

Agenda
Planning Commission
Regular Meeting
CITY AND BOROUGH OF JUNEAU
Ben Haight, Chairman
July 12, 2016

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 7:07 p.m.

Commissioners present: Ben Haight, Chairman; Paul Voelckers, Vice Chairman; Percy Frisby, Nathaniel Dye, Matthew Bell, Kirsten Shelton-Walker, Carl Greene

Commissioners absent: Bill Peters, Michael LeVine

Staff present: Rob Steedle, CDD Director; Beth McKibben, Planning Manager; Jill Maclean, Senior Planner; Jonathan Lange, Planner II; Tim Felstead, Planner II; Robert Palmer, Assistant Municipal Attorney; Greg Chaney, Lands Manager; Dan Bleidorn, Deputy Lands Manager

Assembly members: Debbie White

II. APPROVAL OF MINUTES

- June 14, 2016 Regular Planning Commission Meeting
- May 24, 2016 Committee of the Whole Planning Commission Meeting

MOTION: *by Mr. Bell, to approve the Committee of the Whole Planning Commission meeting minutes from May 24, 2016, and the June 14, 2016, Regular Planning Commission meeting minutes with any minor modifications by staff or Commission members.*

Mr. Steedle announced that Items CSP2016 0009 and CSP2016 0007 which are consistency reviews for disposal of CBJ-owned property were pulled from the agenda as they are items that do not need to go before the Commission.

Mr. Palmer explained that the items pulled from the Consent Agenda deal with Renninger Subdivision. These two items have been reviewed by the CDD and by the Lands Department. It became apparent, said Mr. Palmer, that these Renninger properties were the result of an Assembly-initiated action which do not need to be reviewed by the Planning Commission, since this was not initiated by a third party.

III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS - None

IV. PLANNING COMMISSION LIAISON REPORT

Sales Tax

Assembly Liaison to the Planning Commission Debbie White said that at the Assembly meeting held on July 11, 2016, that the Assembly approved placement on the ballot the 3% temporary tax for another five years. It also approved the second option be placed on the ballot to make that 3% sales tax permanent, said Ms. White. The Assembly also approved that an 8% tax on marijuana be placed on the ballot instead of a 5% tax, said Ms. White.

Rezones

The Assembly approved the rezone for the property located between Sherwood Avenue and Engineers Cutoff, said Ms. White.

Dunn Street

The Assembly came to a resolution with the property owners on Dunn Street, said Ms. White.

Appeals

The Olmo appeal will be heard on November 21, 2016. The hearing officer will be Assembly member Maria Gladziszewski, said Ms. White.

The Assembly has also accepted an appeal regarding the small asphalt plant which was requesting that it be located on Sherwood Avenue. Assembly member Loren Jones will be the hearing officer for that appeal, said Ms. White.

AEL&P Construction

The Assembly has been receiving requests to communicate with RCA (Regulatory Commission of Alaska), regarding AEL&P constructing a large plant in the industrial area after it had stated that Sweetheart Creek was not necessary. In light of this the construction of a large diesel powered plant or a hydro plant seemed contradictory, said Ms. White.

Executive Session

The Assembly held an executive session to discuss the City Attorney's evaluation, said Ms. White.

Ms. White said she was happy to see the Planning Commission dealing with unintended consequences as a result of the passage of Title 49 as one big package. Ms. White suggested that when the Planning Commission submits large portions of legislation before the Assembly

that it does so in a piecemeal fashion so that the Assembly can better deal with the information that it receives.

Ms. White said that she had received very favorable comments about CDD Planner Jonathan Lange from a local lender in town. She said the lender appreciated being approached for their input and how it would affect their agency on business before the Planning Department.

V. RECONSIDERATION OF THE FOLLOWING ITEMS - None

VI. CONSENT AGENDA

CSP2016 0009 removed from agenda

~~A. **CSP2016 0009:** Consistency review for disposal of CBJ owned property; Lot 6 & Lot 7, Renninger Subdivision, Lemon Creek~~

~~— **Applicant:** — City and Borough of Juneau~~

~~— **Location:** — 1598 Renninger Street & 1600 Renninger Street~~

B. AAP2016 0011: Conditional Use permit for 600 square foot accessory apartment on an undersized lot.

Applicant: Teri Stone

Location: 503 F Street

Staff Recommendation

Staff recommends that the Planning Commission adopt the Director's analysis and findings and approve the requested accessory apartment permit. The permit would allow the development of a 600 square foot accessory apartment on an under-sized lot in a D5 zoning district.

The approval is subject to the following conditions:

1. The applicant must receive a final inspection for the second story deck that built in 2002 and must close out the existing building permit BLD2002-00415 prior to receiving a building permit for the accessory apartment.
2. Any outdoor construction activity shall be limited to 7:00 am to 10:00 pm Monday through Friday, and 9:00 am to 10:00 pm Saturday and Sunday.

AAP2016 0011 was approved unanimously accepting the staff's findings, analysis and recommendations.

~~C. **CSP2016 0007:** Consistency review for disposal of CBJ owned property; Lot 3, Renninger Subdivision, Lemon Creek~~

~~**Applicant:** — City and Borough of Juneau~~

~~**Location:** — 1589 Renninger Street~~

CSP2016 0008 was moved to the regular agenda.

VII. CONSIDERATION OF ORDINANCES AND RESOLUTIONS - None

VIII. UNFINISHED BUSINESS - None

IX. REGULAR AGENDA

CSP2016 0008: A City Project Review of a proposed lot line adjustment resulting in disposal of CBJ land to a private owner.

Applicant: City and Borough of Juneau

Location: 17255 & 17275 Pt. Lena Loop Road

Staff Recommendation

Staff recommends that the Planning Commission recommend approval to the Assembly of CSP2016 0008, a City Project Review of a proposed lot line adjustment resulting in disposal of CBJ land to a private owner.

This proposal is for a lot line adjustment, said Mr. Lange, which would result in the disposal of 2,345.68 square feet of CBJ land from the Lena Point Natural Area Park to Alaska Power and Telephone for the purpose of laying a fiber optic cable. The Planning Commission is to either recommend approval or denial to the Assembly for the disposal of this portion of the park land, said Mr. Lange. The natural area park is managed by Parks and Recreation and it is classified as a natural area park in the Comprehensive Plan, said Mr. Lange.

Alaska Power and Telephone purchased the home and land for the purpose of installing a fiber optic cable, and upon purchase, discovered that the former owner of the home had encroached into CBJ land, said Mr. Lange. It is this land that Alaska Power and Telephone would like to purchase from CBJ, said Mr. Lange.

The sale of this land would be in line with the Comprehensive Plan in that it is contributing to entrepreneurship and innovation as well as supplying services for the community, said Mr. Lange. It is up to the Commission to decide if this portion of land has more value as park land or would it result in more value to the community facilitating the installation of fiber optic cable for the community, said Mr. Lange. The lot line adjustment would be done within the department and would be a minor subdivision approval, said Mr. Lange.

Commission Comments and Questions

Mr. Voelckers asked if the optic fiber line would run right along the proposed new lot line, and if it would miss improvements already in place.

Mr. Lange responded in the affirmative.

Mr. Palmer explained that for a project such as this which is requested by a third-party, that the Planning Commission actually stands in the shoes of the Assembly and makes the initial determination regarding the disposal of this property. The secondary question is if this action would be in compliance with Title 49 and the Comprehensive Plan, said Mr. Palmer. The decision on this request is balancing the addition to the community of the fiber optic cable with the past owner's encroachment, and balancing the potential harm which could occur as a result of the disposal of natural parkland, said Mr. Palmer.

Mr. Chaney said they are not dealing with the original owners who created the encroachment and that it would be a benefit to the community to obtain a high quality fiber optic connection. It is a small strip of land which is under consideration, said Mr. Chaney. This parcel has been developed as a driveway and yard with the adjacent home for many years, he said. If this disposal was not granted it would mean significant damage would need to be done to the existing home for the installation of the fiber optic cable, said Mr. Chaney. The applicant would have to pay fair market value for the property, said Mr. Chaney, adding that the department head for Parks and Recreation is in favor of the proposal. If the Commission decides not to approve the sale, said Mr. Chaney, the Lands Department would require all of the existing improvements on that land parcel be removed and returned to its natural state. Should the sale be approved, the applicant could be asked to also make some improvements to the park as part of the deal, said Mr. Chaney.

Commission Comments and Questions

Mr. Dye asked what the square footage was for the entire park.

The staff replied that the park is composed of over 50 acres.

Mr. Chaney said he would not be opposed to a recommendation coming from the Commission that the applicant makes a good will gesture towards improving the park as part of the transaction.

In response to a question posed by Ms. Shelton-Walker, Mr. Chaney said the plan is to run the fiber optic cable down that property line and then wrap it around the existing private property on which the home is situated. There would be no impact on the adjacent City park land other than on this small portion of land which they wish to purchase from the City, said Mr. Chaney.

MOTION: *by Mr. Frisby, that CSP2016 0008 be approved with any findings, analysis and recommendations of the staff.*

Speaking in favor of the motion, Mr. Voelckers said he saw this action as the best way out of a complicated circumstance. This would have little impact on the park and the City would be compensated, said Mr. Voelckers.

The motion passed with no objection.

AME2016 0010: A Text Amendment to adopt the Housing Action Plan as part of the CBJ Comprehensive Plan

Applicant: City and Borough of Juneau

Staff Recommendation

Staff recommends that the Commission review the draft Housing Action Plan and recommend to the Assembly its adoption as an addition to the Comprehensive Plan.

According to Title 49, the Planning Commission has to review and recommend to the Assembly any amendments to Title 49 and any adoptions or amendments to the Comprehensive Plan, said Ms. McKibben. The Housing Needs Assessments completed in 2010 and 2012 by the Juneau Economic Development Council found vacancy rates which indicated a critical housing shortage in Juneau, said Ms. McKibben. Documentation goes back at least to the 1970's indicating that Juneau has had a long standing housing shortage, said Ms. McKibben.

The Juneau Economic Development Plan made a clear connection between housing and economic development, said Ms. McKibben. The Affordable Housing Commission received funding approval from the Assembly to undertake the Housing Action Plan. The Affordable Housing Commission then worked with the staff from the CDD and lands departments to develop a scope of work. A planning firm from Alexandria, Virginia, was then given a contract to complete the Housing Action Plan, said Ms. McKibben.

This plan was developed by the consultants, the Affordable Housing Commission, and the community of Juneau, said Ms. McKibben. The draft plan was presented to the Assembly in October, said Ms. McKibben. After some edits the draft plan was available for public review for 30 days, said Ms. McKibben. The plan was presented at two public open houses in March during which public input was solicited, said Ms. McKibben.

The Affordable Housing Commission has approved this plan and forwarded it to the Commission for the review which is before them, said Ms. McKibben.

The plan has shown that if the City wants to encourage housing growth then it will have to put forward its resources, said Ms. McKibben. Policies must be upheld to promote and to encourage housing development. The community needs to create more housing, and encourage more housing in all housing spectrums from young families to the growing senior population, said Ms. McKibben. The use of incentives to encourage housing development is suggested, as is streamlining the permitting process, she said.

The plan is divided into two sections with the first section defining the problem and the second section creating the toolkit to rectify the problem, said Ms. McKibben. One reason discovered

for why Juneau has a housing problem is because at this point the market is stuck said Ms. McKibben.

Consumers can't find a home that they want, companies can't hire additional employees or expand because they cannot obtain housing for their employees, or they cannot hire employees because the employees cannot find housing, said Ms. McKibben. Juneau has a very large proportion of homes which are owned outright, said Ms. McKibben. In a community with a more fluid housing market some of those individuals may sell those homes for smaller homes or condominiums as their families got smaller. Here in Juneau these home owners are staying in their original home because there is nowhere else for them to move within the community, said Ms. McKibben.

Ms. McKibben provided several examples where individuals have been offered work in Juneau and had to turn down those jobs because they could not find housing within the community.

The key recommendations in the plan are:

- 🏠 Formally adopt the plan into Juneau's Comprehensive Plan
- 🏠 Grow the affordable housing fund and its potential uses
- 🏠 Create and fund a full-time housing director (done)
- 🏠 Grow the supply and diversity of housing, aiming at specific numerical targets, through new construction and preservation
- 🏠 Preserve existing affordable housing
- 🏠 Develop new policies for the use of CBJ owned lands and assets to achieve key housing goals
- 🏠 Update CBJ zoning tools/regulations with a focus on housing
- 🏠 Develop small area/focus neighborhood plans with detailed incentives and direction on housing (such as the plan already developed for Auke Bay and underway for Lemon Creek)
- 🏠 Develop a downtown strategy that has explicit housing elements

The plan recommends that 1,980 more housing units be added to the community within 30 years, said Ms. McKibben.

Commission Comments and Questions

Mr. Frisby stated that there is federal money available for housing and asked if this avenue was being pursued.

Ms. McKibben said one of the jobs of the new Chief Housing Officer is to identify ways to grow the housing fund.

Mr. Voelckers asked where the \$3 million figure quoted for the housing fund was derived.

Ms. McKibben said she could not recall the specifics of when this figure was mentioned but she did remember the comment that \$3 million was not enough, but somewhat realistic and attainable.

Ms. Shelton-Walker asked if there were any other staffing positions of which she is not aware.

Ms. McKibben said the only recommendation for CBJ staff is for a housing director. She said Juneau now has a Chief Housing Officer. The plan recommends that the funds be managed but that would not necessarily have to come from existing staff, it could be contracted out, noted Ms. McKibben.

Ms. Shelton-Walker commented that she felt accomplishing the goals would be very difficult without a dedicated position to see that they were accomplished. She said she hoped this would be taken into account when funding for this item came before the Assembly.

Chairman Haight asked if there had been discussion about the provision of tax incentives.

Ms. McKibben said she could not recall at the moment if tax incentives were part of the plan.

Chairman Haight said he has noted over the years that the older houses have continued to increase in cost and value. He asked how this affected affordability of housing for the community.

Ms. McKibben said the plan states that if there is fluidity in the housing market that does not automatically necessitate a parallel drop in housing prices.

Mr. Voelckers said in a stuck housing market it is difficult to ascertain the exact nature of the demand for housing.

Chairman Haight asked what steps were required to make the Housing Action Plan Part of the Comprehensive Plan.

This would go forward to the Assembly with the Manager's report and an ordinance which has to be adopted by the Assembly said Ms. McKibben.

MOTION: *by Mr. Frisby, to adopt AME2016 0010 with the staff's findings, analysis and recommendations.*

Roll Call Vote:

Yeas: Greene, Dye, Frisby, Bell, Voelckers, Shelton-Walker, Haight

Nays:

The motion passed.

X. BOARD OF ADJUSTMENT - None

XI. OTHER BUSINESS

A. Housing Presentation by Scott Ciambor, Chief Housing Officer

Chief Housing Officer Scott Ciambor thanked Ms. McKibben and the other CDD staff as well as the volunteer hours put in by the Affordable Housing Commission members. Mr. Ciambor informed the Commission of the positions he has held to qualify him for the position of Chief Housing Officer. There are three housing markets to consider simultaneously, said Mr. Ciambor: fair market housing with single family homes and condominiums, affordable housing, and subsidized housing. It is important to realize that help for the housing market in Juneau has to come from within, said Mr. Ciambor.

As of 2010 the largest gaps for the homeless was supported housing for the chronically homeless and assisted living, he said. Housing First is addressing the chronically homeless and an assisted living facility has just been approved for the community, said Mr. Ciambor.

Most municipal resources across the country go to 80% area median income and below, said Mr. Ciambor. Those are the families and the income ranges which typically have the most difficult time locating housing, he said. That is where most of the federal aid falls, he said.

Workforce housing is in a slightly different range, said Mr. Ciambor. Workforce housing falls between 50% and 120% of the area median income, he said. One hundred twenty percent is about \$100,000, he said.

The availability of data has proven very successful in enabling developers to obtain federal funding for housing projects, said Mr. Ciambor. The Community Development Block Grant is a primary source of funding for affordable housing development, said Mr. Ciambor.

Juneau has by far the most capacity in the state for housing those in need of shelter, said Mr. Ciambor.

The City and Borough of Juneau is currently working on a mobile home down payment program and property tax exemptions, said Mr. Ciambor. The Juneau Housing Trust which is a community land trust buys a home which they then resell. The land on which the dwelling

stands remains with the trust, said Mr. Ciambor.

A new program for market housing provides grants for homeowners to build accessory apartments, said Mr. Ciambor. There was funding for 12 homes and they are in the process of construction or have completed construction, he said. On the state level there is the subdivision property tax abatement ordinance which could provide the Assembly with another tool to incentivize home construction, said Mr. Ciambor.

To incentivize growth in the private housing market the community is free to do as much or as little as it wishes to do, said Mr. Ciambor. Unlike communities down South, he said, Juneau cannot afford to ignore any of its housing areas because it is an independent community without access to nearby towns or bedroom communities. One of the options mentioned in the Affordable Housing Plan is for the City to purchase homes which are being foreclosed upon and repurpose them for affordable housing, said Mr. Ciambor.

The Neighborhood Improvement Development Corporation has targeted investment neighborhoods, said Mr. Ciambor. They provide a lot of resources for those particular areas of town, he said. They provide assistance through home loans and the Home Buyers Assistance Program and tax incentives among other inducements, said Mr. Ciambor.

Commission Comments and Questions

Mr. Voelckers said it seemed to him that perhaps Juneau was slightly healthier in the areas of subsidized housing and assisted living and a little more stuck economically in some of the mid and upper range privately owned properties. Mr. Voelckers asked Mr. Ciambor if it was part of his job to come up with initiatives to present to the Assembly on how to address that area of the housing market.

Mr. Ciambor said it was part of his job, and that this presentation was the first step in identifying those areas of the housing market which needed assistance for the Assembly. He said he would be working with municipal parties to define the next step in the process.

XII. DIRECTOR'S REPORT

Mr. Steedle said there are currently no items scheduled for the August 9, (2016) meeting, and that at this time there is no meeting scheduled for August 9.

The next meeting for the Title 49 Committee is July 20, (2016) said Mr. Steedle.

Ms. McKibben said there is a meeting of the Commission on Sustainability which has been working on an energy plan, and the consultants will be presenting to the Assembly Committee of the Whole on Monday, July 25. The Commission on Sustainability will also be hosting a brown bag lunch to present the plan on a date yet to be decided. The energy plan is also

available on the CBJ website, she noted.

XIII. REPORT OF REGULAR AND SPECIAL COMMITTEES

Mr. Voelckers reported that the Title 49 Committee met and worked with staff on some language improvements for variances.

XIV. PLANNING COMMISSION COMMENTS AND QUESTIONS - None

XV. ADJOURNMENT

The meeting was adjourned at 8:31 p.m.