

Agenda
Planning Commission
Regular Meeting
CITY AND BOROUGH OF JUNEAU
Ben Haight, Chairman
June 13, 2017

I. ROLL CALL

Ben Haight, Chairman, called the Regular Meeting of the City and Borough of Juneau (CBJ) Planning Commission (PC), held in the Assembly Chambers of the Municipal Building, to order at 7:08 p.m.

Commissioners present: Ben Haight, Chairman; Paul Voelckers, Vice Chairman; Michael LeVine, Nathaniel Dye, Dan Miller, Percy Frisby, Dan Hickok, Kirsten Shelton-Walker, Carl Greene

Commissioners absent:

Staff present: Rob Steedle, CDD Director; Beth McKibben, Planning Manager; Brenwynne Grigg, Administrative Officer; Laura Boyce, Senior Planner, Jill Maclean, Senior Planner, Robert Palmer, Assistant Municipal Attorney; Greg Chaney, Lands and Resources Manager; Rachel Friedlander, Lands and Resources Specialist; Gary Gillette, Port Engineer/Architect II

Assembly members: Debbie White

II. APPROVAL OF MINUTES

- a. May 9, 2017, Draft Minutes - Regular Planning Commission Meeting

MOTION: *by Mr. LeVine, to approve the May 9, 2017, Regular Planning Commission meeting minutes with any minor changes by staff or Commission member.*

The motion passed with no objection.

III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Juneau resident Kari Robinson said she is a property owner on North Douglas of a triplex and a

cabin. She said they are in the process of selling their property and that the property has a designation of “legal but nonconforming”. Their buyer is unable to obtain bank financing for the property because if more than 75 percent of the structure was destroyed they would not be able to rebuild it with the existing use, said Ms. Robinson. She said she wanted to make the Commission aware of this issue which other homeowners in the City are experiencing and that she hoped the Commission could take steps to rectify this situation.

Commission Comments and Questions

Mr. Voelckers asked if Ms. Robinson knew if this was a relatively new process undertaken by the banks.

Ms. Robinson said it sounds like it is a relatively new phenomenon. She said this did not appear to be an issue with appraisals in the past, but that now they cannot even obtain an appraisal for their property until this issue is resolved.

Chairman Haight said this has not yet been discussed by the Title 49 Committee but that it is something that needed to take place in the near future.

Mr. LeVine noted that this same issue has been raised before the Commission several times within the past few weeks. The actual intent of that provision was to allow individuals to obtain financing, he said. If it has changed then they need to adjust the provision accordingly, he said.

Mr. Hickok asked if the property owner could rezone the property to rectify the situation.

Ms. McKibben said that applications for rezones are only accepted in January and July, and that the requested rezoning has to be the extension of an existing zoning district, or more than two acres. In addition, it would need to be consistent with the maps of the Comprehensive Plan, she noted. The nonconforming section of the code has not changed in many years, said Ms. McKibben. Within the past few years the staff has been hearing consistently from residents that they are not able to obtain financing because the property is identified as nonconforming, said Ms. McKibben.

Mr. Voelckers said that he felt other Commission members were in agreement that there is underlying language which should be rectified to reflect legally nonconforming residences.

Mr. Miller said he wondered if the problem could be taken care of with some form of deed restriction that could be filed with the plat on the land indicating that the use that was conforming at one time could go with the land so that the land itself remained in conformance.

Resident Joanne Birt stated that on her street, Meadow Lane, homes have sold many times, and when a coworker attempted to buy a home on this street this same issue arose. It is the verbiage stating that the structure could not be rebuilt if 75 percent of the structure burned,

she said.

Juneau resident and former Planning Commission Chairman Mike Satre said during his time on the Planning Commission he tried to emphasize two things: the ability for the public to use their own private property in the best way possible, and protection of the public process. He said he hoped the Commission could view the variance issue fairly simply. While the code is being rewritten he said he hoped the misconception was not given to the public that variances are not being issued. Variances are an important part of the public process, said Mr. Satre.

Regarding eagles, said Mr. Satre, the buffer could remain for public land and removed for private land with a pamphlet available instructing the public about eagles and their nesting habits.

IV. PLANNING COMMISSION LIAISON REPORT

Assembly liaison to the Planning Commission Debbie White reported that the finance committee will meet June 14, (2017). They are going to discuss the process related to the budget, as this year some of the items appeared to be out of order, said Ms. White. They will discuss the allocation of one percent issues, and they will discuss Alaska municipal infrastructure requests through the federal government.

The Assembly voted to revisit the mining ordinance issue, and the Mayor has created a short term task force on homelessness, said Ms. White.

Mortgage loan originators are spending a full business day a week just keeping up on the changes that are happening in the industry, said Ms. White. Appraisal standards changed several years ago and one of those items was the repercussions if the structure burned down and if it could be rebuilt, said Ms. White. When the current appraisers in Juneau see a nonconforming use, their eyes they see that as a “no”, said Ms. White. A systemic response is required to solve that problem, she noted.

Commission Comments and Questions

Mr. Voelckers asked if the Assembly has begun conversations regarding the overlay districts outlined by the Commission for downtown Juneau and the town of Douglas.

Ms. White said that item was introduced to the Assembly during its last regular meeting which means that it will come back to the Assembly for public testimony at its next regular meeting.

V. RECONSIDERATION OF THE FOLLOWING ITEMS – NONE

VI. CONSENT AGENDA

CSP2017 0009 was pulled from the Consent Agenda at the request of Mr. Voelckers and placed under the Regular Agenda.

- a. **USE2017 0009:** Conditional Use Permit for additional living space above a nonconforming garage.

Applicant: Matt Davidson

Location: 521 Ninth Street

Staff Recommendation

It is recommended that the Planning Commission adopt the Director's analysis and findings and APPROVE the requested Conditional Use Permit. The permit would allow the development of a second story addition above an existing nonconforming attached garage, 1.87 feet from a side lot line, in a D5 zoning district.

The approval is subject to the following conditions:

1. To ensure that further encroachment into the setbacks does not occur, the dimensions of the existing eaves be measured in the field and not exceeding their current distance from the side lot line added as a condition of approval of a building permit.
2. Prior to the issuance of a Temporary Certificate of Occupancy for the associated building permit, an as-built survey of the completed addition is provided to the Community Development Department.

- b. **CSP2017 0007:** A consistency review for renewal of lease of CBJ lands for existing monitoring equipment associated with the Juneau Airport Wind System (JAWS)

Applicant: City and Borough of Juneau

Location: Fish Creek Rd, Dock St, Alaway Ave

Staff Recommendation

Staff recommends that the Planning Commission forward the subject proposal to the Assembly with a recommendation of approval.

MOTION: *by Mr. LeVine, to approve USE2017 0009 and CSP2017 0007 and accept staff's findings, analysis and recommendations.*

The motion passed with no objection.

VII. CONSIDERATION OF ORDINANCES AND RESOLUTIONS - NONE

VIII. UNFINISHED BUSINESS - NONE

IX. REGULAR AGENDA

CSP2017 0009: CBJ acquisition of a portion of the Auke Bay Marine Station from the federal government.

Applicant: City & Borough of Juneau

Location: 11305 Glacier Highway

Staff Recommendation

Staff recommends that the Planning Commission find CSP2017 0009 to be consistent with adopted local plans and policies, as required by CBJ 49.10.170(c), CBJ 49.15.580 and AS 35.30.010 and forward to the Assembly a recommendation for approval to allow for the acquisition of a fraction of USS 1500 from the federal government.

Chairman Haight said he has participated in this particular project in the past but that he is no longer involved. He stated that he does not feel he has a conflict.

The Commission voiced no objection.

Mr. Voelckers said there was a note that the Auke Bay Plan had designated a sea walk to this area that went around to the Anderson building.

Mr. Gillette said their conceptual plan does include a sea walk. The only caveat is that they do not own all of the tidelands, he said. There are some private tidelands for which they are going to have to negotiate, he said.

Mr. Voelckers proposed that they amend the recommendation to add the following language:

MOTION: *by Mr. Voelckers, that the Commission adopt CSP2017 0009, with staff's findings, analysis and recommendations, with the addition of one condition: that, "Subsequent planning and development by Docks and Harbors on CBJ land shall incorporate the space for a sea walk as identified in the Auke Bay Plan."*

The motion passed with no objection.

CSP2017 0010: CBJ land disposal to add 14,000 - 22,000 square feet to Entrance Point Subdivision Tract C in the Rural Reserve zoning district along North Douglas Highway.

Applicant: City & Borough of Juneau

Location: Entrance Point Subdivision, North Douglas Highway

Staff Recommendation

Staff recommends that the Planning Commission find CSP2017 0008 to be consistent with adopted local plans and policies, as required by CBJ 49.10.170(c), CBJ 49.15.580 and AS 35.30.010 and forward to the Assembly a recommendation for approval to allow for the sale of a portion of USS 3559 to the owners of Entrance Point Subdivision Tract C. This recommendation is based on the following condition:

1. The area of land disposed by CBJ to the owners of Entrance Point Subdivision Tract C shall be the minimum necessary to meet the dimensional requirements of the Rural Reserve zoning district found in Title 49, the Land Use Code.

The Lands Division is the applicant for this item, said Ms. McKibben. This is a City/State project review for a land disposal to add approximately 14,000 - 22,000 square feet to Tract C in the Rural Reserve zoning district along North Douglas Highway. The lot is triangular, noted Ms. McKibben, and the person who wants to purchase the property would like it to be rectangular in shape which would make it easier to develop.

The property does have City water and is on private septic, noted Ms. McKibben. The access is via North Douglas Highway, she added. The current, triangular lot is 14,260 square feet, said Ms. McKibben. The minimum lot size in the Rural Reserve zoning district is 36,000 square feet, she said. It is a nonconforming lot. Since the lot was created before it was zoned, said Ms. McKibben, it is considered a legally nonconforming lot. The lot as it currently exists could be developed with a single family home, said Ms. McKibben. Adding 22,000 square feet would bring the lot up to the minimum lot size for the Rural Reserve zone, she noted.

Ms. McKibben said that goal one of the 2016 Lands Plan is to continue to place CBJ land into private ownership based upon the following objectives:

- 🏠 Make land available for community expansion
- 🏠 Expand the property tax base
- 🏠 minimize the CBJ's costs for disposing of land
- 🏠 Provide opportunities for a variety of housing by disposing of land in multiple locations, by a variety of methods and at several price ranges
- 🏠 Maximize the CBJ's return on its property
- 🏠 Provide opportunities for as many people as possible to acquire CBJ land

The proposed disposal has not been appraised, and the individual who wishes to purchase the property does not want to have an appraisal performed unless he's being sold the land requested, said Ms. McKibben.

The staff supports the proposed land disposal, but it recommends that the minimum amount of

land sold be enough to meet the minimum lot size for the Rural Reserve zone, said Ms. McKibben, to total 36,000 square feet.

Commission Comments and Questions

Mr. LeVine asked if it matters to the staff how the additional 22,000 square feet are constructed.

Ms. McKibben said from the CDD standards, as long as the lot meets the requirements of area, depth and width, they are satisfied.

Applicant

Ms. Friedlander told the Commission that the top rectangle over the drawing indicates the size of rectangle necessary, as the previous request did not meet lot depth, required at 150 feet. To meet that lot depth, the lot would be a total of 36,320 square feet, said Ms. Friedlander. She added that the individual who wishes to purchase the property has stated that he is not sure that he can afford to purchase enough property to make it a conforming lot for the Rural Reserve zone, said Ms. Friedlander.

Commission Comments and Questions

Mr. LeVine said he is not confident that expanding a nonconforming lot from a smaller nonconforming lot to a larger nonconforming lot is a good idea.

Mr. Voelckers commented that it seems like the lot is not fully conforming now and it does not really make sense to continue to retain the lot in its nonconforming state.

Mr. Dye asked what the approximate cost would be for the additional 8,100 square feet of property.

Ms. Friedlander said that she does not have an approximate square footage price. She added the purchaser of the property did not want to have an appraisal done until he knew that he was going to be able to purchase the property.

Public Comment

North Douglas resident SueAnn Randall read a letter she had sent to the Planning Commission regarding the lot purchase request. In her letter she requested that the Planning Commission have the foresight to maintain the Rural Reserve minimum square foot requirement of 36,000 square feet in order to encourage and enable the property owner's ability to maintain the wilderness aesthetics of this area of Juneau. A neighboring property owner, in her letter she said that no public notice had been provided for this item on the agenda, and therefore the opportunity for public comment had been reduced.

Applicant

Ms. Friedlander said the person who wishes to purchase the property has stated that the chances of him purchasing more property than he has requested are very slim. She said it appears he does not wish to purchase more than the 14,000 square foot amount of property he originally indicated.

Commission Comments and Questions

Mr. Voelckers asked if there is any idea of what the cost difference would be between the 28,000 square foot purchasing price and the 36,000 square foot purchase price.

No cost estimate was forthcoming.

MOTION: *by Mr. LeVine, that the Planning Commission find CSP2017 0010 to be consistent with adopted local plans and policies as required by CBJ 49.10.170 (c), CBJ 49.50.580 and AS 35.30.010 and recommend the approval of the sale of the minimum portion of USS 3559 Lot 2 of Entrance Point Subdivision Tract C to meet the dimensional requirements of the Rural Reserve zoning district found in Title 49 and of the Land Use Code.*

Speaking in favor of his motion, Mr. LeVine said it was his intent to have the Planning Commission recommend to the Assembly the disposal of the minimum amount of land necessary to meet the Rural Reserve dimensional requirements. He said as he and Mr. Voelckers stated previously, he did not feel that they should perpetuate the nonconforming lot size. He said he did not think the Planning Commission should be in the business of creating new nonconforming lots or of expanding nonconforming lots.

Speaking in favor of the motion, Mr. Miller said if the Lands Division wants to help out the purchaser, perhaps they could give him better terms.

Ms. Shelton-Walker also spoke in favor of the motion.

Mr. Voelckers also spoke in favor of the motion, and said by requesting the adequate lot size for Rural Reserve legal answers would not be necessary.

The motion passed with no objection.

IX. BOARD OF ADJUSTMENT - NONE

X. OTHER BUSINESS - NONE

XI. DIRECTOR'S REPORT

Wireless Ordinance

Mr. Steedle said he met with the gentleman representing a small telecommunications company who had appeared at the last regular Planning Commission meeting with questions about how the CBJ wireless communication facility code could be applied to smaller companies. He did not understand what the current requirements consisted of, said Mr. Steedle. Upon being informed of the current requirements, the individual left the office satisfied, said Mr. Steedle.

Rules of Order Revisions

Mr. Steedle said the staff will be bringing revisions to the rules of order before the Commission in the near future.

Construction in Juneau Past and Present

Ms. Grigg provided the Commission with a presentation on permit activity within Juneau over the years as well as the current state of affairs in Juneau.

Building Season Comparisons and New Dwellings by Type

Nation-wide public and private sector construction spending trends indicate that the public sector is relatively stable from 2012 to 2017, said Ms. Grigg. The variability occurs in the private sector, she noted. This trend is the opposite in Juneau, she noted, with the private sector relatively stable with the greatest variability in the public sector spending.

State Spending on Projects since 2008

The state has reduced its contributions to basically what is required to match federal funding, said Ms. Grigg. Most federal funding is for aviation and transportation, she said.

CDD's Revenue by Building Season

There was a drop in revenue in 2010 and 2011, she noted, speculating that this is due to the recession in Juneau and the Lower 48 in 2008. The revenue at the permit center is not directly related to activity, said Ms. Grigg. It is more closely related to the project values, she said. Therefore they could be very busy within the Department and yet not show a lot of revenue because the projects could be of lower value, she said. Remodel projects bring in lower revenue as well, she said.

The permit center is very slow in January, taking in few projects, increasing in pace by March with April being the indicator month, she said. Depending on the projects in April, they can somewhat predict how the rest of the building season will proceed, said Ms. Grigg. By August the season has pretty much wound down, said Ms. Grigg.

This year in March the permits were far below the usual traffic, said Ms. Grigg. They were showing about half the activity expected in April as well, she noted. The trend did rise

somewhat in May, said Ms. Grigg.

Commission Comments and Questions

Mr. Miller said he wanted to point out that it was a very late winter this year.

To date they are about 13 percent below average, said Ms. Grigg.

New Dwelling Units

Ms. Grigg showed a graph of the new dwelling units constructed in Juneau over the past 20 years. Alaska experienced a recession between 1986 and 1987, said Ms. Grigg. This resulted in somewhat of a demand in single family dwellings, with absolutely no demand for multi-family dwellings, she noted. Juneau experienced a sharp increase in mobile home development, she said.

In 1995 there was an increase in single-family dwelling development. It then leveled off and has trended down slightly, she said. Meanwhile multi-family housing has been gradually rising over the years, she said. Juneau is currently in a down year for multi-family development. Most of those permits were issued last year, said Ms. Grigg. Single-family homes and single-family homes with accessory apartments are trending downward, she said.

Mr. Dye asked if these are occupancy permits or if these are building permits.

These are construction permits, said Ms. Grigg.

What This Means

The Housing Needs Assessment compiled in 2010 determines that there were 12,974 housing units. If this figure is accurate, noted Ms. Grigg, with 997 dwelling units added to the community since 2010, with a loss of 136 units, then housing stock has been increased by 6.6 percent, she noted.

This data can also be used to measure the impact of regulations on development, said Ms. Grigg. Actions by the Planning Commission can directly affect permitting, she said. Multi-family development in Juneau has not been this high since 1996, said Ms. Grigg. The Housing Needs Assessment determined the need for more housing in Juneau, she said. That assessment was updated in 2012, and in 2013 the Comprehensive Plan recommended a Housing Action Plan, she said. The Economic Development Plan was formulated and the Housing Action Plan was released, said Ms. Grigg.

It is possible that these plans have been responsible for the increase in multi-family dwellings, speculated Ms. Grigg.

Mr. Miller noted that in 1995 there was a 15 unit housing project built by Tlingit and Haida, and in 1996 the very large Riverbend housing project was constructed behind the Mendenhall Post Office.

Mr. Voelckers added that Cedar Park was constructed the year before the Riverbend project.

Single-Family Detached Home Values over the Years

This data covers the years from 2006 to 2016, said Ms. Grigg. This data is compiled from the 2003 International Building Code Construction Valuation Table which is what they are still using today to calculate fees in the permit center, said Ms. Grigg. The value displayed on the table is how the permits are valued in the permit center, said Ms. Grigg. This does not include the purchase price of the home which would include land and other variables, she added.

This data indicated the cost of construction per square foot is \$116 a square foot, she said. Those are 2003 costs, she stated.

The biggest demand over this 10 year period is between the \$200,000 to \$300,000 price point, said Ms. Grigg. The market value for those homes would be between \$350,000 - \$400,000, said Ms. Grigg. That was closely followed by the \$300,000 - \$400,000 price point and the \$100,000 - \$200,000 categories, she said. The average price was \$255,950 for a home said Ms. Grigg. The median price was \$349,000 she added. The reason for that is because there is a huge variation in home prices in Juneau, noted Ms. Grigg. The average size of the average priced home was about 1,891 square feet, said Ms. Grigg. Decks and garages are not included in the square footage, she added. The median size of the median priced home is 2,000 square feet, she said.

The average size of the custom single-family home has been relatively flat over the past few years, said Ms. Grigg. People seem most comfortable in homes of about 1,700 to 2,100 square feet, she said. The data indicates that the demographics of the building community have not changed much over the years, said Ms. Grigg. The lowest price point trended down, noted Ms. Grigg. The \$200,000-\$500,000 price range is trending up, she said. She attributed this to the recovery from the 2008 economic downturn.

New Accessory Apartments Since 2010

In 2014 there was an accessory apartment code revision which lessens the requirements for a Conditional Use Permit, said Ms. Grigg. Consequently, shortly after the code revision, the construction of accessory apartments has increased, she noted. Five permits for accessory apartments have been issued this year, said Ms. Grigg. There were also grants awarded for accessory apartments in 2015, noted Ms. Grigg.

Accessory apartments are in big demand in the 400,000 and \$500,000 price range, said Ms. Grigg. About half of the homes in that price range have been permitted for accessory apartments between 2013 and 2016, she noted. About 31 percent of the homes built in the

\$300,000 - \$400,000 price point have accessory apartments, she added.

Mr. Voelckers asked if the CDD is finding any negative consequences resulting from accessory apartment construction such as neighbors complaining about parking.

Mr. Steedle said they have not experienced any negative consequences.

Chairman Haight said he really appreciated receiving this information, and that he found it very helpful. He asked if there is any data on vacancies.

Ms. Grigg said she does not have that data but that she believes the housing manager is working on it.

Lemon Creek Master Plan Update

The next Lemon Creek Steering Committee meeting is June 28, (2017) said Ms. Maclean. The draft plan will be presented to the committee at that meeting, she said. It should be put out for public comment July 10 through July 24, said Ms. Maclean. They will then review the comments and make recommendations to the Steering Committee and bring back the final plan to the Steering Committee on July 31, she said. It should be before the Planning Commission on August 22, she said.

XII. REPORT OF REGULAR AND SPECIAL COMMITTEES - NONE

XIII. PLANNING COMMISSION COMMENTS AND QUESTIONS

Mr. Miller said as they whittle down the list of variances that he thought of the CSP applications which often have variances attached to them. He said they could be crossed off the list to narrow the scope.

Mr. LeVine said he would like to see the Planning Commission come up with some sort of process to address the concerns expressed before the Commission recently about homes which cannot obtain a an appraisal because they are on nonconforming lots. This is definitely creating a problem within the community, he said.

Mr. Steedle said they would present the Commission with a report and some options.

XIV. ADJOURNMENT

The meeting was adjourned at 8:28 p.m.