affordable housing. In exchange for that rate, CBJ received a guarantee that at least 50% of units would be rented at \$1200 a month for two years. This was a one-time

arrangement made in an effort to increase the affordable housing stock in the community. They purchased approximately 6,000 tons at that rate. The project would like to begin a next phase and two other projects would like a similar arrangement, but there was no uniform policy for this arrangement. The policy had been to allow the use of CBJ S&G for public projects and not the sell it to the private market, as then CBJ was competing with the private sector. He suggested that this was a matter for discussion by the Assembly to set policy and he asked for more questions in order to better inform the Assembly. He said there were several people present with an interest in the topic and invited Mr. Coogan to speak, as he had brought slides to show the committee.

Wayne Coogan showed a picture of the gravel purchased from CBJ on the Island Hills property site and said he was short in getting gravel for the project. He would like to continue the deal for gravel and was prepared to give back something in return – such as more units on the market for a certain price. The last agreement he made was 230 rental unit months at \$1200 per month and if he failed to do that we would have pay CBJ the market rate. Mr. Coogan said that Mr. Chaney was concerned about impinging on the private market and Mr. Coogan said he spoke to a private gravel pit owner, Jeremy Sidney. Mr. Sidney said he was preparing to gear up and proceed in the market and had no thoughts of folding his tent. Mr. Sidney had an agreement to sell rock from Stabler's Point which he purchased from the city at approximately \$2 per ton.

Mr. Coogan showed picture of fill being used for the Mormon Church project and said they were buying thousands of tons of rock from CBJ at \$2.00 a ton for a non-CBJ project as mass fill. They were not giving any concessions back to the CBJ. From his point of view, he was making some concessions to get sand, which was not the best quality product in the world for pit run because the sand was not being used to build city streets anymore as it did not drain well. Rock was preferred. Sand had to be capped with topsoil and work with rock and deal with it. It was discouraging to go through the hoops for the sand which others had the liberty of buying rock with no hoops. If the city was not in the market at all there would not be any problems, but the CBJ was in the market, so it needed to be worked out. If everyone was treated the same things would be fine.

Mr. Coogan said he would also like to obtain S&G from the city for a mobile home site that needed to have fill added to improve the drainage on the site. He showed pictures of the site. He said this would be an affordable home.

Mr. Wilson asked if the sand and gravel was pit run or if it needed to be screened. Mr. Chaney said there were many grades in the deposits. The material used for the Island Hills project was pit run, which was scooped and used without further processing.

Mr. Wilson said the city was now using 2 inch minus or 6 inch minus rock for the streets and he asked why Mr. Coogan was not using a rock fill and capping it with sand. Mr. Coogan said it was more costly and they were trying to get the job built for a lower price. The material would be under a building and protected from rain.

Mr. Wilson said the rock and the S&G was the same price at \$2 per ton. Mr. Coogan said he would have to haul rock from Stabler's Point, which was another 20 mile haul, vs. the city pit.

Mr. Chaney said that S&G value drops dramatically per the distance hauled. The closer the material was to the project the more valuable it becomes.

Mr. Coogan said he had a projects in full swing and asked to continue the arrangement.

Mr. Chaney said the prior approval was approved by the Assembly, so he assumed the Assembly would need to approve a new agreement. He asked for direction from the Lands Committee.

Mr. Dybdahl said he would like to see this arrangement be made more of a broad policy and discussed at the Assembly, as long as this did not hurt the private sector, if it could be part of a program to prod more affordable housing, perhaps until a certain time when there is better availability of affordable housing units.

Ms. Becker felt this could go to the full Assembly without another stop at a committee. The rest of the committee agreed.

Mr. Wilson asked Mr. Chaney if he had gotten any push back from other suppliers of S&G in Juneau. Mr. Chaney said no, but this had not been announced publicly. The biggest caution from the operators of the CBJ S&G pit is to not get ahead of ourselves.

B. Status Report: Juneau Youth Services and SEAL Trust Land Sale

Mr. Chaney showed a map of a 130 acres of land in the upper Mendenhall Valley between Montana Creek and the Mendenhall River which SEAL Trust proposed to purchase from Juneau Youth Services and donate to CBJ for open space and protection of the watershed. The survey details were still being worked out. As JYS was a non-profit, the property was not currently taxed, so a transfer to city ownership would not remove property from the tax rolls.

Mr. Wilson said that Parks and Recreation was interested in a trail along Montana Creek and asked if this exchange would allow for trail creation. Mr. Chaney said he believed that would be the case, that the boundary would encompass the creek and farthest bank of Montana creek to the ordinary high water mark.

Mr. Smith asked about the timing of the transaction and Mr. Chaney said when the survey was complete it would be back to the Lands and Resources Office for approximately one month of work.

VII. Liaison Reports

Mr. Wilson said the PRAC was working on the Cope Park Master Plan and would have a meeting for public comment in the Assembly Chambers on Tuesday, July 2.

VIII. Next Meeting – The Assembly agreed to adjust its regular meeting schedule and moved the meeting scheduled for August 5 to July 29, 2013.

IX. Adjournment - 5:35 p.m.