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

DRAFT

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - March 4, 2019

MEETING NO. 2019-09: The Regular Meeting of the City and Borough of Juneau Assembly held in the Assembly Chambers of the Municipal Building, was called to order at 7:00 p.m. by Mayor Beth Weldon.

I. FLAG SALUTE

II. ROLL CALL

Assembly Members Present: Mayor Beth Weldon, Maria Gladziszewski, Mary Becker, Loren Jones, Rob Edwardson, Wade Bryson, Carole Triem, and Alicia Hughes-Skandijs

Assembly Absent: Michele Hale

Staff Present: City Manager Rorie Watt, City Attorney Robert Palmer, Municipal Clerk Beth McEwen, Incoming Finance Director Jeff Rogers, Chief Housing Officer Scott Ciambor, Housing/Homelessness Coordinator Irene Gallion, Engineering/Public Works Director Mike Vigue, Library Director Robert Barr, Deputy Parks and Recreation Director Michele Elfers

III. SPECIAL ORDER OF BUSINESS

A. Proclamation - American Legion Centennial

Mayor Beth Weldon presented John Cooper with a certificate proclaiming March 15, 2019 as ***"The American Legion Centennial Day"*** to present and share with the American Legion Auke Bay Post 25 and to thank and honor all our veterans.

IV. APPROVAL OF MINUTES

A. December 17, 2018 Assembly Meeting #2018-37 Minutes

MOTION by Ms. Becker to approve the minutes of the December 17, 2018 Assembly meeting #2018-37 with some minor grammatical corrections and asked for unanimous consent. *Hearing no objection, the minutes were approved.*

V. MANAGER'S REQUEST FOR AGENDA CHANGES

Mr. Watt requested the Liquor License #4584 for Genuine Ventures, LLC d/b/a Tracy's King Crab Shack be moved from New Business to the Consent Agenda since they have paid their outstanding balances owing and the recommendation for protest has been lifted.

Mr. Watt also requested that Resolution 2846 be pulled from the Consent Agenda in order to receive testimony.

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

VII. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction

None.

B. Assembly Requests for Consent Agenda Changes

None.

C. Assembly Action

MOTION by Ms. Gladziszewski to adopt the Consent Agenda as amended per the City Manager's request to remove item 2.a. Resolution 2846 and to add Liquor License #4584 to the Consent Agenda, and asked for unanimous consent. *Hearing no objection, the motion carried.*

1. Ordinances for Introduction

   a. Ordinance 2019-09 An Ordinance Amending the Public Finance Code Relating to Investments and Collateral.

   This ordinance would amend the CBJ investment code. The CBJ investment code and policy were last updated in 2007 and 2009. The CBJ operates a “Central Treasury” for the management of all municipal finances including the school district and enterprise funds. Over the past few years the amount of cash in Central Treasury has varied from $170 - $220 million; a portion of those funds are deemed available for longer term investments in order to maximize additional earnings potential. The existing code requires that an external manager be contracted for managing a portion of intermediate term portfolio, and the remaining portion to be managed by the Finance Director/staff internally.

   Using policies from the Government Finance Officers Association (GFOA) and other Alaskan communities as a guide, this ordinance revises CBJ 57.25 to allow more effective management of CBJ investments, directs the Finance Director to implement investment code, requires an independent third party custodian to control investment securities, and prioritizes the investment objectives. This code also sets up the rules for investment of Long Term/Endowment Funds managed by CBJ.

The Assembly Finance Committee reviewed these amendments at its meetings on November 7, 2018, and January 9, 2019, and recommended adoption of these code amendments.

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

b. Ordinance 2018-11(AE) An Ordinance Appropriating to the Manager the Sum of $600,000 as Funding for the Bartlett Regional Hospital Rainforest Recovery Center Detox Addition Capital Improvement Project; Funding Provided by Bartlett Regional Hospital Fund's Fund Balance.

This ordinance would appropriate $600,000 from the Bartlett Regional Hospital (BRH) fund balance to supplement CIP B55-078 Rainforest Recovery Center (RCC) Detox Addition. The additional $600,000 will increase the funds in this CIP to $3,100,000, allowing the project to be advertised for construction in the spring of 2019.

The RCC Detox Addition project will demolish approximately 2400 SF of the west wing of the existing facility and will construct approximately 4400 SF of new space in its place. The new addition will house a four-patient detox suite, an ADA compliant main entry, a waiting area, an addiction assessment area, and five administrative staff offices. The project also includes roof replacement for the entire facility and a new power supply from the BRH main electrical room, eliminating the need for a separate back-up generator at the facility.

The project will allow detox and addiction treatment to be removed from BRH and integrated adjacent to the Rainforest Recovery Center's residential care program creating a coordinated, full continuum of addiction care in a single facility.

The Public Works and Facilities Committee referred this ordinance to the Assembly for approval at its meeting on February 25, 2019.

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

c. Ordinance 2018-12(B) An Ordinance Appropriating and De-Appropriating Funds from the Treasury for FY19 School District Operations.

The FY2019 school enrollment is above the level originally used to determine the Juneau School District (JSD) funding for the FY19 approved school budget.

This results in $536,284 more of state revenue and an increase of

$122,714 to the contribution amount that CBJ is allowed to fund under the state cap.
The Board of Education passed a budget revision increasing state and local funding for the FY19 District's Operating Fund at its January 8, 2019, meeting.

The Assembly Finance Committee approved this action at its meeting on February 6, 2019.

In the FY19 CBJ budget proceedings, the Assembly also approved additional funding of $140,000 to JSD for Kinder Ready. As a housekeeping measure, the funding is now being appropriated for FY19 school District operations.

The total increase in expenditures authorized in this ordinance is $798,998. $536,284 is funded with state revenue and $262,714 is funded from local general government revenues.

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

2. Resolutions

a. Resolution 2846 A Resolution Repealing Resolution 2506 and Disbanding the Juneau Affordable Housing Commission.

The Assembly established the Juneau Affordable Housing Commission in January 2007, with a three-year sunset expiring in January 2010. In 2009, Resolution 2506 repealed the three-year limit and emphasized that affordable housing was a broad ranging issue for the community and its municipal government.

Since then, the Juneau Affordable Housing Commission has worked to address many facets of Juneau's affordable housing and homelessness issues. CBJ has adopted a Housing Action Plan to guide affordable housing opportunities, created a Chief Housing Officer and a Homelessness Coordinator position, made land available for housing development, completed small area plans in Auke Bay and Lemon Creek, and has established three housing incentive programs – the Juneau Affordable Housing Fund, the accessory apartment incentive grant program, and the mobile loan down payment assistance program. Additionally, the Planning Commission is looking at providing an additional avenue for developer input into its code amendment process.

The tasks previously assigned to the Juneau Affordable Housing

Commission can now be effectively managed by the Chief Housing Officer, the Community Development Department, the Planning Commission, and the Assembly. As the Assembly has taken substantial policy interest in housing topics it is appropriate that the policy discussions be held at Assembly meetings.

The Assembly Human Resources Committee reviewed this matter on January 28, 2019, and on February 11, 2019, and recommended disestablishing the Affordable Housing Commission as it has completed its mission.

The City Manager recommends this resolution be adopted.

Mr. Dave Hanna, current chair of the Affordable Housing Commission asked to testify on the resolution. He explained that while the City Manager and the Chief Housing Officer have done a pretty good job of explaining the work of the commission, he feels they left out some of the key points that the Assembly should take into account when deciding whether or not to adopt the resolution.

After the adoption of the Affordable Action Plan, the commission felt it was important to focus solely on the issue of workforce housing opportunities. There were many other agencies within the community who were already focused on the issues surrounding homelessness, low cost housing issues and working on programs to bring those into place. They spent the last year on looking on how to bring workforce housing into Juneau. He said they have been awaiting proposals from different folks who are ready to step up to the plate. He said another area of focus has been how the community has been meeting the goals of the Juneau Housing Action Plan. He said it depends on how one looks at the data to interpret whether or not we are getting there. It can be interpreted in many different ways. He said that some folks are of the opinion that the local building community has been meeting the goals of the action plan and doing it without any incentives from the city. There has been some pretty spirited discussion about that.

Mr. Hanna said that one thing that has come out of this is that maybe the Juneau Housing Needs Assessment should be done more regularly, perhaps every couple of years so they can target where they are deficient, if they are deficient. He said that if you looked at the economic climate in the state and the municipality changes as dramatically as it could in the next couple of years, we may not need additional housing, we may need to refocus on making the housing we already have more affordable.

Mr. Hanna said that earlier in the year, the commission passed a motion to continue its work. They felt they could meet less frequently but that there would always be a need for a citizen review panel. The commission would view the housing data that was coming in, look at the work that the Chief Housing Officer was doing, look at the community's needs from an unbiased view. He said they also felt that some sort of a panel should be in place to review any proposals for the Housing Fund. A peer review by individuals who have the experience and expertise, such as those currently serving on the commission, could be very helpful. He said they have seen some things that didn't exactly go right in the last few years and those things could be avoided. He talked about the benefits that might have been realized if the commission had looked closer at the Eagle Rock Venture and also that the Pederson Hill project may have benefited for a more in depth review by the commission. He said with project such as that, they don't expect city staff to have the same level of emphasized the expertise and experience as those serving on the commission and he suggested that if in fact the Assembly does want to disband the commission, it may wish to recreate a smaller review board/task force. He sent a memo a month or two earlier suggesting they may want to create a four member review committee instead. He said if the Assembly wanted to let the commission become that review committee, they would be willing to entertain that.

They had already planned to discuss at their next meeting where they would go in the future, how many meetings it would take to accomplish that task and any others the Assembly saw fit to delegate to the commission. He said he thinks there is a place for citizen involvement in this work. There are proposals coming before the Assembly now and those aren't small things. He spoke to the proposals being worked on at Vintage Business Park.

Mr. Bryson said he was confused and he was one of the members of the HRC that voted to disband it. The information he had lead him to believe that the commission was willing to disband or saw that their task had been completed. He asked Mr. Hanna to elaborate on the will of the commission.

Mr. Hanna said that the commission voted at its last meeting to continue its work if the Assembly would allow it. Mr. Bryson asked if he would elaborate on some of the reasons they believe they should continue to be a commission. Mr. Hanna answered that staff doesn't always have the perspective that the commission members have. He explained that sometimes there are problems within development community that they don't feel comfortable bringing them forward to any department within CBJ but they will come to the housing commissioners with those problems. They have done that on different occasions. He said he doesn't know how effective it is but it gives the public some sense of relief to know they have another voice/advocate. Their main concern, however, is how the Affordable Housing Fund is managed and making sure we are staying on target with what the community's needs truly are.

Mr. Jones said he has sat through many meetings over the last 7 years and the Housing Commission has come before them at times, although not often. He said he has never attended any of their meetings. He asked Mr. Hanna how many general people/citizens have come to the Affordable Housing Commission meetings to discuss buying homes vs. developers. He questioned whether it was really the public coming to the meetings or just the developers. Mr. Hanna said that Mr. Jones is correct that there were a few general public members attending once or twice a year to their meetings and the majority of individuals who would attend were developers or those persons who have some role in the housing community and sometimes non-profit individuals.

Mr. Jones said that one of the issues discussed relating to the Housing Development Fund, and the Assembly decided to move ahead in whatever steps they have done, they question whether or not there were enough financial or general public members that could help advise on how those funds could be used. He said that one of the recommendations was that the Manager could add those individuals on during the review process. He asked Mr. Hanna to comment on the difference between an ad hoc committee reviewing the submissions with the City Manager vs. having the Affordable Housing Commission meeting and four times and year and the Manager only needing their advice once.

Mr. Hanna said it would depend on the scope of the mission. He said that is where they passed a motion that when they endorsed the idea of having a once per year round of applicants for the affordable housing funds. The commission endorsed that with the recommendation that it included at least 3-4 members of the public. He said that somehow that was changed when it came back to the Assembly to have perhaps one member of the public. The commission felt it was critical that there be somebody who had experience in managing affordable housing projects, someone who had experience in financing affordable housing projects, someone who had experience in developing affordable housing projects - at a minimum of those three plus someone who had a legal mind too. He said that is a totally different arena of experience in the legal field. They also felt it was important to review the data to ensure the Housing Action Plan was meeting the goals set. He said the data could be interpreted in a variety of ways.

Ms. Gladziszewski said that Mr. Hanna answered her main question which was who did they feel should be on a review panel. She said she agreed that there should be more than just city staff be on a review panel. She thought his suggestion of the areas of expertise including persons with expertise in finance, development, and housing management would be useful.

Mr. Wayne Coogan said he has been a member of the Juneau Affordable Housing Commission for five years. He said that he was one of those who had voted to disband but his viewpoint changes from day to day. He said when he started on the commission, there was an allocation of money that needed to be invested which is difficult when you are bound by city ordinances. He said he very much respects what Mr. Watt does as there are so many restrictions to work under. He said one of their first tasks was to lend money to people to build apartments in their homes. They spent a whole year on that and after much checking with banks and regulators, they ultimately decided to just use the money as a grant program rather than as a loan. He said it was cheaper to give the money away than it was to try to lend it to them. He said that now there is approximately $2 million to be invested or utilized and that led him to try to think of a project that they could put the money to work immediately and was the cause of the email he recently sent to the Assembly with a plan proposal. He said that if they got their heads together with AHFC, they could put the money to work. He doesn't see an easy way to do that in any other way after having looked at all the projects/proposals.

Ms. Kathleen Strasbaugh, also a member of the Affordable Housing Commission, testified on the resolution. She encouraged the Assembly listen to the concerns about maintenance of effort when there is no citizen's committee. She said that with respect to the Affordable Housing Fund, that CBJ continue efforts to increase the base of the fund through grants and/or leveraging the bonding capacity of the city for continued projects.

MOTION by Mr. Bryson to adopt Resolution 2846 and said he would be voting against the resolution. He spoke to his opposition. He said that his initial understanding was that he thought the commission was in favor of disbanding. Thinks it would be premature to disband the commission at this point.

Mr. Edwardson said that they discussed this at the last 2 HRC meetings and they heard from Mr. Hanna at the first meeting and delayed action at that meeting to allow more time for the commission to vote on this matter. At the second meeting, although Mr. Hanna was not present, the HRC did have the result of the vote by the commission which was 4:2 in favor of dissolving the commission.

Ms. Hughes-Skandijs said the HRC received the report of the vote taken at the last commission meeting and she could understand where the misunderstanding came from since there were multiple votes with differing results. She spoke in support of this resolution, as the liaison from the Assembly who attended the meeting, she expressed her appreciation for the work that the commission has done but also said this is a good stopping spot with the implementation of the Housing Action Plan and work by staff.

Mr. Jones said he appreciates citizen involvement but he struggles with this one due to history of the housing issues over the past few years. He said his confusion lies with who is responsible for what when it comes to housing issues, especially when a wide range of issues are parceled out between the City Manager, Chief Housing Officer, CDD, and Lands staff and he asked that the City Manager might streamline the work to determine which departments are responsible for which pieces.

Ms. Gladziszewski also commented that she felt much of the work could be handled by the Lands Committee but she also felt that some of the points discussed by Mr. Hanna and commission members that some of the tasks should be farmed out to at least a 3 member task force including public members.

Mr. Bryson said they have the chair of the Affordable Housing Commission asking to continue the commission as there is still work they can accomplish and the commission consists of public members who have greater expertise in these matters than staff or the Assembly so he feels it would be best to allow the commission to continue.

Roll Call Vote on the adoption of Resolution 2846
Ayes: Gladziszewski, Hughes-Skandijs, Triem, Edwardson, Jones and Weldon
Nays: Becker and Bryson
Motion carried 6:2

b. Resolution 2848 A Resolution Authorizing the Manager to Convey an Access Easement at Chicken Yard Park as Part of a Settlement Agreement.

Legal vehicle access to 626 Fifth Street has been uncertain for a number of years. The current property owners alleged they had lawful vehicle access through Chicken Yard Park because of an easement by prescription, easement by estoppel, inquiry notice, and that the CBJ was exposed to an inverse condemnation claim if the CBJ prohibited vehicle access. The CBJ disagreed. Instead of litigating in court, the parties negotiated their positions. The CBJ brought various options to the Parks and Recreation Advisory Committee and the Assembly Lands Committee for comments. Ultimately, the City Manager and the property owners were able to reach a tentative settlement agreement with the following essential terms:

The CBJ would:

- Construct two parking spaces at the entrance to Chicken Yard Park;
- Grant to the owners of 626 Fifth St. exclusive easement to use these parking spaces (no public parking will be provided in the park);
- Grant to the owners of 626 Fifth St. non-exclusive use of a driveway to access the parking spaces;
- Grant to the owners of 626 Fifth St. non-exclusive pedestrian access through the park to their home;
- These access rights run with 626 Fifth St.; and
- Provide a one-time payment totaling $5,000.

The owners of 626 Fifth Street would:

- Disclaim all current and future interests in Lots 5 & 6 (known as Chicken Yard Park), including any claim of access through prescriptive easement. This disclaimer of interest would carry forward to all future owners of 626 Fifth St.; and
- Be responsible for all maintenance of the parking spaces.

This resolution would authorize the City Manager to grant the access easements, which would settle a long standing point of contention in which neither party gets everything they wanted. At the same time, it avoids an uncertain legal process that would prove costly for all parties. Most important, it brings peace to a contentious situation that could divide a neighborhood and the CBJ and its citizens, and allows the Parks & Recreation Department to move forward with long-overdue improvements for a cherished community park. The City Manager intends to recommend additional resources for the renovation of the park through the Capital

Improvement Program process.
The CBJ very much appreciates the owners of 626 Fifth Street being willing to work out an agreement on this issue.

The City Manager recommends this resolution be adopted.

c. Resolution 2849 A Resolution Authorizing the Manager to Convey Easements to the Alaska Department of Transportation and Public Facilities for Culvert Replacement and Rehabilitation Along Glacier Highway in the Twin Lakes Area.

The state Department of Transportation and Public Facilities requests to buy these easements as part of a culvert maintenance and repair project. The fair market value of the easements is $2,750. The Lands Committee passed a motion of support for granting these easements on October 11, 2018. The Planning Commission also passed a recommendation of approval for the easements on January 22, 2019.

The City Manager recommends this resolution be adopted.

3. Liquor License

a. Liquor License Renewals for Licenses: #2533, #3720, #2641, #828

These liquor license actions are before the Assembly to either protest or wave its right to protest each license action.

Renewal of Liquor Licenses
License Type: Beverage Dispensary, License #2533
Jack D & Arlene D Tripp d/b/a Viking Restaurant & Lounge
Location: 216 Front Street, Juneau

License Type: Beverage Dispensary-Seasonal, License #3720
Goldbelt Aerial Tramway, LLC d/b/a Timberline Bar & Grill
Location: 1800 foot level, Juneau

License Type: Restaurant or Eating Place, License #2641
Saffron LLC d/b/a Saffron
Location: 112 N Franklin St, Juneau

License Type: Package Store, License #828
Thibodeau's Market Inc., d/b/a Thibodeau's Douglas Depot
Location: 1017 3rd Street, Douglas

Staff from the Police, Finance, Fire, Public Works (Utilities), and Community Development departments have reviewed the above licenses and recommend the Assembly waive its right to protest these applications. Copies of the documents associated with each license are in the Assembly's e-packet or available in hard copy upon request to the Clerk's office.

The City Manager recommends the Assembly waive its right to protest the above-listed liquor license renewal applications.

VIIIPUBLIC HEARING

A. Ordinance 2018-11(AD) An Ordinance Appropriating to the Manager the Sum of $1,300,000 as Funding for the Bartlett Regional Hospital Pharmacy Cleanroom Renovation Capital Improvement Project; Funding Provided by Bartlett Regional Hospital Fund's Fund Balance.

This ordinance would appropriate $1,300,000 from the FY19 Bartlett Regional Hospital (BRH) operational budget to a new Capital Improvement Project (CIP): BRH Pharmacy Cleanroom Renovation. This project will create a pharmacy space to safely handle drugs necessary for the oncology unit. This project is needed to bring BRH into compliance with the requirements of USP<800> Hazardous Drugs-Handling in Healthcare Settings and USP<797> Pharmaceutical Compounding – Sterile Preparations.

BRH must be in compliance with the federal requirements by December 1, 2019.

This was approved by the Public Works and Facilities Committee on February 4, 2019.

The City Manager recommends this ordinance be adopted.

MOTION by Ms. Hughes-Skandijs to adopt Ordinance 2018-11(AD) and asked for unanimous consent. *Hearing no objection, the motion carried.*

IX. UNFINISHED BUSINESS

A. NCL Invitation for 4-day cruise on the Joy for Mayor and Manager

Norwegian Cruise Lines (NCL) has invited the Mayor and City Manager to travel on the 4-day inaugural US cruise on the Joy. NCL established the value of the cruise to be $99. The CBJ conflict of interest code generally prohibits gifts of more than $50, except the Assembly may authorize the travel for the Mayor and Manager if four conditions are satisfied. CBJC 01.45.020(b). The attached memo explains the four conditions. If the Assembly determines the four conditions are satisfied, then the Assembly has discretion to authorize the Mayor and Manager to travel on the Joy. Alternatively, the Assembly may deny the travel for any reason or no reason at all.

Mayor Weldon passed the gavel over to Deputy Mayor Maria Gladziszewski since this topic is one that pertains to an invitation for the Mayor and City Manager.

Mr. Palmer spoke to his memo in the packet and explained that Norwegian Cruise Lines (NCL) has extended an invitation to the Mayor and City Manager to travel on the four day inaugural United States cruise of the NCL *Joy*. NCL established the value of the cruise to be $99. The CBJ conflict of interest code generally prohibits gifts of more than $50 except the Assembly may authorize the travel for the Mayor and City Manager if four conditions are satisfied. The memo in the packet outlines the four conditions. If the Assembly determines the four conditions are satisfied, the Assembly has the discretion to authorize the Mayor and Manager to travel on the *Joy*, alternatively, the Assembly may deny the travel for any reason or no reason at all.

Ms. Gladziszewski opened it up for public testimony. No one from the public asked to speak.

Mr. Watt said that he recognizes that the public perception of this could be negative and the Assembly has to weigh the potential positive benefits against that negative perception. It is no secret that CBJ has been in litigation the last three years with CLIAA, the trade organization that represents the cruise lines of the larger ships that come to Juneau. The relationship between CBJ and CLIAA has been strained. He said that the trip could have some public benefits in that there will be some representatives from other port communities. He said that he thinks what would be of interest to CBJ is in learning how those port communities interact with the cruise ship companies, specifically, how they impose fees, expend fees, the types of services they provide, and how they fund and build infrastructure. He said that information could also be learned other ways. This does present an opportunity for a group of people from port communities on the west coast that would not typically get together and share that type of exchange of ideas. He said that he does not necessarily understand the on board operations of ships in the way that customers learn about port communities, in the way that shore excursions are sold, in the way that people are dispatched and there would be something to learn there. He said this would not necessarily be the only way to learn that type of information. They have learned through the litigation that the different cruise lines have different interests and different approaches. Through the litigation, they have come to learn some of the details of some of those companies. Norwegian has been a lesser participant in the litigation and this would be an opportunity to learn directly about Norwegian and how they approach it. In light of that, Mr. Watt said he felt compelled to give the Assembly a recommendation but that it was a very soft one. He said he feels there would be value that could be gained and the value would outweigh the negatives but he would not push them very hard on it. He said that personally, he is arguing against one of his weekends which are a scarce resource so he won't be disappointed if he gets to spend the weekend at home but he does see there would be some gain that the city would benefit by. He said in the end, he does see value in sending the Mayor and him but he also sees that there are counter arguments that are valid as well.

Mr. Edwardson said he opposes for a number of different reasons. He said he feels it is an attempt to influence and not necessarily in a good way. He said he doesn't see anything sinister, but he doesn't think it is appropriate that we accept the offer to send two officials on a trip. He said that on the other hand, if the Assembly thought that there was value to them becoming more aware of port operations in different ports of S.E. those would not be the two positions he would pick, he would not pick the Manager and the Mayor, he would pick maybe the City Attorney and Port Director since they would be dealing with it up front. He said that if he were to approve of something like this, it would be to pay full cost to make that happen, rather than accept an extremely discounted ticket or a gift to do it.

Mr. Jones said he would oppose this as it doesn't pass the tests given in the City Attorney's memo, specifically items 1 and 2. He said that he didn't think anyone on that cruise would be paying $99 for four days and you couldn't even pay that price for an airline ticket to get to Vancouver to board the ship at that price. He suggested that if there was some benefit in getting together with other port communities, that could be accomplished by holding a one day meeting rather than a four day cruise. He agreed with Mr. Edwardson that this is meant to influence and that works both ways. He said this doesn't pass the red face test under which he would be able to defend this to the public without blushing so he is opposing this. He said he feels there are alternatives in meeting with the cruise people as well as those from port communities but it could be done without going on the cruise.

Mr. Bryson said he disagreed with the previous speakers. He sees an extremely high value of understanding for both City Manager and Mayor Weldon. He felt that this would pass the test of the items in the attorney's memo as pointed out by Mr. Jones. By seeing the opeartions from the other side would be incredible valuable. This is not a pleasure cruise to Hawaii, this is the inaugural trip from Vancouver, B.C. to L.A. since it is inaugural trip that they are just driving it down the coast, that would be the reason the cruise industry would heavily discount that sort of cruise, especially out of the regular season. He said he has seen $99 cruises advertised so he didn't think that was out of line. He said that he would expect the City Manager and Mayor would be working in some capacity on all four days, including their weekends, acting not only as dignitaries for the city but meeting critical personnel in the cruise line industry. He said the information that would be gained in meeting with their counterparts from other cities could not be duplicated in other ways. He said he sees that the City of Juneau would benefit tremendously and would be able to defend this to the public. As the City Manager pointed out, there has been contentious times over the last couple of years and to put our officials on an inaugural trip lets them know we don't have hard feelings and it helps build, strength and probably repairs some of those relationships.

Ms. Hughes-Skandijs said in looking at the City Attorney's memo and the travel exception, she can find reasons on both sides that it might benefit the city and it might not, she can't answer all four items affirmatively in the memo so will be voting against this.

Ms. Becker said that while others have been speaking to the influence the cruise lines would have on the Mayor and Manager, she could see that CBJ could have quite a bit of influence of their own. She said she would think we could get the opinions of the things that they have heard because of CLIAA litigation. If they did vote in favor of this, the Assembly needs to be supportive of the decision and not be embarrassed that it didn't meet a "red face test." She said she would be voting in favor of this.

Ms. Gladziszewski explained that the Mayor will be recused from the vote on this matter. Ms. Gladziszewski commented that she has spent quite a bit of time on ships and she felt that both the Manager and Mayor would benefit from understanding all of that. She said she also thinks the city should pay for the full fare and not just a $99 fare. She said that she would vote against it for the fare portion. She said that if the Assembly feels it is a benefit to the city, and she does see it as a benefit to the city, that the city should pay the full price.

MOTION by Mr. Jones that the Assembly authorize the Mayor and the City Manager to travel on the *Joy* and recommended a NO vote.

AMENDMENT by Ms. Becker to authorize the Mayor and City Manager to travel on the *Joy* and that the city should pay the $99 fare for each of them.

Roll Call Vote on the Amendment
Ayes: Becker, Bryson, Gladziszewski,
Nays: Hughes-Skandijs, Triem, Edwardson, Jones
Motion failed 3 yeah: 4 nay

Roll Call Vote on the Main Motion
Ayes: Becker, Bryson
Nays: Hughes-Skandijs, Triem, Edwardson, Jones, Gladziszewski
Motion failed 2 yeah: 5 nay

X. NEW BUSINESS

A. Terraces at Lawson Creek vs. CBJ Assessor; Assembly Appeal

The Clerk's office received a timely filed appeal for the Terraces at Lawson Creek regarding the Assessor's Office denial of a 2019 request for charitable exemption. Recall, this property was recently denied the same exemption for 2018. The property owner was contemplating an appeal of the 2018 decision to superior court, which would have been due today.

In accordance with the Appeals Code, the Assembly must decide whether to accept or reject the appeal. If you determine, after liberally construing the notice of appeal in order to preserve the rights of the appellant, that there has been a failure to comply with the appellate rules, or if the notice of appeal does not state grounds upon which any of the relief requested may be granted, you may reject the appeal. If the appeal is accepted, you must decide whether the Assembly will hear the appeal itself or if it will assign the appeal to a hearing officer. If you decide to hear the appeal yourselves, a presiding officer should be appointed.

In hearing an appeal, the Assembly sits in its quasi-judicial capacity and must avoid discussing the case outside of the hearing process. (See CBJ 01.50.230, Impartiality.)

Mr. Palmer provided a report on the appeal received from the Terraces at Lawson Creek and he noted that this property was recently denied the same exemption for 2018. The property owner was contemplating an appeal of the 2018 decision to the superior court which was due as of March 4, 2019 and he was informed that it had not been filed with the court earlier that day. Mr. Palmer explained the next steps in the process and the resulting Assembly action depending on the decisions they make in whether or not to accept the appeal.

Mayor Weldon said that the Assembly needed to decide as a body, whether or not to accept the appeal.

MOTION by Ms. Gladziszewski that the Assembly accept the appeal and that the Assembly hear the appeal itself.

Mr. Jones said that he objects to the motion. Mr. Jones said that if this is identical enough to the previous appeal that was just decided for 2018, then he felt they had their answer unless something has changed in law. He said if the Assessor denied it based on the hearing that they held, he said he doesn't think there is grounds to accept the appeal since it is exactly the same thing.

Mr. Palmer said that his understanding is that it is based upon the same exemption that is being requested but he doesn't know at this time if there are any different facts that are underlying this appeal so he thinks the better course of valor on this one for the time being might be to accept it and to see what the appellant wants to do. He said that given the understanding that they did not appeal to the superior court, that this may have been actually filed as a protective appeal and it might be withdrawn or dismissed before the next Assembly meeting.

Mr. Edwardson said he supports Ms. Gladziszewski's motion to accept the appeal as he agrees what the attorney said. It looks like they have complied with the appeal requirements and they won't know the facts until they hear the appeal.

Ms. Gladziszewski said the attorney has reviewed the legal matters regarding whether this is proper to accept so she is basing it upon the City Attorney's opinion. The discussion here is not about the merits of the appeal but whether they will hear the appeal or not.

Roll Call Vote
Ayes: Gladziszewski, Becker, Bryson, Hughes-Skandijs, Edwardson, Weldon
Nays: Triem, Jones
Motion carried 6 Yeahs: 2 Nays

Mayor Weldon said that the Assembly has accepted the appeal and will hear the appeal itself and she appointed Ms. Gladziszewski as the presiding officer. *Hearing no objection, the appointment of Ms. Gladziszewski as presiding officer passed.*

B. Harris Homes LLC v CDD; Assembly Appeal

The Clerk’s office received a timely filed appeal from Harris Homes LLC from a Planning Commission decision to dismiss an appeal of a Community Development Department director decision. The Planning Commission’s written decision is dated February 26, 2019.

In accordance with the Appeals Code, the Assembly must decide whether to accept or reject the appeal. If you determine, after liberally construing the notice of appeal in order to preserve the rights of the appellant, that there has been a failure to comply with the appellate rules, or if the notice of appeal does not state grounds upon which any of the relief requested may be granted, you may reject the appeal. If the appeal is accepted, you must decide whether the Assembly will hear the appeal itself or if it will assign the appeal to a hearing officer. If you decide to hear the appeal yourselves, a presiding officer should be appointed.

In hearing an appeal, the Assembly sits in its quasi-judicial capacity and must avoid discussing the case outside of the hearing process. (See CBJ 01.50.230, Impartiality.)

Mr. Palmer provided a report on the appeal as outlined in the Assembly agenda.

MOTION by Ms. Gladziszewski to accept the appeal and for the Assembly to appoint this to a hearing officer because of some of the peculiarities of the situation and asked for unanimous consent. *Hearing no objection, the motion carried.*

C. Liquor License Protest - Genuine Ventures LLC d/b/a Tracy's King Crab Shack License #4584

The following 2019-2020 liquor license renewal application is being recommended for protest by the Finance Department/Collections Division.

Restaurant/Eating Place-Seasonal Liquor License #4584
Genuine Ventures, LLC d/b/a Tracy's King Crab Shack
Location: Lot C1 Juneau Subport, Section 23, Township 31S, Range 67 east

The Finance Department's Collections Division recommends the Assembly protest the renewal of this license until the balance due, along with any finance charges accrued, on a past utility bill from 10/25/2018, is paid in full.

The 60-day comment period for local governing body action ends as of March 30, 2019.

The Assembly Human Resources Committee also considered this matter at its meeting immediately preceding this Assembly meeting and will provide a recommendation to the Assembly for action. Packet items for this action are contained in the Assembly Human Resources Committee packet and include copies of the notice sent to the licensee as well as the CBJ Code sections and Alaska Statues pertaining to this matter.

AS OF MARCH 4, 2019*: The CBJ removes its protest of the renewal of liquor license #4584. On February 25, 2019 the licensee paid the balance due in full. Memo noting the request for removal of protest included as a red folder item in the HRC and Assembly packets.

This item was moved to the Consent Agenda at the beginning of the meeting under the Manager's Request for Agenda Changes. Mr. Watt reported that the outstanding balances were satisfied and staff recommended the Assembly waived its right to protest the renewal of this liquor license. The Assembly, with the adoption of the Consent Agenda, waived its right to protest this liquor license renewal.

D. AMCO Denial - Taku Lanes, LLC., Liquor License #5095 Renewal

On February 25, 2019, the City Clerk's Office received notice from the Alcohol and Marijuana Control Office (AMCO) that AMCO had denied Taku Lanes, LLC (LL#5095) its recreational site license in accordance with AS 04.11.330(a)(6) which states:

"An application requesting renewal of a license shall be denied if...renewal of the license would violate the restrictions pertaining to the particular license under this title or the license has been operated in violation of a condition or restriction imposed by the board."

The Alcoholic Beverage Control (ABC) Board determined Taku Lanes did not meet the definition of a recreational site in order to qualify for a recreational site license under AS 04.11.210 which states:

(a) The holder of a recreational site license may sell beer and wine at a recreational site during and one hour before and after a recreational event that is not a school event, for consumption on designated areas at the site. (c) In this section, "recreational site" includes a location where baseball games, car races, hockey games, dog sled racing events, or curling matches are regularly held during a season.

Taku Lanes, LLC has 15 days to request an appeal of the ABC Board's decision.

Had AMCO not denied Taku Lanes, LLC's renewal request, this license would have been listed under the consent agenda for Assembly approval. This license has been added to New Business to keep the Assembly up-to-date; no action is needed from the Assembly at this time.

Mr. Watt provided a report on the ABC Board meeting action rejecting the renewal of the Taku Lanes Liquor License. He noted that this has been frustrating for the owner of Taku Lanes. He spoke with her earlier in the day and she informed him that she and a family member between them have held a recreational site license for the last 13 years and the previous owners also had one before them. He said the denial is a result of AMCO having changed its view of what a recreational site license is. He said this is an informational topic and he didn't know if the Assembly wished to weigh in on this topic. He said it is a topic that has come up at the legislature and at the state quite a bit, mainly because of the changing interpretation of what the state statute means.

Mr. Jones said that in defense of AMCO during the last 2 legislative audits cited the fact that the Alcohol Beverage Control (ABC) Board had not been following the statute on recreational licenses for a number of years. He said it is not staff reinterpreting, it is trying to comply with Legislative Audit which you don't do at your peril. He noted that last year, they denied the state fair, they denied Eaglecrest, they denied a ski area and then reversed themselves up in Anchorage after political issues. He said that the legislature at the end of the last session tried to fix it legislatively and they got bogged in with the distilleries and the Title 4 rewrite, which might have fixed it, didn't pass. He said the only fix is to fix it legislatively and if the Assembly wants to support legislation that is being considered, that would be one way to express their frustration.

Mr. Edwardson said that it isn't the board that is suffering, it is the businesses who have been doing everything they were supposed to for 13 years and longer. A body that was supposed to be doing things one way and changed things mid-stream, there are no consequences for the board but there are for our citizens affected by these changes. He would be supportive of a resolution supporting a legislative fix for this and not just for the bowling alley but for any other businesses in Juneau that have been negatively affected by this massive shift.

Ms. Triem agreed with Mr. Edwardson and would be in favor of adopting a strongly worded resolutions about this issue. AMCO has taken on this activism roles that is not appropriate and they have had board members saying they are holding the state fair hostage and she doesn't believe that is an appropriate role for AMCO. It is negatively affecting business owners and she feels AMCO needs to back off on this issue.

Mr. Bryson said he concurred with his fellow members that this is harmful to local Juneau businesses but is also harmful to sales tax revenues which CBJ receives from these sales. He said that Mr. Jones likely has a greater knowledge of the businesses that were impacted, including Alaska Travel Adventures and Eaglecrest. He would be in support of the Assembly passing a resolution requesting that this matter be addressed. CBJ is not the only city affected by this, neighboring cities have also lost licenses and this is having a regional and statewide affect.

Ms. Gladziszewski said the statutes say what a recreational site is and while she understands that some businesses have received a recreational site license in the past, those types of businesses are not on the list in the statutes. She said if it needs amending, that would take action by the legislature. She said she didn't know that a resolution was needed but rather the Assembly could ask our lobbyist to add this request to the list of items being considered for the bill that is currently in motion. She said it isn't AMCO that is causing this, it is the definition in the statute that needs to be changed.

Mr. Watt said he has discussed this with our lobbyist and asked him if the Assembly wanted to weigh in on this issue, what the best approach might be. Mr. Watt said there is a bill currently in the legislature that has been amended to include ski areas, not at the request of himself or the lobbyist, but by other people who have been working the legislature. If that bill passes, the Eaglecrest license might be solved. The lobbyist's recommendation was to let him know that the Assembly would like him to work on this issue and whatever the best path was, he would try to figure that out without getting too specific. Mr. Watt also noted that the Clerk advised that there are indeed other recreational site licenses in Juneau that will likely get denied upon renewal.

Mr. Edwardson said if they are not doing a resolution, he would like to have regular reports back from the lobbyist on this. He said that having been a regulator for a long time, the way he interprets things has a lot to do with whether somebody else is complying with laws or not. The laws can say something in a specific way but if he is enforcing it another way that is incorrect, he could be causing harm. He said he feels this is what is happening in this case, it is causing harm by the way they have been interpreting the law. He said not everything has to be listed on there.

Mayor Weldon asked Mr. Edwardson what he felt would be timely reporting back from the lobbyist. Mr. Edwardson said he would like daily reports but would be satisfied with settling for reports at meetings at which Assemblymembers are present.

Mayor Weldon asked if anyone objected to the Manager working with the lobbyist and reporting back to the Assembly at the next COW meeting. *Hearing no objection, the manager will report back at the next COW meeting.*

E. Resolution regarding State Budget

The Assembly has requested a strongly worded and diplomatic resolution that expresses its dismay at the budget that has been submitted to the Legislature by the Governor and his administration.

The City Manager recommends that the Assembly review and edit this draft resolution and pass it with unanimous consent.

Mr. Watt said he brought forward a red folder version of the Resolution which primarily consisted of grammatical/language nuance changes made did not make any substantive changes over the previous version. Mr. Watt recommended adoption by unanimous consent of the red folder version.

Mayor Weldon asked the body if there will be lots of changes coming forward so she can decide how best to handle this matter. Ms. Hughes-Skandijs said she had one proposed deletion and she could offer that up. Mayor Weldon suggested Ms. Gladziszewski make her motion for the adoption of the resolution so that it is before the body for action and then any changes could be made by way of amendments.

MOTION by Ms. Gladziszewski to adopt the red folder version of Resolution 2850.

AMENDMENT #1 by Mr. Edwardson to add a section reading: "The Assembly of the City and Borough of Juneau asks the Legislature table the February 13, 2019 Governor's amended budget and use the Governor's budget submitted December 14, 2018 as it's working draft."

Ms. Becker said she couldn't say what the December 14, 2018 budget has in it and asked Mr. Edwardson what was so different from that version to what is in the February 13, 2019 Governor's budget.

Mr. Edwardson said the December 14, 2018 budget is largely the same as the budget from the last two fiscal years. It has the documentation, the explanations, and the back-up that is required to be with budgets. He said the February 13, 2019 budget is a remarkable shift and in almost every aspect, it lacks the required documentation and the reasoning that is required for the legislature to make decisions on whether or not they want to accept the changes. The amended budget moves the window so far, it could make basically ridiculous changes seem reasonable by comparison. He gave an example of the amended budget cutting $92 million from the Alaska Marine Highway system. The previous budget has a scaled version of the previous budget year which is basically flat from year to year. He said the amended budget has $92 million. If they are using the amended budget as the working document, then they can say, we are only going to cut

$45 million and that would seem like a huge concession if they are using the reference frame of the amended budget but it is still ridiculous so that is why he is recommending using the budget that was submitted on December 14. Both of the budgets are subject to changes and amendments and negotiations but if they use the one submitted in December, it would be reasonable to expect that the Administration provide reasoning to the legislature on why it would want to do these huge changes.

Ms. Gladziszewski asked if the legislature can even go back to the previous budget submission now that he has submitted an amended budget. Mr. Edwardson replied that the legislators are the appropriators, the Governor's office is allowed to put in a budget amendment request but the legislature is the one who appropriates.

Mr. Jones said he feels it is too specific. He noted that the subcommittees have already been meeting and while the Senate is taking a slightly different approach from the House, he thinks that some of the committees are going to what they call a management plan which is basically the budget under which the operating agencies are operating under today. That is different from the December 14 budget submitted by the Governor. He said he thinks it puts something in here that we don't need and will have very little value.

Ms. Triem said that she likes the point that Mr. Edwardson is making that by using the newest budget, it makes the drastic cuts look more reasonable. She asked if rather than specifying the December 14 budget, go with language that reflects what Mr. Jones just said regarding a management budget or even state that they support the current FY19 budget.

Mayor Weldon asked Mr. Edwardson if he wished to accept a friendly amendment to that affect.

Mr. Edwardson, in addressing Mr. Jones' objection, said that he and many other members attended the Alaska Municipal League (AML) meeting at which Speaker of the House, Representative Edgemon and House Finance Co-Chair Tammy Wilson was speaking and Rep. Edgemon wanted to use the previous budget submission as the working document. Rep. Wilson wanted to use the Governor's amended budget and there were specific reasons for that. He said that he would settle for the management plan but that it is a mishmash of decisions that the legislature did to adjust the Governor's budget from the previous year. He said he thought it would be cleaner to use the December 14 Governor's submitted budget.

Mayor Weldon said that she also will object to the amendment for the same reasons given by Mr. Jones and she feels that there are too many plans on the table for the Assembly to discuss a particular one.

Roll Call Vote on Amendment #1

Ayes: Edwardson, Triem
Nays: Jones, Gladziszewski, Becker, Bryson, Hughes-Skandijs, Weldon
Motion failed 2 Yeahs: 6 Nays

AMENDMENT #2 by Ms. Hughes-Skandijs to remove Section 1 entirely.
"Section 1. The Assembly of the City and Borough of Juneau appreciates the work the Administration put forth in developing a budget proposal to balance revenues and expenditures."

Ms. Hughes-Skandijs said she feels there is no need for this language to be in the resolution as it doesn't do anything to soften it. She said she thinks the tone of the resolution is correct and in speaking about the red-faced test, she cannot, in a good conscience, appreciate any work that this administration has done because there has been shockingly little work done in preparing this budget. What is being demonstrated as the House and Senate are taking a look at this budget is that there is a real lack of research that backs up this budget.

Ms. Becker said she agreed with Ms. Hughes-Skandijs and she feels it would be best to remove that section from the resolution.

Hearing no objection, Amendement #2 passed by unanimous consent.

AMENDEMENT #3: by Ms. Triem to amend the third Whereas clause to add a short phrase (shown with underlines) such that it would read: "Whereas Juneau could lose hundreds of public sector and private sector jobs and residents because the Governor's budget prioritizes significantly increased individual dividends over basic state services such as transportation and education; and"

Ms. Triem said she thinks this additional language is important because many communities outside of Juneau have the impression that all we are is a government city and that is all we do. She said she wants to drive home the fact that this budget is going to have much more far reaching impacts than just state jobs.

Hearing no objection, Amendement #3 passed by unanimous consent.

Mayor Weldon asked for any further discussion or amendments.

Hearing none, she asked if there were any objection to passing Resolution 2850 as amended. Hearing none, Resolution 2850 as amended was adopted.

XI. STAFF REPORTS

None.

XII. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Weldon reported that along with many others, she attended Southeast Conference. She also attended the AML meetings and the Innovation Summit. She said that JEDC put on a great conference at the Innovation Summit and she enjoyed hearing the guest speaker from Iceland who spoke on their growing tourism economy and how they are dealing with that.

She accompanied Mr. Watt at the Juneau Chamber of Commerce meeting where he gave a synopsis of the impacts on Juneau from the Governor's proposed budget. She reported that she dropped the puck for the annual Juneau/Whitehorse Hockey game at which we were poor hosts and won the game. She also welcomed the AEYC Symposium, the Japanese Consul, Alaska Library Conference.

She said that as part of being Mayor, you donate lunches with the Mayor and someone turned one of those in so she had a great luncheon discussion with the Northrim Bank leadership group.

Mayor Weldon said she was the keynote speaker for Boy Scout award dinner at which they awarded their Eagle Scout and and Silver Beaver awards. There were several Eagle Scouts, approximately 7 or 8; you can see their projects around town.

She said that she has been enjoying the nice weather with her dog and wanted to remind everyone to be safe as it is spring time and people watch out for thin ice conditions.

Finally, she noted that during the Alaska Municipal League meetings, they encouraged local governments to host town hall meetings regarding the state budget impacts. She asked if the Assembly wished to hold town hall meetings. She noted that she was seeing heads nodding that they wanted to hold the meetings. She asked for any objections, hearing none, she and Mr. Watt will work on making the necessary arrangements for Town Hall meetings.

B. Committee Reports, Liaison Reports, Assembly Comments and Questions

Mr. Bryson reported that the Planning Commission (PC) met on the 19th and they went through the CIP list as well as heard a presentation on Lemon Creek gravel extraction where they have removed gravel from the center of Lemon Creek which they have done every year for the past 15 years and it cuts down on flooding. The PC went over the Parks and Recreation Master Plan and they are working on some possible changes to Title 53 so that P&R could dispose of some of their lands and keep some of the funds. Mr. Bryson said that on February 26, the Planning Commission held its longest meeting with the largest audience discussing Deck Hand Dave's leasing of Pocket Park and the fact that he is not allowed to sell alcohol on that property since it is a park and he is trying to work through that issue. The other factor to be addressed is that this is in the Historic District and Deck Hand Dave's facilities are not historic so that will be something needing to sort out. That PC meeting also discussed gravel extraction from the West Glacier area. They also heard a case about the Mountainside Estate subdivision proposal at which 30 people testified.

Mr. Bryson reported that on one of the mornings during the AML meeting, he and Mr. Palmer attended the swearing in ceremony for JPD's newest officers Dwayne White and Jonah Hennings Boothe and he said a good majority of Juneau's police force was there for the ceremony. He said that in August 2017, he was burglarized and it has just now come to a conclusion and while JPD had worked for approximately 3 weeks on that case, it took the District Attorney 18 months to finish it and he wanted to illustrate the real world time that it takes to resolve a case.

Mr. Bryson said he met with Forest Davis who is on the Juneau-Douglas Student Council and he is working on a plastic bag ban. Finally, Mr. Bryson said that March 6 marks his 24th anniversary of being in Juneau and he will be spending it with the Assembly.

Ms. Hughes-Skandijs reported that it has been a very busy time. She attended Southeast Conference as well as the AML meetings and commented that it was very beneficial to speak with local leaders from across the state.

Ms. Hughes-Skandijs reported that she attended meetings of the Juneau Commission on Aging (JCOA) and the Affordable Housing Commission as the Assembly liaison. The JCOA is getting ready to work on the senior survey and they have formed a subcommittee to work on that. She attended a reception at the Filipino Community Hall to see the swearing in of the new board members. She also attended an AFL-CIO reception that was being held at the end of their convention and she was able to meet with local labor groups in town. Lastly she helped Senator Kiehl on fundraiser for the Girl Scouts of Alaska.

Ms. Triem reported that she also attended Southeast Conference and having it on the same day that the Governor's budget drop made things extra exciting. She said that this was the highest attendance to date for that conference. She has not met with the Aquatics Board since the last Assembly meeting. She said she did meet with the Parks and Recreation Director about the number of seats coming up to be filled in the summer. She attended a Travel Juneau meeting and saw the results of a McDowell survey of independent travelers. She said that the main take away is that the number one thing people are satisfied with are Juneau's people and that is what makes our city a great place to visit. Travel Juneau is involved in the challenges of pedestrian crossing downtown. She said that stakeholders and community members who took the Destination Next survey will soon see the results which are scheduled for March 28. She went on a lovely vacation and didn't forget to think of them as she toured the Paris and Dublin City Halls to get some design inspiration as we look at a potential new city hall.

Mr. Edwardson reported that the Human Resources Committee met earlier in the evening and is forwarding the recommendation for appointment of Emil Mackey to the Board of Equalization to a term begining immediately and expiring December 31, 2021. Hearing no objection, the appointment passed by unanimous consent.

Mr. Edwardson reported that on February 12, the Airport Board met and there were a lot of discussions including the LEEDs certification which was discussed in greater depth at the Public Works and Facilities Committee so he deferred that report to Ms. Hale. Mr. Edwardson said they heard from the wildlife biologist at the Airport who reported on the bird strikes. He said, there was one item that will affect the budget and he and the Airport Board didn't know it before they dug into it but you can't use federal funds for the 1% for Art so it is likely the Assembly will be hearing more about that.

Mr. Edwardson said he, like many others, attended AML and it was his third time attending AML meetings and this was the most energetic. He reminded everyone that there is a meeting scheduled for Wednesday, March 6 at 6:15 p.m. of the Full Assembly sitting as the Human Resources Committee to interview for one seat on the Docks and Harbors Board. Mr. Edwardson also noted that there is a joint meeting with the Assembly and the Airport Board on March 21 at 5:30 p.m. Ms. McEwen added that there is also a joint meeting of the Assembly and the Hospital Board on March 19 at 5:30 p.m.

Mr. Edwardson said that he was not on the Assembly in August 2016 but he wished he was to have been able to vote on the non-discrimination ordinance that passed that month. He said he is glad to live in a city that passed that in a region that at least two cities have passed that.

Mr. Jones reported that the Assembly Finance Committee (AFC) had not met since the last meeting but that the next AFC meeting will be held on March 13 at 5:30 p.m. He said that they will hopefully be dealing with Utility Rates at that meeting. Mr. Jones reported that the Child Care Committee met on February 15 and again on March 1 and they will meet again this Friday at which they will begin to review a draft report.

Mr. Jones reported that the Juneau School Board's last meeting was May 12 and they had a worksession with UAS. Since then, they have been working on the budget including a 3.5 hour retreat on a Saturday morning on February 23. They meet again tomorrow night at Thunder Mountain H.S. to look at their budget. They will be proposing a budget based on the average daily membership dollar amount that was in the December 14, 2018 budget and also the $30 Million that is in Law. He said that may not be the final numbers but they felt that is what they should spend their efforts on. They are not looking at the governor's amended budget and what a $13 Million reduction might look like. They will meet again on March 12 in a first reading of the budget before the board. They will have more meetings and will present budget at end of March so it can be presented to the Manager for inclusion in the Manager's budget on April 3 at which the Assembly will begin its weekly AFC meeting until the budget is passed.

Mr. Jones reported that the Downtown Business Association has not met since the last Assembly meeting but they are meeting tomorrow morning at the JEDC conference room at 7:30 a.m. He also noted that he attended a lot of the meetings that others spoke of.

He said he had asked permission a while back to take a look at the review process for CBJ leases and he has met with the Attorney. Mr. Palmer emailed out a draft of the ordinance and a memo explaining what that ordinance would do. *[Copies of the memo and draft ordinance were provided as red folder items.]* Mr. Jones asked the Assembly to instruct the manager to run this by the Docks and Harbors Board and the Planning Commission. He said he would be happy to go before them when they do the review and once that review is done, that it would be brought back to the Assembly COW so their comments could be considered when it comes to the Assembly COW for discussion. Members discussed the process this would go through before coming back to the Assembly COW.

Mr. Jones brought up a concern regarding an issue brought up by CDD regarding the Mendenhall River bank erosion and that the CDD was informed by the Dept. of Natural Resources that CBJ is required to do a flood map study for compliance with FEMA.. He said that several of the neighbors met with the City Manager about this and despite work done by NCRS, it was not sufficient for this flood map requirement and there is currently no one licensed in Juneau that can actually do this work. This issue was reported on in greater detail in the PWFC packet and he encouraged members to review those materials. He asked for the Assembly to give permission to the City Manger to take up to $20,000 to pay for that study for all of the homes along that part of the river.

MOTION by Mr. Jones for the Assembly to authorize the City Manager to spend up to $20,000 on a conditional letter of map revision study for the homeowners on Meander Way.

After much discussion, and many questions, Mr. Jones withdrew his motion and said there is some urgency on this as he feels the Assembly has let this community down and he hopes the Assembly would read and understand the issue. Mr. Watt gave some suggested timing dates for committee and Special Assembly meetings at which it might be considered. Mr. Jones agreed that in light of his sense of urgency, he appreciates Mr. Watt scheduling this for action by March 18.

Ms. Becker reported that the Lands Committee met and discussed leasing city land for communication towers. They received a lease application for a non-profit, fair market lease at Lena Point. Lands approved that and its next steps are CDD, PC, and then Assembly.

Ms. Becker reported that the UAS Campus Council met earlier that day and Chancellor

Caufield gave a presentation on how the Governor's proposed budget will have impacts across the state. The committee agreed that they would write a resolution and send it to the Governor on behalf of the council.

Ms. Becker reported that the Chamber of Commerce meets each week and Mr. Watt gave a good financial report on the State and on Juneau. She reported that the Alaska Committee voted to elect Carl Renninger to fill Norton Gregory's term and they discussed the State budget. They discussed the fact that they need to watch the Governor's budget, especially for things the Alaska Committee has been working on such as Gavel to Gavel.

Ms. Becker reported that the Docks & Harbors Board approved the Alaskan Memories Enterprise with Nordic Tug Charters for a sublease renewal. There is a method to get an electric lift to get cruise passengers off a ship and into an ambulance. She said she also attended Southeast Conference and AML, and she commented that the AML meeting was the best she's been to since she has been on the Assembly. Finally, she reported on attending the Filipino Community reception and what a great job they did.

Ms. Gladziszewski reported that the Assembly COW met February 25 and they discussed the Parks and Recreation Master Plan which was well done. She noted that they did not take any action and it will be coming back to them again to be considered more thoroughly. The COW talked about dockless vehicles such as electric scooters and e-bikes. They heard about what has happened in other communities when they have been dropped into town. To addressed that concern, the Assembly is asking City Manager to draft an ordinance that would temporarily prohibit the use of those dockless transportation devices until the Assembly had time to consider the issues/impacts. The COW heard an update about food trucks and the Archipelago lot and where they might go. The Assembly basically decided to rely on the private sector to absorb those entities and CBJ also has a map with location where food trucks are allowed and to consider added new locations on the currently existing street/sidewalk vending provisions. She said the COW discussed the state budget and its impacts to Juneau and began to draft the resolution that just passed. She said the next COW meeting is scheduled for March 18.

Ms. Gladziszewski said she wished to thank the members of the Affordable Housing Commission for all the work they have done through the years. She said that after they left the room this evening, she realized that she had not expressed her gratitude for all the work they have done through the years. She also wanted to thank them for their future ideas on how the Assembly might be able to work on the projects they had forwarded to the Assembly.

Ms. Gladzisewski also reported on the meetings she attended such as AML and the Innovation Summit. She also reported that she attended the AK Chapter of the Wildlife Society and the Poetry Out Loud conference on behalf of the Mayor. She commented on all the great things going on in the community.

Mayor Weldon welcomed our new Finance Director Jeff Rogers. Mayor Weldon also commented on going to the "Motown in My Town" event at which Ms. Gladziszewski and her husband danced so delightfully.

Ms. Gladziszewski also commented that Mr. Day continues to come and talk about TBMP matters during non-agenda items at Assembly meetings and she wanted to ask him to come to do a presentation at a future COW meeting so the newer members can learn more about the TBMP program.

C. Presiding Officer Reports

None.

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Mr. Quayle asked the Assembly to request the City Manager to permit pedi-cabs to be allowed to take passengers out to the hatchery. He also talked about e-bikes and the service that pedi-cabs play in situations where seniors can't get around.

Mr. Watt reported that the Juneau Legislative Delegation will be holding a Town Hall meeting on March 12 at 5 p.m. at the Juneau-Douglas High School and that will be another opportunity for community members to participate on the State budget process.

XIV. EXECUTIVE SESSION

XV. ADJOURNMENT

There being no further business to come before the Assembly, the meeting was adjourned at 9:36 p.m.

Signed: ___________________________	Signed: _________________________
Elizabeth J. McEwen	Beth A. Weldon
Municipal Clerk	Mayor

DRAFT

SPECIAL ASSEMBLY MEETING
THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - March 14, 2019

MEETING NO. 2019-13: The Special Meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 5:30 p.m. by Mayor Beth Weldon. Mayor Weldon thanked everyone for attending the joint meeting of the two bodies.

I. CALL TO ORDER / ROLL CALL

Assembly Members Present: Mayor Beth Weldon, Deputy Mayor Maria Gladziszewski, Loren Jones, Wade Bryson, Carole Triem, Mary Becker, Rob Edwardson, Alicia Hughes-Skandjis
Assembly Absent: Michelle Hale

Board of Education (School Board) Members Present: President Brian Holst, Vice-President Dan DeBartolo, Jeff Short, Steve Whitney, Elizabeth Siddon, Paul Kelly, Kevin Allen (joined the meeting at approximately 6:00pm)
A quorum of each group was present.

Staff Present: City Manager Rorie Watt, Deputy Manager Mila Cosgrove, Municipal Clerk Beth McEwen, JSD Superintendent Bridget Weiss, JSD Administrative Services Director Sarah Jahn

II. APPROVAL OF AGENDA

III. SPECIAL ORDER OF BUSINESS

A. Joint Meeting with the Board of Education

Juneau School District (JSD) Superintendent Bridget Weiss and President Brian Holst lead a slide show presentation celebrating the diverse ways the school district meets the needs of its students. Dr. Weiss presented a big picture overview of topics such as the graduation rates, legislative priorities and their strategic plan, as well as the anticipated impacts from the state budget reductions.

Dr. Weiss and President Holst presented metrics regarding the graduation rate of JSD students from 2005-2018. In 2005, Juneau's graduation rate was approximately 63% (while AK state rate was at 61%). Since that time, Juneau's graduation rate has risen to approximately 83% (while AK state rate was at 79%).

They highlighted the Career Technical Education (CTE) program in which 27 students earned their CPR/First Aid certification in health sciences courses; 12 students enrolled in the UAS Intro to Mining class; 11 students earned ETT certification; 5 students earned Certified Nurses Asst. certification at UAS in the fall and 2 have enrolled in the spring program; and 20 dual credit courses aligned with UA to make them available to high school students.

While there were a lot of successes to celebrate, Mr. Holst also highlighted some of the challenges they face as a school district. Alaska rates four times higher than the nation for children who have suffered some sort of abuse or neglect compared to the national average. The complexities of the issues that kids come to school with are becoming more and more pronounced. As a state, Alaska has the lowest college attendance rate vs. other states in the nation. Assemblymembers and School Board members discussed the statistics in more depth and the recent strides that JSD has had in increasing college readiness of its students.

[Mr. Allen joined the meeting at approximately 6:00p.m.]

The discussion then turned to the Legislative Priorities led by Mr. DeBartolo. He explained that their legislative priority list only had the first priority selected as their top priority while Priorities #2 through #8 were listed in no particular order. In most part, these are also priorities set by the Alaska Association of School Boards (indicated by AASB priority numbers below in parenthesis) as follows:

Priority #1. Early, adequate, equitable, and predictable funding of public education. (AASB 2.2)

Priority #2. Grade-level proficiency for Pre-Kindergarten to Grade 3 students (AASB 2.34)

Priority #3. Supporting Science, Technology Engineering, and Mathematics (STEM) Education for Alaska's Children (AASB 2.25)

Priority #4. Preservation and restoration of Alaska Native Indigenous Languages (AASB 5.28)

Priority #5. Invest in School Infrastructure

Priority #6. Career and Technical (Vocational) Education (AASB 2.31)

Priority #7. School and Student Safety (AASB 3.9)

Priority #8. Increase Staff Recruitment and Retention (AASB 2.17)

Following discussion of the legislative priorities, School Board member Steve Whitney gave an overview of the Capital Improvement Project (CIP) list and the needs they are trying to meet, especially in light of the State not paying for the school bond debt reimbursement program as it has in past years.

Mr. Holst and Mr. Whitney shared that some of their highlights include the work of the Language Task Force as well as the 50th anniversary of Sea Week coming up this year.

When the newest School Board members were asked by what surprised them the most about serving on the board, Mr. Allen, Dr. Siddon, and Mr. Kelly all agreed that they were surprised by how warmly they have been accepted whenever they do site visits at the school and that they are being recognized in the community. They were very impressed with the work of the Language Task Force. Mr. Kelly said he watched Dr. Weiss and Ms. Hughes-Skandijs testify to the state legislature earlier that day and he was happy to be able to see it on the Legislature's online videophone.

Mr. Holst asked if the Assembly had any words of wisdom to share with the School Board. Mr. Bryson said that in his family's experience, he would encourage more accountability from the students. He encouraged them to hold the bar high for students and make them earn their grade and not just pass them on if they are failing. Mr. Holst shared their experiences with the student councils and how he feels they are rising to the high bar that has been set. Mr. Edwardson shared his perspective on learning patterns and how they are a reflection of the values of the adults in their lives as well. He said he doesn't see that the kids have changed but maybe we (the adults) have from decade to decade on the values that we model for them.

Ms. Gladziszewski and other Assemblymembers expressed their appreciation for all that the School Board does on behalf of our community. Mr. Holst expressed the board's appreciation of the full support that the CBJ Assembly has given to the schools through funding up to as well as outside the cap. He shared that not all communities in Alaska experience that kind of support and the school board very much appreciates it.

IV. Documents and Handouts at the Meeting

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

VI. ADJOURNMENT

There being no further business to come before the Assembly, Mayor Weldon adjourned the special meeting at 6:52 p.m.

Signed: ___________________________	Signed: _________________________
Elizabeth J. McEwen Municipal Clerk	Beth A. Weldon Mayor

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-19

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

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJ 49.10.170 Duties, is amended to read:

49.10.170 Duties.

(a) *Comprehensive plan review.* The commission shall undertake a general review of the comprehensive plan two years after the adoption of the most recent update, and shall recommend appropriate amendments to the assembly. Proposed map changes shall be reviewed on a neighborhood or community basis as directed by the planning commission.

(b) *Review of the capital improvements program.* Upon adequate notice which shall be provided by the director, the commission shall review annually the capital improvements program of the City and Borough and submit its recommendations to the assembly.

(c) *City and borough land ~~acquisitions,~~ disposals and projects.* The commission shall review and make recommendations to the assembly on land ~~acquisitions and~~ disposals as prescribed by title 53, or capital improvement projects by any City and Borough agency. ~~The report and~~

~~recommendation of the commission shall be based upon the provisions of this title, the comprehensive plan, and the capital improvements program~~.

(d) *Development code amendments.* The commission shall make recommendations to the assembly on all proposed amendments to this title, zonings and rezonings, indicating compliance with the provisions of this title and the comprehensive plan.

(e) *Land use actions.*

(1) All plats approved by the platting board prior to adoption of Serial No. 87-49 are ratified, notwithstanding the use of the commission seal or resolution.

(2) The commission shall hear and decide all major development permit applications, density bonus requests, and appeals of decisions made by the director.

Section 3. Amendment of Section. CBJ 53.09.260 Negotiated sales, leases, and exchanges, is amended to read:

53.09.260 Negotiated sales, leases, and exchanges.

(a) *Application, initial review, assembly authority to negotiate.* Upon application, approval by the manager, and payment of a $500.00 fee, a person or business entity~~,~~ may submit a written proposal to lease, purchase, exchange, or otherwise acquire City and Borough land for a specified purpose. The proposal shall be reviewed by the assembly for a determination of whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the assembly by motion, the manager may commence negotiations for the lease, sale, exchange, or other disposal of City and Borough land.

(b) *Review and approval process.* ~~*Planning commission review, final assembly approval.*~~ Upon satisfactory progress in the negotiation or competition undertaken pursuant to subsection (a) of this section, after review by the planning commission for disposals other than leases, ~~and~~ after review by the assembly lands committee ~~planning commission,~~ and authorization by the assembly by ordinance, the manager may conclude arrangements for the lease, sale, ~~or~~ exchange or other disposal of City and Borough land. The final terms of a disposal pursuant to this section are subject to approval by the assembly unless the minimum essential terms and the authority of the manager to execute the disposal are set forth in the ordinance enacted pursuant to this subsection. The disposal may not be executed until the effective date of the ordinance.

Section 4. Amendment of Section. CBJ 53.09.300 Easements, is amended to read:

53.09.300 Easements.

(a) *Authorized.* The manager may convey or lease an easement in City and Borough owned land upon approval by the assembly. Easements shall be nonexclusive unless otherwise provided in the easement document.

(b) *Application and fee.* The applicant for an easement shall apply to the manager on a form prescribed by the manager. The application shall be accompanied by plans, reports, a narrative, and other material sufficient to permit the City and Borough to evaluate need for and the use to be made of the requested easement. The application shall also be accompanied by a base fee of $15.00 plus an amount determined by the manager to cover the cost of an appraisal of the value of the easement. From time to time, the manager shall adjust the base fee to reflect changes in the cost of municipal services.

(c) *Review process.* ~~*Departmental and planning commission action.*~~ The application for the easement shall be referred to the community development department ~~planning department~~ and engineering and public works department for comment. The manager may refer the application to other departments which may have an interest in the parcel subject to the proposed easement. Upon receipt of the comments of other departments, the lands division ~~planning department~~ shall refer the application and departmental comments to the assembly lands committee ~~planning commission~~ for its recommendation to the assembly. The assembly lands committee ~~planning commission~~ may hold a public hearing on the application prior to making its recommendation.

(d) *Assembly action.* Upon receipt of the assembly lands committee ~~planning commission~~ recommendation, the assembly may, by resolution, authorize the manager to execute the easement under such terms and conditions as are authorized by the assembly.

(e) *Survey.* Prior to the execution of an approved easement, the applicant shall provide a survey of the easement to the standards required by the manager.

(f) *Easement price.* The sale or lease price of an easement shall be the appraised value established not more than 90 days prior to assembly authorization of the easement. Upon execution of the easement by the City and Borough, the applicant shall pay to the City and Borough the market value of any marketable materials, timber, or other resources within the easement area which will be destroyed, cut, or removed. The manager shall determine the value of resources of any marketable materials, timber, or other resources within the easement area which will be destroyed, cut, or removed.

(g) *Improvements and changes.* No improvements or changes to improvements may be made within an easement unless first approved by the manager.

(h) *As-built plans.* Immediately upon completion of the construction of any improvements within the easement area, the easement holder shall provide the manager with accurate, complete, and legible as-built drawings of such improvements. Upon making any changes or additions to such improvements, the permittee shall provide the manager with as-built drawings showing such changes or additions.

(i) *Relocation.* The assembly, by resolution, may direct the holder of an easement granted under this section to relocate the holder's improvements within the easement or to relocate the improvements to a new easement granted by the City and Borough for that purpose. Such relocation shall be at the sole expense of the easement holder, and the City and Borough shall not be liable to the easement holder for reimbursement of any expenses or compensation for any losses or damages suffered by the easement holder or others arising out of the relocation. Unless the assembly, in the resolution directing the relocation of the improvements, permits otherwise, the easement holder shall remove all improvements he or she has constructed in the area to be vacated. No compensation shall be due the City and Borough for the value of resources which must necessarily be cut, damaged, or removed to permit the relocation, nor shall the easement holder be liable for the cost of any survey required to describe a new easement area.

(j) *Restoration.* The manager may require restoration and the posting of such security for restoration as he or she determines necessary.

Section 5. Amendment of Section. CBJ 85.02.060 General powers, is amended to read:

85.02.060 General powers.

(a) Subject to state laws and City and Borough ordinances, the City and Borough Docks and Harbors Board shall generally exercise all powers necessary and incidental to operation of all port and harbor facilities in the public interest and in a sound business manner. In particular, and without limitation on the foregoing, the board shall:

...

(5) Administer and dispose of City and Borough tideland, submerged land, and other land as provided by the Assembly by resolution as subject to Docks and Harbors Board Administration, subject to the following limitations:

(A) No sale, purchase, or trade of land shall be made without prior review by the assembly lands committee ~~planning commission~~ and approval by the Assembly by resolution.

(B) Unless otherwise designated in advance by the assembly by resolution, any lease of land shall be limited to marine-related uses, and those uses accessory to tenancy on the boat harbor or use of the port.

(C) All land transactions by the board in accordance with this section shall be consistent with the land management plan developed under CBJ 85.02.063.

(i) Land shall be leased as provided in chapter 53~~.20~~, provided that the provisions of section 53.20.020 relating to a declaration of availability and identification in the land management plan shall not apply.

(ii) For purposes of applying title 53 pursuant to this subsection (C), any action required by Title 53 of the manager may be performed by the port director.

...

Section 6. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of ________________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-20

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

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJ 40.05.010 Appointment, is amended to read:

40.05.010 Appointment.

The hospital board of directors shall consist of nine members appointed by the assembly for staggered three-year terms. Members of the hospital board of directors shall serve at the pleasure of the assembly. <u>To the extent feasible, appointments to the board should include persons with experience or expertise in subject matters relevant to hospital governance such as health care, finance, compliance, business, strategic planning, information technology, law/regulation, or risk management.</u> Up to two members of the hospital board of directors may be physicians in the community appointed from a list of those names submitted by the hospital medical staff. Terms shall commence on January 1. No board member, or member of a board member's immediate family or household, may be employed by the hospital. Appointments to fill vacancies shall be for the unexpired term. In the event a seat has six months or less remaining to the unexpired term, the assembly, at its discretion, may choose to appoint the member to the remainder of the current term as well as to the full term immediately following the expiration date of the unexpired term. No member of the hospital board who has served for three consecutive terms or nine years shall again be eligible for appointment until one full year has intervened, provided, however, that this restriction shall not apply:

(1) If there are no other qualified applicants at the time reappointment is considered by the assembly human resources committee, or

(2) To qualified board members serving in board seats for which a specific occupation or expertise is set forth by ordinance.

Section 3. Amendment of Section. CBJ 40.15.060 Contract for rendering professional services, is amended to read:

40.15.060 Contract for rendering professional services.

With documented need, as recommended by the Recruitment Committee and after receiving advice from Medical Staff, the ~~The~~ hospital board of directors may contract with physicians~~, and surgeons,~~ and other medical care providers for the rendering of professional services ~~in the hospital~~ under terms and conditions that comply with applicable local, state and federal health care laws and regulations. ~~under the direction of, or as requested by, attending physicians of patients in the hospital, on such basis as does not result in any profit or gain to the hospital from the professional services of such physicians or surgeons.~~

Section 4. Amendment of Section. CBJ 40.20.010 Medical records, is amended to read:

40.20.010 Medical records.

Patient medical records shall be preserved consistent with certifying authorities and law, including AS 18.20.085.

~~Accurate and complete confidential hospital medical records shall be prepared and maintained on all patients and shall include the following:~~

~~(1) Adequate identification data to include full and true name and address of patient prior to hospitalization and following discharge; name and address of spouse or nearest relative;~~

~~(2) Admitting diagnosis, to be completed within 24 to 48 hours;~~

~~(3) Personal and family history;~~

~~(4) History and physical examination including history of pregnancy on maternity cases, to be completed within 24 to 48 hours;~~

~~(5) Progress notes;~~

~~(6) Signed doctors orders;~~

~~(7) Operative notes where applicable, to include course of delivery of maternity cases;~~

~~(8) Treatment;~~

~~(9) Special reports and examinations including clinical and laboratory findings, X-ray findings, records or consultation, anesthesia reports, gross and microscopic pathological findings, etc.;~~

~~(10) Nurses notes;~~

~~(11) Discharge notes diagnosis;~~

~~(12) Autopsy report where applicable;~~

~~(13) Condition on discharge;~~

~~(14) Such other matters as shall be required by state regulations and as the hospital medical staff shall determine.~~

Section 5. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of _______________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

LAW DEPARTMENT

DATE: June 11, 2019
TO: Assembly
FROM: Megan Costello, Assistant Municipal Attorney
SUBJECT: Ordinance 2019-20

This memorandum provides a more detailed explanation of the proposed amendments in Ordinance 2019-20.

Section 2: CB 40.05.010 Appointment

This amendment was drafted with the help of attorney Jane Mores and reflects the Hospital Board's desire to attract board members that have expertise and experience relevant to the broad range of issues that come up in managing the hospital. This change also reflects the training from the Governance Institute that recommends recruitment programs for Board members be spelled out in code. The Board understands that the ultimate decision lies with the Assembly but requests this change to help in recruitment efforts.

Section 3: CBJ 40.15.060 Contract for rendering professional services

This amendment reflects the changes to federal law since the existing provision was adopted more than fifty years ago. The existing code can be read to preclude the Hospital from contracting with physicians or surgeons unless specifically requested or directed by attending physicians, (i.e. physicians who are currently credentialed at the hospital ("Medical Staff")) and only if the contract did not result in any gain or profit to the hospital. Under federal law, all financial arrangements with physicians must be commercially reasonable to both parties, and must not result in a physician receiving total compensation that exceeds fair market value. The existing code may be at odds with this, as it does not explicitly require the physician contracts to be commercially reasonable or to have total compensation terms that do not exceed fair market value. There is also problematic language in the existing section that suggest the Board is without legal authority to enter into physician contracts absent the request or approval of the Medical Staff, which has federal anti-trust and illegal restraint of trade concerns. The amended revised code is designed to ensure the code could not be interpreted to pose a conflict with the federal law.

The change to this section has gone through various revisions by the Medical Staff, Hospital management, and the Hospital Board. The Medical Staff originally wanted language that required approval by the Medical Staff before the Hospital Board could approve contracts

155 South Seward Street, One Sealaska Plaza Suite 202, Juneau AK 99801 / Phone: 907-586-5242 / Fax: 586-1147

for professional services, which would not have been in compliance with the CBJ code or the Medical Staff and Board Bylaws, and also had federal anti-trust and restraint of trade concerns. This final version is a compromise and allows the Medical Staff to give advice to the Board but the Board retains its autonomous authority in approving these contracts.

Section 4: CBJ 40.20.010 Medical records

This amendment would update the preservation of patient medical records provisions to be consistent with Alaska and federal law. In the fifty years since the existing language was enacted, state and federal law have clarified how and what patient medical records must be retained. This amendment is written to ensure compliance with all laws, and any amendments thereto. The amendment specifically references AS 18.20.085, which if adopted, means the CBJ code would use a more comprehensive approach that adopts by reference all of the medical record requirements of state law, including the various regulations when applicable (i.e. 7 AAC 13.120, 7 AAC 12.770, 7 AAC 78.250). AS 18.20.085 provides as follows:

Hospital Records Retention

(a) Unless specified otherwise by the department a hospital shall retain and preserve records that relate directly to the care and treatment of a patient for a period of seven years following the discharge of the patient. However, the records of a patient under 19 years of age shall be kept until at least two years after the patient has reached the age of 19 years or until seven years following the discharge of the patient, whichever is longer. Records consisting of X-ray film are required to be retained for five years.

(b) The department shall by regulation define the types of records and the information required to be included in the records retained and preserved under (a) of this section. The department may by regulation specify records and information to be retained for longer periods than those set out in (a) of this section.

(c) If a hospital ceases operation, it shall make immediate arrangements, as approved by the department, for the preservation of its records.

(d) This section is subject to AS 18.23.100.

(e) In this section, “hospital” includes those facilities defined as hospitals under AS 18.20.130 and 18.20.210.

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-23

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

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJC 69.10.020 Property exempt, is amended by adding a new subsection to read:

69.10.020 Property exempt.

…

<u>(12) Economic development property consistent with CBJC 69.10.023.</u>

Section 3. Amendment of Chapter. Chapter 69.10 Real and Personal Property Tax, is amended by adding a new section to read:

69.10.023 Property tax incentives for economic development property.

(a) *Purpose*. This section authorizes property tax exemptions for the following on a property that meets the definition of economic development property in A.S. 29.45.050(m):

(1) At least fifteen new residential units of assisted living for senior citizens. The term residential units includes the assisted living residential units for senior citizens and only those

building spaces that are necessary and incidental to the assisted living of senior citizens that qualify for inclusion in the exemption like common space, support space, and shared facilities. A residential unit qualifies for the exemption even if a non-senior citizen resides in the unit with a senior citizen.

(b) *Location*. The property is located entirely within the urban service area as defined by Title 49.

(c) *Exclusions*. Repair and rehabilitation property as defined in CBJC 69.10.025 for which an exemption application has been filed or granted is not eligible for this housing tax incentive. Submission of an application for exemption pursuant to this section shall automatically terminate any existing CBJC 69.10.025 application or designation for the property.

(d) *Application*. An application for an exemption under this section shall be made in writing to the Assessor's Office prior to issuance of a building permit for the residential units. Applications made after issuance of a building permit for the residential units shall not be accepted, or rejected if accepted. The application shall at a minimum contain the following:

(1) *Name*. The name of the applicant;

(2) *Address*. The legal description and street address of the property for which the application is made;

(3) *New residential units*. Drawings of the residential units that the applicant will construct, including a floor plan that includes approximate square footages;

(4) *Existing structures*. Drawings showing the square footage of all existing structures and structures to be constructed on the property;

(5) *Increase in residential units*. Plans showing the construction will increase the total number of residential units on the property;

(6) *Acknowledgement of liability*. Applicant acknowledges that the residential units will be taxable if and when the residential units are no longer eligible for tax exemption under this section; and

(7) *Economic development property justification.* A narrative describing how the application qualifies as economic development property consistent with A.S. 29.45.050(m).

(8) *Other information.* Other information as may be required by the Assessor.

(e) *Provisional approval.* The Assessor shall provisionally approve an application for tax exemption if

(1) The applicant submitted a complete application; and

(2) The applicant acknowledges it must

(i) Construct not less than the required residential units in accordance with the plans and drawings submitted with its application, and

(ii) Increase the total number of residential units on the property in order to receive final approval under this section.

(f) *Final approval of exemption.* The Assessor shall finally approve an application for tax exemption if

(1) The applicant has completed construction of residential units in accordance with the plans and drawings submitted with its application and a Certificate of Occupancy has been issued pursuant to Title 19 for each structure that contains a residential unit described in the application, and

(2) The total number of residential units on the property has increased.

(g) *Magnitude of exemption.* Consistent with this subsection, the total potential exemption shall not reduce the amount of taxes below the amount levied on other property for the school district's required local contribution under A.S. 14.17.410(b)(2). The taxes eligible for exemption under this section are those attributable only to the newly constructed residential units exclusive of previously existing residential units (whether remodeled or not), all non-residential improvements, and land. Except as provided by subsection (m), the magnitude of exemption shall be determined on a spatial basis as follows: the square footage of the newly constructed residential units shall be divided by the square footage of all structures on the property, then multiplied by the assessed value of all improvements on the property and by the mill rate applicable to the property.

(h) *Duration of tax exemption.* Tax exemptions approved under this section shall be for a period of twelve consecutive years beginning on January 1 of the first full calendar year after final approval of the application.

(i) *Recording of exemption.* The Assessor shall memorialize the terms of an exemption granted under this section in a memorandum recorded in the Juneau Recording District and kept on file in the Assessor's Office.

(j) *Termination of exemption upon reduction in number of residential units.* An exemption granted under this section shall terminate immediately if and when the number of residential units on the property is less than the number existing at the time of final approval of the application under this section. An exemption granted under this section does not terminate if the property or residential unit is sold and the new owner continues to comply with this section.

(k) *Appeal.* Any decision of the Assessor under this section may be appealed to the assembly in accordance with CBJC 01.50.

(l) *Annual compliance and status report.* Not later than March 31 of each year, the owner of the property for which an exemption has been granted, shall file with the Assessor a report with the following information:

(1) *Occupancy.* A statement of occupancy and vacancy of the residential units for the prior twelve (12) months;

(2) *Residential units remain as described.* A certification that the newly constructed residential units described in the application continue to exist and have not been converted to a non-residential use;

(3) *Further changes.* A description of physical changes or other improvements constructed since the last report or, on first report, since the filing of the application; and

(4) *Additional information.* Any additional information requested by the Assessor.

(m) *Late-file penalty*. The failure for the owner to file the annual compliance and status report by March 31 shall result in ten percent reduction of the taxes exempted in the prior year.

(n) *Definitions*. In this section, the following definitions apply:

Previously exempt property means real or personal property exempt under CBJC Title 69 in the prior calendar year but taxable in the next calendar year.

Residential unit means a dwelling unit as defined by CBJC 49.80.120 and is either owner-occupied or only leased for periods of at least one month.

Senior citizen means a person who is (1) Sixty-five years or older; or (2) at least 60 years of age and the widow or widower of a senior citizen who qualified for an exemption under AS 29.45.030(e) and CBJC 69.10.020(1)(A)(i) and (ii).

Widow or widower means a person whose spouse has died and who has not remarried.

Assisted living means a facility providing housing and institutional care for people unable to live independently or without assistance. Assisted living includes facilities that provide nursing care services.

Section 4. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of _______________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-24

An Ordinance Amending the CBJ Codes Related to New Utility Service Connections in Public Right of Ways.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJ 75.01.040 Service connections, is amended to read:

75.01.040 Service connections.

(a) *Connection and extension charges.* At the time the applicant applies for water service to property not previously connected to the municipal water system, a service connection charge will be required. This charge will cover the cost of the utility to permit and inspect ~~install~~ the service from the main to the right-of-way line, including a meter or other appurtenances as required by the engineering and public works department. The applicant shall secure all other necessary permits and complete the installation at no expense to the City and Borough. Where service is already established, a turn-on fee will be required. The water service connection charge and any other fees shall be a lien against the property served in the same manner and to the same extent as a lien for special assessments and shall be enforced in the same manner provided for special assessment liens.

...

(c) *Installation and maintenance.* The installation and maintenance of service connections shall be performed only by persons duly authorized by the director of engineering and public works~~manager~~. A bond is required in an amount to cover the service installation and any repair for damage to the main, other service lines, and the road structure when the service is proposed to be installed in or repaired in property owned by or controlled by the City and Borough of Juneau. A bond is required in an amount to cover any repair for damage to the main or other service lines when the service is proposed to be installed in or repaired in property owned by or controlled by the State of Alaska.

...

Section 3. Amendment of Section. CBJ 75.02.040 Service connection charges, is amended to read:

75.02.040 Service connections~~ charges~~.

(a) *Generally.* A person applying for sewer service to property not previously connected to the municipal sewer system shall pay a sewer connection charge. The engineer shall in each case charge an amount sufficient to pay for the cost of inspecting the customer line from the street to the building proposed to be served. If a service line from the main to the property has not previously been installed, the applicant shall secure all necessary permits and complete the installation at no expense to the City and Borough.

...

(d) *Installation and maintenance.* The installation and maintenance of service connections shall be performed only by persons duly authorized by the director of engineering and public works. A bond is required in an amount to cover the service installation and any repair for damage to the main, other service lines, and the road structure when the service is proposed to be installed in or repaired in property owned by or controlled by the City and Borough of Juneau. A bond is required in an amount to cover any repair for damage to the main or other service lines when the service is proposed to be installed in or repaired in property owned by or controlled by the State of Alaska.

Section 4. Amendment of Section. CBJ 62.05.010 Permit required, is amended to read:

62.05.010 Permit required.

No person, firm or corporation shall excavate under or on or otherwise disturb the surface or subsurface of any public street, alley, sidewalk, easement or right-of-way owned by or controlled by ~~within the corporate limits of~~ the City and Borough unless such person, firm or corporation is registered and bonded in accordance with the provisions of AS 08.18 and possesses a valid excavation permit issued by the engineering and public works department~~, which permit has been approved by the chief of police and the fire chief of the area in which the excavation is to occur~~. A permit is required whether the public street, alley, sidewalk, easement or right-of-way has been accepted by the City and Borough for maintenance or not. The permit shall be effective only for the period stated in the permit, but an extension may be granted upon the approval of the engineering and public works department ~~and the chief of police and fire chief concerned~~. Where necessary, additional inspection fees may be required before issuance of the extension.

Section 5. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of ________________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-27

An Ordinance Amending the Land Use Code to Extend the Sunset Date for the Downtown Juneau Overlay District.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJ 49.70.1210 Overlay districts, is amended to read:

49.70.1210 Overlay districts.

(a) *Downtown Juneau overlay district.* This article applies to property within the alternative development overlay district for Downtown Juneau as shown on the map dated May 25, 2017. The Downtown Juneau overlay district shall cease to exist and the provisions of this article shall not apply to property within the Downtown Juneau overlay district after August 1, 2020~~2019~~.

(b) *Downtown Douglas overlay district.* This article applies to property within the alternative development overlay district for Downtown Douglas as shown on the map dated May 25, 2017. The Downtown Douglas overlay district shall cease to exist and the provisions of this article shall not apply to property within the Downtown Douglas overlay district after August 1, 2020.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of ________________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

WHEREAS, the area of the proposed rezone, Lot 1A, Emerald 3 Subdivision, located at the top of Vista Drive, is currently zoned a mix of D5 and D18; and

WHEREAS, the applicant, JLC Properties Inc., wishes to rezone the entire parcel to D18; and

WHEREAS, the Comprehensive Plan of the City and Borough of Juneau identifies this area of Douglas as Medium Density Residential (MDR) in Land Use Map O; and

WHEREAS, MDR is described as lands characterized by urban residential lands for multifamily dwelling units at densities ranging from 5 to 20 units per acre and that any commercial development should be of a scale consistent with a residential neighborhood; and

WHEREAS, the proposed rezone is located within the Urban Service Area Boundary, which has access to City and Borough water and sewer utilities to adequately accommodate higher development usage and which the CBJ Comprehensive Plan supports as an area for compact development to increase efficient land use; and

WHEREAS, the Comprehensive Plan vision, policies and its implementing actions, standard operating procedures, and development guidelines support increased residential densities when appropriate infrastructure is in place to serve the development; and

WHEREAS, while the Comprehensive Plan supports increased densities for this area when community infrastructure is in place, the Plan also recognizes constraints in road capacity and seeks sensitivity to physical constraints such as habitat, drainage, and topography; and

WHEREAS, future development of the site may require engineering for slopes, drainage, and traffic; and

WHEREAS, the D18 zone district is described as intended to accommodate primarily multifamily housing at a density of up to 18 dwelling units per acre; and

WHEREAS, rezoning the lot from a mix of D5 and D18 to all D18 substantially conforms to the maps of the Comprehensive Plan; and

WHEREAS, the zone change application meets the criteria set forth in CBJ 49.75.120, as follows:

a) The zone change is greater than two acres and is an expansion of an existing zone district;
b) The application is not substantially similar to another rezone considered in the last 12 months; and
c) The proposed zoning district and the uses allowed therein are in substantial conformance with the Land Use Map of the Comprehensive Plan.

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment to the Official Zoning Map. The official zoning map of the City and Borough, adopted pursuant to CBJ 49.25.110, is amended to change the zoning of Lot 1A, Emerald 3 Subdivision, located at the top of Vista Drive, from a mix of D5 and D18 to D18.

The described rezone is shown on the attached Exhibit "A."

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ______ day of ____________________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

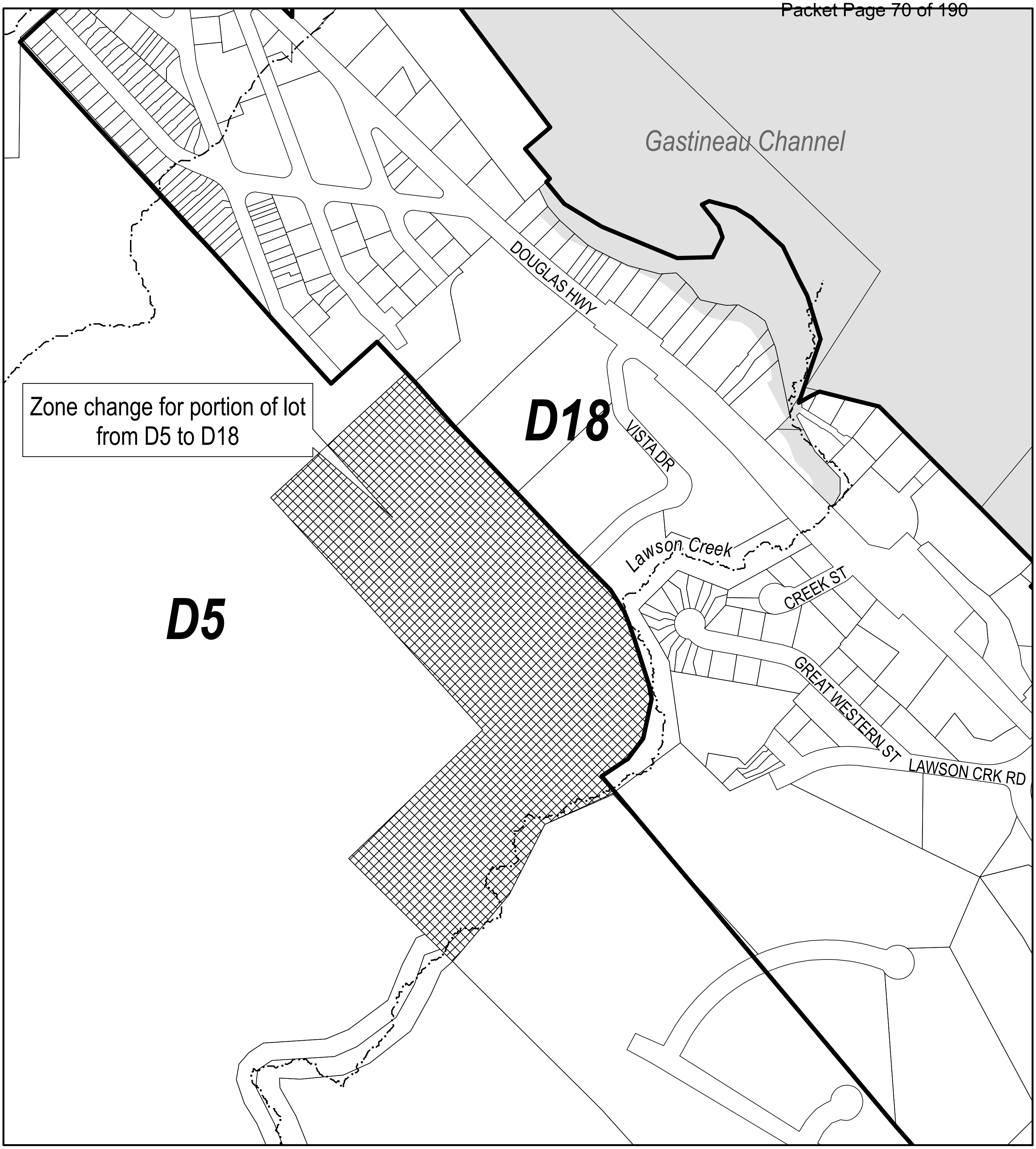
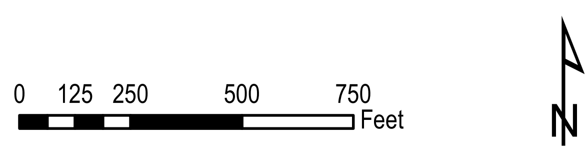


EXHIBIT A - Ord. No. 2019-28

Zone change for portion of
LOT 1A, EMERALD 3 SUBD.
from D5 to D18



Map created: 6/5/2019

Project source: P:\quinn\Projects\CDD\zoning_ordinances_5.mxd

Planning Commission

(907) 586-0715
PC_Comments@juneau.org
www.juneau.org/plancomm
155 S. Seward Street • Juneau, AK 99801

CORRECTED

PLANNING COMMISSION
NOTICE OF RECOMMENDATION
Date: June 12, 2019
Case No.: AME2018 0014

City and Borough of Juneau
City and Borough Assembly
155 South Seward Street
Juneau, AK 99801

Proposal:	Planning Commission Recommendation to the City and Borough Assembly regarding a request to rezone ~28 acres near Vista Drive from D5 and D18 to D18.
Legal Description:	Lot 1A, Emerald 3
Parcel Code Number:	2D040C050074
Hearing Date:	May 14, 2019

The Planning Commission, at its regular public meeting, adopted the analysis and findings listed in the attached memorandum dated May 6, 2019, and recommended that the City and Borough Assembly adopt staff's recommendation for approval to rezone approximately 27.88 acres from a mix of D5 (Single-family, 5 units per acre) and D18 (Multi-family, 18 units per acre) to D18. The Planning Commission found that this proposed expansion of the adjacent D18 zone district substantially conforms to the maps of the Comprehensive Plan.

Attachments: May 6, 2019 memorandum from Beth McKibben, AICP, Senior Planner, Community Development, to the CBJ Planning Commission regarding AME2018 0014.

This Notice of Recommendation constitutes a recommendation of the CBJ Planning Commission to the City and Borough Assembly. Decisions to recommend an action are not appealable, even if the recommendation is procedurally required as a prerequisite to some other decision, according to the provisions of CBJ 01.50.020 (b).

City and Borough Assembly
Case No.: AME2018 0014
June 12, 2019
Page 2 of 2

Project Planner:______________________________
Beth McKibben, AICP, Senior Planner
Community Development Department

____
Benjamin Haight, Chair
Planning Commission

____
Filed With Municipal Clerk

6/20/2019
Date

cc: **Plan Review**

NOTE: The Americans with Disabilities Act (ADA) is a federal civil rights law that may affect this recommended text amendment. ADA regulations have access requirements above and beyond CBJ - adopted regulations. Contact an ADA - trained architect or other ADA trained personnel with questions about the ADA: Department of Justice (202) 272-5434, or fax (202) 272-5447, NW Disability Business Technical Center (800) 949-4232, or fax (360) 438-3208.

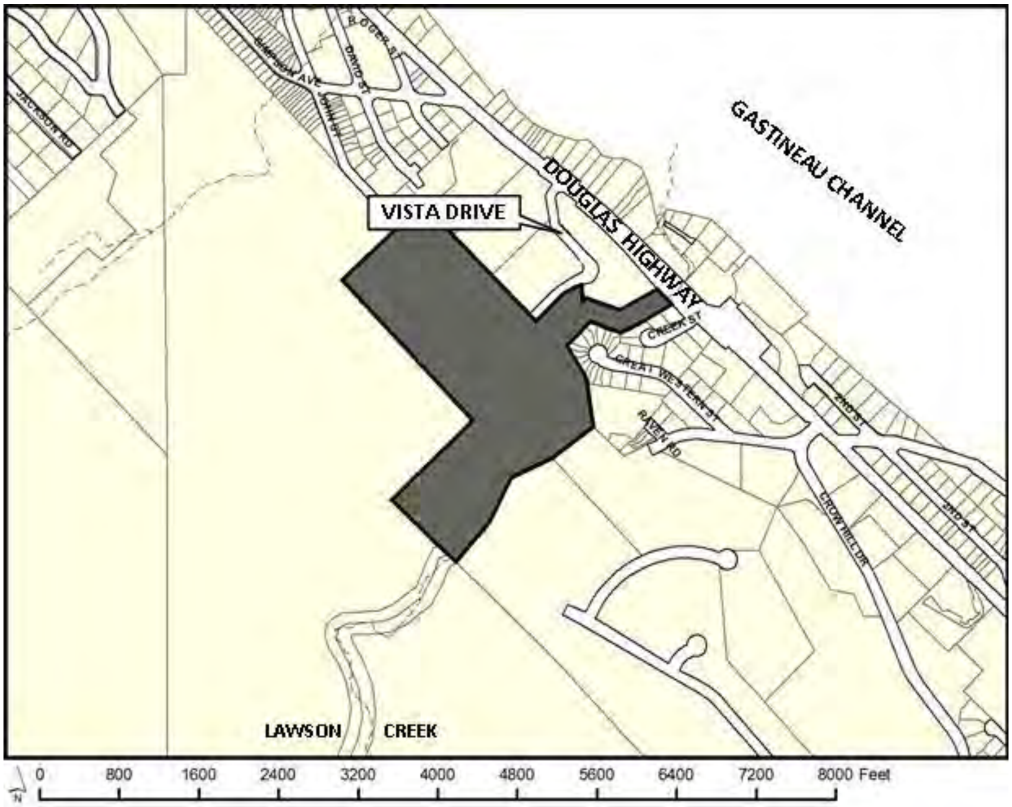
CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
COMMUNITY DEVELOPMENT

(907) 586-0715
CDD_Admin@juneau.org
www.juneau.org/CDD
155 S. Seward Street • Juneau, AK 99801

DATE:	May 6, 2019
TO:	Planning Commission
FROM:	Beth McKibben, AICP, Senior Planner Community Development Department
FILE NO.:	AME2018 0014
PROPOSAL:	A request to rezone ~28 acres near Vista Drive from D5 to D18

Applicant:	JLC Properties Inc.
Property Owner:	JLC Properties Inc.
Property Address:	N/A
Legal Description:	Lot 1A, Emerald 3 Subdivision
Parcel Code No.:	2D040C050074
Site Size:	27.88 acres
Comprehensive Plan Future Land Use Designation:	MDR – Medium Density Residential – Map O
Zoning:	D5 – single family residential, 5 units per acre
Utilities:	Public Water & Sewer
Access:	Vista Drive
Existing Land Use:	Vacant
Surrounding Land Use:	North - Multifamily Residential (D-18) South - Vacant (D-5) East - Multifamily & 2-unit common wall Residential (D-18) West - Vacant (D-5)

VICINITY MAP



ATTACHMENTS
A – Application
B – Agency Comments
C – Public Comments
D – Neighborhood Meeting Materials
E – 2013 Volunteers of America Traffic Impact Analysis Current & Projected Level of Service
F – Site Map

INTRODUCTION

The City and Borough of Juneau (CBJ) Land Use Code states in CBJ 49.10.170(d) that the Commission shall make recommendations to the Assembly on all proposed amendments to this title, zonings and re-zonings, indicating compliance with the provisions of this title and the Comprehensive Plan.

PROPOSAL

The applicant requests a rezone of 27.88 acres from D-5 Residential to D-18 Residential. The rezone request is for one currently vacant tract of land. Initially, the application was for a mix of D-10 and D-18 zoning. After submittal, the applicant amended the application to only seek D-18 zoning. In the project narrative, the applicant states the intent to develop the lower portion of the site with multi-family housing and the upper portion of the site with small, single-family homes, or stand-alone, multi-family housing on commonly owned land. The rezone application was originally submitted in July, 2015. However, the applicant asked CDD to not take action at that time. In July, 2018, the applicant resubmitted the application, and it was given a new case number.

BACKGROUND

The project site is currently vacant. It is accessed by Vista Drive, which dead ends at the edge of the property. It was originally a part of the Crow Hill Subdivision, which was further subdivided several times over the years. Most recently, in 2016, a re-plat of lots 1 and 2 of Emerald 3 Subdivision was completed to dedicate Vista Drive as a public right-of-way through the Volunteers of America (VOA) multi-family housing project.

In 1969, the site was zoned R40, Residential Reserve, which was intended to allow for low density rural development and to also serve as a holding zone "from which changes may be made as the community grows or as needs for various types of land uses are determined." The 1983 Comprehensive Plan designated the site as Medium Density Residential (MDR). The 1988 Comprehensive Plan update amended the land use designation to Urban Low Density (UDLR). In 1987, it appears the site was zoned both D-5 and D-18. In 1990, Ordinance 90-42 rezoned the entirety of the parcel to D-5. The staff report stated that the reason for the reduction in density was due to poor access. The report stated that the only feasible access was through an extension of David Street, which had poor design characteristics and ran through a residential neighborhood. Since that time, David Street has been paved and the intersection with Douglas Highway was widened to improve visibility. John and David Streets are further discussed in the "Public Services" section of this report. In 1996, Vista Drive was dedicated, and in 2014, as mentioned above, it was extended to the subject parcel. The 1995 Comprehensive Plan land use maps continued to designate the site as ULDR. The 2008 Comprehensive Plan changed the land use designation to MDR.

AGENCY COMMENTS

CBJ General Engineering, Engineering, Lands, the Building Division, and Alaska Electric Light & Power (AEL&P) have no concerns with the rezone request. CBJ Streets & Fleet and Capital City Fire & Rescue comments are addressed under "Public Services", below. Alaska Department of Transportation and Public Facilities (DOT&PF) comments are discussed below under "Public

Services". The Alaska Department of Fish and Game (ADF&G) comments are addressed under "Habitat". All agency comments are found in Attachment B.

PUBLIC COMMENTS

At the time of writing this staff report, 19 public comments were received and are included in Attachment C. Public comments cover a wide range of issues and concerns. The majority of comments received are from residents of neighboring condominium developments. Concerns identified include, but are not limited to, impacts to traffic at the intersection of Vista Drive and Douglas Highway, extending right-of-way (and subsequently traffic) onto David Street, traffic at the roundabout, and general concerns of road capacity; hillside development and slope stability/drainage; impacts to Gastineau Elementary School; water and sewer capacity; and impacts to wildlife. Many of the commenters question the consideration of a rezone request without a specific development plan (this is addressed, below, in the "Analysis" section).

PUBLIC OUTREACH

On March 27, 2019, CDD staff hosted a neighborhood meeting at the Douglas Library. Invitations were mailed to owners of properties within 750 feet of the project site; the meeting was posted to the CBJ online calendar, and was noticed in the newspaper 6 days in advance. This meeting was facilitated by CDD Senior Planner, Beth McKibben. Laurel Christian, Planner I, and Alexandra Pierce, Planning Manager, also attended to help and take notes. The meeting was well attended with 30 people signing in. The meeting materials, sign in sheets, and notes are found in Attachment D. The purpose of the meeting was to provide information, respond to questions, and to get a sense of concerns that the neighborhood might have so that issues could be addressed in advance of the public hearing with the Planning Commission. CDD staff explained the rezone process, and the applicant explained his concepts and responded to questions. A short summary of concerns raised include: steepness of the site, Vista Drive, potential impacts to downhill neighbors from uphill development, traffic impacts, and impacts to Gastineau Elementary School.

ANALYSIS

The rezone request for the subject property is for D-18 zoning. As stated above, members of the public have questioned the consideration of a rezone without a specific development proposal. Although understanding an applicant's development plan may be helpful to the neighborhood, there is no mechanism that CBJ can use to guarantee, or require, that the site be developed with a specific proposal. The review of a rezone evaluates all of the possible uses that may be permitted in a proposed zoning district and their conformance with the Comprehensive Plan maps and policies.

Public Services

City sewer and water are available to serve the site. CBJ Engineering (Attachment B) indicates that water capacity is sufficient. Potentially, construction at the higher elevations could encounter water pressure challenges. Because the water pressure to the VOA development is so strong, water pressure has to be reduced; therefore pressure is not expected to be a problem. The site is served by an 8-inch sewer line. It is expected to have adequate capacity and will be evaluated when there is a specific development proposal.

The property is currently accessed by Vista Drive, which has a 50-foot-wide right-of-way. There is a 5-foot-wide side walk on one side of the street. This CBJ maintained street has a 26-foot-wide paved travel way. Vista Drive intersects with Douglas Highway. Douglas Highway is controlled by the DOT&PF and is classified as a Major Collector. Douglas Highway has two 12-foot paved lanes with 8-foot shoulders, curb/gutter, and street lighting. A new sidewalk was recently extended from Vista Drive to Gastineau Elementary School.

Capital Transit provides bus service every half-hour along Douglas Highway seven days a week. Douglas Highway has a daily traffic volume of between 6,000 to 8,500 trips per day. The morning peak hour (7:15 am to 8:15 am) count on Douglas Highway in September, 2013, was 612 vehicles, and the evening peak hour (5:00 pm to 6:00 pm) vehicle count was 647 vehicles. The morning peak hour included seven bikes/pedestrians with the evening peak hour showing four bikes/pedestrians. The bikes used the shoulder area while the pedestrians used the paved pedestrian trail. These 2013 counts were a part of the Traffic Impact Analysis (TIA) completed for the VOA housing project. According to that TIA, the sight distance for vehicles entering Douglas Highway from Vista Drive meets standards in both directions. At the time of the TIA, brush along the west side of Douglas Highway south of Vista Drive was encroaching on that sight distance.

The TIA completed in 2013 included existing and projected Level of Service (LOS) for the VOA housing with a maximum build-out of 75 units. The TIA estimated 440 daily vehicle trips at full build (75 units). A copy of those projections is found in Attachment E. LOS was not projected to decline for Vista Drive or Douglas Highway with the additional 75 units.

DOT&PF has noted that a development expected to generate more than 100 trips in a peak hour will be required to provide a TIA. The TIA will also need to show what mitigation steps will be taken, if they are required. DOT&PF also states that more detailed information will be needed regarding driveway approaches on DOT rights-of-way. During the neighborhood meeting, it was asked if DOT&PF would consider installing a roundabout at the intersection of Douglas Highway and Vista Drive. Staff followed up with DOT&PF, and they indicated that mitigation steps could range from the installation of a turn lane to a signalized intersection. DOT&PF is required to evaluate a roundabout before a signalized intersection.

Per CBJ Land Use Code Title 49.40.300(a)(3), a TIA is required when a development is projected to generate more than 500 average daily trips (ADT). When more than 250 ADT but fewer than 500 ADT is projected, the CDD Director can determine whether or not a TIA is required.

DOT&PF requires a TIA based on projections for peak hours, and CBJ requires a TIA based on projections for ADT. If the site is not rezoned and remains D-5, there is potential for approximately 140 single family homes. The requested rezone, if approved at D-18 zoning, may allow more than 500 additional units (not taking into consideration the limitations of topography, streamside setbacks, and other requirements such as parking). Additionally, a variety of non –residential uses could be permitted. However, none of these trips are triggered by a rezone; only the development or subdivision of the property would prompt the requirement for a TIA based upon a proposal. At the time an application is submitted for a specific development permit and/or Conditional Use Permit for the subject parcel, the applicant may be required per code to provide a TIA for their proposed development or subdivision on this parcel.

As mentioned above, the site is accessed via Vista Drive. It does not currently have frontage on any other right-of-way. When the VOA project was developed, the waterline was extended from the end of John Street across CBJ land and the subject parcel to the VOA site. Potentially, a right-of-way could be dedicated across this utility line and a street constructed. David Street could also potentially be extended, but there is privately owned property between the end of the street and the subject property and obtaining right-of-way could be challenging. Both John Street and David Street have a 50-foot-wide right-of-way and 24-foot-wide paved travel way, which is maintained by CBJ. David Street has a sidewalk on one side, and John Street does not have any sidewalks. A wall of bedrock exists at the current end of John Street. Widening the road to CBJ street standards would be challenging. Additionally, the intersections of both John Street and Douglas Highway, and David Street and Douglas Highway, have geometry which may need to be improved for better safety if additional traffic is added. Capital City Fire and Rescue stated “the connection between Vista Drive and John Street would take care of fire apparatus access requirements”. Two fire apparatus accesses are required for developments with more than 200 units. The ability of this access to provide necessary fire apparatus access will need to be evaluated prior to any development large enough to require two fire apparatus accesses.

CBJ Streets has stated that an extension of Vista Drive into the subject property will require a turnaround unless it ties into John Street or David Street. CBJ Streets prefers a second street access to the parcel to allow future residents options for reaching Douglas Highway. As stated above, this would also be reviewed at the time of application for a specific development permit and/or Conditional Use Permit for the subject parcel.

During the neighborhood meeting, it was asked if Capital Transit would be routed up Vista Drive when it is extended for future development of the subject site. Capital Transit has indicated at this time that buses would not be routed up Vista Drive. There is a Capital Transit bus stop at the bottom of Vista Drive on Douglas Highway, more than 1 mile from the subject property.

Habitat

Lawson Creek borders one side of the subject parcel. ADF&G states the lower reach of Lawson Creek is a cataloged anadromous stream, important for chum salmon, pink salmon, and Dolly Varden. Approximately 1,000 feet upstream from the mouth is a barrier to fish passage, but Dolly Varden may be present above the barrier. The site, and surrounding area, provide habitat suitable to black bear and deer. ADF&G regularly receive calls about black bears in the trash in this area. ADF&G states that future high density development will likely increase impacts on wildlife and increase human/wildlife conflicts. Future development will not likely need ADF&G fish habitat permits.

Slopes and Drainage

There is a steep ravine surrounding Lawson Creek. Other areas of the site are steep. Even the relatively level areas of the site are sloping. Portions of the site contain wetlands. Concerns have been raised from neighboring property owners about drainage and slope stability. Development on hillsides is pursuant to a Hillside Endorsement which must be obtained prior to site work (other than survey, engineering, and soils exploration) if the work is applicable to CBJ 49.70 Article II. Specifically, excavation or creation of slopes in excess of 18% will require a Hillside Endorsement. Due to the topography of the subject parcel, future development will likely be required to comply with this section of code. In general terms, the Hillside Endorsement is intended to address construction on hillsides and to protect both the development and adjacent properties during and after construction. Engineered drawings are required. If a Hillside Endorsement is approved, the applicant may apply for building and grading permits. Grading permits require engineered drawings and involve regular inspections by CBJ Engineering staff and the project engineer. Both of these permitting mechanisms are in place to ensure that drainage and slopes are appropriately addressed both during and after construction. Future development of the site may be subject to a Storm Water Prevention and Pollution Permit from the Alaska Department of Environmental Conservation. The applicant has stated in the narrative that a wetlands delineation has been completed. A US Army Corps of Engineers permit for fill may be required for future development. As with the TIA, only the development or subdivision of the property would prompt the requirements for these permits.

Zoning Districts

The subject parcel is currently zoned D-5, and the applicant is seeking a rezone to D-18. The Land Use Code describes the zoning districts as follows:

49.25.210 Residential districts.

The following districts are established to provide a healthy, safe and pleasant environment for residential living protected from incompatible and disruptive activities:

(c) D-5, residential district, is intended to accommodate primarily single-family and duplex residential development at a density of five dwelling units per acre. D-5 zoned lands are located in the urban service boundary and are served or can be served by public water and sewer.

(f) The D-18, residential district, is intended to accommodate primarily multifamily development at a density of 18 dwelling units per acre. This is a high density multifamily zoning district intended to accommodate midrise-type development.

Table of Dimensional Standards Existing site ~28 acres	**D-5 (5 du/acre)**	**D-18 (18 du/acre)**
Maximum Number of Units	140	518
Maximum Height Limit	35 feet	35 feet
Maximum Lot Coverage	10%	50%
Vegetative Cover	20%	30%
Minimum Lot Size	7,000 sq. ft.	5,000 sq. ft.
Minimum Lot Width	70 feet	50 ft.
Minimum Lot Depth	85 feet	80 ft.
Minimum Front Yard Setback	20 feet	20 feet
Minimum Street Side Yard Setback	13 feet	13 feet
Minimum Side Yard Setback	5 feet	5 feet
Minimum Rear Yard Setback	20 feet	10 feet

Title 49 provides several opportunities for a developer to obtain density bonuses. CBJ 49.60 allows a density bonus to be granted for major development. A major development is one that requires an approved Conditional Use Permit. In the D-5 zoning district, a residential development with more than 2 dwelling units is a major development. In the D-18 zoning district, a residential development of 9 or more dwelling units, 9 or more bedrooms leased on a daily basis, or a non-residential building with more than 5,000 square feet or more than 10,000 square feet of land is a major development. The residential density may be increased up to 10 percent for every seven bonus points awarded. Bonus points can be earned by protecting sensitive areas, providing public access to sensitive areas, or dedicating sensitive areas to the

CBJ. Bonuses can also be earned for other site amenities and improvements for certain public services or increasing vegetative cover.

CBJ 49.15 Article VI, Planned Unit Developments (PUD) also provides a mechanism to earn up to a 15 percent increase in density. PUDs are allowed in D-5 and D-18 zoning districts. The Planning Commission may award density bonuses as an incentive to add enhancements. Enhancements include, but are not limited to, common open space and undisturbed open space along important natural waterbodies.

CBJ 49.15.900 Article IX, Alternative Residential Subdivisions (ARS) provides for an increase in density up to 50 percent of the base zoning in the D-5 zoning district and up to 25 percent in the D-18 zoning district. As with the PUD, density bonuses are awarded as an incentive for enhancements to the development. Enhancements include, but are not limited to, increased open space, undisturbed open space along important natural waterbodies, and preservation of view corridors.

The table on the previous page illustrates the maximum number of dwelling units for the D-5 and D-18 zoning districts. Density bonuses are possible in both of these districts. As discussed above, the site has steep slopes, ravines, and wetlands. Much of site is not suitable for development or easily developed. Additionally, there is a height limit of 35 feet. Given these constraints, combined with the need to dedicate land for parking, streets or public access easements, and meet lot coverage and vegetated cover requirements, it is unlikely that the site could be developed to the maximum number of dwelling units allowed by D-18 zoning. As an example, the VOA project downhill from the project site is zoned D-18 and has a maximum density of approximately 118 dwelling units. It was developed with 75 units at the maximum building height, parking requirements, vegetative cover requirements and hillside protection.

The applicant stated at the neighborhood meeting that D-18 zoning provides the most flexibility for the site. The table above shows how that flexibility can be obtained, with smaller lot sizes and reduced lot depth. Density from the difficult-to-develop areas of the site can be “clustered” in the more easily developed areas.

Examples of Uses in D-5 vs. D-18 Zoning Districts		
	D-5	**D-18**
Single-family residential, duplexes	Dept.	Dept.
Multifamily	Not allowed	Dept./CUP
Bed & Breakfasts, Rooming Houses	CUP	Dept./CUP
Hotels, Motels	Not allowed	Not allowed
Offices not greater than 1,000 sq. ft.	CUP	CUP
Offices greater than 1,000 sq. ft. but not more than 2,500 sq. ft.	Not allowed	CUP
Offices greater than 2,500 sf	Not allowed	Not allowed
Light manufacturing	Not allowed	CUP
Medium Manufacturing	Not allowed	Not allowed
Churches, synagogues, temples	CUP	CUP
Social, fraternal halls, union halls	Not allowed	Not allowed
Health care clinic	Not allowed	CUP
Day care center	CUP	CUP

The table above illustrates some uses that may or may not be permitted in the D-5 and D-18 zoning districts. The greatest difference between the two zoning districts is that the D-5 zoning district does not allow multifamily development. D-5 zoning districts can accommodate cottage housing, PUDs and ARS's, which may allow for clustered developments of units on smaller sites as an alternative to a typical single family subdivision. The D-18 zoning district, through the Conditional Use Permit process, may allow for offices up to 2,500 square feet in size and light manufacturing uses and allows for clustered developments, such as a PUD and an ARS.

COMPLIANCE WITH THE COMPREHENSIVE PLAN

As discussed above and further in the report, the proposed zoning district and the uses allowed therein must be found to substantially conform with the maps of the Comprehensive Plan. "Substantial" is commonly defined as: essentially, without material qualifications, in the main, in substance, materially, in a substantial manner.

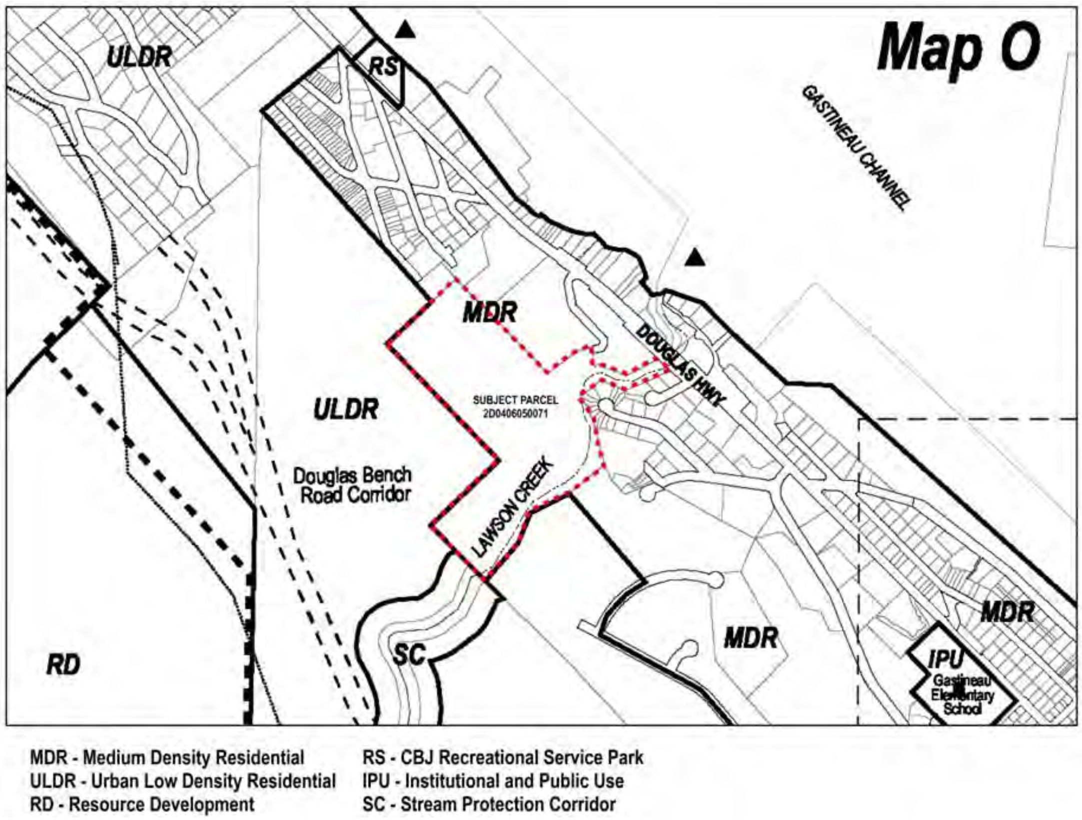
2013 Comprehensive Plan

The introduction of the Comprehensive Plan states that the Plan should be *considered regularly and used by residents, the Planning Commission, and the Assembly to guide its' decisions and* *resource allocations and it must be kept current to reflect community values, resources, constraints and opportunities. Discussions related to community growth, redevelopment, capital and social improvements, or budget, must occur in consultation with the Plan. This is not to say that the Plan will be infallible or that it is cast in concrete. It should, however, bring into focus sufficient information and data so that the best possible considered and objective judgments can be made, using the most current data available when the data in the Plan is out of date*.

This property is located within the Urban Service Area Boundary (USAB). The Plan discusses compact infill development within the USAB. A development would build *to the maximum density allowed by the zoning district within which the property lines, provided that road and intersections serving the new development have adequate capacity and levels of service to accommodate the proposed intensity of development. Building lands should be developed as medium- to high-density affordable housing or mixed residential and commercial developments wherever is possible and practicable. This is particularly true for lands located within walking distance (approximately one-quarter mile) of public transit service*. (p.15)

The property requested to be rezoned is located in Subarea 9 of the 2013 Comprehensive Plan (Map O). The Plan designates the subject property as MDR, Medium Density Residential. Page 147 of the 2013 Comprehensive Plan describes MDR as follows:

> *These lands are characterized by urban residential lands for multifamily dwelling units at densities ranging from 5 to 20 units per acre. Any commercial development should be of a scale consistent with a single-family residential neighborhood, as regulated in the Table of Permissible Use (CBJ 49.25.300).*



The current zoning of D-5, as well as the D-18 zoning district, both conform with the maps of the Comprehensive Plan. The following policies should also be considered when evaluating the requested rezone:

From Chapter 3 – Community Form

POLICY 3.1. TO BALANCE AVAILABILITY OF SUFFICIENT LAND WITHIN THE DESIGNATED URBAN SERVICE AREA BOUNDARY THAT IS SUITABLY LOCATED AND PROVIDED WITH THE APPROPRIATE PUBLIC SERVICES AND FACILITIES TO MEET THE COMMUNITY'S FUTURE GROWTH NEEDS AND THE PROTECTION OF NATURAL RESOURCES, FISH AND WILDLIFE HABITAT AND SCENIC CORRIDORS.

3.1 – DG2 *(Development Guideline) When considering rezoning applications of land located within the Urban Service Area from a non-residential zoning district to a residential or mixed use district; from a low-density residential district to a higher-density residential district; or from a lower building height district to a higher building height district, promote the development of new medium- (10 to 20 dwelling units per gross acre) to high-density (30 to 60 or more units per gross acre) residential developments that include dwelling units affordable to low-income households as a condition of the rezoning. The affordable units should be dispersed throughout the* *development, constructed at the same time as the market-rate units, and priced or rented to households with incomes no greater than 80 percent of the City and Borough of Juneau's Median Family Income (MFI) level by household size, as established annually by the U.S. Department of Housing and Urban Development (HUD).*

POLICY 3.2. TO PROMOTE COMPACT URBAN DEVELOPMENT WITHIN THE DESIGNATED URBAN SERVICE AREA TO ENSURE EFFICIENT UTILIZATION OF LAND RESOURCES AND TO FACILITATE COST EFFECTIVE PROVISION OF COMMUNITY SERVICES AND FACILITIES WHILE BALANCING PROTECTION OF NATURAL RESOURCES, FISH AND WILDLIFE HABITAT AND SCENIC CORRIDORS.

The subject parcel is within the Urban Service Area Boundary and is provided with public services such as utilities and transportation. The Comprehensive Plan promotes higher density within the Urban Service Area. Affordable housing should be considered where infill development is created.

From Chapter 4, Housing

POLICY 4.1. TO FACILITATE THE PROVISION AND MAINTENANCE OF SAFE, SANITARY AND AFFORDABLE HOUSING FOR CBJ RESIDENTS.

POLICY 4.2. TO FACILITATE THE PROVISION OF AN ADEQUATE SUPPLY OF VARIOUS HOUSING TYPES AND SIZES TO ACCOMMODATE PRESENT AND FUTURE HOUSING NEEDS FOR ALL ECONOMIC GROUPS.

4.2 – SOP 1 *(Standard Operating Procedure) Designate on the Comprehensive Plan Land Use Maps adequate sites and supporting infrastructure within the Urban Service Area Boundary to accommodate a diversity of housing types, size, price and types of neighborhood scale and character to satisfy the desires of all residents.*

POLICY 4.3 TO DESIGNATE ON LAND USE MAPS AN ADEQUATE SUPPLY OF BUILDABLE LAND WITHIN THE URBAN SERVICE AREA, AND PARTICULARLY ALONG TRANSIT CORRIDORS, FOR RESIDENTIAL USE AT DENSITIES THAT CAN PRODUCE HOUSING AFFORDABLE TO ALL ECONOMIC GROUPS.

4.3 – SOP 1 *(Standard Operating Procedure) Monitor, and when necessary, designate an adequate amount of vacant land for residential development on the Comprehensive Plan Land Use Maps. Densities within the USAB and New Growth Areas should foster compact development at medium- to high-densities. As a target goal for compact development, a minimum density of ten dwelling units per acre for residentially-zoned lands within the USAB would make prudent and efficient use of these limited land* *resources. A density of 30 dwelling units per acre, or greater, along major transit corridors is recommended to produce affordable housing and to make efficient use of transit services therein.*

4.3 – IA1 *(Implementing Action) Amend the Title 49 Land Use Code to allow rezoning requests to medium-to-high density districts within the Urban Service Area to be requested by a property owner at any time of the year.*

4.3 – IA3 *(Implementing Action) Designate suitable land within one-quarter mile distance from public transit routes from Auke Bay to downtown Juneau as a Transit Oriented Corridor (TOC) overlay zoning district within which medium-to-high-density housing in wholly residential or mixed use developments and with lesser parking requirements would be allowed.*

POLICY 4.8. TO BALANCE THE PROTECTION AND PRESERVATION OF THE CHARACTER AND QUALITY OF LIFE OF EXISTING NEIGHBORHOODS WITHIN THE URBAN SERVICE AREA WHILE PROVIDING OPPORTUNITIES FOR A MIXTURE OF NEW HOUSING TYPES.

<u>From Chapter 7 – Natural Resources and Hazards</u>

POLICY 7.7 TO PROTECT, MAINTAIN AND IMPROVE SURFACE WATER, GROUNDWATER AND MARINE WATER QUALITY IN ITS JURISDICTION SO THAT ALL WATERS ARE IN COMPLIANCE WITH FEDERAL AND STATE WATER QUALITY STANDARDS AND CONTINUE TO ALLOW AQUATIC LIFE TO THRIVE.

7.7 – DG1 *(Development Guideline) Ensure that stream corridors, surface waters, and associated riparian buffer areas receive greater attention in the local permitting process through adherence to the most recent version of the CBJ Manual of Stormwater Best Management Practices (BMPs) and adoption of additional requirements or criteria that protect these areas and waters if needed. One of those BMPs is the appropriate removal and storage of snow in residential subdivisions and commercial developments. Snow should be stored away from streams, preferably in upland areas where good vegetation will trap excess sediment before entering stormwater systems or waterways. This is particularly important where large surface areas are plowed, such as on airport property or parking lots near anadromous fish streams.*

<u>From Chapter 10 – Land Use</u>

POLICY 10.2. TO ALLOW FEXIBILITY AND A WIDE RANGE OF CREATIVE SOLUTIONS IN RESIDENTIAL AND MIXED USE LAND DVELOPMENT WITHIN THE URBAN SERVICE AREA.

POLICY 10.3 TO FACILITATE RESIDENTIAL DEVELOPMENTS OF VARIOUS TYPES AND DENSITIES THAT ARE APPROPRIATELY LOCATED IN RELATION TO SITE CONDITIONS, SURROUNDING LAND USES, AND CAPACITY OF PUBLIC FACILITIES AND TRANSPORTAITON SYSTEMS.

10.3 – SOP 1 *(Standard Operating Procedure) Designate various categories of residential density on the Comprehensive Plan Land Use Maps and the Land Use Code maps based on evaluation of the following criteria:*

A. Physical site conditions including slope, areas of natural hazard, wetlands, watershed value, and/or high value natural resources;
B. Access and capacity of adjacent streets and intersections. Arterial streets should have limited, and controlled, access from local or collector streets;
C. Availability of public facilities and services, especially municipal water and sewer systems and, for low- to medium-income affordable housing or high-density residential development, proximity to public transit;
D. Compatibility of various zoning districts and land use designations with the scale and massing of surrounding neighborhoods with regard to building height and orientation, but not necessarily with regard to similar density, as the CBJ seeks to make the most efficient use of residentially-buildable lands;
E. Potential of specific sites to accommodate the proposed density including size and shape of property and adequacy of internal circulation, parking, screening and privacy; and/or,
F. Distance from incompatible land uses that may generate offensive or nuisance off-site impacts to new residential development, including noise, dust, fumes, malodors and/or heavy truck traffic.

POLICY 10.5. THAT RESIDENTIAL DEVELOPMENT PROPOSALS, OTHER THAN SINGLE-FAMILY RESIDENCES, MUST BE LOCATED WITHIN THE URBAN SERVICE AREA BOUNDARY OR WITHIN A DESIGNATED NEW GROWTH AREA. APPROVAL OF NEW RESIDENTIAL DEVELOPMENT PERMITS DEPENDS ON THE PROVISION OR AVAILABILITY OF NECESSARY PUBLIC AMENITIES AND FACILITIES, SUCH AS ACCESS, SEWER, AND WATER.

10.5 - SOP2 *(Standard Operating Procedure) Maintain the provisions in the Land Use Code that require developers to provide for access, facilities, and services prior to final plat approval.*

10.5 - SOP3 *(Standard Operating Procedure) Amend the Land Use Code to allow appropriate urban densities in areas served by community sewer and water systems, being cognizant of the desire to maintain the rural, suburban or urban character of the existing surrounding neighborhoods.*

Guidelines and considerations of Subarea 9 that are relevant to the proposal:

1. *Provide for additional medium-high density residential development in areas with access to arterials and served by municipal sewer and water and adequate road intersection capacity (to Level of Service D or better).*
7. *There are several parcels of private land that could be further developed into multifamily structures as well as some CBJ-owned parcels above Crow Hill that should be developed into medium-to-high density, low-to-moderate-income affordable housing when sewer and roadway capacities can adequately (LOS D or better) serve the new development.*
8. *Future development in North Douglas, West Juneau or downtown Douglas will require improvements to the Tenth Street and Egan Drive intersection and may require additional traffic capacity on Juneau-Douglas Bridge. These two congestion points limit additional residential development on Douglas Island and impede CBJ's progress in promoting and facilitating the construction of affordable housing.*

<u>2015 Juneau Economic Development Plan</u>

The 2015 Juneau Economic Development Plan is incorporated into the Comprehensive Plan in CBJ Code 49.05.200(b)(1)(N). The proposed rezone does not specifically address any of the eight economic development initiatives identified in the Plan. However, the rezone indirectly addresses one of the economic development planning concepts and practices listed in Chapter Two, as follows:

> *Land availability - an adequate supply of appropriately zoned land is available for commerce and industry, as well as residential development. This includes access to the land needed to support commercial, industrial, and other development. This also includes zoning that supports neighborhood- based small business growth that creates jobs and provides services which area residents and the community need. This type of small business development and growth also supports quality of life and walkable mixed-use neighborhoods.*

The proposed zone change from D-5 to D-18 may create more opportunities for higher density residential development, in substantial conformance with the Plan.

<u>2016 Housing Action Plan</u>

The Housing Action Plan (HAP) was adopted by Resolution 2780 in 2016. HAP is not adopted as an element of the Comprehensive Plan, and therefore rezone requests are not required to be in conformance with this plan. However, the HAP represents official policy in regard to housing in Juneau. Several of the recommendations are relevant to this requested rezone.

The objective of the HAP is to create fluidity in Juneau's housing market, create an inviting place for workers and families new to the borough to call home, and enable seniors to age in the community. The HAP states that Juneau cannot afford to build infrastructure and then allow low-intensity development to use it. That is the very definition of private gain at public expense. The cost of such infrastructure is too high, and allowing low-intensity development to benefit from expensive infrastructure means the rest of the community is paying to subsidize the infrastructure for those areas. The HAP recommends that CBJ evaluate areas that need to be "up-zoned" – areas that would be appropriate for greater residential density or switched from residential only to mixed-use areas.

Discussion

The 2013 Comprehensive Plan advises aiming to promote the highest and best use of property, as follows:

> *In considering re-zoning requests, the Planning Commission and the Assembly should aim to promote the highest and best use of the land under consideration and all new zoning or re-zoning designations are required to be substantially consistent with the Comprehensive Plan and associated land use maps. In some cases, the highest and best use may be increased density or more intensive use of the land; in other cases, the highest and best use may be preservation in an undisturbed state for purposes of habitat preservation, flood control, or providing a buffer between development and areas subject to natural hazards.* (Page 147)

As previously stated, the D-5 and D-18 zoning districts are consistent with the MDR land use designation. The policies of the Plan must be used to further evaluate the available options, to determine the "highest and best use of the land under consideration". The Comprehensive Plan vision, policies and its implementing actions, standard operating procedures, and development guidelines support increased residential densities when appropriate infrastructure is in place to serve the development. Additionally, the Plan supports clustered development in order to preserve natural resources and habitat, while also taking into account key features of the site, as well as providing development in an affordable manner. The PUD, ARS, and Cottage Housing uses allow for clustered development in single-family zone districts. Clustered development is allowed in multifamily zone districts, using these processes or the Conditional Use Permit process. In order to receive density bonuses and obtain clustered development, which results in preserving onsite natural resources while also lowering infrastructure costs, developers may seek rezones to have parcels become multifamily zone districts because PUDs and Cottage Housing development are seen as too cumbersome and regulatory.

Douglas Highway is a major transit route and, as noted above, the Comprehensive Plan supports increased densities along transit corridors. The 2013 update to the Comprehensive Plan has a twenty-year planning horizon. It is envisioned that what is identified within the

Comprehensive Plan should be realized within that twenty-year term. While the Plan supports increased densities for this area when community infrastructure is in place, the Plan also recognizes constraints in road capacity and seeks sensitivity to physical constraints such as habitat, drainage, and topography. Future development of the site may require engineering for slopes, drainage, and traffic, regardless of zoning.

Concerns from the public have been raised regarding traffic, drainage, slopes, and wildlife. It is unlikely that the intersection of Vista Drive and Douglas Highway will maintain a LOS of D, as recommended by the Comprehensive Plan and required by Title 49, if the site is developed at D-18 maximum densities and an alternative access is not provided. Furthermore, there are concerns about sufficient fire apparatus access if the site is built to the maximum density. A TIA is likely to be required for development of the site. The study would evaluate the specific development proposal and determine if acceptable LOS could be maintained or require mitigation to maintain an acceptable LOS.

COMPLIANCE WITH CBJ LAND USE CODE

Rezone Procedure

Title 49, the Land Use Code, establishes the following process for rezones:

> **CBJ 49.75.110 - Initiation.**
> **A rezoning may be initiated by the director, the commission, or the assembly at any time during the year. A developer or property owner may initiate a request for rezoning in January or July only. Adequate public notice shall be provided by the director to inform the public that a rezoning has been initiated.**

The rezone proposal was filed originally in July, 2015, and resubmitted in July, 2018. Public notices were mailed to property owners within 750 feet of the subject properties and to all neighborhood associations. Public notice of this project was provided in the May 3, 2019, and May 13, 2019, issues of the Juneau Empire's "Your Municipality" section. Moreover, a Public Notice Sign was posted on the subject parcel, visible from the public right-of-way.

> **CBJ 49.75.120 - Restrictions on rezonings.**
> **Rezoning requests covering less than two acres shall not be considered unless the rezoning constitutes an expansion of an existing zone. Rezoning requests which are substantially the same as a rezoning request rejected within the previous 12 months shall not be considered. A rezoning shall only be approved upon a finding that the proposed zoning district and the uses allowed therein are in substantial conformance with the land use maps of the comprehensive plan.**

The parcel is proposed for rezone of 27.88 acres as shown in Attachment F. Additionally, the requested rezone would expand an existing D-18 zone district. No similar rezone request has been rejected in the past year. The requested D-18 zone, as discussed above, is in substantial conformance with the land use maps and policies of the Comprehensive Plan.

Zone Change Options and Alternatives

As noted above, a number of zone districts can be considered for the subject property. The applicant requests that the property be rezoned to D-18. As stated in CBJ 49.75.130(a), the Commission may recommend approval, approval with modifications or denial of a rezone request. The Commission may recommend approval to the Assembly for different zone districts than what is requested by the applicant or recommended by staff. Additionally, the Commission can determine the boundary of the area to be rezoned. This means that if the Commission wishes to do so, the zone district boundary line may be moved from its current location, as long as it is found to be in substantial conformance with the Comprehensive Plan.

Summary

The requested rezone from D-5 to D-18 is consistent with the Land Use Maps of the Comprehensive Plan. The policies outlined above from the 2013 Comprehensive Plan support medium density development if adequate public services are available and a minimum of LOS D can be maintained at affected intersections. Currently, the site is accessed by one right-of-way. It is unlikely that adequate LOS will be maintained if the maximum D-18 density is achieved and if it remains to have only one access. Water and sewer are both available to serve the site, and access will be addressed as development permits or subdivisions occur.

After review of the application materials, the CBJ Land Use Code, and the 2013 Comprehensive Plan, **staff recommends that this property be rezoned to D-18.**

FINDINGS

After review of the application materials, the CBJ Land Use Code, and the CBJ 2013 Comprehensive Plan, the Director makes the following findings:

1. The request meets the submittal requirements and the rezoning initiation, zone change restrictions, and procedural requirements of the CBJ Land Use Code. The application was filed in January, is an expansion of an existing zoning district, is more than 2 acres, and is not similar to a request rejected in the past year.

2. Based on the preceding analysis, the proposal substantially conforms to the Land Use Maps and policies of the Comprehensive Plan.

RECOMMENDATION

Based upon the findings and conclusions stated above, staff recommends the Planning Commission concur with the Director's analysis and findings and **RECOMMEND APPROVAL** to the Assembly for a rezone of the subject parcel from D-5 to D-18.

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJC 36.60.010 Smoking prohibited, is amended to read:

36.60.010 Smoking prohibited.

(a) Except as provided in CBJ 36.60.030, smoking ~~Smoking~~ is prohibited:

(1) In enclosed public places;

(2) In enclosed areas that are places of employment;

(3) In vehicles and enclosed areas owned by the City and Borough of Juneau, including the Juneau School District;

(4) In commercial passenger vehicles regulated by the City and Borough under CBJ 20.40;

(5) In bus passenger shelters;

(6) In private clubs that are licensed by the State of Alaska to sell marijuana or alcoholic beverages, or that offer food for sale, regardless of the number of employees;

(7) In indoor or outdoor areas designated by "No Smoking" signs meeting the requirements of CBJ 36.60.035;

(8) Outdoors within ten feet of playground equipment located at a public or private school or a state or municipal park while children are present;

(9) Outdoors within ten feet of an entrance to a bar or restaurant that serves alcoholic beverages;

(10) Outdoors within 20 feet of an entrance, open window, or heating or ventilation system air intake vent of any building area within which smoking is prohibited by this chapter; and

(11) Outdoors within a reasonable distance, as determined by the owner or operator, of an entrance, open window, or heating or ventilation system air intake vent of:

(i) A vessel covered by this chapter; or

(ii) A long term care facility as defined in A.S. 47.62.090.

...

Section 3. Amendment of Section. CBJC 36.60.030 Exceptions; areas where smoking is not prohibited, is amended to read:

36.60.030 Exceptions; areas where smoking is not prohibited.

(a) Unless otherwise prohibited by ~~S~~state or ~~F~~federal law, smoking is not prohibited in the following places:

(1) Private residences, including those used as a place of employment, provided this exception does not apply at any time the private residence is open for use as a child care, adult care, or health care facility;

(2) An establishment licensed under AS 17.38 that is freestanding if the consumption is in accordance with regulations adopted by the Marijuana Control Board created under AS 17.38.080~~Reserved~~;

(3) Private enclosed areas in nursing homes or assisted living facilities;

(4) Reserved;

(5) Performers smoking as part of a stage performance;

(6) Reserved;

(7) Reserved;

(8) Federal or state property, or those portions of buildings leased by the federal or state government; and

(9) Private property used for residential incarceration under contract to a federal or state correctional agency.

(b) The owner, operator, or manager of property may by permanently affixing a sign thereon, waive any exception provided in subsection (a) of this section.

Section 4. Amendment of Section. CBJC 42.20.230 Consumption of marijuana in a public place prohibited, is amended to read:

42.20.230 Consumption of marijuana in a public place prohibited.

(a) Consumption of marijuana in a public place is prohibited.

(b) For purposes of this section:

(1) Consumption means ingesting, inhaling or otherwise introducing marijuana into the human body.

(2) Marijuana has the same meaning as in Alaska Statute 17.38.900.

(3) Public place means a place, enclosed or unenclosed, to which the public or a substantial group of persons has access, including, but not limited to:

(A) Public streets, alleys, sidewalks, easements, trails or other ways dedicated or held for public vehicular or pedestrian use, including parking lots owned or operated by the municipality;

(B) Transportation facilities;

(C) Schools;

(D) Places of amusement or business;

(E) Parks;

(F) Playgrounds;

(G) Correctional facilities; and

(H) The common areas of public or private buildings and facilities.

<u>(4) Public place does not mean an establishment licensed under AS 17.38 that is freestanding if the consumption is in accordance with regulations adopted by the Marijuana Control Board created under AS 17.38.080.</u>

(c) Consumption of marijuana in a public place is an infraction.

Section 5. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of ______________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced: 6/24/2019
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2018-11(AO)

An Ordinance Appropriating to the Manager the Sum of $6,345 as Partial Funding for the Trail Improvements Capital Improvement Project; Grant Funding Provided by the Juneau Glacier Valley Rotary Club.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of $6,345 as Partial Funding for the Trail Improvements Capital Improvement ProjectP46-102.

Section 3. Source of Grant Funds:

Juneau Glacier Valley Rotary Club	$6,345

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this ________ day of ____________, 2019.

____
Beth Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by:	The Manager
Introduced:	June 24, 2019
Drafted by:	Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of $653,744 to fund three CIP projects resulting from property damage and ultimately being funded from insurance claim proceeds.

Section 3. Source of Funds

Risk Fund's Fund Balance	$653,744

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this ________ day of ____________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by:	The Manager
Introduced:	June 24, 2019
Drafted by:	Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of $1,100,000 as Funding for the Juneau International Airport Terminal Construction Capital Improvement Project A50-102.

Section 3. Source of Funds

Airport Fund's Fund Balance:	$ 800,000
Sales Tax Fund's Fund Balance	$ 300,000
	$1,100,000

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this ________ day of ____________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth A. McEwen, Municipal Clerk

MEMORANDUM

CITY/BOROUGH OF JUNEAU
155 SOUTH SEWARD STREET, JUNEAU ALASKA 99801

DATE: June 5, 2019

TO: Duncan Rorie Watt
City Manager

FROM: Renee Loree Renee Loree
Purchasing Officer

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

Bids opened on the subject project May 30, 2019. The following bids were received:

Bidder	**Total Bid**
Aggpro	$178,450.00
Jugs Crushing	$257,260.00

Buyer: Mary Johns
Funding Source: 209720101-5490 – Streets Operations, Materials and Commodities
560500301-5490 – Airport Maintenance Shop, Materials and Commodities.
Streets: $85,500.
Airport: $92,950.
FY20 Estimate: $200,000.00

The Protest period ended June 4, 2019.

With the concurrence of Ed Foster, Public Works Streets Transit & Fleet Operations Superintendent II, and John Coleman, Airport Administrative Officer II, the Purchasing Division recommends award to Aggpro based on having the lowest responsive and responsible bid price in the amount of $178,450.00 based on Total Bid.

Approved: ______________________________
Duncan Rorie Watt, City Manager

Date of Assembly Approval: ______________________________

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
PURCHASING DIVISION

Presented by: The Manager
Introduced: 6/24/2019
Drafted by: Finance

TRANSFER REQUEST FOR THE CITY AND BOROUGH OF JUNEAU, ALASKA

SERIAL NUMBER T-1015

It is hereby ordered by the Assembly of the City and Borough of Juneau, Alaska, that $135,134 be transferred:

From: CIP

S02-103	JSD Comprehensive Facility Plan	$135,134

To: CIP

S02-102	JSD Def Maint & Minor Improvements	$135,134

The $135,134 consists of:

	Sales Tax	$135,134

Moved and Approved this______________day of _________________, 2019.

D. Rorie Watt, City Manager

Attest:

Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced: 6/24/2019
Drafted by: Finance

TRANSFER REQUEST FOR THE CITY AND BOROUGH OF JUNEAU, ALASKA

SERIAL NUMBER T-1019

It is hereby ordered by the Assembly of the City and Borough of Juneau, Alaska, that $802,095 be transferred:

From: CIP

D71-053	Capital Transit Bus Shelters	$150,000
D71-086	Transit Technology	$2,095
D71-088	Bus Shelters/Interim Valley Improvements	$650,000

To: CIP

D71-089	Valley Transit Center	$802,095

The $802,095 consists of:

Sales Tax	$802,095

Moved and Approved this______________day of _________________, 2019.

D. Rorie Watt, City Manager

Attest:

Elizabeth J. McEwen, Municipal Clerk

Presented by:	The Manager
Introduced:	6/24/2019
Drafted by:	Finance

TRANSFER REQUEST FOR THE CITY AND BOROUGH OF JUNEAU, ALASKA

SERIAL NUMBER T-1020

It is hereby ordered by the Assembly of the City and Borough of Juneau, Alaska, that $642,504 be transferred:

From: CIP

H51-093	Statter Harbor Loading Fac/EI	$139,919
H51-109	Taku Harbor Deferred Maintenance	$140,124
H51-106	Statter Harbor Breakwtr Sfty I	$342461

To: CIP

H51-108	Statter Improv-Phase III	$267,380
H51-105	Amalga Fish Cleaning Station	$140,124
H51-117	ABMS Maint & Improvements	$235,000

The $642,504 consists of:

Sales Tax	$139,919
Harbor Fund	$502,585

Moved and Approved this_____________day of _______________, 2019.

____
D. Rorie Watt, City Manager

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2855

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

WHEREAS, the Aak'w historian tells that the original Aak'w Indian Village was first located on the tidelands where Marine Park is currently located; and

WHEREAS, the Aak'w Indian Village was later relocated to the mouth of Gold Creek; and

WHEREAS, when the Gold Creek tidelands were filled in to provide land for structures, including the Coast Guard Subport Building, Centennial Hall, the Juneau Arts and Culture Center, and the Prospector Hotel, the Aak'w Indian Village was relocated to its current location on Willoughby Avenue near where the Salvation Army buildings are now located; and

WHEREAS, over the years the Aak'w Indian Village has been known by different names; and

WHEREAS, the Aak'w Kwaan tribal spokesperson for the Aak'w Kwaan Cultural Heritage and Land Council requests that the historic Aak'w Indian Village be named the Aak'w Village District in recognition of the historical and ongoing settlement and residence of the Aak'w people in this area.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. That the historic Aak'w Indian Village located on Willoughby Avenue is hereby named the Aak'w Village District.

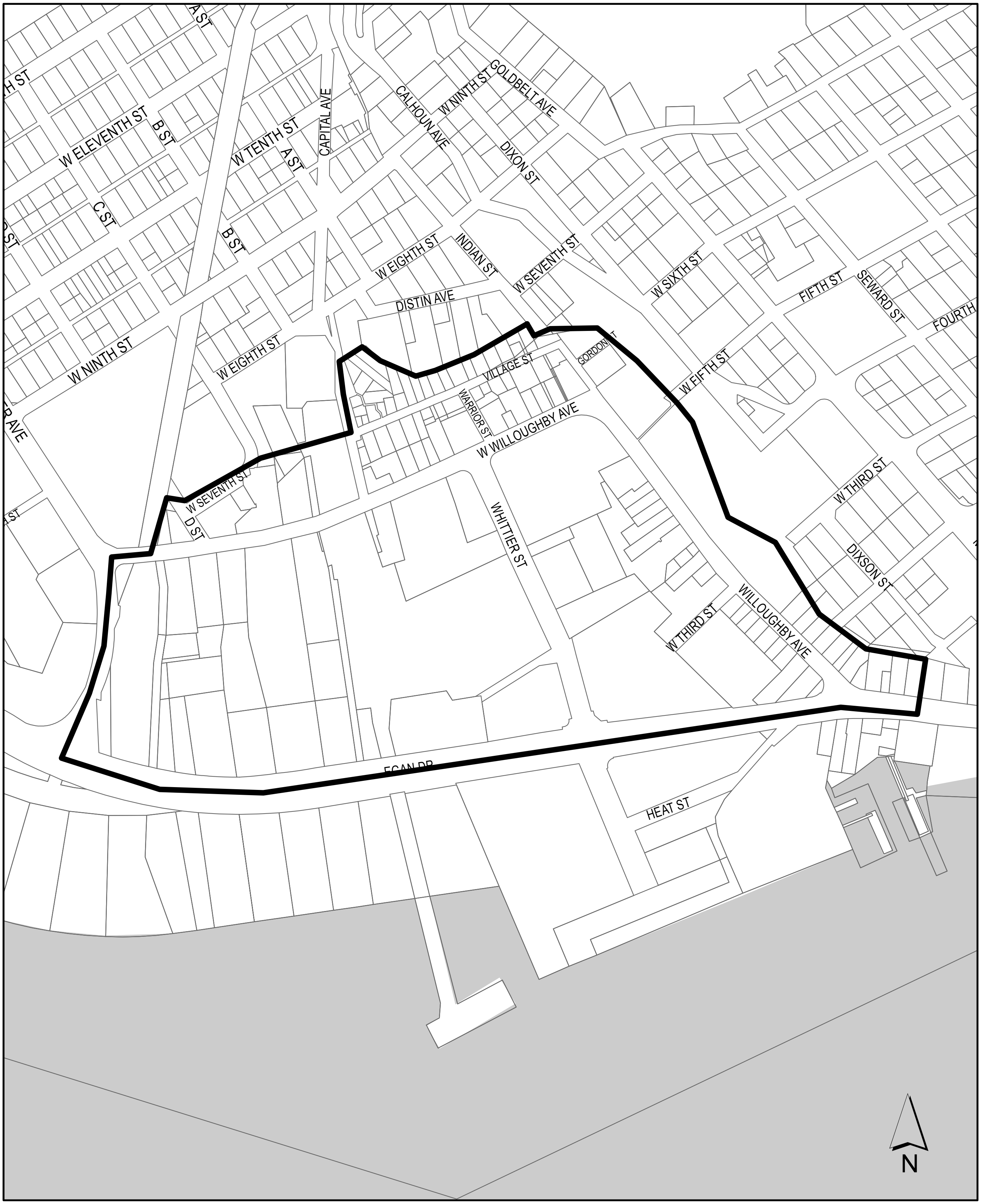
Section 2. **Effective Date.** This resolution shall be effective immediately after its adoption.

Adopted this _______ day of _______________________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk



PROPOSED AAK'W VILLAGE DISTRICT BOUNDARY

CBJ Resolution No. 2855

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

GENERAL OBLIGATION BOND

Serial No. 2019-21

AN ORDINANCE AMENDING ORDINANCE SERIAL NO. 2012-44 REGARDING THE FINAL SERIES OF GENERAL OBLIGATION BONDS AUTHORIZED THEREUNDER.

Approved: June 24, 2019

Prepared by:

K&L GATES LLP
Seattle, Washington

City and Borough of Juneau, Alaska
Ordinance Serial No. 2019-21
Table of Contents*

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* This Table of Contents and the cover page are provided for convenience only and are not a part of this ordinance.

Presented by: The Manager
Introduced: 06/03/19
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-21

An Ordinance Amending Ordinance Serial No. 2012-44 Regarding the Final Series of General Obligation Bonds Authorized Thereunder.

WHEREAS, the Assembly of the City and Borough of Juneau (the “City and Borough”) adopted Ordinance Serial No. 2012-44 (the “Ordinance”), authorizing the issuance of not to exceed $25,000,000 of general obligation bonds on December 17, 2012; and

WHEREAS, pursuant to the Ordinance, the City and Borough issued its General Obligation Bond, 2013 (the “2013 Bond”) under date of March 12, 2013 in the principal amount of $2,600,000 to provide funds for a portion of the Projects (as such term is defined in the Ordinance); and

WHEREAS, pursuant to the Ordinance, the City and Borough issued its General Obligation Bond, 2014 (the “2014 Bond”) under date of October 30, 2014 in the principal amount of $11,210,000 to provide funds for a portion of the Projects (as such term is defined in the Ordinance); and

WHEREAS, pursuant to the Ordinance, the City and Borough issued its General Obligation Bond, 2016 (the “2016 Bond”) under date of November 3, 2016 in the principal amount of $2,635,000 to provide funds for a portion of the Projects (as such term is defined in the Ordinance); and

WHEREAS, the City and Borough expects to issue its final series of bonds under the Ordinance to provide funds for a portion of the Projects (as such term is defined in the Ordinance); and

WHEREAS, the Finance Director will hold a public hearing on the issuance of any series of the remaining bonds authorized that will be private activity bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Assembly intends to amend the Ordinance to provide the parameters relating to the remaining bonds authorized thereunder;

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Amendment of Section 2. The definition of Bonds in Section 2 is hereby amended to read as follows (additions are underscored, and deletions are shown with the text stricken through):

> ***Bonds*** means the City and Borough of Juneau, Alaska General Obligation Bonds, 20[13/14/15/16/17/18/19 [(Non-AMT/AMT)]] authorized to be issued pursuant to this ordinance in one or more series.

Section 3. Amendment of Section 3. Section 3 of Ordinance Serial No. 2012-44 is hereby amended to read as follows (additions are underscored, and deletions are shown with the text stricken through):

> **Section 3. Authorization of Bonds.** For the purpose of financing the Projects as authorized by Ordinance Serial No. 2012-33(b) and paying the costs of issuance of such bonds, the City and Borough shall issue its general obligation bonds in the aggregate principal amount of not to exceed $25,000,000 but in any event providing no more than $25,000,000 in net proceeds (principal amount plus premium, if any, less costs of issuance) (the "Bonds"). The Bonds shall be dated as of the date established pursuant to Section 13, shall be fully registered as to both principal and interest, shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification, and shall bear interest from their date payable on the dates and rates set forth in the respective approved Loan Agreement, and shall come due on the dates set forth in the Loan Agreement of the following years in the following estimated aggregate principal installments:

Maturity Year	Principal Amount*
2014	$ 95,000~~905,000~~
2015	480,000~~765,000~~
2016	485,000~~795,000~~
2017	715,000~~830,000~~
2018	745,000~~840,000~~
2019	775,000~~875,000~~
2020	1,260,000~~920,000~~
2021	1,310,000~~965,000~~
2022	1,365,000~~1,010,000~~
2023	1,430,000~~1,065,000~~
2024	1,490,000~~1,115,000~~
2025	1,560,000~~1,170,000~~
2026	1,640,000~~1,220,000~~
2027	1,385,000~~1,265,000~~
2028	1,455,000~~1,315,000~~
2029	1,525,000~~1,370,000~~
2030	935,000~~1,440,000~~
2031	980,000~~1,510,000~~
2032	1,030,000~~1,585,000~~
2033	1,085,000~~1,665,000~~

Total: $21,745,000~~22,625,000~~*
* Principal maturities do not add to $25,000,000, in anticipation of selling Bonds with original issue premium, generating not more than $25,000,000 in net proceeds.

If the Bonds are sold in more than one series, the principal maturities of a series shall be applied to reduce the foregoing schedule as provided in the resolution approving the sale of that series; provided that in the aggregate the foregoing estimated principal amounts in any year are increased or decreased by no more than 15%, and *provided, further*, in the aggregate, the Bonds shall be issued in principal amounts that provide no more than $25,000,000 (principal amount plus premium, if any, less costs of issuance) in net proceeds or $25,000,000 in principal amount, whichever is less.

Section 4. Amendment of Section 6. Section 6 of Ordinance Serial No. 2012-44 is hereby amended to read as follows (additions are underscored, and deletions are shown with the text stricken through):

Section 6. Form of Bonds. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. ________ $____________

STATE OF ALASKA

CITY AND BOROUGH OF JUNEAU
GENERAL OBLIGATION BOND, 20[13/14/15/16/17/18/19 [(Non-AMT/AMT)]]

INTEREST RATES: See Below

FINAL MATURITY DATE:

REGISTERED OWNER: ALASKA MUNICIPAL BOND BANK

PRINCIPAL AMOUNT:

THE CITY AND BOROUGH OF JUNEAU, ALASKA (the "City and Borough"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount indicated above in accordance with the installment payment schedule set forth below (unless prepaid prior thereto as provided herein) and to pay interest thereon from __________, 20__, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the interest rates set forth below, payable on ________ 1, 20___ and semiannually thereafter on the first day of each _______ and __________.

Year of Principal Installment Payment (________ 1)	Principal Installment Amount	Interest Rate
	$	

Both principal of and interest on this bond are payable in lawful money of the United States of America. Installments of principal of and interest on this bond shall be paid by check or draft mailed to the Registered Owner at the address appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of this bond shall be payable upon presentation and surrender of this bond by the Registered Owner at the principal office of the Finance Director of the City and Borough of Juneau, Alaska (the "Bond Registrar").

This bond is a general obligation bond of the Borough and is issued pursuant to an election authorizing the same for the purpose of making capital improvements to facilities of the City and Borough.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under Ordinance Serial No. 2012-44 of the City and Borough (the "Bond Ordinance") until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar. Capitalized terms used in this bond and not otherwise defined herein have the meanings given such terms in the Bond Ordinance.

This bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and ordinances duly adopted by the Assembly, including the Bond Ordinance.

This bond is subject to prepayment as stated in the Loan Agreement.

The City and Borough has obligated and bound itself to make annual levies of ad valorem taxes upon all the taxable property within the City and Borough, without limitation as to rate or amount, in amounts sufficient, together with such other moneys of the City and Borough available for such purposes as the Assembly of the City and Borough may, from time to time, appropriate and make available to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City and Borough are hereby irrevocably pledged for the levy of such taxes and the prompt payment of such principal and interest. The pledge of tax levies for payment of principal of and interest on the bond may be discharged prior to maturity of the bond by making provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

The bond is/is not a "private activity bond" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The City and Borough has not designated the bond as a "qualified tax-exempt obligation" under Section 265(b) of the Code for investment by banks, thrift institutions and other financial institutions.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska to exist, to have happened, been done and performed precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City and Borough may incur.

IN WITNESS WHEREOF, the City and Borough of Juneau, Alaska has caused this bond to be executed by the manual or facsimile signature of its City Manager or his/her designee and attested by the manual or facsimile of the Clerk, and the official seal of the City and Borough to be impressed, imprinted or otherwise reproduced hereon, as of this ____ day of _________, 20[13/14/15/16/17/18/19 [(Non-AMT/AMT)]].

CITY AND BOROUGH OF JUNEAU, ALASKA

By /s/ manual or facsimile
City Manager or Designee

ATTEST:

/s/ manual or facsimile
Clerk

The Certificate of Authentication for the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is the General Obligation Bond, 20[13/14/15/16/17/18/19 [(Non-AMT/AMT)]] of the City and Borough of Juneau, Alaska, dated ____________, 20[13/14/15/16/17/18/19 [(Non-AMT/AMT)]], and described in the within-mentioned Bond Ordinance.

Finance Director, City and Borough of
Juneau, Alaska, as Bond Registrar

By________________________________
Authorized Signer

Section 5. Amendment of Section 12. Section 12 of Ordinance Serial No. 2012-44 is hereby amended to read as follows (additions are underscored, and deletions are shown with the text stricken through):

Section 12. Tax Covenants. The Finance Director is an officer of the City and Borough whose duties include the holding of such hearings as may be required under the United States Internal Revenue Code of 1986, as amended (the "Code") in order to assure the tax-exempt status of the Bonds. The Finance Director will hold a public hearing on the issuance of any Bonds for private activity components of the airport, pursuant to published notice on the City and Borough's website or in a newspaper of general circulation in the City and Borough. The City and Borough covenants to undertake all actions required to maintain the tax-exempt status of interest on any such Bonds under Section 103 of the Code as set forth in the federal tax certificate(s) that will be executed at the closing for any such Bonds. The covenants of this section shall be applicable to any Bonds issued as tax-exempt obligations or Bonds that are required to observe the applicable rules and regulations under the Code for tax-exempt bonds.

(a) *Arbitrage Covenant.* The City and Borough hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the City and Borough which may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code and the applicable regulations thereunder which, if such use had been reasonably expected on the dates of delivery of the Bonds to the initial purchasers thereof, would have caused such Bonds to be "arbitrage bonds" within the meaning of said section and said regulations. The City and Borough will comply with the requirements of

Section 148 of the Code and the applicable regulations thereunder throughout the term of the Bonds.

(b) *Private Person Use Limitation for Bonds.* The City and Borough covenants that for as long as the Bonds that are issued as tax-exempt governmental bonds, are~~is~~ outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Bonds that are issued as tax-exempt governmental bonds to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Bonds that are issued as tax-exempt governmental bonds in a Bond Year to be directly or indirectly (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City and Borough) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The City and Borough further covenants that, if:

(3) More than five percent of the Net Proceeds of the Bonds that are issued as tax-exempt governmental bonds is to be used for any Private Person Use; and

(4) More than five percent of the principal or interest payments on the Bonds that are issued as tax-exempt governmental bonds in a Bond Year are (under the terms of this ordinance or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City and Borough) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private Person Use of the projects described in subsection (3) hereof or Private Person Use payments described in subsection (4) hereof that is in excess of the five percent limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the projects funded by the Bonds that are issued as tax-exempt governmental bonds, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Bonds used for the state or local governmental use portion of the project to which the Private Person Use of such portion of the project relates. The City and Borough further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax status of the Bonds that are issued as tax-exempt governmental bonds. The covenants of this section are specified solely to assure the continued

exemption from regular income taxation of the interest on the Bonds that are issued as tax-exempt governmental bonds. To that end, the provisions of this section may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the City and Borough's bond counsel that such modification or elimination will not adversely affect the tax status of the Bonds that are issued as tax-exempt governmental bonds.

Section 6. Ratification of Ordinance. As amended by this ordinance, the Ordinance is hereby ratified approved and confirmed.

Section 7. Effective Date. This ordinance shall become effective thirty days after adoption.

ADOPTED this 24th day of June, 2019.

Beth Weldon, Mayor

ATTEST:

Beth McEwen, Clerk

CERTIFICATE

I, the undersigned, Clerk of the City and Borough of Juneau, Alaska (the "City and Borough"), Do HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance Serial No. 2019-21 (the "Ordinance") of the City and Borough as finally passed at a regular meeting of the Assembly of the City and Borough (the "Assembly") held on the 24th day of June, 2019, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such special meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of June, 2019.

____

Beth McEwen, Clerk
City and Borough of Juneau

Presented by: The Manager
Introduced: 11/26/12
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2012-44

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES TO PROVIDE NET PROCEEDS NOT TO EXCEED $25,000,000; AND PROVIDING FOR THE FORM AND TERMS OF THE BONDS AND FOR UNLIMITED TAX LEVIES TO PAY THE BONDS.

WHEREAS, at the regular municipal election held on October 2, 2012, pursuant to Ordinance Serial No. 2012-33(b), the Home Rule Charter of the City and Borough, and other resolutions and ordinances of the City and Borough, the qualified electors approved the issuance of general obligation bonds in the principal amount of not to exceed $25,000,000 (the "Bond Authorization"); and

WHEREAS, it is deemed necessary and advisable and in the best interests of the City and Borough and its inhabitants that the City and Borough issue the Bond Authorization in one or more series in the principal amount of not to exceed $25,000,000; and

WHEREAS, the Assembly finds that it is in the best interest of the City and Borough to sell the bonds herein authorized to the Alaska Municipal Bond Bank (the "Bond Bank") on the terms and conditions set forth herein and in the loan agreements between the City and Borough and the Bond Bank, as authorized by this ordinance;

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Definitions. As used in this ordinance, the following words shall have the following meanings:

Assembly means the Assembly of the City and Borough of Juneau, Alaska as the same shall be duly and regularly constituted from time to time or any successor body.

Bond Authorization means the $25,000,000 principal amount of bonds authorized to be issued by the City and Borough pursuant to Ordinance Serial No. 2012-33(b).

Bond Bank means the Alaska Municipal Bond Bank, a public corporation and instrumentality of the State of Alaska, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended.

Bond Bank Bonds means bonds to be issued by the Bond Bank to provide funds to be loaned to the City and Borough pursuant to the Loan Agreement.

Bond Fund means the "Debt Service Fund" of the City and Borough maintained pursuant to this ordinance.

Bond Register means the registration books for the Bonds, maintained by the Bond Registrar, for the purpose of complying with the requirements of Section 149 of the Code and listing, inter alia, the names and addresses of all registered owners of the Bonds.

Bond Registrar means the Finance Director, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, and paying the principal of and interest on the Bonds.

Bonds means the City and Borough of Juneau, Alaska General Obligation Bonds, 20[13/14] authorized to be issued pursuant to this ordinance in one or more series.

Bond Year means each one-year period that ends on the date selected by the City and Borough. The first and last Bond Years may be a shorter period. If no day is selected by the City and Borough before the earlier of the final maturity date of the Bonds or the date that is five years after the date of issuance of the Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Bonds.

City and Borough means City and Borough of Juneau, Alaska, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Alaska.

City Manager means the city manager or interim city manager of the City and Borough.

Code means the federal Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

Construction Funds means the funds maintained pursuant to Section 10 of this ordinance, into which shall be deposited the Bond proceeds, other than accrued interest.

Finance Director means the director or interim director of the finance department of the City and Borough.

Government Obligations means:

(a) Cash (United States currency or demand deposits insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in subparagraph (b)), or

(b) Noncallable indirect obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America, the payment of which is guaranteed by the United States of America.

Loan Agreement means the Loan Agreement for each Bond by and between the City and Borough and the Bond Bank authorized to be entered into pursuant to Section 13 of this ordinance.

Net Proceeds, when used with reference to the Bonds, means the principal amount of the Bonds, plus accrued interest and original issue premium, if any, and less original issue discount.

Private Person means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

Private Person Use means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a de minimis fee to cover custodial expenses.

Projects means the capital improvements which are specified in Section 3 of Ordinance Serial No. 2012-33(b) of the City and Borough.

Registered Owner means the person in whose name ownership of a Bond is identified in the Bond Register.

Rule means the SEC's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SEC means the United States Securities and Exchange Commission.

Interpretation and Rules of Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this ordinance; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this ordinance as a whole and not to any particular Article, Section or subdivision hereof.

Section 3. Authorization of Bonds. For the purpose of financing the Projects as authorized by Ordinance Serial No. 2012-33(b) and paying the costs of issuance of such bonds, the City and Borough shall issue its general obligation bonds in the aggregate principal amount of not to exceed $25,000,000 but in any event providing no more than $25,000,000 in net proceeds (principal amount plus premium, if any, less costs of issuance) (the "Bonds"). The Bonds shall be dated as of the date established pursuant to Section 13, shall be fully registered as to both principal and interest, shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification, and shall bear interest from their date payable on the dates and rates set forth in the respective approved Loan Agreement, and shall come due on the dates set forth in the Loan Agreement of the following years in the following estimated aggregate principal installments:

Maturity Year	Principal Amount*
2014	$ 905,000
2015	765,000
2016	795,000
2017	830,000
2018	840,000
2019	875,000
2020	920,000
2021	965,000
2022	1,010,000
2023	1,065,000
2024	1,115,000
2025	1,170,000
2026	1,220,000
2027	1,265,000
2028	1,315,000
2029	1,370,000
2030	1,440,000
2031	1,510,000
2032	1,585,000
2033	1,665,000

Total: $22,625,000*
* Principal maturities do not add to $25,000,000, in anticipation of selling Bonds with original issue premium, generating not more than $25,000,000 in net proceeds.

If the Bonds are sold in more than one series, the principal maturities of a series shall be applied to reduce the foregoing schedule as provided in the resolution approving the sale of that series; provided that in the aggregate the foregoing estimated principal amounts in any year are increased or decreased by no more than 15%, and *provided, further,* in the aggregate, the Bonds shall be issued in principal amounts that provide no more than $25,000,000 (principal amount plus premium, if any, less costs of issuance) in net proceeds or $25,000,000 in principal amount, whichever is less.

Section 4. Registration, Exchange and Payments. The Finance Director shall act as authenticating agent, paying agent and registrar for the Bonds (collectively, the "Bond Registrar"). Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months. Interest on the Bonds shall be paid by check or draft of the Bond Registrar mailed (on the date such interest is due) to the Registered Owners or nominees at the addresses appearing on the Bond Register on the fifteenth day of the month preceding each interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds to the Bond Registrar by the registered owners or nominees at the office of the

Bond Registrar. Notwithstanding the foregoing, so long as the Bond Bank is the Registered Owner of the Bonds, payments of principal of and interest on the Bonds shall be made to the Bond Bank in accordance with the Loan Agreement.

The Bonds may be transferred only on the Bond Register maintained by the Bond Registrar for that purpose upon the surrender thereof by the registered owner or nominee or his/her duly authorized agent and only if endorsed in the manner provided thereon, and thereupon a new fully registered Bonds of like principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor. Upon surrender thereof to the Bond Registrar, the Bonds are interchangeable for a bond or bonds in any authorized denomination of an equal aggregate principal amount and of the same interest rates and maturities. Such transfer or exchange shall be without cost to the Registered Owner or transferee.

The City and Borough may deem the person in whose name each Bond is registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on such Bond and for any and all other purposes whatsoever.

Section 5. Prepayment. Provisions for the optional prepayment of some or all principal installments of the Bonds may be established pursuant to Section 13 of this ordinance and shall be set forth in the Loan Agreement.

So long as the Bond Bank is the owner of the Bonds, notice of prepayment shall be given according to the terms of the Loan Agreement. If the Bond Bank is not the owner of the Bonds, notice of prepayment shall be given not less than 20 nor more than 60 days prior to the date fixed for prepayment by first class mail, postage prepaid, to the Registered Owners of the Bonds at the addresses appearing on the Bond Register. The requirements of this section shall be deemed complied with when notice is mailed as herein provided, regardless of whether or not it is actually received by the owners of the Bonds.

Each official notice of prepayment shall be dated and shall state: (i) the prepayment date, (ii) the prepayment price or prepayment premium, if any, payable upon such prepayment; (iii) if less than all of an installment of principal is to be prepaid, the principal amount to be prepaid (which must be an integral multiple of $5,000); (iv) that the interest on the Bonds, or on the principal amount thereof to be prepaid, designated for prepayment in such notice, shall cease to accrue from and after such prepayment date; and (v) that on such date there will become due and payable on the Bonds the principal amount thereof to be prepaid and the interest accrued on such principal amount to the prepayment date.

Section 6. **Form of Bonds.** The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. ________ $____________

STATE OF ALASKA

CITY AND BOROUGH OF JUNEAU
GENERAL OBLIGATION BOND, 20[13/14]

INTEREST RATES: See Below

FINAL MATURITY DATE:

REGISTERED OWNER: ALASKA MUNICIPAL BOND BANK

PRINCIPAL AMOUNT:

THE CITY AND BOROUGH OF JUNEAU, ALASKA (the "City and Borough"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount indicated above in accordance with the installment payment schedule set forth below (unless prepaid prior thereto as provided herein) and to pay interest thereon from __________, 20__, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the interest rates set forth below, payable on ________ 1, 20___ and semiannually thereafter on the first day of each _______ and __________.

Year of Principal Installment Payment (________ 1)	Principal Installment Amount	Interest Rate
	$	

Both principal of and interest on this bond are payable in lawful money of the United States of America. Installments of principal of and interest on this bond shall be paid by check or draft mailed to the Registered Owner at the address appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of this bond shall be payable upon presentation and surrender of this bond by the Registered Owner at the principal office of the Finance Director of the City and Borough of Juneau, Alaska (the "Bond Registrar").

This bond is a general obligation bond of the Borough and is issued pursuant to an election authorizing the same for the purpose of making capital improvements to facilities of the City and Borough.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under Ordinance Serial No. 2012-44 of the City and Borough (the "Bond Ordinance") until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar. Capitalized terms used in this bond and not otherwise defined herein have the meanings given such terms in the Bond Ordinance.

This bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and ordinances duly adopted by the Assembly, including the Bond Ordinance.

This bond is subject to prepayment as stated in the Loan Agreement.

The City and Borough has obligated and bound itself to make annual levies of ad valorem taxes upon all the taxable property within the City and Borough, without limitation as to rate or amount, in amounts sufficient, together with such other moneys of the City and Borough available for such purposes as the Assembly of the City and Borough may, from time to time, appropriate and make available to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City and Borough are hereby irrevocably pledged for the levy of such taxes and the prompt payment of such principal and interest. The pledge of tax levies for payment of principal of and interest on the bond may be discharged prior to maturity of the bond by making provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

The bond is not a "private activity bond" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The City and Borough has not designated the bond as a "qualified tax-exempt obligation" under Section 265(b) of the Code for investment by banks, thrift institutions and other financial institutions.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska to exist, to have happened, been done and performed precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City and Borough may incur.

IN WITNESS WHEREOF, the City and Borough of Juneau, Alaska has caused this bond to be executed by the manual or facsimile signature of its City Manager or his/her designee and attested by the manual or facsimile of the Clerk, and the official seal of the City and Borough to be impressed, imprinted or otherwise reproduced hereon, as of this ____ day of ________, 20[13/14].

CITY AND BOROUGH OF
JUNEAU, ALASKA

By /s/ manual or facsimile
City Manager or Designee

ATTEST:

/s/ manual or facsimile
Clerk

The Certificate of Authentication for the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is the General Obligation Bond, 20[13/14] of the City and Borough of Juneau, Alaska, dated ___________, 20[13/14], and described in the within-mentioned Bond Ordinance.

Finance Director, City and Borough of Juneau,
Alaska, as Bond Registrar

By_______________________________
Authorized Signer

Section 7. Execution of Bonds. The Bonds shall be executed on behalf of the City and Borough with the manual or facsimile signature of the City Manager or his/her designee, shall be attested by the manual or facsimile signature of the City and Borough Clerk, and the seal of the City and Borough shall be impressed or a facsimile thereof imprinted or otherwise reproduced thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be officer or officers of the City and Borough before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City and Borough, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City and Borough as though those who signed the same had continued to be such officers of the City and Borough. Any Bond may also be signed and attested on behalf of the City and Borough by such persons who are at the actual date of delivery of such Bonds the proper officers of the City and Borough although at the original date of such Bonds any such person shall not have been such officer of the City and Borough.

Section 8. Lost, Stolen, Destroyed or Mutilated Bonds. In case any Bonds shall at any time become mutilated or be lost, stolen or destroyed, the City and Borough in the case of such mutilated Bonds shall, and in the case of such lost, stolen or destroyed Bonds in its discretion may, execute and deliver a new Bond of like tenor and effect in exchange or substitution for and upon the surrender and cancellation of such mutilated Bonds, or in lieu of or in substitution for such destroyed, stolen or lost Bonds, or if such stolen, destroyed or lost Bonds shall have matured, instead of issuing a substitute therefor, the City and Borough at its option pay the same without the surrender thereof. Except in the case where a mutilated Bonds is surrendered, the applicant for the issuance of a substitute Bond shall furnish to the City and Borough evidence satisfactory to it of the theft, destruction, or loss of the original Bonds, and of the ownership thereof, and also such security and indemnity as may be required by the City and Borough, and no such substitute Bond shall be issued unless the applicant for the issuance thereof shall reimburse the City and Borough for the expenses incurred by the City and Borough in connection with the preparation, execution, issuance, and delivery of the substitute Bonds, and any such substitute Bond shall be equally and proportionately entitled to the security of this ordinance with all other bonds issued hereunder, whether or not the Bonds alleged to have been lost, stolen or destroyed shall be found at any time or be enforceable by anyone.

Section 9. Pledge of Taxes and Credit. The City and Borough hereby irrevocably covenants that, unless the principal of and interest on the Bonds are paid from other sources, it will make annual levies of taxes without limitation as to rate or amount upon all of the property in the City and Borough subject to taxation in amounts sufficient to pay such principal and interest as the same shall become due. The full faith, credit and resources of the City and Borough are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest. There is maintained in the office of the Finance Director a special fund of the City and Borough known as the "Debt Service Fund" (the "Bond Fund"), for the sole purpose of paying the principal of and interest on the Bonds and all other general obligation bonds of the City and Borough. Accrued interest, if any, received at the time of delivery of the Bonds shall be paid into the Bond Fund.

The City and Borough hereby irrevocably covenants and pledges for as long as the Bonds are outstanding that it will make provision for the payment of the principal of and interest on the Bonds in its annual budgets and further covenants that it will make annual levies of ad valorem taxes, for payment into the Bond Fund, upon all the property within the City and Borough subject to taxation, without limitation as to rate or amount, in amounts sufficient, with such other moneys available for such purposes as the Assembly from time to time may appropriate and order transferred to the Bond Fund, to pay the principal of and interest on the Bonds as the same shall be come due and payable.

Section 10. Construction Funds for Proceeds of the Bonds. There has heretofore been created in the office of the Finance Director of the City and Borough certain funds and accounts (the "Construction Funds"), into which shall be paid the proceeds of the Bonds (other than accrued interest which shall be deposited in the Bond Fund), and any and all other moneys which the City and Borough may now or later have on hand which are necessary and legally available to pay the costs authorized by Ordinance Serial No. 2012-33(b) and paying the costs of issuance of the Bonds. The Finance Director shall maintain records sufficient to account for the investment and expenditure of the Bond Authorization.

Said funds shall be drawn upon for paying the costs authorized by Ordinance Serial No. 2012-33(b), for repaying any other funds or accounts of the City and Borough that may have advanced moneys for such purposes and for paying all expenses incidental to such purposes and the expenses incidental to the issuance of the Bonds. Bond proceeds in the Construction Funds may be invested in any legal investment for City and Borough funds and the proceeds thereof and earnings thereon shall be deposited in the Construction Funds or at the option of the Finance Director in the Bond Fund. In the event there are any proceeds of the Bonds left remaining in the Construction Funds after the payment of all of such costs and expenses, the same may be used for any purpose permitted under Ordinance Serial No. 2012-33(b) or may be transferred to the Bond Fund or may be used for any purpose permitted under Section 10.10 of the Home Rule Charter of the City and Borough.

Section 11. Defeasance. In the event that money and/or noncallable Government Obligations maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in amounts (together with such money, if any) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Bond Fund or any account therein for the payment of the principal of and interest on the certain Bonds so provided for and such Bonds shall then cease to be entitled to any lien, benefit or security of this ordinance, except the right to receive the funds so set aside and pledged and to receive notices of early redemption, if any, and such Bonds shall no longer be deemed to be outstanding hereunder, or under any ordinance or resolution authorizing the issuance of bonds or other indebtedness of the City and Borough.

Section 12. Tax Covenants.

(a) *Arbitrage Covenant.* The City and Borough hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the City and Borough which may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code and the applicable regulations thereunder which, if such use had been reasonably expected on the dates of delivery of the Bonds to the initial purchasers thereof, would have caused such Bonds to be "arbitrage bonds" within the meaning of said section and said regulations. The City and Borough will comply with the requirements of Section 148 of the Code and the applicable regulations thereunder throughout the term of the Bonds.

(b) *Private Person Use Limitation for Bonds.* The City and Borough covenants that for as long as the Bonds is outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Bonds to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Bonds in a Bond Year to be directly or indirectly (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City and Borough) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The City and Borough further covenants that, if:

(3) More than five percent of the Net Proceeds of the Bonds is to be used for any Private Person Use; and

(4) More than five percent of the principal or interest payments on the Bonds in a Bond Year are (under the terms of this ordinance or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City and Borough) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private Person Use of the projects described in subsection (3) hereof or Private Person Use payments described in subsection (4) hereof that is in excess of the five percent limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the projects funded by the Bonds, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Bonds used for the state or local governmental use portion of the project to which the Private Person Use of such portion of the project relates. The City and Borough further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax status of the Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Bonds. To that end, the provisions of this section may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the City and Borough's bond counsel that such modification or elimination will not adversely affect the tax status of the Bonds.

Section 13. Sale of Bonds. The City Manager or his/her designee is authorized to negotiate and complete the sale of the Bonds to the Bond Bank on terms and conditions consistent with this ordinance and the Loan Agreement for the Bonds. Such terms and conditions, including the final principal amount, date, principal installment payment schedule, interest rates, payment dates and prepayment provisions, all as provided for in this ordinance, shall be set forth in the Loan Agreement, all subject to the Assembly's approval by resolution, which resolution may, at the option of the Assembly, provide for delegation within parameters approved by the Assembly.

Section 14. Undertaking to Provide Ongoing Disclosure. The City and Borough will execute a certificate for ongoing disclosure in form and substance satisfactory to the purchaser of the Bonds, and the City Manager or his/her designee is hereby authorized and directed to execute such certificate.

Section 15. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City and Borough shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

Section 16. Effective Date. This ordinance shall become effective thirty days after adoption.

ADOPTED this 17th day of December, 2012.

Merrill Sanford, Mayor

ATTEST:

Laurie J. Sica, Clerk

CERTIFICATE

I, the undersigned, Clerk of the City and Borough of Juneau, Alaska (the "City and Borough"), Do HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance Serial No. 2012-44 (the "Ordinance") of the City and Borough as finally passed at a regular meeting of the Assembly of the City and Borough (the "Assembly") held on the 17th day of December, 2012, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such special meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 26th day of December, 2012.

Laurie J. Sica

Laurie J. Sica, Clerk
City and Borough of Juneau

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

AIRPORT REVENUE BONDS

Serial No. 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.

Approved: June 24, 2019

Prepared By:

K&L GATES LLP
Seattle, Washington

City and Borough of Juneau, Alaska
Ordinance Serial No. 2019-22
Table of Contents*

* This Table of Contents and the cover page are for convenience of reference and are not intended to be a part of this ordinance.

Presented by: The Manager
Introduced: 06/03/19
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

WHEREAS, the City and Borough of Juneau, Alaska (the "City and Borough") owns and operates an international airport facility (the "Airport"); and

WHEREAS, the Airport is in need of expansion, renovation and improvement (the "Projects"); and

WHEREAS, the City and Borough is authorized by its Home Rule Charter to issue revenue bonds for capital project purposes without a vote of the electors; and

WHEREAS, the bonds herein authorized will be payable from certain revenue sources available to the Airport and identified herein; and

WHEREAS, the City and Borough is authorized by the Aviation Safety and Capacity Expansion Act of 1990, as amended (the "PFC Act") to impose and collect passenger facility charges for the purpose of financing capital improvements at the Airport; and

WHEREAS, the City and Borough receives Airport entitlement and discretional federal grants from the Federal Aviation Administration under the Airport Improvement Program (AIP); and

WHEREAS, the Finance Director will hold a public hearing on the issuance of any series of the bonds herein authorized that will be private activity bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Assembly finds that it is in the best interest of the City and Borough to sell the bonds herein authorized in one or more series to the Alaska Municipal Bond Bank (the "Bond Bank") on the terms and conditions set forth herein and in loan agreement(s) between the City and Borough and the Bond Bank, as authorized by this ordinance;

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Definitions. As used in this ordinance, unless a different meaning clearly appears from the context:

Accreted Value means with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in the proceedings authorizing their issuance as the amount representing the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date. The Accreted Value shall be determined in accordance with the provisions of the ordinance authorizing the issuance of such Balloon Maturity Bonds.

Additional Pledged Revenue means any income, receipt or revenue of the Airport (other than PFC Revenue and AIP Revenues) legally available to the payment of the principal of and interest on Bonds, each to the extent pledged under the terms of the loan agreement between the Bond Bank and the City and Borough with respect to the Bonds.

Adjusted Costs means costs of Projects paid or legally obligated to be paid from PFC Revenue or AIP Revenue to date, **minus** Projected Aggregate Debt Service with respect to Bonds, **minus** amounts then on deposit in the funds and accounts created under this ordinance and available for the payment of debt service on Bonds and **minus** costs of Projects paid from the proceeds of Bonds.

AIP Revenue means all Airport Improvement Program entitlement grants and AIP discretionary grants, specifically including AIP Grant Number 3-02-0133-078-2018.

Airport means the international airport facility owned by the City and Borough.

Annual Debt Service means the total amount of Debt Service for any Parity Bond or series of Parity Bonds or other evidences of indebtedness payable from Pledged Revenue in any fiscal year or Base Period.

Assembly means the Assembly of the City and Borough of Juneau as the same shall be duly and regularly constituted from time to time.

Balloon Maturity Bonds means any evidences of indebtedness of the City and Borough payable from Pledged Revenue which are so designated in the proceedings pursuant to which such indebtedness is incurred.

Base Period means each of the two most recently completed fiscal years for which audited financial statements are available within the 36-month period immediately preceding the date of issuance of an additional series of Future Parity Bonds.

Bonds means the not to exceed $18,000,000 par value City and Borough of Juneau, Alaska, Airport Revenue Bond, 20__[A/B][(AMT/Non-AMT)] authorized to be issued in one or more series pursuant to this ordinance; provided, however, that the term ***Bonds*** shall mean and include Future Parity Bonds when used in the context of the Sufficiency Covenant, the Reserve

Account Requirement and the Parity Requirement and the requirement for a City and Borough Representative's Certificate or a Consultant's Certificate.

Bond Bank means the Alaska Municipal Bond Bank, a public corporation and instrumentality of the State of Alaska, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended.

Bond Bank Bonds means bonds to be issued by the Bond Bank to provide funds to be loaned to the City and Borough pursuant to the Loan Agreement.

Bond Bank Reserve Agreement means the Reserve Depositary Agreement, between the Bond Bank Trustee and the City and Borough.

Bond Bank Trustee means The Bank of New York Mellon Trust Company, N.A., as the trustee for the Bond Bank under the terms of the 2005 General Obligation Bond Resolution adopted by the Board of Directors of the Bond Bank on July 13, 2005, as amended and shall include any successor thereto as provided in said Resolution.

Bond Fund means the "Airport Revenue Bond Debt Service Fund" maintained in the office of the Finance Director pursuant to this ordinance.

Bond Register means the registration books for the Bonds, maintained by the Bond Registrar, for the purpose of complying with the requirements of Section 149 of the Code and listing, inter alia, the names and addresses of all registered owners of the Bonds.

Bond Registrar means the Finance Director, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, and paying the principal of and interest on the Bonds.

Capital Appreciation Bonds means any Future Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Capital Appreciation Bonds. If so provided in the proceedings authorizing their issuance, Future Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Future Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed outstanding in a principal amount equal to their Accreted Value.

City and Borough means the City and Borough of Juneau, a municipal corporation organized and existing under the laws of the State of Alaska.

City and Borough Representative means the City Manager or such other official or employee of the City and Borough designated in writing by the City Manager.

City and Borough Representative's Certificate means a certificate dated no earlier than 30 days earlier than the delivery of the Future Parity Bonds, executed by a City and Borough Representative and stating that

(a) the Sufficiency Covenant will be met upon the issuance of the Future Parity Bonds; and

(b) Pledged Revenue received during the Base Period (as shown in the audited or unaudited financial statements of the City and Borough) was not less than 150% of Maximum Annual Debt Service on all Parity Bonds that will be Outstanding upon the issuance of such Future Parity Bonds;

provided, however, that in preparing such certificate, the City and Borough Representative

(1) shall take into account any Forecast PFC Rate Adjustment as if such new rate had been in effect during the entire Base Period and any Forecast AIP Revenue if such Forecast AIP Revenue has been appropriated, and

(2) may take into account any Additional Pledged Revenue.

Provided further, that the requirements for the City and Borough Representative's Certificate may be modified as approved by the Designated Representative by agreement with the Bond Bank.

City Manager means the city manager or interim city manager of the City and Borough.

Code means the United States Internal Revenue Code of 1986, as amended, together with all applicable rulings and regulations heretofore or hereafter promulgated thereunder.

Consultant means at any time an independent municipal financial consultant appointed by the City and Borough to perform the duties of the Consultant as required by this ordinance. For the purposes of delivering any certificate required by Section 15 hereof and making the calculation required by Section 15 hereof, the term Consultant shall also include any independent public accounting firm appointed by the City and Borough to make such calculation or to provide such certificate.

Consultant's Certificate means a certificate dated no earlier than 30 days earlier than the delivery of the Future Parity Bonds, executed by a Consultant and stating that

(a) the Sufficiency Covenant is estimated to be met upon the issuance of the Future Parity Bonds; and

(b) in each of the first five full calendar years (commencing with the first such year following the date of issuance of the Future Parity Bonds) following the date of issuance of the Future Parity Bonds), the amount of Pledged Revenue to be collected in each such year is estimated to be not less than 150% of Maximum Annual Debt Service on all Parity Bonds to be Outstanding after the issuance of the proposed Future Parity Bonds;

provided, however, that in computing the amount of Pledged Revenue, the Consultant:

(1) shall take into account any Forecast PFC Rate Adjustment on the assumption that such Forecast PFC Rate Adjustment will be in effect during the full five-year period;

(2) may take into account any Projected Additional Pledged Revenue estimated to be received during the full five-year period; and

(3) reasonable projections of PFC Revenue and AIP Revenue, based upon the methodology set forth in the certificate taking into account any projected change in the number of enplanements during the five-year period following the issuance of the Future Parity Bonds and the status of approval and funding of AIP Revenue;

provided, however, that the requirements for the Consultant's Certificate may be modified as approved by the City and Borough Representative by agreement with the Bond Bank.

Credit Facility means any Qualified Letter of Credit or Qualified Insurance.

Debt Service means, for any period of time,

(1) with respect to any outstanding Capital Appreciation Bonds which are not designated as Balloon Maturity Bonds in the proceedings authorizing their issuance, the principal amount thereof shall be equal to the Accreted Value thereof maturing or scheduled for redemption in such period, and the interest payable during such period;

(2) with respect to any outstanding Fixed Rate Bonds, an amount equal to (A) the principal amount of such Fixed Rate Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (B) the amount of any payments required to be made during such period into any sinking fund established for the payment of any such Fixed Rate Bonds, plus (C) all interest payable during such period on any such outstanding Fixed Rate Bonds and with respect to Fixed Rate Bonds with mandatory sinking fund requirements, calculated on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Fixed Rate Bonds on the date specified in the proceedings authorizing such Fixed Rate Bonds; and

(3) with respect to all other series of Parity Bonds, other than Fixed Rate Bonds, Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Parity Bonds during such period computed on the assumption that the amount of Parity Bonds as of the date of such computation would be amortized (i) in accordance with the mandatory redemption provisions, if any, set forth in the proceedings authorizing the issuance of such Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on the date 30 years after the date of issuance (ii) at an interest rate equal to the yield to maturity set forth in the 40-Bond Index published in the edition of *The Bond Buyer* (or comparable publication or such other similar index selected by the City and Borough) and published within ten days prior to the date of calculation or, if such calculation is being made in

connection with the certificate required by Section 15 hereof, then within ten days of such certificate, (iii) to provide for essentially level annual debt service of principal and interest over such period. Debt Service shall be net of any interest funded out of Bond proceeds. Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent authorized by ordinance or resolution.

Federal Tax Certificate means the certificate(s) executed on behalf of the City and Borough upon the issuance of the Bonds and including certain representations regarding the use and application of the Bond proceeds and the payment of rebatable arbitrage, if any, with respect to the Bonds.

Finance Director means the director of the finance department or interim director of the finance department of the City and Borough.

Fitch means Fitch Ratings, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, ***Fitch*** shall be deemed to refer to any other nationally recognized securities rating agency designated by the City Manager or his/her designee.

Fixed Rate Bonds means those Parity Bonds other than Capital Appreciation Bonds or Balloon Maturity Bonds issued under an ordinance in which the rate of interest on such Parity Bonds is fixed and determinable through their final maturity or for a specified period of time. If so provided in the proceedings authorizing their issuance, Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

Forecast PFC Rate Adjustment means (i) any required reduction in the rate of the levy of PFCs that constitute PFC Revenue or (ii) any increase in the rate of the levy of PFCs if the Port has taken all actions and has received all approvals required to impose such PFCs and if legislation has been enacted to permit such increase in the rate of levy of PFCs.

Forecast AIP Revenue means additional approved AIP Revenue under the Airport Improvement Program.

Future Parity Bonds means any revenue bonds which the City and Borough may hereafter issue having a lien upon the Pledged Revenue for the payment of the principal thereof and interest thereon equal to the lien of the Bonds upon the Pledged Revenue.

Governmental Components means the portions of the Projects identified as ***Governmental Components*** in the Federal Tax Certificate with respect to Bonds.

Governmental Project Fund means the fund or account into which certain net proceeds of the Bonds issued for the Governmental Components shall be deposited.

Government Obligations means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America and bank certificates of deposit secured by such obligations.

Loan Agreement means the Loan Agreement(s) for the Bonds by and between the City and Borough and the Bond Bank authorized to be entered into pursuant to Section 9 of this ordinance.

Maximum Annual Debt Service means highest dollar amount of Annual Debt Service in any fiscal year or Base Period for all outstanding Parity Bonds and/or for all subordinate lien evidences of indebtedness secured by Pledged Revenue, as the context requires.

Monthly Debt Service Deposit means an approximately equal amount to be deposited monthly in the Principal and Interest Account, such that the amount projected to be on hand in the Principal and Interest Account on the next succeeding debt service payment date shall be sufficient to pay the principal of and interest on Bonds then coming due, on the assumption that the deposit with respect to interest and with respect to principal shall be made in each month commencing with the month following the date of issuance of Bonds or the date following which capitalized debt service is no longer available for deposit in the Principal and Interest Account.

Moody's means Moody's Investors Service, Inc., its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, ***Moody's*** shall be deemed to refer to any other nationally recognized securities rating agency designated by the City Manager or his/her designee.

Parity Bonds means the Bonds and any Future Parity Bonds.

PFC means passenger facility charges authorized from time to time under the PFC Act.

PFC Act means the Aviation Safety and Capacity Expansion Act of 1990, Pub. L. 101-508, Title IX, Subtitle B, §§ 9110 and 9111, recodified as 49 U.S. § 40117, as amended or replaced from time to time.

PFC Authority means the Record of Decision dated October 3, 2017, as amended on August 31, 2018 and April 10, 2019, as the same may be amended from time to time, and any other record of decision (and amendments) relating to PFCs imposed or to be imposed by the City and Borough at the Airport.

PFC Capital Fund means the fund of that name created pursuant to Section 2(b) of this ordinance.

PFC Regulations means Part 158 of the Federal Aviation Regulations (14 CFR Part 158), as amended from time to time, and any other regulation issued with respect to the PFC Act.

PFC Revenue means all revenue received by the City and Borough from time to time from PFCs pursuant to PFC Authority imposed by the City and Borough at the Airport pursuant to the PFC Act and PFC Regulations including any investment income with respect thereto including proceeds thereof and gains from sales of investments after such revenue has been remitted to the City and Borough as provided in the PFC Regulations, all of which are pledged to the Bonds.

Pledged Revenue means PFC Revenue, AIP Revenue and Additional Pledged Revenue, if any, that has been pledged to the Bonds, and interest earnings on the Reserve Account to the extent that such earnings are available for transfer to the Principal and Interest Account.

Principal and Interest Account means the subaccount of that name created within the Bond Fund pursuant to Section 8 of this ordinance.

Private Activity Components means the portions of the Projects identified as ***Private Activity Components*** in the Federal Tax Certificate with respect to Bonds.

Private Activity Project Fund means the fund or account into which certain net proceeds of the Bonds issued for the Private Activity Components shall be deposited.

Projected Additional Pledged Revenue means anticipated receipts of Additional Pledged Revenue.

Projected Aggregate Debt Service means the aggregate amount of Annual Debt Service through the scheduled maturity(ies) of one or more series of Bonds or through any optional redemption date together with premium, if any, applicable to such one or more series of Parity Bonds, in each case calculated with the goal of minimizing the aggregate dollar amount necessary to pay and redeem such series of Future Parity Bonds whether at maturity or redemption prior to stated maturity.

Projected Costs means costs of Projects minus Projected Aggregate Debt Service.

Projects means, collectively, the Governmental Components and the Private Activity Components.

Projected Costs means costs of Projects minus Projected Aggregate Debt Service.

Qualified Insurance means any non-cancelable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) which insurance company or companies, as of the time of issuance of such policy or surety bond, are currently rated in one of the two highest Rating Categories by two of the Rating Agencies.

Qualified Letter of Credit means any irrevocable letter of credit issued by a financial institution for the account of the City and Borough on behalf of registered owners of the Bonds, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is currently rated in one of the two highest Rating Categories by a Rating Agency.

Rating Agency means Moody's or S&P or Fitch.

Rating Category means the generic rating categories of the Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

Registered Owner means the person named as the registered owner of a Bond in the Bond Register.

Reserve Account means the Reserve Account created in the Bond Fund pursuant to Section 8 of this ordinance.

Reserve Requirement means, with respect to Parity Bonds outstanding, the lesser of (a) 125% of Average Annual Debt Service, (b) 10% of the net proceeds of each series of Parity Bonds secured by the Reserve Account, or (c) Maximum Annual Debt Service.

Revenue Fund means the revenue funds or accounts into which Pledged Revenue are deposited.

S&P means S&P Global Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, ***S&P*** shall be deemed to refer to any other nationally recognized securities rating agency designated by the City Manager or his/her designee.

State means the State of Alaska.

Sufficiency Covenant means the requirement that (i) Unspent PFC Authority **plus** (ii) approved and appropriated AIP Revenue **plus** (iii) Projected Additional Pledged Revenue is at least equal to 105% of Projected Aggregate Debt Service with respect to all outstanding Bonds; provided, however, that the Sufficiency Covenant may be modified as approved by the City and Borough Representative by agreement with the Bond Bank.

Unspent PFC Authority means the aggregate dollar amount of PFCs authorized to be collected by the City and Borough under PFC Authority **minus** the dollar amount of Adjusted Costs.

<u>Rules of Interpretation</u>. In this ordinance, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein, "hereunder" and any similar terms, as used in this ordinance, refer to this ordinance as a whole and not to any particular article, section, subdivision or clause hereof, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this ordinance;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several sections of this ordinance, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this ordinance, nor shall they affect its meaning, construction or effect;

(e) Notwithstanding the foregoing definitions, the Finance Director may maintain such separate funds and accounts in such names and under such additional designations as shall be required or advisable to comply with the accounting standards and conventions followed by the City and Borough. The use of the term "Fund" is intended to meet legal requirements and is not intended to be defined as prescribed by generally accepted accounting principles;

(f) All references herein to "articles," "sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and

(g) Words importing the singular number include the plural number and vice versa.

Section 3. The Projects. This Assembly hereby ratifies and approves the completion of the terminal reconstruction project phase 2, including the Private Activity Components and the Governmental Components (collectively, the "Projects). The Projects have and will be undertaken in accordance with specifications and contracts for acquisition and construction approved by the Assembly from time to time.

It is hereby provided that said Projects shall be subject to such changes as to details of design or any other details of said Projects as may be authorized by the Assembly either prior to or during the actual course of construction.

The City and Borough may proceed with the construction and installation of the Projects as herein authorized, either alone or in conjunction with the construction of other facilities, and in whole, or in successive parts or units from time to time as may be found advisable.

Section 4. Costs of the Projects. The estimated cost of the Projects is hereby declared to be, as near as may be, the sum of up to $24,000,000 which is expected to paid from Airport revenues, PFC Revenue, AIP Revenue, state grants, general obligation bonds of the City and Borough, and other revenues dedicated by the City and Borough in addition to the proceeds of the Bonds.

Section 5. Authorization of Bonds.

(a) *Authorization.* The City and Borough shall issue and sell not to exceed $18,000,000 of its airport revenue bonds (the "Bonds") in one or more series for the purpose of providing permanent financing for the undertaking of the Projects, funding the Reserve Requirement and paying the costs of issuance of the Bonds.

(b) *Bond Details.* The Bonds shall be designated as the "City and Borough of Juneau, Alaska Airport Revenue Bond, 20__[A/B][(AMT/Non-AMT)]," shall be dated as of the date established pursuant to Section 9, shall be fully registered as to both principal and interest, shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification, and shall bear interest from their date payable on the dates set forth in each respective approved Loan Agreement, and shall come due on the dates set forth in the approved Loan Agreement of the following years in the following estimated aggregate principal installments:

Maturity Year	Principal Amount*
2020	$ 2,090,000
2021	2,150,000
2022	2,215,000
2023	2,300,000
2024	2,390,000
2025	2,490,000
2026	2,615,000

Total: $16,250,000*
* Principal maturities do not add to $18,000,000, in anticipation of selling Bonds with original issue premium, generating not more than $18,000,000 in net proceeds.

If the Bonds are sold in more than one series, the principal maturities of a series shall be applied to reduce the foregoing schedule as provided in the resolution approving the sale of that series; provided that in the aggregate the foregoing estimated principal amounts may increase or decrease in any year by 25%, and *provided, further,* in the aggregate, the Bonds shall be issued in principal amounts that provide no more than $18,000,000 (principal amount plus premium, if any, less costs of issuance) in net proceeds or $18,000,000 in principal amount, whichever is less.

Section 6. Registration, Exchange and Payments. The Finance Director shall act as authenticating agent, paying agent and registrar for the Bonds (collectively, the "Bond

Registrar"). The principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months. Interest on the Bonds shall be paid by check or draft of the Bond Registrar mailed (on the date such interest is due) to the Registered Owners or nominees at the addresses appearing on the Bond Register on the fifteenth day of the month preceding each interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds to the Bond Registrar by the registered owners or nominees at the office of the Bond Registrar. Notwithstanding the foregoing, so long as the Bond Bank is the Registered Owner of the Bonds, payments of principal of and interest on the Bonds shall be made to the Bond Bank in accordance with each Loan Agreement.

The Bonds may be transferred only on the Bond Register maintained by the Bond Registrar for that purpose upon the surrender thereof by the registered owner or nominee or his/her duly authorized agent and only if endorsed in the manner provided thereon, and thereupon a new fully registered Bond of like series, principal amount, maturity and interest rates shall be issued to the transferee in exchange therefor. Upon surrender thereof to the Bond Registrar, the Bond is interchangeable for a bond or bonds in any authorized denomination of an equal aggregate principal amount and of the same series, interest rates and maturities. Such transfer or exchange shall be without cost to the Registered Owner or transferee.

The City and Borough may deem the person in whose name each Bond is registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on such Bond and for any and all other purposes whatsoever.

Section 7. Priority of Payments from Pledged Revenue and Capital Fund.

(a) *Revenue Fund.* There shall be maintained a special revenue fund of the City and Borough herein referred to as the "Revenue Fund" into which all AIP Revenue, PFC Revenue and Additional Pledged Revenue shall be deposited. The Revenue Fund may be maintained under different fund or account designations at the option of the Finance Director in order to comply with the accounting procedures of the City and Borough.

(b) *Flow of Funds.* The Port's PFC Revenue, AIP Revenue and Additional Pledged Revenue, if pledged to Bonds, shall be deposited in the Revenue Fund as collected. The PFC Revenue Fund shall be held separate and apart from all other funds and accounts of the City and Borough, and the Pledged Revenue deposited therein shall be used only for the following purposes and in the following order of priority on or before the 25th day of each month following the date of adoption of this resolution and until so applied shall be pledged to the payment of and subject to a lien and charge in favor of the Bond Bank:

First, to make the Monthly Debt Service Deposit, if required by the Bond Bank or otherwise at times and in amounts as set forth in a Loan Agreement, into the Principal and Interest Account (but only to the extent that such Monthly Service Deposit is not made from amounts held as capitalized interest);

Second, to make all payments required to be made into the Reserve Account to maintain the required balance therein; and

Third, to the Capital Fund, or at the option of the City and Borough to the prior redemption of Bonds.

(c) *Capital Fund*. There is hereby authorized to be created and maintained a separate fund of the City and Borough to be designated as the "Capital Fund." Money in the Capital Fund may be used and disbursed (i) to pay the costs of Projects, respectively authorized to be paid either from PFC Revenue or AIP Revenue, as permitted by law; or (ii) be transferred to the Revenue Fund; or (iii) to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Projects if permitted by law, including PFC Regulations, or to the extent permitted by law, including PFC Regulations, for any other lawful Airport purposes; or (iv) to pay debt service on any other obligation incurred by the City and Borough to pay costs of Projects and, until so applied, shall be pledged to the payment of and subject to a lien and charge in favor of the Bond Bank. Money on hand in the Capital Fund may be invested in any legal investment for funds of the City and Borough.

Section 8. Bond Fund. A special account of the City and Borough designated as the "Airport Revenue Bond Debt Service Fund" (the "Bond Fund") has heretofore been created in the office of the Finance Director for the purpose of paying and securing the payment of the Bonds and all Parity Bonds. The Bond Fund shall be held separate and apart from all other accounts of the City and Borough and shall be a trust account for the owner of Parity Bonds. The Bond Fund shall be divided into two separate accounts: a Principal and Interest Account for the payment of the principal of and interest on Parity Bonds and the payment of redemption premium, if any, whether due at maturity or redemption prior to maturity and a Reserve Account for the purpose of additionally securing the repayment of Parity Bonds.

(a) *Payments Into Principal and Interest Account*. The Finance Director may direct all or a portion of the original issue premium to be deposited in the Principal and Interest Account. Payments to the Principal and Interest Account shall be made monthly as provided in Section 7(b) of this ordinance. Furthermore, as long as any Parity Bonds remain outstanding, the City and Borough hereby irrevocably obligates and binds itself to set aside and pay from the Bond Fund into the Principal and Interest Account those amounts necessary, together with such other funds as are on hand and available in the Principal and Interest Account, to pay the interest or principal and interest next coming due on outstanding Parity Bonds. Such payments from the Revenue Fund shall be made on or prior to the due date for such installment of principal and interest.

(b) *Priority of Lien of Payments into Principal and Interest Account*. Said amounts so pledged to be paid into the Bond Fund with respect to the Bonds are hereby declared to be a prior lien and charge upon the Pledged Revenue superior to all other charges of any kind or nature whatsoever, except that the amounts so pledged are of equal lien to the lien and charge thereon of any Future Parity Bonds.

(c) *Reserve Account.* A Reserve Account (the "Reserve Account") is hereby authorized to be created in the Bond Fund for the purpose of securing the payment of the principal of and interest on all Parity Bonds. The City and Borough hereby covenants to deposit into the Reserve Account on the date of issuance of the Bonds from Bond proceeds and/or from funds of the City and Borough legally available therefor an amount equal to the Reserve Requirement with respect to the Bonds.

The City and Borough further covenants and agrees that when said required deposits have been made into the Reserve Account, it will at all times maintain therein an amount at least equal to the Reserve Requirement with respect to all outstanding Parity Bonds. Whenever there is an insufficient amount in the Bond Fund, including the Reserve Account and the Principal and Interest Account to pay the principal of and interest on all outstanding Parity Bonds when due, the money in the Reserve Account may be used to pay such principal and interest. Money in the Reserve Account may be withdrawn to redeem and retire, and to pay the interest due to such date of redemption on any outstanding Bonds, so long as the money left remaining on deposit in the Reserve Account is equal to the Reserve Requirement with respect to all outstanding Parity Bonds.

The City and Borough may satisfy the Reserve Requirement, in whole or in part with a Qualified Letter of Credit or Qualified Insurance. In making the payments and credits to the Reserve Account required by this subsection (c), to the extent that the City and Borough has obtained Qualified Insurance or a Qualified Letter of Credit for specific amounts required pursuant to this section to be paid out of the Reserve Account, such amounts so covered by Qualified Insurance or a Qualified Letter of Credit shall be credited against the amounts required to be maintained in the Reserve Account by this subsection (c) to the extent that such payments and credits to be made are insured by an insurance company, or guaranteed by a letter of credit from a financial institution. A Qualified Letter of Credit shall not be cancelable on less than 30 days' notice to the City and Borough, and Qualified Insurance shall be noncancellable. In the event of any cancellation of a Qualified Letter of Credit, the Reserve Account shall be funded in accordance with the third paragraph of this subsection (c) as if the Parity Bonds for whose benefit the Qualified Letter of Credit was issued which then remain outstanding had been issued on the date of such notice of cancellation.

In the event that the City and Borough elects to meet the Reserve Requirement through the use of a Qualified Letter of Credit, Qualified Insurance or other equivalent credit enhancement device, the City and Borough may contract with the entity providing such Qualified Letter of Credit, Qualified Insurance or other equivalent credit enhancement device that the City and Borough's reimbursement obligation, if any, to such entity shall be made from Pledged Revenue available after the payments described in Paragraphs First through Third in Section 7 hereof have been made.

In the event a deficiency in the Principal and Interest Account shall occur, the deficiency shall be made up from the Reserve Account by the withdrawal of cash therefrom for that purpose and by the sale or redemption of obligations held in the Reserve Account, if necessary, in such amounts as will provide cash in the Reserve Account sufficient to make up any such deficiency, and if a deficiency still exists immediately prior to an interest payment date and after the withdrawal of cash, the City and Borough shall then draw from any Qualified Letter of Credit, Qualified Insurance, or other equivalent credit facility that secures the Parity Bonds in sufficient amount to make up the deficiency. Such draw shall be made at such times and under such conditions as the agreement for such Qualified Letter of Credit or such Qualified Insurance shall provide. Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up within one year of the date of withdrawal from Pledged Revenue after making necessary provision for making the payments described in Paragraphs First and Second in Section 7(b) hereof.

(d) *Application and Investment of Moneys in the Bond Fund*. Money in the Principal and Interest Account not needed to pay the interest or principal installment and interest next coming due on Parity Bonds may be used to prepay Parity Bonds. Money in the Bond Fund therein may be invested in any legal investment for the funds of the City and Borough. All interest earned and income derived by virtue of such investments shall remain in the Bond Fund (or respective account therein) and be used to meet the required deposits into any account therein.

Section 9. Sale of Bonds. The City Manager or his/her designee is authorized to negotiate and complete the sale of the Bonds in one or more series to the Bond Bank on terms and conditions consistent with this ordinance and the respective Loan Agreement for the Bonds. Following the sale of the Bond Bank Bonds for a series of Bonds, such terms and conditions, including the final principal amount, date, principal installment payment schedule, interest rates, payment dates and prepayment provisions, all as provided for in this ordinance, shall be set forth in a Loan Agreement, all subject to the Assembly's approval by resolution, which resolution may, at the option of the Assembly, provide for delegation within parameters approved by the Assembly.

Section 10. Undertaking to Provide Ongoing Disclosure. The City and Borough will execute a certificate for ongoing disclosure in form and substance satisfactory to the purchaser of the Bonds, and the City Manager or his/her designee is hereby authorized and directed to execute such certificate.

Section 11. Insurance. The Bond Bank may, with the consent of the City and Borough and on terms and conditions acceptable to the City and Borough, obtain a policy of municipal bond insurance guaranteeing the payment when due of the principal of and interest on a series of the Bond Bank's Bonds issued to provide funds for the loan to the City and Borough pursuant to a Loan Agreement. By the Loan Agreement, the City Manager or his/her designee may approve any such policy of municipal bond insurance and authorize all other officers, agents, attorneys, and employees of the City and Borough to cooperate with the bond insurer in preparing such additional agreements, certificates, and other documentation on behalf of the City and Borough, consistent with this ordinance, as shall be necessary or advisable in providing for such policy of municipal bond insurance.

The City Manager or his/her designee also may obtain a surety policy in order to satisfy the Reserve Requirement on the condition that the surety policy meets the requirements of Qualified Insurance on terms and conditions determined to be acceptable to the City Manager or his/her designee. The City Manager or his/her designee may execute such additional agreements or certificates and provide such documentation to the issuer of such surety policy as shall be necessary or advisable in providing for such surety policy.

In connection with the initial issuance and sale of the Bonds to the Bond Bank, and notwithstanding the provisions of Section 19 of this ordinance to the contrary, the Assembly may by resolution modify any of the covenants or other provisions of this ordinance as may be required by a provider of bond insurance or a surety policy for the Bond Bank's Bonds.

Section 12. Disposition of Proceeds of the Bonds. The Finance Director may direct that all or a portion of the original issue premium also be deposited in the Principal and Interest Account. Unless the Reserve Requirement is satisfied with a Credit Facility or other Airport revenues, a portion of the Bond proceeds in the amount designated by the Finance Director shall be deposited in the Reserve Account in order to meet the Reserve Requirement. The City and Borough shall maintain a fund or account for the Governmental Components (the "Governmental Project Fund") and a fund or account for the Private Activity Components (the "Private Activity Project Fund"). The balance of the proceeds of sale of the Bonds of a series shall be deposited in the Governmental Project Fund or the Private Activity Project Fund, as applicable, or a subaccount therein and shall be expended solely to pay the cost of issuing and selling that series of Bonds and, together with other available moneys of the City and Borough, shall be used to reimburse the City and Borough for funds already distributed for the costs of the Governmental Components or the Private Activity Components, respectively, and to pay the costs of completing the Governmental Components or the Private Activity Components, as the case may be. Money in the Governmental Project Fund and the Private Activity Project Fund shall be invested by the Finance Director, pending disbursement, in any legal investment for City and Borough funds, and interest earnings shall be deposited in the respective Project Fund.

Section 13. Defeasance. In the event that money and/or noncallable Government Obligations maturing or having guaranteed redemption prices at the option of the holder at such time or times and bearing interest to be earned thereon in amounts (together with such money, if any) sufficient to redeem and retire part or all of the Bonds in accordance with the its terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Bond Fund or any account therein for the payment of the principal of and interest on the Bonds or portion thereof so provided for and the Bonds or portion thereof shall then cease to be entitled to any lien, benefit or security of this ordinance, except the right to receive the accounts so set aside and pledged, and the Bonds or portion thereof shall no longer be deemed to be outstanding hereunder.

Section 14. Specific Covenants. The City and Borough hereby covenants and agrees with the owners of the Bonds that for as long as the Bonds remain outstanding as follows:

(a) *Sufficiency Covenant*. The City and Borough will at all times establish, maintain and collect PFC Revenue and apply for committed AIP Revenue which, together with Projected Additional Pledged Revenue, will be sufficient to meet the Sufficiency Covenant and undertake to measure compliance with the Sufficiency Covenant as of the end of each fiscal year.

If the Sufficiency Covenant is not met, the City and Borough shall:

(1) redeem or defease Bonds in amounts sufficient to permit the City and Borough to comply with the Sufficiency Covenant; and/or

(2) identify Additional Pledged Revenue sufficient to permit a Consultant to certify compliance with the Sufficiency Covenant; and/or

(3) endeavor to obtain committed and appropriated AIP Revenue and obtain an amendment to existing PFC Authority or new PFC Authority and/or

(4) identify and agree to use other legally available funds of the City and Borough to pay Projected Costs not already paid, in an amount sufficient (together with amounts realized as a result of the other options identified hereinabove) to meet the Sufficiency Covenant.

If the Sufficiency Covenant is not met, and the steps in (1) through (4) have not been taken, the City and Borough shall not spend any money on deposit in the Capital Fund except to pay debt service on the Bonds or to make deposits to the Reserve Account.

The failure of the City and Borough to meet the Sufficiency Covenant shall not constitute a default on the Bonds unless, prior to curing such failure, the City and Borough fails to take one of the actions described in (1) through (4) above and, while such failure continues, the City and Borough disburses money from the Capital Fund for purposes other than the payment of debt service on Bonds or required deposits to the Reserve Account.

(b) *Airport Maintenance*. The City and Borough will at all times maintain and keep the Airport in good repair, working order and condition, and also will at all times operate such facilities and the business in connection therewith in an efficient manner and at a reasonable cost.

(c) *Books and Records*. The City and Borough will, while the Bonds remain outstanding, keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the Airport, and it will furnish the original purchaser or purchasers of the Bonds or any subsequent owner or owners thereof, at the written request of such owner or owners, complete operating and income statements of the Airport in reasonable detail covering any fiscal year, showing the financial condition of the Airport and compliance with the terms and conditions of this ordinance, not more than 120 days after the close of such fiscal year, and it will grant any owner or owners of at least 25% of the outstanding Bonds the right at all reasonable times to inspect the entire Airport and all records, accounts and data of the City and Borough relating thereto. Upon request of any owner of any of said Bonds, it will also furnish to such owner a copy of the most recently completed audit of the City and Borough's accounts.

(d) *Ordinance a Contract*. This ordinance shall constitute a contract with the registered owners of the Bonds, and upon any default hereunder, said owner shall have the right to institute a mandamus action in any court of competent jurisdiction to compel performance by the City and Borough in accordance with the terms of this ordinance.

(e) *Tax Covenants*. The Finance Director is an officer of the City and Borough whose duties include the holding of such hearings as may be required under the Code in order to assure the tax-exempt status of the Bonds. The Finance Director will hold a public hearing on the issuance of the Bonds for the Private Activity Components, pursuant to published notice on the City and Borough's website or in a newspaper of general circulation in the City and Borough. The City and Borough covenants to undertake all actions required to maintain the tax-exempt status of interest on the Bonds under Section 103 of the Code as set forth in the Federal Tax Certificate(s) that will be executed at the closing for the Bonds.

The City and Borough has not designated the Bonds as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code for banks, thrift institutions and other financial institutions.

(f) *Compliance with Law*. The City and Borough will comply with all provisions of the PFC Act, ANCA, the PFC Authority and the PFC Regulations applicable to the City and Borough and all provisions thereof, and will not take any action or omit to take any action with respect to PFC Revenue, the Projects, the Airport or otherwise if such action or omission would, pursuant to the PFC Regulations, cause the termination or reduction of the City and Borough's authority to impose passenger facility charges or prevent the collection and use of the PFC Revenue as contemplated by this resolution. The City and Borough covenants that all money in the PFC Revenue Fund and the PFC Capital Fund will be used in compliance with all provisions of the PFC Act and the PFC Regulations applicable to the City and Borough and all provisions of the PFC Authority. Without limiting the generality of the foregoing, the City and Borough covenants that, to the extent necessary to comply with the foregoing covenant:

(1) The City and Borough will diligently seek approval to use PFC Revenue for the Projects within the time periods set forth in the PFC Regulations and will begin implementation of the Projects within the time periods set forth in the PFC Regulations;

(2) The City and Borough (A) will impose PFCs to the full extent such imposition has been authorized and approved by the FAA in the FAA's Record of Decision, dated October 3, 2017, as amended on August 31, 2018 and April 10, 2019, and as may be further amended in the future, and (B) will not unilaterally decrease the level of the passenger facility charge to be collected from any passenger;

(3) The City and Borough will not impose any noise or access restriction at the Airport not in compliance with ANCA;

(4) The City and Borough will take all action reasonably necessary to cause all collecting airline carriers to collect and remit to the City and Borough all PFCs at the Airport required by the PFC Regulations to be so collected and remitted; and

(5) The City and Borough will contest any attempt by the FAA to terminate, reduce or suspend the City and Borough's authority to impose, receive or use PFC at the Airport prior to the charge expiration date or the date total approved passenger facility charge revenue has been collected.

Section 15. Future Parity Bonds.

(a) *Conditions upon the Issuance of Future Parity Bonds.* As long as the Bonds remain outstanding, the City and Borough hereby further covenants and agrees that it will not issue any obligations having a lien on the Pledged Revenue prior to the lien thereon of the Bonds and further that it will not issue any Future Parity Bonds except in accordance with the conditions of this Section 15. The City and Borough hereby reserves the right to issue additional revenue obligations, which shall constitute a charge and lien upon the Pledged Revenue equal to the lien thereon of the Bonds. Except as provided in subsection (b) below, the City and Borough shall <u>not</u> issue any series of Future Parity Bonds or incur any additional indebtedness with a parity lien or charge on Pledged Revenue (*i.e.*, on a parity of lien with Parity Bonds at the time outstanding) unless:

(1) the City and Borough shall not have been in default of its Sufficiency Covenant for the immediately preceding fiscal year;

(2) The ordinance authorizing the issuance of such Future Parity Bonds shall provide that the Reserve Requirement shall be funded no later than the date of delivery of the Future Parity Bonds and shall include the covenants set forth in Section 14 of this ordinance (including the tax covenant, to the extent applicable); and

(3) there shall have been filed either a City and Borough's Representative Certificate or a Consultant's Certificate.

(b) *No Certificate Required*. The certificate described in the foregoing subsection (a)(3) shall <u>not</u> be required as a condition to the issuance of Future Parity Bonds:

(1) if the Future Parity Bonds being issued are for the purpose of refunding outstanding Parity Bonds and the annual debt service requirements for each year in which Parity Bonds are then outstanding are not increased as a result of the refunding; or

(2) if the Future Parity Bonds are being issued to pay costs of construction of facilities of the Airport for which Parity Bonds have been issued previously and the principal amount of such Future Parity Bonds being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of Parity Bonds theretofore issued for such facilities and reasonably allocable to the facilities to be completed as shown in a written certificate of the City and Borough Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such facilities has not materially changed.

(e) *Subordinate Lien Obligations*. Nothing herein contained shall prevent the City and Borough from issuing revenue bonds or other obligations which are a charge upon the

Pledged Revenue junior or inferior to the payments required by this ordinance to be made out of such Pledged Revenue to pay and secure the payment of any outstanding Parity Bonds.

(f) *Refunding Obligations*. Nothing herein contained shall prevent the City and Borough from issuing revenue bonds to refund maturing Parity Bonds for the payment of which moneys are not otherwise available.

Section 16. Lost, Stolen or Destroyed Bonds. In case a Bond shall be lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond of like amount, date and tenor to the owner thereof upon the owner's paying the expenses and charges of the Bond Registrar and the City and Borough in connection therewith and upon his filing with the Bond Registrar and the City and Borough evidence satisfactory to both that such Bond was actually lost, stolen or destroyed and of his ownership thereof, and upon furnishing the City and Borough and the Bond Registrar with indemnity satisfactory to both.

Section 17. Form of Bonds and Registration Certificate. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. ________ $____________

STATE OF ALASKA

CITY AND BOROUGH OF JUNEAU
AIRPORT REVENUE BOND, 20__[A/B][(AMT/Non-AMT)]

INTEREST RATES: See Below

FINAL MATURITY DATE:

REGISTERED OWNER: ALASKA MUNICIPAL BOND BANK

PRINCIPAL AMOUNT:

THE CITY AND BOROUGH OF JUNEAU, ALASKA (the “City and Borough”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, but solely from Pledged Revenue, the Principal Amount indicated above in accordance with the installment payment schedule set forth below (unless prepaid prior thereto as provided herein) and to pay interest thereon from __________, 20__, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the interest rates set forth below, payable on ________ 1, 20___ and semiannually thereafter on the first day of each _______ and __________.

Year of Principal Installment Payment (________ 1)	Principal Installment Amount	Interest Rate
	$	

Both principal of and interest on this bond are payable in lawful money of the United States of America. Installments of principal of and interest on this bond shall be paid by check or draft mailed to the Registered Owner at the address appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of this bond shall be payable upon presentation and surrender of this bond by the Registered Owner at the principal office of the Finance Director of the City and Borough of Juneau, Alaska (the "Bond Registrar"). Notwithstanding the foregoing, so long as the Bond Bank is the Registered Owner of this bond, payments of principal of and interest on the Bond shall be made to the Bond Bank in accordance with the Loan Agreement.

This bond is an airport revenue bond of the Borough and is issued pursuant to Ordinance Serial No. 2019-22 (the "Bond Ordinance") for the purpose of making certain improvements to the Airport.

The bond is subject to prepayment as described in the Loan Agreement.

The City and Borough hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Ordinance.

The City and Borough does hereby pledge and bind itself to set aside from Pledged Revenue, and to pay into said Bond Fund the various amounts required by the Bond Ordinance to be paid into and maintained in said Fund, all within the times provided by said Bond Ordinance.

To the extent more particularly provided by the Bond Ordinance, the amounts so pledged to be paid from the Revenue Fund out of the Pledged Revenue into the Bond Fund and the accounts therein shall be a lien and charge thereon equal in rank to the lien and charge upon said Pledged Revenue of the amounts required to pay and secure the payment of any airport revenue bonds of the City and Borough hereafter issued on a parity with the bonds of this issue and superior to all other liens and charges of any kind or nature.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

[This bond [is][is not] a "private activity bond" as such term is defined in the Internal Revenue Cod of 1986, as amended (the "Code").]This bond is not a "qualified tax-exempt obligation" under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

It is hereby certified and declared that this bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of Alaska and ordinances of the City and Borough, including the Bond Ordinance, and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, City and Borough of Juneau, Alaska has caused this Bond to be executed by the manual or facsimile signature of the City Manager or his/her designee and authenticated by the manual or facsimile signature of Clerk of the City and Borough as of this _____ day of ___________, 20__.

CITY AND BOROUGH OF
JUNEAU, ALASKA

By__________/s/ manual or facsimile____________
City Manager or Designee

ATTEST:

______/s/ manual or facsimile____________
Clerk

The Certificate of Authentication for the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is the Airport Revenue Bond, 20__[A/B][(AMT/Non-AMT)] of the City and Borough of Juneau, Alaska, dated ________, 20__, and described in the within-mentioned Bond Ordinance.

CITY AND BOROUGH OF JUNEAU, ALASKA
FINANCE DIRECTOR, as Bond Registrar

By____
Finance Director

Section 18. Execution of Bonds. The Bonds shall be executed on behalf of the City and Borough with the manual or facsimile signature of the City Manager or the Finance Director or his/her respective designee, shall be attested by the manual or facsimile signature of the City and Borough Clerk, and the seal of the City and Borough shall be impressed or a facsimile thereof imprinted or otherwise reproduced thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be officer or officers of the City and Borough before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City and Borough, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City and Borough as though those who signed the same had continued to be such officers of the City and Borough. The Bonds may also be signed and attested on behalf of the City and Borough by such persons who are at the actual date of delivery of such Bond the proper officers of the City and Borough although at the original date of such Bonds any such person shall not have been such officer of the City and Borough.

Section 19. Supplements and Amendments.

(a) *Without Consent of Owner.* The City and Borough from time to time and at any time may adopt an ordinance or ordinances supplemental hereof, which ordinance or ordinances thereafter shall become a part of this ordinance, for one or more or all of the following purposes:

(1) To add to the covenants and agreements of the City and Borough in this ordinance contained and other covenants and agreements thereafter to be observed, which shall not adversely affect the interests of the owners of the Bonds, or to surrender any rights or power herein reserved to or conferred upon the City and Borough.

(2) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this ordinance in regard to matters or questions arising under the ordinance as the Assembly may deem necessary or desirable and not inconsistent with the ordinance and which shall not adversely affect the interest of the owner of Parity Bonds.

Any such supplemental ordinance of the Assembly may be adopted without the consent of the owner of the Bonds at any time outstanding, notwithstanding any of the provisions of this section.

(b) *With Owner's Consent.* With the consent of the owners of Parity Bonds, the Assembly of the City and Borough may adopt an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall extend the fixed maturity of the Bonds, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof without the consent of the owner of each Parity Bond so affected.

It shall not be necessary for the consent of the owner under this subsection to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

(c) *Effective Date of Modification*. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City and Borough under this ordinance shall thereafter be determined, exercised and enforced thereunder, subject in all respect to such modification and amendments, and all the terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this ordinance for any and all purposes. A copy of each supplemental ordinance shall be provided to the owners of the Bonds.

Section 20. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City and Borough shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity of the other provisions of this ordinance.

Section 21. Effective Date. This ordinance shall become effective thirty days after adoption.

ADOPTED this 24th day of June, 2019.

Beth Weldon, Mayor

ATTEST:

Beth McEwen, Clerk

CERTIFICATE

I, the undersigned, Clerk of the City and Borough of Juneau, Alaska (the "City and Borough"), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance Serial No. 2019-22 (the "Ordinance") of the City and Borough as finally passed at a regular meeting of the Assembly of the City and Borough (the "Assembly") held on the 24th day of June, 2019, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Assembly was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the adoption of the Ordinance; that all other requirements and proceedings incident to the proper adoption of the Ordinance have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of June, 2019.

____

Beth McEwen, Clerk
City and Borough of Juneau

Presented by: The Manager
Introduced: 06/03/2019
Drafted by: Robert Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

WHEREAS, the Land Use Maps of the Comprehensive Plan may be amended by the Assembly as necessary to reflect changing conditions; and

WHEREAS, the CBJ Comprehensive Plan recommends the facilitation of various housing types and densities that are appropriately located in relation to site conditions, surrounding land uses, and capacity of public facilities and transportation systems; and

WHEREAS, the Land Use Maps of the Comprehensive Plan designate Thunder Mountain Lots 10, 12, and a Fraction of 11 as Urban Low Density Residential (ULDR); and

WHEREAS, the ULDR designation is not appropriate for the subject parcels because they have been historically used in conjunction with the abutting Medium Density Residential (MDR) designated parcels; and

WHEREAS, the property adjacent to the subject parcels is designated in the Land Use Maps as MDR, which is described as appropriate for multifamily dwelling units at densities of 5 - 20 units per acre; and

WHEREAS, the MDR designation that is adjacent to the subject parcels is more appropriate than the current ULDR designation due to the availability of public sewer, public water, publically maintained streets, and surrounding MDR land use designations.

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Code.

Section 2. Amendment to Comprehensive Plan Land Use Map. The Land Use Maps of the Comprehensive Plan of the City and Borough are amended to change the land use designation of Thunder Mountain Lots 10, 12, and a Fraction of 11 from Urban Low Density Residential (ULDR) to Medium Density Residential (MDR).

The described amendment is shown on the attached Exhibit A.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____day of ______________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

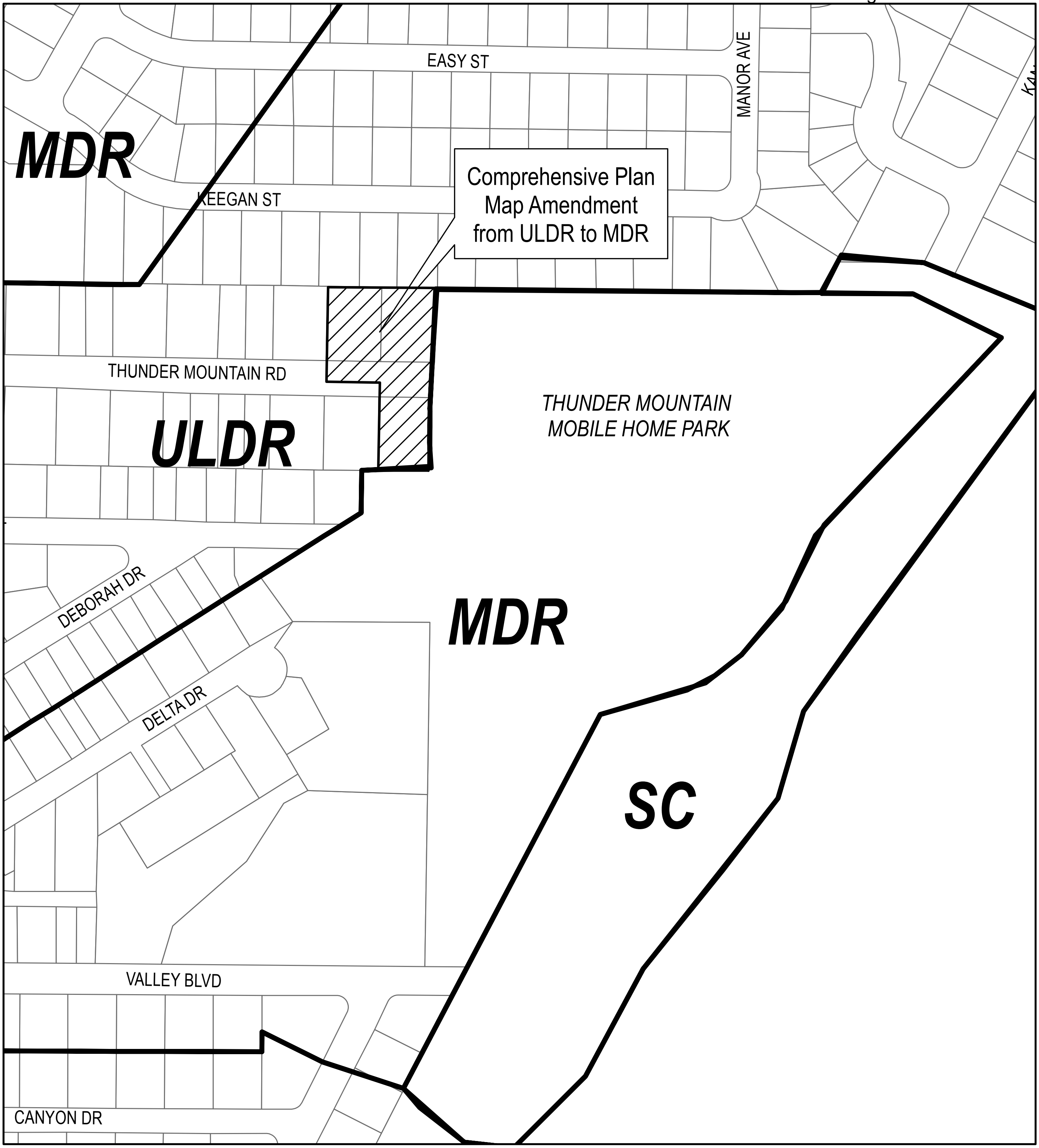


EXHIBIT A - Ord. No. 2019-25

Land Use Change for
THUNDER MOUNTAIN LOTS 10, 11FR, & 12
from ULDR to MDR

0 125 250 500 Feet

N

Map created: 5/30/2019

Project source: P:\quinn\Projects\CDD\zoning_ordinances_5.mxd

Planning Commission
(907) 586-0715
PC_Comments@juneau.org
www.juneau.org/plancomm
155 S. Seward Street • Juneau, AK 99801

PLANNING COMMISSION
NOTICE OF RECOMMENDATION

Date: May 16, 2019
Case No.: AME2019 0004

City and Borough of Juneau
City and Borough Assembly
155 South Seward Street
Juneau, AK 99801

Proposal:	Planning Commission Recommendation to the City and Borough Assembly regarding amendment of the Comprehensive Plan Map G to designate 8479, 8477, and 8476 Thunder Mountain Road as Medium Density Residential
Property Address:	8479, 8477, and 8476 Thunder Mountain Road
Legal Description:	Thunder Mountain Lots 10 & 11 Fraction, and Lot 12
Parcel Code Numbers:	5B2401540100; 5B2401540110; 5B2401560010
Hearing Date:	May 14, 2018

The Planning Commission, at its regular public meeting, adopted the analysis and findings listed in the attached memorandum dated March 18, 2019, and recommended that the Assembly approve the Comprehensive Plan land use map designation amendment for 8479, 8477, and 8476 Thunder Mountain Road from Urban Low Density Residential to Medium Density Residential.

Attachments: May 6, 2019 memorandum from Amy Liu, Community Development, to the CBJ Planning Commission regarding AME2019 0004.

This Notice of Recommendation constitutes a recommendation of the CBJ Planning Commission to the City and Borough Assembly. Decisions to recommend an action are not appealable, even if the recommendation is procedurally required as a prerequisite to some other decision, according to the provisions of CBJ 01.50.020 (b).

Project Planner: ______________________________ ______________________________
Amy Liu, Planner — Community Development Department
Benjamin Haight, Chair — Planning Commission

____
Filed With Municipal Clerk

5/20/2019
Date

cc: **Plan Review**

NOTE: The Americans with Disabilities Act (ADA) is a federal civil rights law that may affect this recommended text amendment. ADA regulations have access requirements above and beyond CBJ - adopted regulations. Contact an ADA - trained architect or other ADA trained personnel with questions about the ADA: Department of Justice (202) 272-5434, or fax (202) 272-5447, NW Disability Business Technical Center (800) 949-4232, or fax (360) 438-3208.

CITY AND BOROUGH OF
JUNEAU
ALASKA'S CAPITAL CITY
COMMUNITY DEVELOPMENT

(907) 586-0715
CDD_Admin@juneau.org
www.juneau.org/CDD
155 S. Seward Street • Juneau, AK 99801

DATE: May 6, 2019

TO: Planning Commission

FROM: Amy Liu, Planner
Community Development Department

Amy Liu

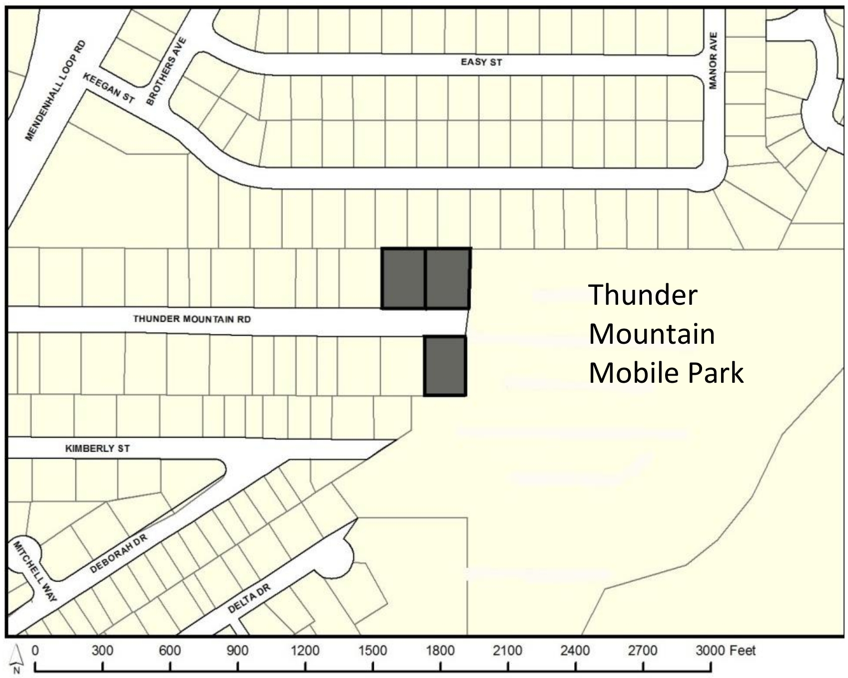
CASE NO.: AME2019 0004

PROPOSAL: Amend the Comprehensive Plan Map G to designate 8479, 8477, and 8476 Thunder Mountain Road as Medium Density Residential

Applicant:	Wright Services Inc.
Property Owner:	Thunder Mountain MHC, LLC
Property Address:	8479, 8477, and 8476 Thunder Mountain Road
Legal Description:	Thunder Mountain Lots 10 and 11 Front, and Lot 12
Parcel Code No.:	5B2401540100; 5B2401540110; 5B2401560010
Site Size:	13,995 square feet each; 41,985 square feet total
Zoning:	D5
Utilities:	CBJ water and sewer
Access:	Thunder Mountain Road
Existing Land Use:	Storage, single-family home, water well, office, mobile home, empty former retail building, empty former laundromat

Surrounding Land Use:	North	-	Single-family residential, D5
	South	-	Single-family residential, D5
	East	-	Mobile home park, D18
	West	-	Single-family residential, D5

VICINITY MAP



ATTACHMENTS
Attachment A – Notice of Recommendation for AME2019 0002

PROPOSAL
Amend the Comprehensive Plan Map G to designate 8479, 8477, and 8476 Thunder Mountain Road as Medium Density Residential (MDR).

BACKGROUND
On March 26, 2019, the Planning Commission recommended the Assembly approve AME2019 0002, “rezone request to change 41,985 square feet located at 8479, 8477, and 8476 Thunder Mountain Road from D5 to D18”. The Commission’s motion was, “recommend to the Assembly that it amend the Comprehensive Plan Map G to designate 8479, 8477, and 8476 Thunder Mountain Road as MDR and recommend that the Assembly approve the rezone request to change those same lots from D5 to D18.” The Commission concluded that the rezone proposal met the necessary findings of Title 49, including that the rezone must substantially conform to the Comprehensive Plan land use designation of MDR. An adjacent parcel is designated MDR, but the subject parcels are designated Urban Low Density Residential. By establishing ‘substantial conformity’, staff’s interpretation was that the adjacent parcel’s MDR designation

supported the rezone proposal. However, the Commission concludes that the proposed Comprehensive Plan map amendment is necessary in order to establish 'substantial conformity'. This would further support the approval of AME2019 0002 rezone proposal from D5 to D18.

ANALYSIS

The following policy of the Comprehensive Plan provides that the Assembly may amend the Comprehensive Plan as necessary to reflect changing conditions and needs.

POLICY 18.2. FOR THE PLANNING COMMISSION TO INITIATE A GENERAL REVIEW OF THE *COMPREHENSIVE PLAN* TWO YEARS AFTER THE ADOPTION OF THE LAST UPDATE, AND TO MAKE RECOMMENDATIONS TO THE ASSEMBLY TO AMEND IT AS NECESSARY TO REFLECT CHANGING CONDITIONS AND NEEDS AND TO CONSIDER AND ENACT AMENDMENTS TO THE PLAN AND LAND USE MAPS, INCLUDING AMENDMENTS TO THE URBAN SERVICE AREA BOUNDARY, AT ANY TIME THE PLANNING COMMISSION AND ASSEMBLY DETERMINE THAT AMENDMENTS ARE NEEDED. (Page 230)

Comprehensive Plan Land Use Designation of Subject Parcel

Existing: Urban Low Density Residential

> **Definition:** *[ULDR] lands are characterized by urban or suburban residential lands with detached single-family units, duplex, cottage or bungalow housing, zero-lot-line dwelling units and manufactured homes on permanent foundations at densities of one to six units per acre. Any commercial development should be of a scale consistent with a single-family residential neighborhood, as regulated in the Table of Permissible Uses (CBJ 49.25.300).*

Proposed: Medium Density Residential

> **Definition**: *[MDR] lands are characterized by urban residential lands for multifamily dwelling units at densities ranging from 5 to 20 units per acre. Any commercial development should be of a scale consistent with a residential neighborhood, as regulated in the Table of Permissible Uses (CBJ 49.25.300).*

Amending the Comprehensive Plan land use designation from ULDR to MDR will update the land use designation so that the rezone proposal may move forward more directly.

STAFF RECOMMENDATION

Staff recommends that the Planning Commission recommend that the Assembly approve the Comprehensive Plan land use map designation amendment for 8479, 8477, and 8476 Thunder Mountain Road from Urban Low Density Residential to Medium Density Residential.

Planning Commission

(907) 586-0715
PC_Comments@juneau.org
www.juneau.org/plancomm
155 S. Seward Street • Juneau, AK 99801

PLANNING COMMISSION
NOTICE OF RECOMMENDATION

Date: April 2, 2019
Case No.: AME2019 0002

City and Borough of Juneau
City and Borough Assembly
155 South Seward Street
Juneau, AK 99801

Proposal:	Planning Commission Recommendation to the City and Borough Assembly regarding a rezone request from D5 to D18 on Thunder Mountain Road
Property Address:	8479, 8477, 8476 Thunder Mountain Road
Legal Description:	Thunder Mountain Lots 10 & 11 Front, and Lot 12
Parcel Code Numbers:	5B2401540100; 5B2401540110; 5B2401560010
Hearing Date:	March 26, 2018

The Planning Commission, at its regular public meeting, adopted the analysis and findings listed in the attached memorandum dated March 18, 2019, and recommended that the Assembly amend the Comprehensive Plan map G to designate subject lots 8479, 8477, 8476 as Medium Density Residential and approve the rezone request to change those same lots from D5 to D18.

Attachments: March 18, 2019 memorandum from Amy Liu, Community Development, to the CBJ Planning Commission regarding AME2019 0002.

This Notice of Recommendation constitutes a recommendation of the CBJ Planning Commission to the City and Borough Assembly. Decisions to recommend an action are not appealable, even if the recommendation is procedurally required as a prerequisite to some other decision, according to the provisions of CBJ 01.50.020 (b).

City and Borough Assembly
Case No.: AME2019 0002
April 2, 2019
Page 2 of 2

Project Planner: Amy Liu

Amy Liu, Planner
Community Development Department

Paul Voelckers, Vice Chair
Planning Commission

Elizabeth J McEwen

Filed With Municipal Clerk

4/3/2019
Date

cc: **Plan Review**

NOTE: The Americans with Disabilities Act (ADA) is a federal civil rights law that may affect this recommended text amendment. ADA regulations have access requirements above and beyond CBJ - adopted regulations. Contact an ADA - trained architect or other ADA trained personnel with questions about the ADA: Department of Justice (202) 272-5434, or fax (202) 272-5447, NW Disability Business Technical Center (800) 949-4232, or fax (360) 438-3208.

Presented by: The Manager
Introduced: 06/03/2019
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

WHEREAS, the CBJ Comprehensive Plan recommends the facilitation of various housing types and densities that are appropriately located in relation to site conditions, surrounding land uses, and capacity of public facilities and transportation systems; and

WHEREAS, Thunder Mountain Lots 10, 12, and a Fraction of 11 have been historically used in conjunction with the adjacent mobile home park that is zoned D18; and

WHEREAS, the area of the proposed rezone is immediately adjacent to D-18 zoned property; and

WHEREAS, the D-18 zoning district provides up to 18 units per acre; and

WHEREAS, rezoning the parcel from D-5 to D-18 substantially conforms to the land use maps of the Comprehensive Plan; and

WHEREAS, the rezone change application meets the criteria set forth in CBJ 49.75.120.

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Code.

Section 2. Amendment to the Official Zoning Map. The Official Zoning Map of the City and Borough, adopted pursuant to CBJ 49.25.110, is amended to rezone Thunder Mountain Lots 10, 12, and a Fraction of 11 from D-5 to D-18.

The described rezone is shown on the attached Exhibit “A” illustrating the area of the proposed zone change.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____day of ______________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

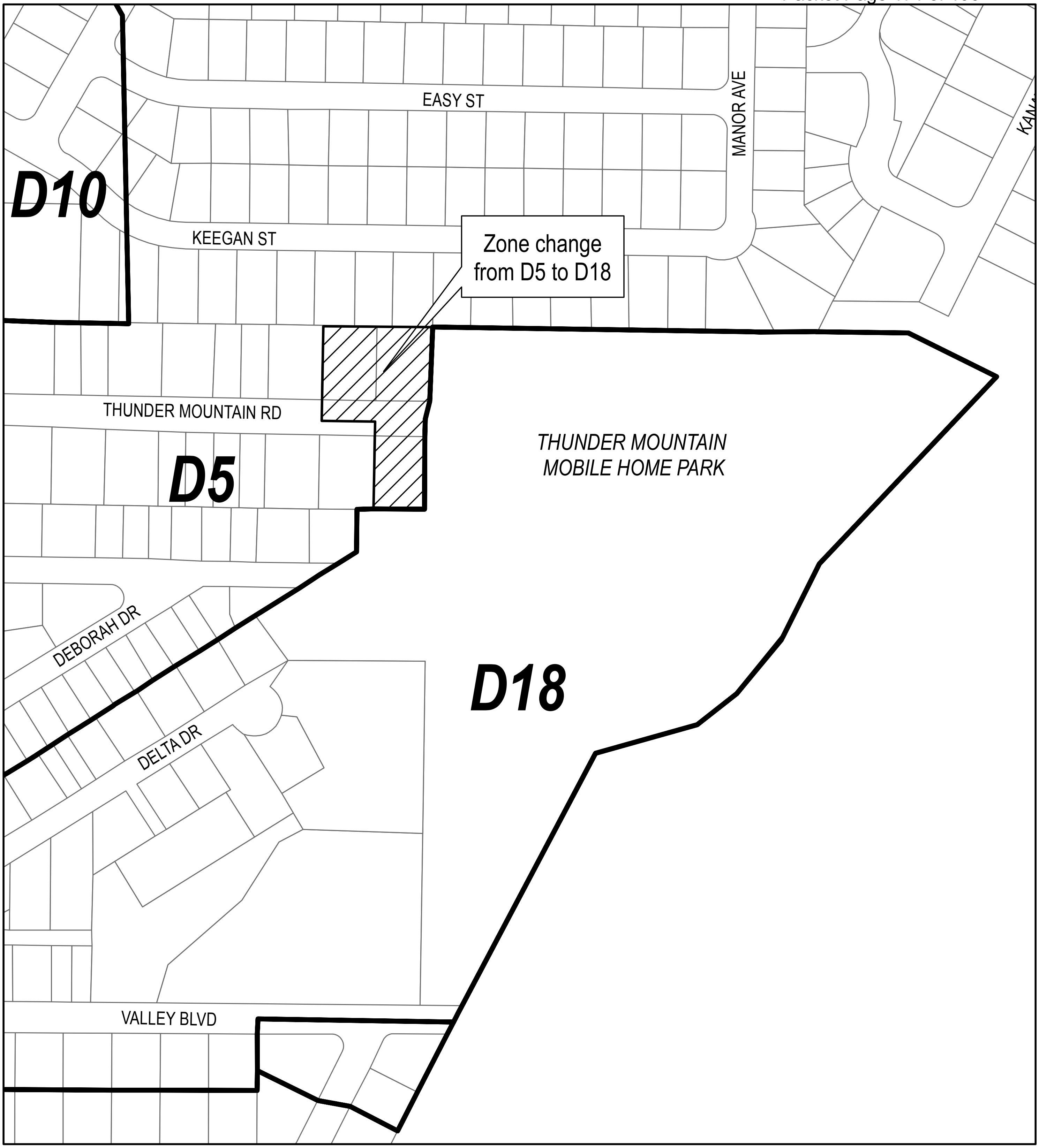


EXHIBIT A - Ord. No. 2019-26

Zone Change for
THUNDER MOUNTAIN LOTS 10, 11FR, & 12
from D5 to D18

Map created: 5/30/2019

Project source: P:\quinn\Projects\CDD\zoning_ordinances_5.mxd

Planning Commission

(907) 586-0715
PC_Comments@juneau.org
www.juneau.org/plancomm
155 S. Seward Street • Juneau, AK 99801

PLANNING COMMISSION
NOTICE OF RECOMMENDATION

Date: April 2, 2019
Case No.: AME2019 0002

City and Borough of Juneau
City and Borough Assembly
155 South Seward Street
Juneau, AK 99801

Proposal: Planning Commission Recommendation to the City and Borough Assembly regarding a rezone request from D5 to D18 on Thunder Mountain Road

Property Address: 8479, 8477, 8476 Thunder Mountain Road

Legal Description: Thunder Mountain Lots 10 & 11 Front, and Lot 12

Parcel Code Numbers: 5B2401540100; 5B2401540110; 5B2401560010

Hearing Date: March 26, 2018

The Planning Commission, at its regular public meeting, adopted the analysis and findings listed in the attached memorandum dated March 18, 2019, and recommended that the Assembly amend the Comprehensive Plan map G to designate subject lots 8479, 8477, 8476 as Medium Density Residential and approve the rezone request to change those same lots from D5 to D18.

Attachments: March 18, 2019 memorandum from Amy Liu, Community Development, to the CBJ Planning Commission regarding AME2019 0002.

This Notice of Recommendation constitutes a recommendation of the CBJ Planning Commission to the City and Borough Assembly. Decisions to recommend an action are not appealable, even if the recommendation is procedurally required as a prerequisite to some other decision, according to the provisions of CBJ 01.50.020 (b).

City and Borough Assembly
Case No.: AME2019 0002
April 2, 2019
Page 2 of 2

Project Planner: Amy Liu

Amy Liu, Planner
Community Development Department

Paul Voelckers, Vice Chair
Planning Commission

Elizabeth J McEwen

Filed With Municipal Clerk

4/3/2019

Date

cc: **Plan Review**

NOTE: The Americans with Disabilities Act (ADA) is a federal civil rights law that may affect this recommended text amendment. ADA regulations have access requirements above and beyond CBJ - adopted regulations. Contact an ADA - trained architect or other ADA trained personnel with questions about the ADA: Department of Justice (202) 272-5434, or fax (202) 272-5447, NW Disability Business Technical Center (800) 949-4232, or fax (360) 438-3208.

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
COMMUNITY DEVELOPMENT

(907) 586-0715
CDD_Admin@juneau.org
www.juneau.org/CDD
155 S. Seward Street • Juneau, AK 99801

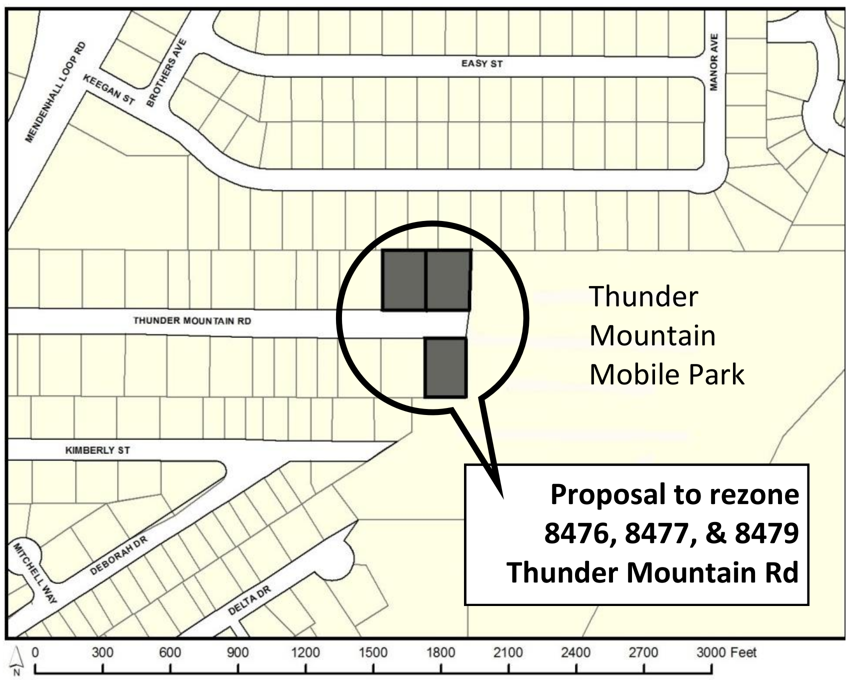
DATE:	March 18, 2019
TO:	Planning Commission
FROM:	Amy Liu, Planner Community Development Department
CASE NO.:	AME2019 0002
PROPOSAL:	A rezone request from D5 to D18 on Thunder Mountain Road

The City and Borough of Juneau Code states in CBJ 49.10.170(d) that the Commission shall make recommendations to the Assembly on all proposed amendments to this title, zonings and re-zonings, indicating compliance with the provisions of this title and the Comprehensive Plan.

Applicant:	Wright Services Inc.
Property Owner:	Thunder Mountain MHC, LLC
Property Address:	8479, 8477, 8476 Thunder Mountain Road
Legal Description:	Thunder Mountain Lots 10 & 11 Front, and Lot 12
Parcel Code No.:	5B2401540100; 5B2401540110; 5B2401560010
Site Size:	13,995 square feet each; 41,985 square feet total
Zoning:	D5
Utilities:	CBJ water and sewer
Access:	Thunder Mountain Road

Existing Land Use:	Storage, single family home, water well, office, mobile home, empty former retail building, empty former laundromat
Surrounding Land Use:	North - Single-family residential, D5 South - Single-family residential, D5 East - Mobile home park, D18 West - Single-family residential, D5

1. VICINITY MAP



2. ATTACHMENTS

Attachment A – Application materials
Attachment B – Neighborhood meeting public notice
Attachment C – Planning Commission hearing public notice
Attachment D – Plat
Attachment E – Deed, 1964
Attachment F – Deed, 2016
Attachment G – 2012 Lands Committee minutes
Attachment H – 2012 Becker to Lyman memo
Attachment I – Engineering & Public Works comments

3. PROPOSAL

The applicant requests a rezone of 41,985 square feet of land from D5 to D18 zoning. The subject area consists of three lots (Lots 10, 11, and 12) located at 8476, 8477, and 8479 Thunder Mountain Road respectively. These lots are adjacent to the Thunder Mountain Mobile Park, which is zoned D18. Applicants are pursuing this rezone to address existing nonconforming uses, and/or introduce higher density development.

This report evaluates all potential land uses allowed and restricted by the proposed zoning.

4. BACKGROUND

4.1 History

Lot 10, Lot 11, and Lot 12 were created in Thunder Mountain Subdivision, Plat 384, recorded on June 25, 1963 (Attachment D). However, the CBJ Assessor's Office database offers different descriptions for Lot 10 and Lot 11. The Assessor's database refers to these as Lot 10 and Lot 11 Fraction, and Lot 11 Fraction respectively. Areas are listed as 16,988 square feet and 11,196 square feet respectively. These discrepancies are due to a conveyance document recorded in 1964, in which a 20' portion on the west side of Lot 11 was reserved for Lot 10 (Attachment E). A deed warranty recorded in 2016 reiterates, "portion of Lot 11 within 20 feet of the west boundary of said Lot 11; reserving from the conveyed portion of lot 11 a nonexclusive right of coming and going through and upon the westernmost ten feet (10') thereof, the benefit of this reservation to run appurtenant to title for Lots 10 and the excepted portion of Lot 11, Thunder Mountain Subdivision, Plat No. 384" (Attachment F).

The Community Development Department (CDD) does not find this conveyance to meet Title 49 requirements for a lot line adjustment. CDD accepts Plat 384 as being the most recent legal record of lot lines. Implications of the plat on nonconformity are discussed later in this report.

4.2 Current Zoning

The subject properties are zoned D5, residential zoning district, intended to accommodate single-family and duplex residential development at five dwelling units per acre. Thunder Mountain Mobile Park is on a lot zoned D18. In the map above, D5 is pink, and D18 is orange.

The zoning permits single-family and duplex residential uses outright. Required setbacks are 20' from the front lot line, 20' from the rear lot line, and 5' from each side lot line.

4.3 Current Lots and Structures

Lot 10 is 13,995 square feet, 100' wide and 139.95' deep. The lot has storage, one single-family dwelling above a garage, one plumbing and electrical repair shop, and four connexes. The shop is not operational, but is used by the applicant for storage. The four connexes are also used by the applicant for storage.

Lot 11 is 13,995 square feet, 100' wide and 139.95' deep. The lot has one laundry facility, and two wells supplying water to the mobile park. The laundry facility is not operational.

Lot 12 is 13,995 square feet, 100' wide and 139.95' deep. The lot has one office and one mobile home. The office and mobile home are owned by the applicant. The office is mostly used to support the mobile park.

4.3 Nonconformity

With exception to the single-family dwelling unit and water supply, these uses are nonconforming because they are not allowed under the current D5 zoning. The table below summarizes whether the use is allowed or prohibited in 49.25.300, *Table of Permissible Uses* (TPU). A "1" indicates that the use is allowed outright.

Lot	Use	TPU	D5	D18
10	Storage	10.22	Prohibited	Prohibited
10	Plumbing and electrical repair shop	2.12	Prohibited	Prohibited
12	Mobile home	1.81	Prohibited	Prohibited
11	Laundry	16.2	Prohibited	Prohibited
10	Single family dwelling	1.11	1	1
10	Water supply	17.1	1	1

D18 still prohibits the nonconforming uses, unless permitted with a Conditional Use Permit related to the adjacent mobile home park. Applicants must either discontinue prohibited uses if not terminated already, or incorporate nonconforming uses in the mobile park by amending the park's Conditional Use Permit. The zone change is a pre-requisite for amending this Conditional Use Permit, which currently does not include the subject lots or the uses on these lots. Applicants may amend the Conditional Use Permit simultaneously with the rezone, or after the rezone. The amendment would be scheduled for a Planning Commission hearing. Applicants are not pursuing an amendment at this time.

Based off a site plan and CBJ Parcel Viewer, most buildings appear to meet setbacks. There are two exceptions. First, the mobile home's setback is undetermined due to the structure not appearing in site plans or CBJ aerial imagery from 2013. Second, the shop encroaches onto Lot 11 and is thus nonconforming for its setback. This determination based off of Plat 384, which, as previously discussed, is the most recent legal record of lot lines. Comparison of the plat and a site plan submitted with building permit BLD96-658 show that the site plan reflects an additional 20' in width referenced in the conveyance, but not the plat (Attachment D). This encroachment does not affect review of the rezone, but would be addressed if pertinent to future building permits or subdivision.

5. <u>REZONE PROCEDURE</u>

<u>5.1 Initiation</u>

The Land Use Code outlines the procedure and requirements regarding rezone requests at CBJ 49.75 *Article I, Rezonings*.

> CBJ 49.75.110. *Initiation. A rezoning may be initiated by the director, the commission or the assembly at any time during the year. A developer or property owner may initiate a request for rezoning in January or July only. Adequate public notice shall be provided by the director to inform the public that a rezoning has been initiated.*
>
> *1. Was the proposed zone change initiated by the property owner during the appropriate time frame OR was the zone change initiated by the commission, assembly or director?*
>
> **Yes.** The application for the subject zone change was initiated by the property owner in January, 2019.
>
> *2. Has the director provided adequate public notice through newspaper advertising, property owner mailings, and by requiring a public notice sign be posted on-site?*
>
> **Yes.** A Notice of a Neighborhood Meeting regarding the rezone request was mailed to all property owners within 500 feet of the subject parcel. A Notice of Public Hearing was mailed to the same owners advising them of the March 26, 2019 hearing date. Public notice of this project was provided in the March 5, 2019 and March 15, 2019 issues of the Juneau Empire in the "Your Municipality" section. A public notice sign was posted on the site on March 13, 2019, visible from the right-of-way, which was at least two weeks prior to the scheduled Planning Commission hearing.

<u>5.2 Restrictions</u>

The CBJ Land Use Code provides restrictions for zone district change requests.

> CBJ 49.75.120. *Restrictions on Rezonings. Rezoning requests covering less than two acres shall not be considered unless the rezoning constitutes an expansion of an existing zone. Rezone requests which are substantially the same as a rezoning request rejected within the previous twelve months shall not be considered. A rezoning shall only be approved upon a finding that the proposed zone district and the used allowed therein are in substantial conformance with the land use maps of the comprehensive plan.*

This proposal conforms to these restrictions:

1. **Met**. This is an expansion of an existing zone.
2. **Met**. There has not been a similar request made for the property within the past year.

6. CONSISTENCY WITH COMPREHENSIVE PLAN

6.1 Role of Comprehensive Plan

The Planning Commission and Assembly are required to base findings off of the Comprehensive Plan's land use maps. CBJ 49.75.120 states, *"A rezoning shall only be approved upon a finding that the proposed zoning district and the uses allowed therein are in substantial conformance with the land use maps of the Comprehensive Plan."*

The Planning Commission and the Assembly also have discretion to base findings on conformance with the plan's recommended policies. The July 20, 2012 memo from Chair of the Lands Committee explains that the purpose of language regarding substantial conformance "is to improve the ability of staff, the Planning Commission, and the Assembly to consider the intent of the Comprehensive Plan land use maps in rezoning requests without requiring strict application of those maps to the zoning map set" (Attachment G). The July 23, 2012 Assembly Lands Committee meeting minutes report "Mr. Smith asked about the term "substantial conformance" in Ordinance 2012-31. Mr. Lyman explained that this allows the Assembly to handle "gray areas" in code and to make a decision based on many factors, more than just the Comprehensive Plan Land Use map" (Attachment H).

Chapter 1 of the Comprehensive Plan advises using the Plan while considering community growth, along with other current information.

> *Discussions related to community growth, redevelopment, capital and social improvements, or budget, must occur in consultation with the Plan. ....[The Plan] should...bring into focus sufficient information and data so that the best possible considered and objective judgments can be made, using the most current data available when the data in the Plan is out of date. [The Plan]....provides a logical, consistent, and purposeful approach to managing community growth and development (p. 1).*

Chapter 11 suggests that rezones should result in best use of land and consistency with the Comprehensive Plan.

> *In considering a re-zoning request, the Planning Commission and Assembly should aim to promote the highest and best use of the land under consideration and all new zoning or re-zoning designations are required to be substantially*

> *consistent with the Comprehensive Plan and associated land use maps. In some cases, the highest and best use may be increased density or more intensive use of the land; in other cases, the highest and best use may be preservation in an undisturbed state for purposes of habitat preservation, flood control, or providing a buffer between development and areas subject to natural hazards (p.143).*

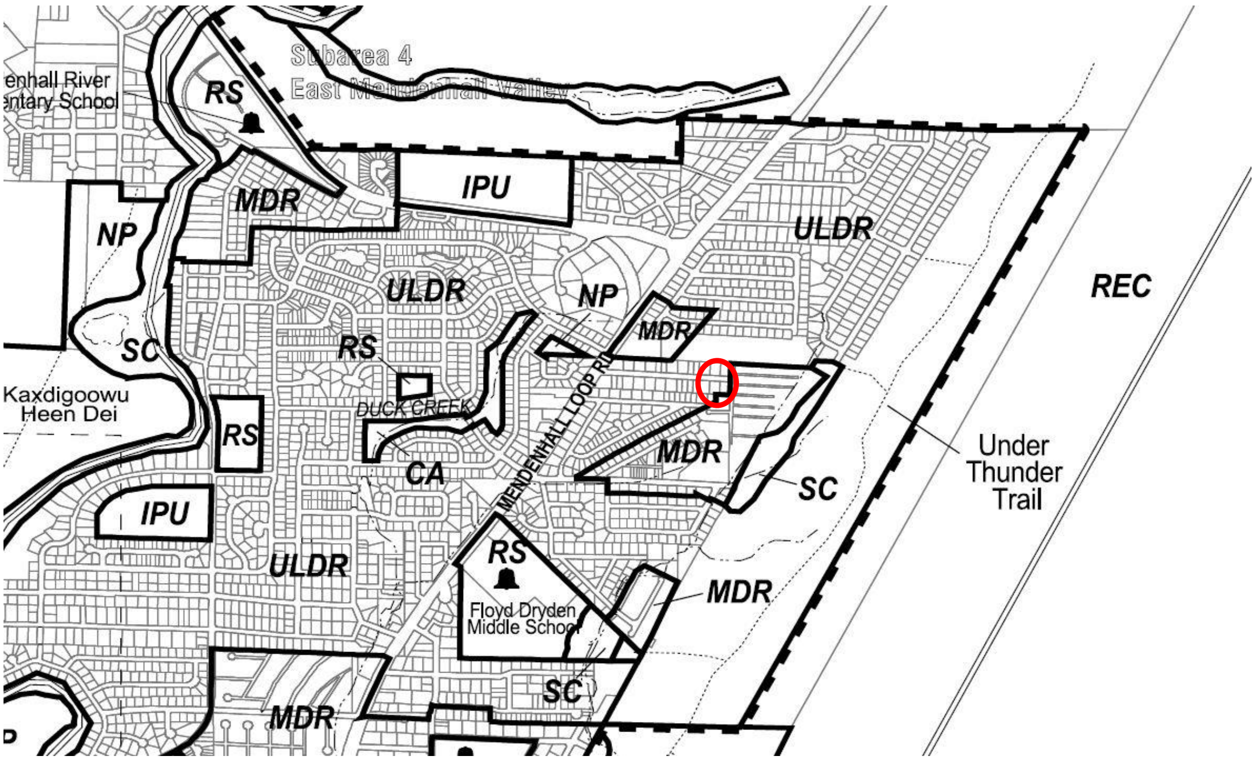
The Plan assigns various land use designations. A designation encompasses multiple zoning districts that may achieve specific development patterns codified in the Comprehensive Plan.

> *The land uses shown are expressed in a range of development intensities. In some cases, the Comprehensive Plan Map will provide a range of densities that can be allowed, which means that the corresponding zoning classification could be one of several selections within that range. For example, an "Urban Low Density Residential" (ULDR) Comprehensive Plan Land Use designation describes residential development with densities ranging from one to six dwelling units per acre. At the time of the drafting of this update, there are four Land Use Code residential zoning district designations that fall within this density range, and which could be chosen as consistent with the Comprehensive Plan.*

Chapter 11 reiterates that designations are intended to describe the overall character of land use category, but are not intended to be as firm as the zoning districts they include.

> *These descriptions are intended to describe the overall character of development for each land use category and are not intended to be firm or restrictive definitions, such as with zoning district permitted and conditional uses. The Community Development Department (CDD), Planning Commission and the Assembly will use these descriptions of the character of the land use categories and zones to guide their formation of the zoning regulations for each. These land use categories and their uses reflect cultural values and economic and societal needs and, over time, the Comprehensive Plan descriptions of land use categories will change to reflect changing values and circumstances.*

6.2 Land Use Maps



The subject lots are located in Subarea 4 of the 2013 Comprehensive Plan (Map G). The plan designates these lots as ULDR.

> *[ULDR] lands are characterized by urban or suburban residential lands with detached single-family units, duplex, cottage or bungalow housing, zero-lot-line dwelling units and manufactured homes on permanent foundations at densities of one to six units per acre. Any commercial development should be of a scale consistent with a single-family residential neighborhood, as regulated in the Table of Permissible Uses (CBJ 49.25.300).*

"Suburban" is described in detail.

> *Suburban areas can be found in the area east of the Mendenhall River, north of the airport and west of Thunder Mountain. This area contains the suburban scale neighborhoods of Hidden Lakes, Pleasant Gardens, Mountain View, Kristel Meadows, Montana Creek Road, the Mendenhall Loop Road area, and Glacier Village, among others. Some commercial and industrial developments can be found in clusters within these suburban areas. These non-residential uses should provide land areas that serve as buffer zones between their operations and adjacent residential uses. The suburban scale is characterized by low densities represented by single-family, detached homes built to 3 to 5 units per acre. Typical suburban mass and scale reflects 1 to 2-story homes with attached garages on parcels smaller than 1/3 acre. Discretely integrated within these*

suburban neighborhoods are smaller accessory apartment dwelling units located within the principal home, above or within a garage, or separately on the property. Structures are separated by modest yards, streets, sidewalks, and landscaping. Where the carrying capacity of roads permit, vacant parcels within the suburban neighborhoods served by sewers should be developed at higher residential densities to make the most efficient use of public services and infrastructure therein. Accessory apartments and/or small bungalow homes on small lots can achieve this higher density while maintaining the suburban character of the neighborhood.

The adjacent mobile home park is within land use designation Medium Density Residential (MDR).

[MDR] lands are characterized by urban residential lands for multifamily dwelling units at densities ranging from 5 to 20 units per acre. Any commercial development should be of a scale consistent with a single-family residential neighborhood, as regulated in the Table of Permissible Use (CBJ 49.25.300).

“Urban” is described in detail.

Urban areas are represented by downtown Juneau and Douglas, West Juneau, medium-density areas of Lemon Creek and Switzer Village, the mixed use area around and between the Mendenhall Mall and Nugget Mall, and the village area around Auke Bay Harbor and the University. In these urban areas, residential, commercial, mixed use and and/or public facilities share land and utilities in a compact area. Urban areas are characterized by low- to mid-rise residential and commercial structures, often with the uses mixed within the same structure or with commercial uses lining the edges of residential neighborhoods. Typical mass and scale of these urban neighborhoods are 2- to 3-story structures separated by parking lots, roads, sidewalks and landscaping or small yards. Medium to high residential densities of 10 to nearly 400 residential units per acre can be found in the downtown Juneau area; densities of 14 units per acre can be found in the West Juneau Area; densities of seven units per acre can be found in the Lemon Creek and Switzer Creek areas and in the Auke Bay area.

“Guidelines and Considerations” for Subarea 4 are meant to influence the development patterns in the area. The following is relevant to the proposed rezone:

1. Maintain the density of existing neighborhoods while encouraging in-fill development of low- to moderate-income affordable housing.

6.3 Policies

These policies are relevant to the proposed rezone.

POLICY 3.2 TO PROMOTE COMPACT URBAN DEVELOPMENT WITHIN THE DESIGNATED URBAN SERVICE AREA TO ENSURE EFFICIENT UTILIZATION OF LAND RESOURCES AND TO FACILITATE COST EFFECTIVE PROVISION OF COMMUNITY SERVICES AND FACILITIES WHILE BALANCING PROTECTION OF NATURAL RESOURCES, FISH AND WILDLIFE HABITAT AND SCENIC CORRIDORS.

POLICY 4.1 TO FACILITATE THE PROVISION AND MAINTENANCE OF SAFE, SANITARY AND AFFORDABLE HOUSING FOR ITS RESIDENTS.

POLICY 4.8 TO BALANCE THE PROTECTION AND PRESERVATION OF THE CHARACTER AND QUALITY OF LIFE OF EXISTING NEIGHBORHOODS WITHIN THE URBAN SERVICE AREA WHILE PROVIDING OPPORTUNITIES FOR A MIXTURE OF NEW HOUSING TYPES.

POLICY 10.1 TO FACILITATE AVAILABILITY OF SUFFICIENT LAND WITH ADEQUATE PUBLIC FACILITIES AND SERVICES FOR A RANGE OF HOUSING TYPES AND DENSITIES TO ENABLE THE PUBLIC AND PRIVATE SECTORS TO PROVIDE AFFORDABLE HOUSING OPPORTUNITIES FOR ALL JUNEAU RESIDENTS.

10.1 – SOP2 Designate sufficient land on the Comprehensive Plan Land Use Maps and zoning maps to provide for a full range of housing types and desired by resident households. Provide choices in residential neighborhood character such that residents can choose to live in urban, suburban, and rural residential settings and neighborhoods.

POLICY 10.2 TO ALLOW FLEXIBILITY AND A WIDE RANGE OF CREATIVE SOLUTIONS IN RESIDENTIAL AND MIXED USE LAND DEVELOPMENT WITHIN THE URBAN SERVICE AREA.

6.4 Analysis

As previously discussed, CBJ Title 49 requires a proposed rezone to substantially conform with the Comprehensive Plan Land Use Maps, but is also intended to support findings based on policies, guidelines, and considerations in the plan.

The proposed rezone does not conform to the land use maps. The ULDR designation calls for single-family development at densities up to 6 units per acre. The requested D18 zoning allows for multifamily development up to 18 units per acre. A multifamily development could apply for density bonuses, further contrasting the difference between proposed and existing density.

However, a guideline for the specific land use map subarea also supports “in-fill development of low- to moderate-income affordable housing.” Further, the proposed rezone conforms to five policies urging more diverse and affordable housing.

7. CONSISTENCY WITH TITLE 49

The following sections of Title 49 have been examined to determine whether or not the proposed ordinance is in compliance with the Code.

7.1 Permissible Uses, CBJ 49.25.300

The following table highlights land uses listed in 49.25.300, *Table of Permissible Uses*. The land uses are highlighted because they are subject to different approval levels between D5 and D18 zones. Land uses not included are subject to identical approval standards according to the TPU.

A “1” indicates that the use is allowed outright. A “3” indicates that the use would be allowed with an approved Conditional Use Permit. Combination “1, 3” indicates that a minor development is allowed outright, and a major development would be allowed with an approved Conditional Use Permit.

In single-family residential districts, a minor development is either a residential development containing two or fewer dwelling units, two or fewer bedrooms leased on a daily or weekly basis, or a nonresidential building totaling less than 5000 square feet or using less than 10,000 square feet of land in total. Major development is all development that is not minor.

In multifamily residential districts, a minor development is either a residential development containing eight or fewer dwelling units, eight or fewer bedrooms leased on a daily or weekly basis, or a nonresidential building totaling less than 5000 square feet or using less than 10,000 square feet of land in total. Major development is all development that is not minor.

Use	TPU	D5	D18
Multifamily	1.3	Prohibited	1,3
Rooming, boarding houses, BnBs, single room occupancies with shared facilities, transitional housing (owner or manager must live on site)	1.61	Prohibited	1,3
Single room occupancies with private facilities	1.63	Prohibited	1,3
Mobile home park	1.82	Prohibited	3
Light manufacturing	4.05	Prohibited	3
Theater seating for 200 or fewer	6.13	Prohibited	3
Day animal services, grooming, walking, daycare	12.25	3	Prohibited
Wild animal rehabilitation facilities without visitor component	12.31	3	Prohibited
Commercial agricultural operations-Stabling of farm animals	14.23	3	Prohibited
Personal use agriculture-Hens, 6 maximum	14.253	1	3
Post office	15.1	1	1,3
Funeral home	20.3	3	Prohibited

D5 allows for single-family and duplex residential. D18 allows for single-family and duplex, but also multifamily and several non-residential uses. CBJ General Engineering confirmed that the subject lots are served by City water and sewer utilities, and thus could be upgraded to meet utility demands of more intense uses. All new buildings would be required to comply with the latest applicable building codes of the City & Borough (Attachment I).

7.2 Dimensional Standards, CBJ 49.25.400

The following table compares requirements for D5 and D18 zoned lots outlined in 49.25.400, *Table of Dimensional Standards*.

Standard	D5	D18
Minimum lot size		
Standard	7000 sf	5000 sf
Bungalow	3500 sf	2500 sf
Duplex	10500 sf	18 units/acre
Common wall	7000 sf	2500 sf
Minimum Width		
Standard	70'	50'
Bungalow	35'	25'
Common wall dwelling	60'	20'
Minimum lot depth	85'	80'
Minimum vegetative cover	20%	30%
Maximum lot coverage		
Permissible uses	50%	50%
Conditional uses	50%	50%
Maximum height		
Permissible uses	35'	35'
Accessory	25'	25'
Bungalow	25'	25'
Minimum front setback	20'	20'
Minimum street side setback	13'	13'
Minimum rear setback	20'	10'
Minimum side setback	5'	5'
Common wall dwelling	10'	10'

Certain dimensional standards are similar, such as lot coverage and most setbacks. Some standards contrast, such as lot area, width, and depth, the rear setback, and vegetative cover. D5 lots are required to meet greater minimum area, width, and depth.

Subject lots conform to both D5 and D18 dimensional standards. Each lot is 13,995 square feet - 100 feet wide and 139.95 feet deep. With exception to the previously discussed mobile home and shop, site plans and CBJ parcel viewer suggest that structures on subject lots meet both D5 and D18 setbacks. Even with the mobile home’s undetermined setbacks, and the shop’s encroachment, the rezone would not aggravate them given that D18 requirements are the same as or lesser than D5.

7.3 Density, CBJ 49.25.500

Maximum dwelling units in D5 are determined by the minimum lot size per CBJ 49.25.500. Each lot currently could have up to one single-family home with an accessory apartment, a duplex, or a common wall. Per CBJ 49.25.500, the maximum number of dwelling units in D18 is 18 units per acre. This zone would allow each lot to have 6 units. The 3 lots combined may have up to 18 units.

Based off of the 2012 Institute of Transportation Engineers Trip Generation Manual 9th Edition Volume 2, one single-family home generates 9.52 average daily trips (ADT). One apartment unit generates 6.65 ADT. At maximum buildout, assuming that there would be 17 apartment units in addition to one existing single-family home, the 3 lots combined would generate 122.57 ADT. CBJ 49.40.300 states that development generating fewer than 200 ADT is not required to have a traffic impact analysis.

8. HABITAT

There are no habitat issues or coastal management program policies relevant to the proposal.

9. AGENCY REVIEW

Staff requested review from CBJ Engineering & Public Works Department, Capital City Fire and Rescue, Building Division, Streets Division, and the Assessor's Office. Building expressed no issues with the project. CCFR, Streets, and the Assessor's Office had no comments.

Engineering had no issues from what was attached, but noted that the developer would need to hire an engineer to determine whether upgrades to utilities would be necessary for higher density development. Given that there is an 8 inch water main and 8 inch sewer main, staff anticipates that applicants would need to tap the mainlines and install larger water and sewer services to each lot to support higher density development. Additionally, an engineer would need to further examine how development affects the existing water wells on Lot 11 (Attachment I). Engineering's comments do not affect review of the rezone, but would be addressed if pertinent to future building permits or subdivision.

10. NEIGHBORHOOD MEETING AND PUBLIC COMMENT

A neighborhood meeting was held on March 4, 2019 at the Mendenhall Valley Library from 5:30-6:30 PM. There were three attendees total. One is a resident of Thunder Mountain Mobile Park, and two are residents outside the park and within 500' of the subject lots. Attendees asked questions about the scope of the rezone. Staff answered that the rezone would open new land use opportunities. Staff also clarified that the rezone alone does not approve changes to buildings or land uses. If such changes are proposed, there would be further CDD, and possibly Planning Commission, review. At the conclusion of the meeting, attendees were generally supportive of the rezone.

FINDINGS

After review of the application materials, the CBJ Land Use Code, and the CBJ 2013 Comprehensive Plan, the Director makes the following findings:

1. The proposal meets the submittal requirements and the rezoning initiation, zone change restrictions, and procedural requirements of the CBJ Land Use Code, as the application was submitted timely, is not similar to a request made in the previous 2 years, and is an expansion of an adjacent existing zoning district.

2. Based on the preceding analysis, rezoning 41,985 square feet from D5 to the D18 zoning district is in substantial conformance with the Comprehensive Plan policies.

STAFF RECOMMENDATION

Staff recommends that the Planning Commission concur with the Director's analysis and findings and recommend approval to the Assembly for a rezone request to change 41,985 square feet located at 8479, 8477, 8476 Thunder Mountain Road from D5 to D18.

Presented by:	The Manager
Introduced:	June 3, 2019
Drafted by:	Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2018-11(AN)

An Ordinance Appropriating to the Manager the Sum of $500,000 as Partial Funding for the Bartlett Regional Hospital Crises Stabilization Capital Improvement Project; Grant Funding Provided by the Alaska Department of Health and Social Services.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of $500,000 for the BRH Crises Stabilization CIP.

Section 3. Source of Grant Funds

Alaska Department of Health and Social Services	$500,000

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this ________ day of ____________, 2019.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk