

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

June 24, 2019 7:00 PM

Assembly Chambers
Meeting No. 2019-25

Submitted By:

Mila Cosgrove
City and Borough Deputy Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

- A. **Special Recognition: Robin Potter**

IV. APPROVAL OF MINUTES

- A. **March 4, 2019 Draft Regular Assembly Meeting #2019-09**
- B. **March 14, 2019 Draft Special Assembly Meeting #2019-13**

V. MANAGER'S REQUEST FOR AGENDA CHANGES

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

VII. CONSENT AGENDA

- A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction
- B. Assembly Requests for Consent Agenda Changes
- C. Assembly Action
1. Ordinances for Introduction

- a. **Ordinance 2019-19 An Ordinance Amending the CBJ Codes Related to Planning Commission Review of City and Borough of Juneau Real Property Transactions.**

This ordinance would amend sections of CBJ code to clarify when the Planning Commission reviews a land transaction between the CBJ and another party.

On March 4, 2019, the Assembly authorized Assemblymember Jones to work with staff to identify potential regulatory amendments to make conveying CBJ

property more practical and less confusing. This ordinance would remove the Planning Commission review process for leases and easements of CBJ property and instead require Assembly Lands Committee review. This ordinance would also clarify that Planning Commission review is not required when the CBJ acquires property. The Planning Commission would still review any sale or exchange of CBJ property.

This ordinance has been reviewed by the Docks & Harbors Board (March 28, 2019), the Planning Commission (April 23, 2019 and May 14, 2019), and the Lands Committee (June 10, 2019). All three committees recommended the Assembly adopt the regulatory changes in this ordinance.

The Deputy City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

b. Ordinance 2019-20 An Ordinance Amending the Hospital Code Relating to Board Appointment, Contracts for Professional Services, and Medical Records.

This ordinance would update the Hospital Code to modernize three provisions. Section 2 of the ordinance adds a sentence with qualifications that the Hospital Board desires for new appointees. Section 3 of the ordinance amends a professional services contracting provision to comply with federal law. Section 4 of the ordinance updates the preservation of patient medical records provisions to be consistent with Alaska and federal law. The Law Department has provided a more detailed memo explaining the background for this ordinance.

The Hospital Board reviewed these changes on August 29, 2018 and on March 26, 2019, and recommends the Assembly adopt this ordinance. The Assembly Human Resources Committee reviewed this ordinance on June 3, 2019, and recommended the Assembly adopt this ordinance.

The Deputy City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

c. Ordinance 2019-23 An Ordinance Providing for a Property Tax Abatement Program to Incentivize the Development of Assisted Living for Senior Citizens.

This ordinance would create a property tax abatement program for assisted living developments that create 15 or more new residential units for senior citizens. Private developers have expressed that the high cost of construction and operations in Juneau render assisted living projects insufficiently profitable to attract private investment. Without municipal incentives like this ordinance, a new senior housing project is unlikely. Consistent with state law (AS 29.45.050(m)), municipalities that are also school districts may only exempt property taxes in excess of 2.65 mills, which is approximately a 75% tax exemption if the mill rate is 10.66. This ordinance provides a property tax

abatement on the full value of newly constructed assisted living units for senior citizens for twelve years.

The Committee of the Whole discussed this topic on May 20 and June 10, 2019. The Committee referred this ordinance to the Assembly for introduction tonight and then back to the Committee of the Whole, which is currently scheduled for July 8.

The Deputy City Manager recommends the Assembly introduce this ordinance and then refer it to the Committee of the Whole at its next regular meeting.

d. **Ordinance 2019-24 An Ordinance Amending the CBJ Codes Related to New Utility Service Connections in Public Right of Ways.**

This ordinance would amend the CBJ water code, sewer code, and excavation code to make it easier for private developers to connect to CBJ utilities in a State right-of-way. The Southcoast Region of the Alaska Department of Transportation and Public Facilities (DOT) has recently made public utility connections for development adjacent to State rights of way nearly impossible again. DOT refuses to let private developers and other State agencies connect to CBJ water and sewer mains in a State right of way without the CBJ signing as the developer and promising to indemnify DOT if the private developer or State agency damages the State right of way. DOT asserts that position despite the CBJ not being involved in any of the development. DOT supposedly has taken that position because of old sections of CBJ code that have been superseded by recent amendment to Title 49. This ordinance would amend those old sections of CBJ code to clarify that in State right of ways, the private developer is responsible for obtaining the necessary permits and installing the utility service lines at no cost to the CBJ.

The Public Works and Facilities Committee recommended adoption of this ordinance at its meeting on June 10, 2019, which also contains more detailed memos describing background for this ordinance.

The Deputy City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

e. **Ordinance 2019-27 An Ordinance Amending the Land Use Code to Extend the Sunset Date for the Downtown Juneau Overlay District.**

This ordinance would amend Article XII Alternative Development Overlay District (CBJ 49.70.1210) by extending the sunset date for the downtown Juneau ADOD for an extra year to August 2020.

The purpose of the alternative development overlay district is to provide adequate minimum standards and procedures for the construction of new residential buildings and the expansion, restoration, or repair of existing residential buildings, while providing time to implement new zoning regulations. This extension provides adequate time for the review and adoption of new zoning for the downtown neighborhoods.

The Committee of the Whole considered this ordinance on June 10, 2019. The Planning Commission is scheduled to consider this ordinance on June 25, 2019.

The Deputy City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

- f. **Ordinance 2019-28 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Lot 1A, Emerald 3 Subdivision, Located at the end of Vista Drive, from a Mix of D5 and D18 to D18.**

The Planning Commission, at its regular meeting held on May 14, 2019, recommended that the Assembly approve a request to rezone approximately 27.88 acres near Vista Drive from a mix of D5 and D18 to D18. The Planning Commission found that the proposed expansion of the D18 zoning district substantially conforms to the Medium Density Residential designation of the land use maps of the Comprehensive Plan. Furthermore, the proposed rezone is consistent with the Comprehensive Plan vision, policies and its implementing actions, standard operating procedures, and development guidelines, which support increased residential densities when appropriate infrastructure is in place to serve the development.

The CBJ Land Use Code provides certain restrictions for zone change requests. This proposal conforms to these restrictions as follows:

1. The request is for more than two acres and is an expansion of an existing zoning district.
2. No similar request has been made in the past year.
3. This request substantially conforms to the land use maps of the 2013 Comprehensive Plan.

The Planning Commission recommends that the Assembly approve the rezone of the subject parcel from D5 and D18 to D18.

The Deputy City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

- g. **Ordinance 2019-29 An Ordinance Amending the CBJ Code to Allow for the Consumption of Marijuana by Smoking and Edibles in Licensed Marijuana Retail Facilities with an Onsite Consumption Endorsement.**

In late 2018, Senate Bill 63 went into effect and authorized the Alaska Marijuana Control Board to promulgate regulations to allow onsite marijuana consumption in certain freestanding marijuana facilities. The Marijuana Control Board regulations (3 AAC 306.370) now allow consumption of marijuana in a marijuana retail store with an onsite consumption endorsement. This ordinance would amend CBJ's second hand smoke and public consumption of marijuana

codes to only allow a marijuana retail store the ability to apply for an onsite consumption endorsement from the Marijuana Control Board.

The Committee of the Whole discussed this topic on April 8 and June 10, 2019, and recommended this ordinance be introduced.

The Deputy City Manager recommends the Assembly introduce this ordinance and refer it back to the Committee of the Whole.

- h. **Ordinance 2018-11(AO) An Ordinance Appropriating to the Manager the Sum of \$6,345 as Partial Funding for the Trail Improvements Capital Improvement Project to Design, Furnish, and Install Trailhead and Trail Marker Signage Along the Switzer Creek – Richard Marriott Trail; Grant Funding Provided by the Juneau Glacier Valley Rotary Club.**

This ordinance would appropriate grant funding in the amount of \$6,345.31 as provided by the Rotary Club of Juneau, Juneau-Gastineau Rotary, Juneau Glacier Valley Rotary, Rotary Club of Juneau 58° Innovators, and Capital City Rotaract. No match is required.

Juneau's Rotary Clubs have been working with the Parks & Recreation Department and Trail Mix to improve the Switzer Creek - Richard Marriott Trail, improving over 1,900' of trail in the last year. This funding will be used to design, furnish, and install trailhead and trail marker signage along the trail.

The Public Works and Facilities Committee reviewed this topic at its meeting on May 20, 2019 and referred it to the Assembly.

The Deputy City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

- i. **Ordinance 2018-11(AP) An Ordinance Appropriating to the Manager the Sum of \$653,744 as Partial Funding for the Playground Rebuild Capital Improvement Project, for the On Sidewalk & Stairway Repairs Capital Improvement Project, and the Maier Drive Force Main Capital Improvement Project; Funding Provided by the Risk Fund's Fund Balance.**

This ordinance would appropriate \$653,744 to fund three Capital Improvement Projects (CIP) resulting from property damage insurance claims. The insurance settlements are outlined in the table below:

PROJECT NAME	FUNDING SOURCE	AMOUNT	CIP #
Playground Rebuild	Lexington Insurance	\$63,198	P41-095
On Sidewalk & Stairway Repairs	Geico Insurance	\$25,000	R72-035
Maier Drive Force Main Emergency Repair	Lexington Insurance	\$565,546	U76-113
Total		\$653,744	

In order to provide funding for FY19 project expenses, all of these funds will be appropriated from the Risk Fund's Fund Balance and will be reimbursed to the fund once insurance funds are received.

The Public Works and Facilities Committee forwarded this request to the full Assembly at its May 20, 2019 meeting.

The Deputy Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

- j. **Ordinance 2019-06(A) An Ordinance Appropriating to the Manager the Sum of \$1,100,000 as Funding for the Juneau International Airport Terminal Construction Capital Improvement Project; Funding Provided by the Airport Fund's Fund Balance and Sales Tax Fund's Fund Balance.**

This ordinance would appropriate \$1,100,000 to the Terminal Construction Capital Improvement Project (CIP).

Funding sources are:

2012 Sales Tax CIP Authorization:	\$300,000
Airport Fund's Fund Balance:	\$800,000

At its June 11, 2019, meeting, the Airport Board approved this action.

At its June 12, 2019, meeting, the Assembly Finance Committee approved this action, and forwarded it to the Assembly for action.

The Deputy Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

2. Bid Award

- a. **Bid Recommendation: Bid No. 20-002 Term Contract for Sand for CBJ Streets & JNU Airport Runway**

The purpose of this bid is to establish a term contract for the City and Borough of Juneau to purchase and deliver sand for use by the CBJ Streets and Fleet Maintenance Division and Juneau International Airport maintenance crews for use on the airport runway. The successful contractor will enter into a four year term contract with the CBJ.

The Deputy City Manager recommends award of Bid No. 20-002 - Term Contract for Sand for CBJ Streets & JNU Airport Runway to Aggpro in the amount of \$178,450.00.

3. Transfers

- a. **Transfer T-1015 A Transfer of \$135,134 from the 'JSD Comprehensive Facility Plan' CIP S02-103, to the 'JSD Deferred Building Maintenance & Minor Improvements' CIP S02-102.**

This transfer of the remaining balance of \$135,134 of Temporary Sales Tax from S02-103, JSD Comprehensive Facility Planning CIP, to S02-102, JSD Deferred Building Maintenance CIP, will provide funding to enable the Juneau School District to award summer 2019 work projects, in particular the Marie Drake School Fan Replacement & HVAC Control Upgrades project. The JSD Comprehensive Facility Planning work is complete and the CIP will be closed upon completion of the residual balance transfer to S02-102.

The Public Works and Facilities Committee recommended this transfer at its meeting on June 10, 2019. The Juneau School Board recommended this transfer at its meeting on April 9, 2019.

The Deputy City Manager recommends this transfer be approved.

- b. **Transfer T-1019 A Transfer of \$802,095 from Existing Capital Transit Projects including, 'Capital Transit Bus Shelters' CIP D71-053 & from the 'Transit Technology' CIP D71-086 & from the 'Bus Shelters/Interim Valley Improvements' CIP D71-088 to the 'Valley Transit Center' CIP D71-089.**

This request is to transfer a total of \$802,095 of funds from existing Capital Transit projects to the Valley Transit Center project. These CIP funds will be used to purchase the property for the Valley Transit Center and Park and Ride facility. The property purchase will serve as in-kind match for Federal Transit Administration (FTA) grants for the project. The Public Works and Facilities Committee (PWFC) recommended approval of this transfer at its February 4, 2019 meeting. This transfer was discussed as part of the Committee of the Whole (COW) Valley Transit Center update on May 20, 2019.

The Deputy City Manager recommends this transfer be approved.

- c. **Transfer T-1020 A Transfer of \$642,504 from Existing Capital Harbor Projects including, 'Statter Harbor Loading Facility' CIP H51-093 & from the 'Taku Harbor Deferred Maintenance' CIP H51-109 & from the 'Statter Harbor Breakwater Safety' CIP H51-106 to the 'Statter Improvement Phase III' CIP H51-105 & to the 'Amalga Fish Cleaning Station' CIP H51-105, & to the 'ABMS Maintenance & Improvement' CIP H51-117.**

Transferring a total of \$642,504 from three different projects into three other projects. The funds consist of \$139,919 of sales tax funds and \$502,585 of Harbor Fund Balance funds. The projects from which the funds will be transferred are complete and this action will close those accounts. The projects to which the funds will be added are currently in progress. The breakdown of specific actions is as follows:

From: CIP

H51-093	Statter Harbor Loading Facility	\$139,919
H51-109	Taku Harbor Deferred Maintenance	\$140,124
H51-106	Statter Harbor Breakwater Safety	\$342,461

To: CIP

H51-108	Statter Harbor Improvements-Ph III	\$200,000
H51-105	Amalga Fish Cleaning Station	\$140,124
H51-117	ABMS Maintenance & Improvements	\$235,000

The Docks and Harbors Board reviewed and recommended approval of this request at its May 30, 2019 regular public meeting.

The Deputy City Manager recommends this transfer be approved.

VIIIPUBLIC HEARING

A. Resolution 2855 A Resolution Renaming the Historic Aak'w Indian Village Located on Willoughby Avenue as the Aak'w Village District.

The Aak'w Kwann Cultural Heritage and Land Council requested that CBJ rename the Willoughby District, the Aak'w Village District. The renaming of the district acknowledges the historical and ongoing settlement of the Aak'w people in this area. Staff have worked with representatives of the Aak'w community to assure that the language of the resolution and the boundaries of the map designating the district are appropriate. The Aak'w Village District name will be incorporated into the Wayfinding and Downtown Blueprint projects.

The Assembly Committee of the Whole heard this issue at its February 4, 2019, and June 10, 2019, meetings and moved this resolution for public hearing and action at the next regular Assembly meeting.

The Deputy City Manager recommends this resolution be adopted.

B. Ordinance 2019-21 An Ordinance Amending Ordinance Serial No. 2012-44 Regarding the Final Series Of General Obligation Bonds Authorized Thereunder.

This ordinance amends ordinance 2012-44, adopted on December 17, 2012, authorizing the issuance of not to exceed \$25,000,000 of general obligation (GO) bonds. The purpose of the bonds is to fund various voter approved capital projects including the airport terminal. This amendment is necessary to:

1. Amend the definition & form of bond (sections 2 & 6) to include AMT (private activity) bonds in addition to fully tax exempt GO bonds.
2. Update the principal maturity schedule in section 3. The revised schedule allows the issuance of 10 year bonds versus the original plan of 20 year bonds.
3. Amend the tax covenants (section 12) to provide for required public hearing on private activity bonds.

CBJ has already sold, in three separate bond sale transactions, \$19.05 million of 20 year general obligation bonds. The remaining \$5.95 million of authorized bonds are being sold

to provide partial funding for the airport north terminal reconstruction project. This ordinance was discussed at the June 12 Assembly Finance Committee meeting.

The Deputy City Manager recommends this ordinance be adopted.

- C. **Ordinance 2019-22 An Ordinance Providing for the Issuance and Sale of Airport Revenue Bonds in One or More Series in the Aggregate Principal Amount of Not to Exceed \$18,000,000; Providing for the Form and Terms of the Bonds; Providing a Method of Payment Therefor; and Reserving the Right to Issue Revenue Bonds on a Parity with the Bonds Upon Compliance with Certain Conditions.**

This ordinance authorizes the issuance of not to exceed \$18 million of Airport Revenue Bonds. The purpose of the bonds is to partially fund the airport north terminal project. The funding sources to repay the bonds and interest are airport Passenger Facility Charges (PFCs) and Federal Aviation Administration (FAA) Airport Improvement Program grants. The ordinance provides for the issuance of 7 year bonds with no early call provision.

Both governmental purpose (fully tax exempt) and AMT (private activity) bonds will be sold, based on bond counsel guidance. This ordinance was discussed at the June 12 Assembly Finance Committee meeting.

The Deputy City Manager recommends this ordinance be adopted.

- D. **Ordinance 2019-25 An Ordinance Amending the Land Use Maps of the Comprehensive Plan to Change the Land Use Designation of Thunder Mountain Lots 10, 12, and a Fraction of 11 between 8476 and 8479 Thunder Mountain Road from Urban Low Density Residential to Medium Density Residential.**

Ordinances 2019-25 and 2019-26 are the result of a property owner's request to rezone three parcels associated with and located adjacent to the Thunder Mountain Mobile Home Park. A rezone is a legislative tool to manage land use development by categorically identifying what types of land uses are allowed and what types are prohibited. A rezone from D5 to D18 would allow more intensive development, like higher density apartments and mobile home parks.

The Planning Commission, in March, recommended rezoning the three parcels from D5 to D18. CBJ code 49.75.120 requires a rezone to be in substantial conformance with the land use maps of the Comprehensive Plan. The current maps of the Comprehensive Plan designate the three parcels as Urban Low Density Residential, which limits density at 6 units per acre. Because D18 allows densities at 18 units per acre, which is in excess of what the Comprehensive Plan land use maps currently allow, the Planning Commission, in May, considered and recommended amending the Comprehensive Plan land use map for lots 8479, 8477, 8476 Thunder Mountain Road from Urban Low Density Residential to Medium Density Residential.

The Medium Density Residential designation is more appropriate than the Urban Low Density Residential designation because the Urban Low Density Residential designation was originally in error because these three properties have been jointly used with the adjacent mobile home park.

If the Assembly adopts this ordinance, then Ordinance 2019-26 would be in substantial conformity with the Medium Density Residential designation of the maps of the Comprehensive Plan.

The Planning Commission recommended the Assembly adopt this ordinance at its regular meeting on May 14, 2019. The Lands Committee reviewed this ordinance at its meeting on June 10, 2019.

The Deputy City Manager recommends this ordinance be adopted.

E. Ordinance 2019-26 An Ordinance Amending the Official Zoning Maps of the City and Borough to Rezone Thunder Mountain Lots 10, 12, and a Fraction of 11 between 8476 and 8479 Thunder Mountain Road from D-5 to D-18.

This ordinance would rezone 8479, 8477, and 8476 Thunder Mountain Road from D5 to D18.

The existing land uses include storage, single family home, water well, office, mobile home, empty former retail building, and an empty former laundromat. The site has historically been associated with the Thunder Mountain mobile home park, which is zoned D18. The applicant seeks to expand that zoning district to include these properties to address existing nonconforming uses and introduce higher density development.

The Planning Commission and Assembly are required to base findings off of the Comprehensive Plan's land use maps. Upon adoption of Ordinance 2019-25, the proposed rezone would conform to the land use maps of the Comprehensive Plan. For example, the Medium Density Residential designation allows for residential development at densities between 5 and 20 units per acre. This ordinance would rezone the three lots to D18, which allows for multifamily residential development up to 18 units per acre.

The Planning Commission recommended the Assembly rezone these three parcels at its regular meeting on March 26, 2019. The Lands Committee reviewed this ordinance at its meeting on June 10, 2019.

The Deputy City Manager recommends this ordinance be adopted.

F. Ordinance 2018-11(AN) An Ordinance Appropriating to the Manager the Sum of \$500,000 as Partial Funding for the Bartlett Regional Hospital Crisis Stabilization Capital Improvement Project; Grant Funding Provided by the Alaska Department of Health and Social Services.

This ordinance would appropriate \$500,000 from an Alaska Department of Health and Social Services grant to supplement the FY20 CIP for the Bartlett Regional Hospital Crisis Stabilization Project. The additional \$500,000 will increase the funds in this CIP to \$4,000,000. This appropriation will fund the planning and design of the Crisis Stabilization Project.

This appropriation was approved by the Bartlett Regional Hospital board on November 5, 2018. The Public Works and Facilities Committee forwarded this appropriation for approval by the Assembly on May 20, 2019.

The Deputy City Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

XI. STAFF REPORTS

XII. ASSEMBLY REPORTS

- A. Mayor's Report
- B. Committee Reports, Liaison Reports, Assembly Comments and Questions
- C. Presiding Officer Reports

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XIV. EXECUTIVE SESSION

XV. ADJOURNMENT

XVI. SUPPLEMENTAL MATERIALS

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org