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

November 28, 2016 7:00 PM

City Hall Assembly Chambers
Regular Meeting 2016-36

Submitted By:

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Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

IV. APPROVAL OF MINUTES

A. **November 7, 2016 Regular Assembly Meeting 2016-35**

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 2015-20(AX) An Ordinance Appropriating to the Manager the Sum of $660,000, as Partial Funding for Bartlett Regional Hospital's Fiscal Year 2016 Operating Budget; Funding Provided by Hospital Revenues.**

This ordinance would appropriate an additional $660,000 to Bartlett Regional Hospital for FY16 operations. BRH initially prepared their budget 18 months ago and underestimated the total expenditures by less than 1%. This appropriation is being funded from FY16 hospital revenues.

The Bartlett Finance Committee was informed of the year-end operating expense authorization shortfall, and the need to obtain Assembly budget authorization, at its November 15, 2016, meeting.

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

b. **Ordinance 2016-09(V) An Ordinance Transferring $3,075,566 from the Sales Tax, and the General Fund's Fund Balance to the General Debt Service Fund's Fund Balance.**

This ordinance would replace $3,075,000 of the original state funding that was appropriated for debt service with available fund balance from the general and sales tax funds.

The original funding was expected as a part of the state budget allocation to reimburse local governments for the state share of school debt bond reimbursement. Due to the Governor's veto of state revenue CBJ needed to find additional funding. The Assembly Finance Committee reviewed the FY17 budget shortfalls at its September 8, 2016, and November 9, 2016, meetings. The committee recommended an ordinance to provide additional funding for school debt service be drafted and forwarded to the full Assembly for adoption.

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

c. **Ordinance 2016-09(W) An Ordinance Transferring $696,000 from the CBJ Facility Infrastructure Deferred Maintenance Project, to the General Government Fund's Fund Balance.**

This ordinance would transfer $696,000 of FY17 Deferred Maintenance CIP funding to the general fund for operating budget expenditures. As a part of the FY17 CBJ budget process, the Assembly tentatively allocated $696,000 of increased property tax revenues into a deferred maintenance CIP. The allocation was tentative based on the uncertainty of the FY17 state budget.

Subsequent to the adoption of the CBJ budget in May 2016, a Governor's veto reduced the amount of the permanent fund dividend. The reduction in the dividend is expected to reduce the retail sales tax collected. The tax loss reduces the revenue originally allocated to the general fund. The Assembly Finance Committee reviewed the FY17 budget shortfalls at its September 8, 2016, and November 9, 2016, meetings. The committee recommended an ordinance to provide additional funding, via a CIP transfer, for general government operations be drafted and forwarded to the full Assembly for adoption.

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

d. **Ordinance 2016-09(X) An Ordinance Transferring $110,434 from the Sales Tax Fund's Fund Balance, to the Roaded Service Area Fund's Fund Balance.**

This ordinance would appropriate $110,434 of available sales tax fund balance as partial funding for the FY17 general government operating budget.

Subsequent to the adoption of the CBJ budget in May 2016, a Governor's veto reduced the amount of the permanent fund dividend. The reduction in the dividend is expected to reduce the retail sales tax collected. The tax loss reduces the revenue originally allocated to the general government funds. The Assembly Finance Committee reviewed the FY17 budget shortfalls at its September 8, 2016, and November 9, 2016, meetings. The committee recommended an ordinance to provide additional funding from the sales tax fund for general government operations be drafted and forwarded to the full Assembly for adoption.

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

e. **Ordinance 2016-09(Y) An Ordinance Appropriating to the Manager the Sum of $365,000 as Funding for the Fountain and Whale Related Site Elements that are Part of the Bridge Park Capital Improvement Project; Funding Provided through a Donation from The Whale Project Committee.**

The Whale Project Committee is donating $365,000 to the CBJ for the construction of the fountain and whale related site preparation elements of the Seawalk Bridge Park to Gold Creek project. This donation will pay for these items in the Phase III Seawalk contract and will have additional funds available to put towards the completion of the fountain works and pump room. These donated funds will be appropriated into the Bridge Park CIP, P41-090.

The Public Works and Facilities Committee recommended this request be forwarded to the Assembly for action/adoption at its October 31, 2016, regular meeting.

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

VIII. PUBLIC HEARING

A. **Ordinance 2016-30 An Ordinance Amending the Comprehensive Plan by Adopting the Housing Action Plan.**

This ordinance would adopt the Housing Action Plan, and amend the CBJ's Comprehensive Plan to include the Housing Action Plan.

On October 26, 2015, the draft plan was presented to the Assembly Committee of the Whole. The Affordable Housing Commission and staff further refined the plan, and at its June 7, 2016, meeting, the Affordable Housing Commission voted to move the plan to the Planning Commission. On July 12, 2016, the Planning Commission, by unanimous vote, recommended that the Assembly adopt the plan as an addition to the City and Borough Comprehensive Plan.

On October 31, 2016, the Assembly Committee of the Whole made its final changes to the plan. The ordinance would adopt the version of the plan approved by the Committee.

The City Manager recommends this ordinance be adopted.

B. **Ordinance 2016-35 An Ordinance Authorizing the Manager to Convey Lot 3 of the Renninger Subdivision to the Juneau Housing Trust.**

Staff solicited letters of interest for the disposal of six residential lots in the Renninger Subdivision. The Lands Committee reviewed four letters of interest at its April 25, 2016, meeting, and at its May 16, 2016, meeting recommended authorizing the City Manager to negotiate with the Juneau Housing Trust for the sale of Lot 3. On August 29, 2016, the Lands Committee unanimously passed a motion of support to dispose of Lot 3 in the Renninger Subdivision to the Juneau Housing Trust for 50% less than fair market value. The ordinance outlining the disposal was introduced to the Assembly on September 26, 2016.

In accordance with CBJ 53.09.270, this sale is for less than fair market value because the Trust's proposal is to work with the University of Alaska Southeast and the Juneau School District to build affordable single family homes while teaching students in the educational Home Build Program. Homes built by the program will be sold outright, and Juneau Housing Trust will lease the underlying land to the homeowners with a 99 year land lease. The homes are intended to service the 80 - 120% median income range over the life of the land lease.

The City Manager recommends this ordinance be adopted.

C. **Ordinance 2016-39(b) An Ordinance Authorizing the Manager to Negotiate a Sale of the North Franklin Parking Lot, Located at 310 Second Street, to Eagle Rock Ventures, LLC.**

At the Assembly's direction, staff solicited letters of interest and applications for a negotiated sale of the North Franklin Parking Lot located at the corner of Franklin and Second Street.

The Lands Committee reviewed the Eagle Rock Ventures, LLC proposal at its June 27, August 15, August 29, and October 10, 2016, meetings.

At its October 10, 2016, meeting, the Lands Committee considered Eagle Rock Ventures, LLC's proposal but the motion supporting the proposal did not pass.

At its meeting on October 17, 2016, the full Assembly passed a motion, without objection, directing staff to prepare an ordinance for its consideration authorizing the sale of the property to Eagle Rock Ventures, LLC.

Version (b) of the ordinance makes a change to section 3 (d), providing for the closing date.

The City Manager recommends this ordinance be adopted.

D. **Ordinance 2016-40 An Ordinance Authorizing the Port Director to Lease Tract A of Alaska Tidelands Survey 1670 to Angoon Trading Company, Inc.**

CBJ Docks & Harbors proposes entering into a new 35-year lease with Angoon Trading Company for Alaska Tidelands Survey No. 1670, Tract A, located along Channel Drive.

The property was appraised at $0.10 per square foot with an effective date of August 13, 2015. On October 27, 2016, the Docks & Harbors Board recommended that the Assembly approve a new 35-year lease with Angoon Trading Company for $6359.80 per year. The Lands Committee reviewed and recommended approval of the new lease at its October 31, 2016, meeting.

The City Manager recommends this ordinance be adopted.

E. **Ordinance 2016-42 An Ordinance Amending Non-code Ordinance 2016-34, Authorizing the Port Director to Lease Alaska Tidelands Survey 33 to Andrew's Marina, Inc., to Correct the Initial Annual Rent Amount.**

After Ordinance 2016-34 was adopted in September 2016, authorizing Docks and Harbors to lease tidelands to Andrew's Marina, Inc., staff discovered an error in the appraisal establishing fair market value for the leased property. A corrected appraisal report was received on October 26, 2016.

This ordinance corrects the annual rental amount consistent with the actual fair market value for the leased premises.

The 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 and Liaison Reports

C. Presiding Officer Reports

XIII. ASSEMBLY COMMENTS AND QUESTIONS

XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XV. EXECUTIVE SESSION

XVI. ADJOURNMENT

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