Regular Planning Commission Meeting
CITY AND BOROUGH OF JUNEAU
Mike Satre, Chairman

September 22, 2015

I. ROLL CALL

Mike Satre, 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 7:01 pm.

Commissioners present: Mike Satre, Chairman; Dennis Watson, Vice Chairman; Bill Peters, Nicole Grewe, Ben Haight, Matthew Bell, Paul Voelckers, Dan Miller

Commissioners absent: Michael LeVine

Staff present: Beth McKibben, Planning Manager; Jill Maclean, Senior Planner; Allison Eddins, Planner I; Chrissy McNally, Planner II, Robert Palmer, Assistant City Attorney; Rorie Watt, Director of Public Works; Greg Chaney, Lands and Resources Manager

II. APPROVAL OF MINUTES

- August 25, 2015 – Regular Planning Commission Meeting Minutes

MOTION: *by Mr. Miller, to approve the minutes for the August 25, 2015, Regular Planning Commission meeting with any minor modifications by staff or Commission members.*

The motion was approved with no objection.

III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS - None

IV. PLANNING COMMISSION LIAISON REPORT - None

V. RECONSIDERATION OF THE FOLLOWING ITEMS - None

VI. CONSENT AGENDA

VAR2015 0024:	Construction of a 460 foot fence within the 25 foot no disturbance stream side setback along Jordan Creek, and the installation of a rain garden and required grading within the 50 foot no development setback along Jordan Creek.
Applicant:	Southeast Alaska Watershed Coalition
Location:	9095 Glacier Highway

Staff Recommendation

Staff recommends that the Board of Adjustment adopt the Director's analysis and findings and **approve** the requested Variance, VAR2015 0024. The Variance permit would allow for the construction of a split rail cedar fence and installation of concrete barriers within the 25 foot no disturbance stream side setback and the installation of a rain garden within the 50 foot no development stream side setback along Jordan Creek.

MOTION: *by Mr. Voelckers, to approve the Consent Agenda as read with staff's findings, analysis and recommendations.*

The motion was approved with no objection.

VII. CONSIDERATION OF ORDINANCES AND RESOLUTIONS - None

VIII. UNFINISHED BUSINESS

AME2015 0009:	Proposed changes to Title 49 Table of Permissible Uses for marijuana establishments.
Applicant:	City and Borough of Juneau
Location:	Borough-wide

Staff Recommendation

Staff recommends that the Planning Commission forward its recommendation of approval to the Assembly of Ordinance 2015-39 as recommended by the Title 49 Committee, with the exception of the recommended change to allow marijuana retail in the Rural Reserve (RR) zone district.

Chairman Satre noted that at the last meeting once public comment was finished, the Planning Commission had some difficulty not only in the area of amendments, but that they could also not come to an agreement to proposed changes in Title 49. There was the possibility that with more Commissioners in attendance at this Regular Planning Commission meeting, that a consensus may be reached as to what the recommendations to the Assembly would be, said Chairman Satre.

Ms. McNally told the Commission that this evening they had a map indicating the 500 foot buffer maps for the sensitive sites including schools, state licensed day care and correctional facilities. More public comment was also received, said Ms. McNally, and the Commission had before it the ordinance reflecting the changes the Commission voted upon at its last meeting.

The change in the ordinance approved by the Commission at its last meeting involved moving Marijuana Product Manufacturing from the Mixed-Use 2 (MU-2) zoning district to the Mixed Use (MU) zoning district, explained Ms. McNally.

Commenting on the maps, Chairman Satre said that in any green areas on the maps marijuana cultivation would be allowed. Considering the areas of product manufacturing, retail and testing; in those areas that were white on the map these activities would not be allowed, said Chairman to Satre, while the green areas would require a Conditional Use Permit, he added.

Mr. Palmer related that the motion that was passed by the Commission at its last meeting was to remove the Conditional Use authority from Mu-2 zones and granting Conditional Use authority to those properties zoned MU.

Chairman Satre reviewed that motions dealing with cultivation of marijuana in D-1 zones and also allowing retail sales of marijuana in Waterfront Commercial (WC) zones failed at the September 8, 2015 regular Planning Commission meeting. The final motion that failed at the last regular meeting was to approve the ordinance including the approved amendment and send it to the Assembly for its action on the ordinance.

Ms. McNally told the Commission that one of the comments received from the public was from Mr. Manning, owner of Duck Creek market. This most recent communication from Mr. Manning asks that the Commission consider allowing Duck Creek market and the Douglas Breeze-in to sell marijuana products retail. Ms. McNally said she believed there was some confusion on the part of Mr. Manning as to what stores are included in the overlay district. She said she explained that alteration of the Commercial Overlay zone would affect all existing properties which meet the criteria and not just the two stores mentioned by Mr. Manning.

Mr. Voelckers asked for a summation on what the Commercial Overlay zone is and what areas would potentially be affected.

Showing the Commission some slides, Ms. McNally explained that the Overlay District extends from just past the Juneau Douglas Bridge north to the Bonnie Brae subdivision, and an area extending from Duck Creek market along the Back Loop Road. These are areas within residentially zoned areas , explained Ms. McNally.

Since public comment was closed at the last meeting, said Chairman Satre, he asked the Commission if it wished to once again open this item up for public comment.

Since a motion regarding public comment was not forthcoming, this ordinance was not opened up again for public comment.

Ms. Grewe asked for an explanation on marijuana cultivation in D-1 zoning. Ms. McNally said the "A B" designated marijuana cultivation in D-1 zoning outside of the urban service boundaries.

Chairman Satre said the action of the Commission on Title 49 and the changes to permissible uses are recommendations from the Commission to the Assembly. The potential does exist for the Commission to move this ordinance forward to the Assembly with no further recommendations, added Chairman Satre.

MOTION: *by Ms. Grewe, to add Waterfront Commercial to Section 2 of the ordinance to the use described as "Marijuana Retail Store" which would make that use obtainable within a Waterfront Commercial District with a Conditional Use Permit.*

Speaking in favor of her motion, Ms. Grewe said that she realizes there are challenges related to the definition of "waterfront" with uses attached to the zone being waterfront activities. She added that Chairman Satre gave a good explanation at the last Commission meeting stating that there are currently uses connected to that zone which are not directly related to waterfront dependent activities. Retail activities in the Waterfront Commercial zone have previously been allowed that were not directly related to waterfront uses, said Ms. Grewe.

The motion passed with no objection.

MOTION: *by Ms. Grewe, to remove the D-1 zone from marijuana cultivation in Section 5, 14.240 and Section 6, 19.230.*

In support of her motion, Ms. Grewe said that the primary use of D-1 is residential, and that she felt residential areas should be treated equally as they move into this new industry for Alaska. She said they have learned from other jurisdictions who currently have ordinances allowing the cultivation of marijuana that marijuana cultivation in a residential district was the number one conflict.

Ms. Grewe said she prefers a more conservative approach as the community moves to incorporate this industry and its regulations. She said all residential zones should be protected from allowing the marijuana industry within their boundaries. She added that the permitting issue is still looming and is still an unknown aspect. She said until that determination is made, that she feels particularly strong about protecting all residential districts within the area. Down South communities who have legalized marijuana are treating it akin to an industrial activity, noted Ms. Grewe. It is not the same as small-scale agricultural farms, she added. She said she felt it would be easier in the future if desired to add zones back rather than to remove

zones.

Mr. Voelckers asked if Ms. Grewe could outline the specific portion of the ordinance to which her motion was addressed.

This would go under the cultivation category, said Ms. Grewe. The use description was under 14.240 on the Table of Permissible Uses, said Ms. Grewe, and she added under questioning from Mr. Voelckers, that she would also remove the use from Section 6, Use 19.230.

Mr. Miller asked if there is currently any property on the new maps which list D-1 zoning as a potential cultivation district.

Chairman Satre explained that cultivation is currently allowed by Conditional Use Permit in the Rural Reserve (RR) zone and in the D-1 zone outside of the urban service boundary. This would cover all land north of Lena point, said Chairman Satre, and also land on North Douglas which lies outside of the urban service boundaries.

Ms. Grewe added that the boundary also incorporates Thane.

Speaking against the motion, Mr. Watson stated that his main concern on this issue is that D-1 zoning covers a lot of land, and that it is not an automatic approval of marijuana cultivation in those areas. He said once the Table of Permissible Uses has been established, in his experience of almost nine years on the Commission, that it is very rare for that to be altered, should the desire to change it manifest itself in the future. He said the Planning Commission needs to be allowed a certain level of flexibility, and that he feels the Commission needs to be careful that it does not restrict zoning to such a level that it is concentrated in a very small area.

Mr. Miller asked for clarification on where the D-1 zoning was located.

Chairman Satre explained that D-1 and Rural Reserve are both located outside of urban service boundaries. This land is largely located on Thane Road, out North Douglas past Bonnie Brae, and out the road past Lena Point.

Speaking against the motion, Mr. Watson said one of his concerns is the thought that it would be easy to go back and change the zoning. He said his primary concern was that D-1 zoning extended for quite a distance past Lena point, and that it would not be an automatic approval. Approval would first have to be granted by the Planning Commission and the Assembly.

Once a use is placed upon the Table of Permissible Uses, said Mr. Watson, it is almost impossible to remove it.

Roll Call Vote:

Yeas: Haight, Grewe, Voelckers

Nays: Peters, Bell, Miller, Satre, Watson

The motion failed.

Mr. Voelckers asked Chairman Satre, who is a member of the Marijuana Committee, if they have addressed any conditions which would accompany the proposed amendments to the Table of Permissible Uses.

Chairman Satre answered that the Committee has not yet addressed those issues, but they will be looking at special use provisions for Title 49 at their meeting in two days, and that many conditions would be dependent upon action from the State which has not yet taken place.

MOTION: *by Mr. Haight, to approve ordinance 2015-39 as amended, and move it to the Assembly for further action.*

Speaking in support of the motion, Mr. Voelckers said he felt it was important to have the understanding that there would be specific conditions placed upon these uses later. He said he felt that would be one way they could address some of the concerns addressed regarding the growing of marijuana in D-1 and Rural Reserve.

Chairman Satre said he would encourage the Assembly members to read the minutes from the last meeting and this meeting. He said he thinks the Assembly will be wrestling with the same issues as the Planning Commission has. He said he was very glad that Mr. Voelckers has made the point at both meetings that this is very difficult to accomplish not knowing what all of the state regulations will be.

Ms. Grewe spoke against the motion because of the D-1 land issue.

Roll Call Vote:

Yeas: Watson, Miller, Voelckers, Haight, Bell, Peters, Satre

Nays: Grewe

The motion passed.

IX. REGULAR AGENDA - None

X. BOARD OF ADJUSTMENT - None

XI. OTHER BUSINESS

Chairman Satre reported that Mr. Chaney would be the updating the Commission on the 2015 Land Management Plan.

This will give the Commission the opportunity to review the first draft of the Land Management Plan. When the draft comes back to the Commission after it has been presented to several other committees and the public, Title 53 dictates that the Plan be given a positive rating or a negative rating by the Commission, said Mr. Chaney.

The Plan is over 100 pages in length, explained Mr. Chaney, so he wanted the Commission to have plenty of time to review it before it came back to them for their final decision.

He outlined the goals and objectives of the Land Management Plan:

- Continue the land disposal program which systematically places CBJ land into private ownership.
- Provide the best use of CBJ owned land for both development and preservation.
- Conduct CBJ land disposals in a manner that provides compact urban growth and efficient expansion of municipal utilities and services.
- Maintain the Land Management Plan as required under CBJ code as a comprehensive reference document updated every two years that establishes CBJ land management policy and provides a framework for developing regulations concerning CBJ property.

The staff went through the land parcels and recognized some land as parks; land which had never been designated as such before, explained Mr. Chaney. It is up to the Parks and Recreation Division to make any recommendations, said Mr. Chaney.

Mr. Chaney then outlined some of the major implementations of the plan:

- Conduct CBJ land disposals that conform to expansion of municipal utilities and services.
- Housing demand remains strong.
- Transportation improvements must be completed to complement land disposal proposals. An example of this would be the bench road on Douglas which has not been developed but has been much discussed.

Mr. Chaney said what is to him one of the most exciting portions of the Plan update is a new atlas which shows the current land ownership of the CBJ. Each property is identified with the code indicating the CBJ managing department. The black-and-white atlas is accompanied by a GIS system available to the staff, which is not yet ready for public dissemination. It graphically displays the land holdings in color, he noted. However, he noted, the GIS system is available to view within the office.

The parcel number provides access to each parcel's legal description, the size of the parcel, the type of land, the managing department and the plans for that parcel's future disposal, explained Mr. Chaney.

Juneau has over one million acres of land, said Mr. Chaney, with over 15,000 of those acres zoned Residential. As a result of a study performed in 2006, the City has identified about 12 lots which carry the potential for residential development. Upon further research, four of these lots have been identified as actually suitable for residential development, he explained.

Roughly 25% of the cost of a home is tied to its land value, explained Mr. Chaney. In general, the number of building permits and certificates of occupancy have risen recently, which is a good trend, he noted.

There has been an upswing in the housing market in the past few years, noted Mr. Chaney. He said he felt a lot of this was due to re-zoning and changing zones to allow more density for housing.

Mr. Chaney listed options for stimulating the housing market from a lands perspective which include:

- **City sponsored subdivisions and sales**

An example of this is the Reninger subdivision which will be before the Commission soon, which is a major subdivision to be developed by the City for multi-family housing.

- **Provide incentives to build promptly**

This is the idea that if someone purchases a lot for $100,000 for example, if it is developed within a certain specified period of time, they would get a monetary rebate.

- **Land sales to developers**

These have been done in the past and will be continued in the future.

- **Public private partnerships**

Their success depends upon the details.

Conditional Sale and Housing Market Mix

This is not been done much in Juneau yet; where property is sold to a developer on certain conditions of performance.

Land donations for less than fair market value

An example of this would be the City's numerous donations of land for schools and other public projects.

Community land trust

This has been done in other communities, but not in Juneau.

Juneau affordable housing fund

A fund currently exists to stimulate construction within the community.

Between 1999 and 2015 the City has sold approximately 90 lots, said Mr. Chaney. They would like future CBJ development to be on the sewer system if possible, he noted. Some large tracts which were sold to stimulate housing remain vacant, said Mr. Chaney. They would like to somehow ensure that development occurs on the properties within a specified period of time, said Mr. Chaney.

The future land disposal program will be a combination of large and small lots, and they would like to explore public and private partnerships in all cases, said Mr. Chaney.

The properties identified for land disposal whether in the near or more distant future include:

- Lena Loop – a few lots remain for disposal
- Near DZ Middle School - roughly 13 acres available for disposal
- Switzer Creek - approximately 13 developable acres in the Reninger Subdivision
- Land overlooking the Lemon Creek Valley - requires an access road
- Pederson Hill area - working on cost estimates for access to that site
- City parking lot - this is being proposed for lease
- Douglas town site - Sixth Street would need to be extended
- Bonnie Brae - new acreage now available because of the sewer extension
- Auke Bay - lot currently has no frontage and no access

Mr. Chaney outlined the process for the disposal of large tracts:

- Delineate Site
- Agency Review
- Preliminary Title Report
- Sketch Plat
- Reservation of Public Lands
- Public Workshop
- Development Plan
- Preliminary Plat
- Construction Design
- Final Plat

In addition, Mr. Chaney identified various methods of disposal, which include:

- Leases
- Land Exchanges
- Over the Counter Sales
- Outcry Auction
- Sealed Competitive Bid
- Negotiated Sales
- Disposals for Public Use

There are many variables associated with land development, said Mr. Chaney, but if the land was perfectly flat and all conditions were equal, for just road construction and utility preparation the estimated amount for a D-5 lot would be about $47,000 to $63,000 per property, he said.

Commission Comments and Questions
Mr. Miller noted that in addition to the above costs, a private developer would still have to purchase the land.

The other huge advantage of a CBJ land sale, said Mr. Chaney, is that public land is overturned to private tax rolls. This results in dividends to the community for decades into the future, he said.

The Land Fund is a special revenue fund which provides management for the funding of City resources through the Lands and Resources Division, explained Mr. Chaney.

Mr. Chaney listed the recommendations in the Plan for the future, which encompasses the parcels he listed earlier as available for disposal. He said that he recommends that the City dispose of all of these properties. He also recommended that whenever possible, that access to CBJ land be obtained.

This Plan has already been presented to the Affordable Housing Commission, noted Mr. Chaney, which gave the Plan a unanimous vote of support. They like the focus on housing in the Plan, he added. They have already conducted several other presentations of the document in addition to the Affordable Housing Commission, said Mr. Chaney. Public meetings will be

held, and this Plan will be presented again to the Commission in about a month, he said. It will ultimately need to be approved by the Assembly by ordinance, said Mr. Chaney.

Commission Comments and Questions
Mr. Watson said this is probably the best product that he has seen come out of the Lands Department since he has been on the Commission. Mr. Watson noted that for land disposal, that Parks and Recreation is on the list, and that he has not seen them give up much land in the past. He noted that the Parks and Recreation plan has not been updated in many years, and that it was his impression that the updated Lands Plan mentioned the adoption of the Parks and Recreation Comprehensive Plan.

Mr. Chaney said they would be adopting only the Lands Plan which would set the stage for the management of the other properties mentioned.

Mr. Watson asked if the NOAA property, located out the road, was located outside of the urban service boundary.

Mr. Chaney responded that it was outside of the urban service boundary.

Mr. Voelckers asked for a more specific explanation about the role of the Planning Commission in the development of the Lands Plan. He said the point had been raised at a Committee of the Whole meeting of the Assembly on another issue that sometimes final decisions were made in a fractured manner based upon input from separate City entities rather than a united convergence of opinion.

He said he felt that it stipulated in Title 53 that it was the duty of the Planning Commission to oversee the union of the various entities in the final draft of the Plan. Mr. Voelckers said it was his impression that the Lands Plan should be working in union with the Comprehensive Plan as it developed. He said he felt there was more potential to unite the plans in a more holistic manner, and that specifically he felt the area in town should be investigated more thoroughly.

Chairman Satre said that he agreed, and that he felt the Commission had a very specific role as the final reviewer of the Plan before it went to the Assembly for final approval. He said this may be a good item to run through the Subdivision Review Committee for its input on the Plan. Chairman Satre said he felt the Lands Plan deserved more time from the Planning Commission than just another meeting for its final review.

Mr. Chaney said that is exactly why he was presenting the draft to the Commission now; so that it would have adequate time to formulate its comments. He said he would also be bringing back to the Commission the comments from other committees so that it could consider that feedback when it reviewed the Plan.

Mr. Chaney said the City does not own a lot of property in the downtown area. The property that it does own is mostly hazard zone property, he added.

In terms of making more land available to the public, Ms. Grewe asked Mr. Chaney if he thought the Sixth Street City property had a better opportunity for development or the bench road.

Mr. Chaney responded that opening up the bench road would open up hundreds of acres for development.

XIII. Director's Report

Gastineau Apartments
Mr. Watt reported that the City is working toward the demolition of the Gastineau apartments. It has become clear for safety reasons, timeliness, and financial reasons that the most efficient way to proceed was to demolish the small park adjacent to the apartments. While the City does not need any special permits to accomplish this, they wanted to mention this to the Commission in case it wanted to bring it up for public review. He added that the Parks and Recreation Advisory Committee has agreed that this is the right course of action to take. The City will be opening bids for the project around October 12, (2015), said Mr. Watt.

They will be doing an addendum to recognize the fact that potential bidders for the project are not in favor of an accelerated schedule, said Mr. Watt. Recognizing this, they will be doing an addendum to lengthen the completion requirement for the demolition of the project to the end of April, he said.

Commission Comments and Questions
Mr. Voelckers asked if there was any way to gauge the potential for lawsuits involving the property.

Mr. Watt responded that he did not feel a lawsuit was going to transpire.

Mr. Voelckers asked who would own the lot when the demolition was complete.

It would be the current owners, responded Mr. Watt, with the City holding a right of entry to the property to demolish it. He said the City would never own the land.

Housing Action Plan
Ms. McKibben reported that the Affordable Housing Commission will be giving a final review of the draft of the Housing Action Plan. The consultant will be in Juneau for the Committee of the Whole meeting at the end of October to present the draft plan to the Assembly, said Ms. McKibben.

New Community Development Department Senior Planner
Ms. McKibben introduced Jill Maclean, the new Senior Planner for the Community Development Department.

XIV. REPORT OF REGULAR AND SPECIAL COMMITTEES

Committee on Sustainability
Mr. Haight reported that the Committee on Sustainability met last week. They are continuing to work on the Energy Plan, he said, which is currently their primary item.

XV. PLANNING COMMISSION COMMENTS AND QUESTIONS

Joint Committee of the Whole Meeting Cancellation
Mr. Watson mentioned that the Commission was scheduled to participate in a joint Committee of the Whole meeting with the Assembly prior to the regular Commission meeting this evening. He said the Liaison made the comment at the regular Assembly meeting that the reason the Committee of the Whole meeting was canceled was because of a lack of quorum by the Planning Commission. This resulted in some comments from the Mayor, said Mr. Watson. Mr. Watson said he checked with a CDD planner and was told that the reason the Committee of the Whole Meeting was canceled was because there was additional work which needed to be accomplished on that issue.

Mr. Watson said he hoped the record is corrected to reflect the actual reason for the cancellation of the joint Committee of the Whole Meeting.

New Planning Director
Ms. Grewe stated that she would like to see the Planning Commission have a more active role in the hiring of the Planning Director.

Mr. Voelckers asked if the new City Manager and the new Planning Director were going to be hired at the same time, or if one position proceeded the other in the hiring process, or if the City Manager was going to be hired first and then hire the Planning Director.

Ms. McKibben responded that it was her understanding that the current City Manager would like to hire the new Planning Director.

XVI. ADJOURNMENT

The Meeting was adjourned at 8:20 p.m.