

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

April 1, 2019 7:00 PM

Assembly Chambers
Meeting No. 2019-18

Submitted By:

Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

A. US Forest Service Certificate of Appreciation

IV. APPROVAL OF MINUTES

A. January 7, 2019 Draft Regular Assembly Meeting #2019-01

B. January 14, 2019 Draft Special Assembly Meeting #2019-02

C. January 22, 2019 Draft Special Assembly Meeting #2019-04

D. March 6, 2019 Draft Special Assembly Meeting #2019-10

E. March 11, 2019 Draft Special Assembly Meeting #2019-11

F. March 13, 2019 Draft Special Assembly Meeting #2019-12

G. March 15, 2019 Draft Special Assembly Meeting #2019-14

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 2019-12 An Ordinance Prohibiting Commercial Rental or Provision of Dockless Vehicles and Imposing a Permit Moratorium and Sunset Date.**

Dockless transportation devices (scooters and e-bikes) have become a growing management and policy concern in communities in the lower 48. The dockless nature of these devices mean that they are randomly distributed cluttering sidewalks, rights of way, and other public spaces. This impairs pedestrian access and has raised concerns about ADA access. In addition, there are significant safety concerns. Scooters in particular are viewed as potentially hazardous to the riders, pedestrian traffic and vehicular traffic in the area. The scooters operate at speeds of up to 15MPH. While they can be operated in a more nimble fashion than bikes, they are not well designed for use on uneven surfaces which can result in riders being thrown from the devices at high speeds. There are positives to dockless transportation devices as well; they can extend the comfortable range of pedestrian commutes, supplement transit routes by effectively closing gaps in routes, they can help reduce automobile traffic, and they are perceived as a cleaner form of transportation than fuel burning alternatives. This proposed ordinance would institute a moratorium for dockless vehicles to give the community an opportunity to develop reasonable regulations for dockless vehicles.

The City Manager recommends this ordinance be introduced, referred to the Planning Commission for consideration, and then set for public hearing.

- b. **Ordinance 2019-15 An Ordinance Authorizing the Manager to Amend the Wireless Communications Site Lease with Vertical Bridge S3 Assets, LLC at 3000 Jackson Road.**

Vertical Bridge has requested to lease an additional 144 square feet from the CBJ. This lease will provide space for additional ground equipment to utilize open space on the tower. This lease amendment will update the contact information, extend the lease by adding an additional lease term of five years, and update the rent schedule to include increased rent for an additional sub-lessee. The Lands Committee passed a unanimous motion of support for the lease amendment at its January 14, 2019 meeting.

The City Manager recommends this ordinance be introduced and set

for public hearing at the next regular Assembly meeting.

- c. **Ordinance 2019-16 An Ordinance Authorizing the Manager to Convey Approximately 600 Square Feet of Property Located at Lot 1, USS 3559 to the Owners of the Adjacent Property Located at 9223 North Douglas Highway.**

Thomas Daugherty requested to purchase a small fraction of City owned property in order to have enough area to subdivide his existing lot into two residential lots. Mr. Daugherty's lot is approximately 512 square feet below the minimum size needed to subdivide and requests buying approximately 600 square feet of City property. The Land Management Plan allows for this type of disposal. The Lands Committee and the Planning Commission recommended that the Assembly approve the sale. The value of this property has been determined by the Manager and Assessor to be \$2,400. The applicant will pay market value and all surveying, subdivision, recording and closing costs.

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

- d. **Ordinance 2019-17 An Ordinance Authorizing the Sale of Four City and Borough Parcels Located at Lena Point Near 16550 Ocean View Drive and 16550 Pt. Lena Loop Road and Establishing the Terms and Conditions Related to the Sale.**

The South Lena Subdivision was recorded in 2006 and set aside as a large lot to protect an eagle nest. The plat included a note describing that if the eagle nest was abandoned, the lot may be subdivided and developed. In 2017, the United States Fish and Wildlife Service determined the eagle's nest had been abandoned. The lot was then subdivided into four lots. The four lots were appraised and determined to have the following fair market values:

Lot 1A	0.600 acres	\$101,000
Lot 1B	0.549 acres	\$100,000
Lot 1C	0.645 acres	\$ 94,000
Lot 1D	0.554 acres	\$ 90,000

If any lot remains unsold after the sealed competitive bid sale, an over-the-counter sale of the remaining lots would be authorized.

The Lands Committee passed a unanimous motion of support to sell these lots at its meeting on January 14, 2019.

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

- e. **Ordinance 2018-11(AG) An Ordinance Appropriating to the Manager**

the Sum of \$800,000 as Partial Funding for the Upgrade of the City and Borough of Juneau's Land Management and Revenue Enterprise System; Funding Provided by Lease Proceeds.

This ordinance provides up to \$800,000 in funding for the project to upgrade the core Land Management & Revenue Enterprise Software system (MS Govern). The funding for this increase will be provided through our master lease arrangement with Key Bank. We are planning on entering into a 4 year lease. A 4-year lease would result in annual lease payments of approximately \$200,000 plus interest. The actual interest cost and total lease amount will be determined at the time of leasing. The total projected project cost is between \$900,000 and \$1.08 million. There is \$280,000 of funding remaining in a technology upgrade CIP, which will be transferred to this project.

The lease payments are proposed to be funded from the voter approved (2017 election) 1% sales tax program. The voters approved \$2 million to be allocated to CBJ technology infrastructure upgrades.

Staff is currently negotiating with the vendor, MS Govern. Negotiations are anticipated to be complete by the end of April. In order to sign the contract full funding needs to be secured. The lease provides an immediate source of project cash and the repayment can be spread out over 4 years, while the sales tax is being collected.

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

2. Liquor License

a. **Liquor License Renewals for Licenses: 644, 2728, 4034, 300, 1690, 2175, 4493**

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

Renewal of Liquor Licenses

_License Type: Beverage Dispensary, License #644
Wolfpack Ventures, LLC. d/b/a Salt Alaska
Location: 200 Seward Street, Juneau

License Type: Beverage Dispensary, License #2728
Molly Ventures, Inc., d/b/a McGivney's Sports Bar & Grill
Location: 9101 Mendenhall Mall Rd, Juneau

License Type: Club, License #4034

Juneau Moose Lodge #700, d/b/a Loyal Order of Moose #700
Location: 8335 Airport Blvd, Juneau

License Type: Package Store, License #300
DeHart's, LLC. d/b/a DeHarts Grocery
Location: 11735 Glacier Highway, Juneau

License Type: Restaurant or Eating Place, License #1690
Bullwinkle's, Inc., d/b/a Bullwinkle's Pizza
Location: 9108 Mendenhall Mall Rd, Juneau

License Type: Restaurant or Eating Place, License #2175
Midnight Ninja Ventures Inc., d/b/a Lupo
Location: 120 Second St. Suite B, Juneau

License Type: Restaurant or Eating Place, License #4493
Kwang LLC, d/b/a Little Tokyo
Location: 140 Seward St., Juneau

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.

3. Transfers

- a. **Transfer 1008 A Transfer of \$100,000 from the Cultural Gateway Capital Improvement Project to the Downtown Wayfinding and Interpretive Signs Capital Improvement Project.**

This transfer of \$100,000 of Marine Passenger Fees from D12-027, Cultural Gateway CIP, to D12-097, Downtown Wayfinding and Interpretive Signs, will provide funding to support the fabrication and installation of gateway markers in the downtown core as part of a signage system to guide cruise ship passengers between the waterfront and downtown.

The Public Works and Facilities Committee recommended this transfer at its meeting on December 10, 2018.

The City Manager recommends this transfer be approved.

b. Transfer 1009 A Transfer of \$130,000 from the Waterfront Seawalk Capital Improvement Project to the Downtown Wayfinding and Interpretive Signs Capital Improvement Project.

This transfer of \$130,000 of Marine Passenger Fees from H51-113, Waterfront Seawalk CIP, to D12-097, Downtown Wayfinding and Interpretive Signs, will provide funding to support the fabrication and installation of waterfront signage as part of a system to guide cruise ship passengers along the waterfront and into downtown.

The Public Works and Facilities Committee recommended this transfer at its meeting on December 10, 2018.

The City Manager recommends this transfer be approved.

VIIIPUBLIC HEARING

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 adopted.

B. Ordinance 2019-10 An Ordinance Authorizing the Manager to Lease up to an Acre of City and Borough Property Located at Lot 4, HDK Subdivision, Near Anka Street and the South Lemon Creek Material Source, to Juneau Composts! LLC for a Composting Facility.

This ordinance would authorize the City Manager to lease CBJ property behind Home Depot to Juneau Composts! LLC for a composting facility. The Lands Committee and the Planning Commission passed motions of support for the proposal. The Assembly, at its November 5, 2018 meeting, authorized the City Manager to negotiate a fair market value lease with Juneau Composts! LLC. The proposed ordinance will authorize a lease term for 5 years at the current market value of \$200.00 per month per quarter acre.

The City Manager recommends this ordinance be adopted.

C. Ordinance 2019-11 An Ordinance Authorizing the Manager to Lease Property known as Gunakadeit Park (Pocket Park) and Located at Juneau Townsite, Block 13, Lot 9, Near 139 S. Franklin Street to Franklin Foods LLC.

This lease application was initially submitted by Dave McCasland for Alaska Sustainable Seafoods LLC (dba Deckhand Dave's), but was modified on March 14 by Mr. McCasland to change the lessee name to Franklin Foods LLC. The applicant plans to use the leased land for outdoor food sales with portable restrooms and a seating area.

On November 5, 2018, the Assembly passed a motion to direct the City Manager to negotiate a fair market value lease of the lot, formerly known as Gunakadeit Park, to the applicant.

The Planning Commission recommended leasing the lot to the applicant for a term of one year. The term of the lease in the proposed ordinance is for one year and fair market value has been determined, by appraisal, to be \$3,250 per month from May through September and \$1,000 per month for the remaining months of the year.

The City Manager recommends this ordinance be adopted.

D. Resolution 2851 A Resolution Repealing Resolution 1950, Prohibiting Alcohol in Jackie Renninger Park and the Hank Harmon Rifle Range, and Allowing Alcohol in Gunakadeit Park with a Food Vendor Lease.

Franklin Foods LLC's business plan involves operating an outdoor food service at Gunakadeit Park that includes the sale of beer and wine. The original intent for the alcohol prohibition at this park was to prevent unregulated consumption of alcohol in public parks. If the park is leased to a food vendor like Franklin Foods LLC, the food vendor would be responsible for controlling where alcohol is consumed and responsible for maintaining the park.

The Lands Committee passed a motion recommending the Assembly remove Gunakadeit Park from Resolution 1950 only if the Park is leased to a food vendor like Franklin Foods LLC. The removal of the prohibition on alcohol possession should only be for the duration of the lease and be reinstated when the lease is terminated. The prohibition will remain in effect until a lease is signed, and will be reinstated upon completion of the lease.

The City Manager recommends this resolution be adopted.

- E. **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 (RRC) 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 RRC 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 adopted.

- F. **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 adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Mountainside Estates Homeowners Association and Dawn Wolfe, et. al. vs. CBJ Planning Commission, Assembly Appeal #2019-03

The Clerk's Office received a timely filed appeal from Mountainside Estates Neighborhood Association and Dawn Wolfe, et. al. regarding the Planning Commission's decision on SMP 2018-0002 a preliminary plat for a phased major subdivision to include 12 single-family lots and 1 large tract (13 lots total).

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.)

B. Export Manufacturing Property Tax Exemption

Property owners seeking a Manufacturing Property Tax Exemption must file a request with the Assessor's Office on or before January 31 of each year. The code places the authority for approving the manufacturing exemption requests with the Assembly.

For 2019, two companies have requested the tax exemption: Alaska Glacier Seafood Inc. and AKBV Group, LLC (Alaska Brewery).

CBJ 69.10.020(1)(c) provides for exempting qualifying manufacturing property from assessment and taxation. Qualifying property may receive a declining five-year percentage exemption from the property's market value as follows:

- 100% exemption in year 1
- 80% exemption in year 2
- 60% exemption in year 3

40% exemption in year 4
20% exemption in year 5

The total property value requested for exemptions this year is \$858,630. This would result in a tax loss of \$9,181. Individual company amounts are detailed in the meeting packet materials.

The Assessor's Office reviewed the exemption applications and determined that the properties met the code requirements. The Assembly Finance Committee reviewed this issue at its March 13, 2019, meeting, and recommended forwarding the tax exemptions for 2019 to the full Assembly for approval.

The City Manager recommends approval of these exemptions.

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