THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - February 23, 2015

MEETING NO. 2015-03: 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 Merrill Sanford.

I. ROLL CALL

Assembly Present: Mary Becker, Karen Crane (teleconference), Loren Jones, Jesse Kiehl, Jerry Nankervis, Merrill Sanford, Kate Troll and Debbie White.

Assembly Absent: Maria Gladziszewski.

Staff Present: Kim Kiefer, City Manager; Rob Steedle, Deputy City Manager; Amy Mead, Municipal Attorney; Laurie Sica, Municipal Clerk; Robert Barr, Library Director; Hal Hart, Community Development Director; Beth McKibben, Senior Planner; Carl Uchytil, Port Director; Bryce Johnson, Police Chief; Tricia Everson, Executive Assistant II; Greg Chaney, Lands and Resources Manager.

II. SPECIAL ORDER OF BUSINESS

A. In Memory of John R. Hurlock, Thank You to the Hurlock Family for the Generous Donation to Purchase Library Books

Mayor Sanford and Robert Barr both thanked Larry Hurlock and the Hurlock family for their generous donations to the community. Mayor Sanford read a certificate of appreciation recognizing the generous donation of $20,000 for library books at the Juneau Public Library. Mayor Sanford said the Hurlocks had an egg farm and were always ready to lend a hand. They donated land to the high school building program in the 60's and their giving started long ago and has continued.

Mr. Hurlock said his parents were very generous, kind, and had lifelong relations with people they sold property to. His mother attended church every day and donated the land that the original St. Paul's church was built upon. When they were alive his parents were very rarely given recognition for their contributions and the library donation is a small fraction of the donations they made throughout their lives.

B. National Engineers Week Proclamation

Mayor Sanford welcomed the engineers in the room forward, including Carl Uchytil, Mark Pusich (R&M Engineering), Mark Sams (PND), Shane Young (PND), Pete Hildre (retired/Dowl) & Justin Wilson (ADOT). He read a proclamation announcing February 22, 2015 to February 28, 2015 as National Engineers Week in Juneau, Alaska, and asked people to recognize the essential contributions Engineers make within the community.

Mr. Uchytil said people in Juneau were fortunate to live in a community with many working and retired engineers. One of their outreach efforts was the Mathcounts annual event that Doug Murray has sponsored for the past 15 years. They also provide scholarships, and he shared a video clip from YouTube showing the national level of Mathcounts.

III. APPROVAL OF MINUTES

A. February 2, 2015 Regular Meeting 2015-02

Hearing no objection, the minutes of the February 2, 2015 Regular Assembly Meeting 2015-02 were approved.

IV. MANAGER'S REQUEST FOR AGENDA CHANGES

None.

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

VI. 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 Becker, to adopt the consent agenda. Hearing no objections, the consent agenda was adopted.

1. Ordinances for Introduction

a. Ordinance 2014-24(AB) An Ordinance Appropriating to the Manager the Sum of $500,000 as a Transfer to the Capital Transit Maintenance Shop Capital Project; Funding Provided by the Alaska Department of Transportation and Public Facilities and Fleet Replacement Reserve Fund Balance.

Capital Transit has a $400,000 equipment grant from the Alaska Department of Transportation and Public Facilities that was previously appropriated with Ordinance # 2012-20(G) into the Fleet reserve. The grant is for the purchase and installation of lifts and bus washing equipment. There is an additional $100,000 in the fleet reserve that is a match to the grant.

To date there have been $77,289 of expenses incurred on the project. The expenses will be transferred along with the revenue to D71-085 Capital Transit Maintenance Shop Capital Improvement Project (CIP).

These funds can be more efficiently spent and tracked if they are transferred into the Capital Transit Maintenance Shop CIP. This CIP was established as part of the voter approved package on the October 2012 election, it contains approximately $3M in bond money. The bond project is slated to provide for additional inside bus storage as well as other facility and system improvements.

Transfer From -		
FLEET 13-10	CT ARRA Lift/Wash Equipment	$500,000
Transfer To –		
D71-085	Capital Transit Maintenance Shop	$500,000

The Public Works and Facilities Committee reviewed this request at their February 9, 2015 meeting and forwarded it to the full Assembly with a recommendation of approval.

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

b. Ordinance 2014-24(AC) An Ordinance Re-Appropriating to the Manager the Sum of $77,000 from the Lands and Resources, Affordable Housing Loans Project that was Created with Ordinance Number 2011-11(N), to the Lands Department Affordable Housing Project, Expanding the Intended Scope to Include both "Grants and Loans"; Funding Provided by the Alaska Department of Commerce, Community, and Economic Development.

In 2011 the Assembly appropriated a $90,000 grant from the State Legislature with Ordinance # 2011-11(N). The intention of the appropriation was that the grant would be combined with the Juneau Affordable Housing Fund to be used for housing loans. The terms of the grant agreement includes the wording "Grants and Loans". This ordinance would broaden the scope of the grant through the Assembly.

Since then, the JAHF and grant have seen little use. Only one $13,000 loan was issued, leaving the balance of the grant at $77,000. The Affordable Housing Commission has spent numerous hours and meetings discussing alternative ways to use the fund to stimulate the housing market. After much consideration, they propose to use the balance of the State grant ($77,000) for an Accessory Apartment Grant Incentive Program. The program would provide $5,000 incentive grants to homeowners/builders who complete new Accessory Apartments. Attached you will find the program description written by the Affordable Housing Commission.

This item was presented to the Lands Committee on January 26, 2015 and they recommended forwarding it to the Assembly for approval

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

c. Ordinance 2015-11 An Ordinance Amending Ordinance Serial No. 2014-01 Regarding the Second Series of Port Revenue Bonds Authorized Thereunder.

This ordinance amends ordinance 2014-01, adopted on January 6, 2014, authorizing the issuance of not to exceed $29,000,000 of port revenue bonds. The purpose of the bonds is to fund the cruise ship dock expansion and a portion of the Seawalk. This amendment is necessary to update the principal maturity schedule in section 5. The revised schedule allows the issuance of 19 year bonds versus the original plan of 25 year bonds.

CBJ has already sold $6.055 million of 25 year revenue bonds on February 20, 2014 to provide funds for the Seawalk portion of the project. The remaining $22.9 million of bonds are scheduled to be sold April 22, 2015 and will have a 19 year maturity span.

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

d. Ordinance 2015-12 An Ordinance Amending the Land Use Code Relating to

Wireless Communication Facilities.

Wireless Communication Facilities (WCF) are regulated by federal law and by the City and Borough of Juneau in Title 49.65.900-1030.

On January 8, 2015, the Federal Communications Commission published new federal WCF laws, which take effect on April 8, 2015. As of that date, local governments will be required to approve certain types of collocation applications (eligible facility request) within 60 days of initial application. The new law also defines certain terms (such as an elgibile facility request) that were previously undefined by the FCC.

The new federal laws do not affect public notice and do not affect WCFs that require a special use permit.

This ordinance would amend Title 49 to be consistent with the new federal laws.

The Planning Commission reviewed the ordinance at its January 27 and February 10, 2015 meetings and recommended forwarding it to the Assembly for its approval. This ordinance includes all changes approved by the Planning Commission.

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

e. Ordinance 2015-13 An Ordinance Amending the Comprehensive Plan by Adopting the Auke Bay Area Plan.

This ordinance would adopt the Auke Bay Area Plan, and amend the City's comprehensive plan to include the Auke Bay Area Plan.

On February 9, 2015, the plan was presented to the Committee of the Whole. On February 10, 2015, the Planning Commission voted to recommend to the Assembly adoption of the plan.

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

f. Ordinance 2015-14 An Ordinance Amending the Penal Code Fine Schedule Relating to Off-site Commercial Solicitation.

This ordinance would amend the fine schedule relating to off-site commercial solictation. Currently, violations of CBJ 49.20.210 are punishable by a fine of $150. This ordinance would amend the fine schedule to the following graduated schedule: $150 for the first offense, $300 for a second offense in two years, and a mandatory court appearance for the third offense in two years.

JPD was approached by several businesses in the downtown area complaining of on-going off-site commercial solicitation (or "hawking") issues. It has become apparent that given the amount of profit involved in the sale of merchandise in the downtown area, a small fine is not sufficient to deter illegal hawking. This ordinance would increase the fine and culminate in a mandatory court appearance for repeat offenders, in an effort to encourage voluntary compliance.

The Manager recommends this ordinance be introduced and set for public

hearing at the next regular Assembly meeting.

2. Resolutions

a. Resolution 2711 A Resolution Supporting the Reinstatement of a Full $60 Million Into the Revenue Sharing Fund on a Yearly Basis With a One-Year Appropriation of $8 Million to the Fund With an Effective Date Prior to June 30, 2015.

This resolution requests that the Alaska Legislature reinstate a full annual deposit of $60 million into the municipal revenue sharing fund, and further requests that the Legislature appropriate $8 million to the fund, with an effective date prior to June 30, 2015, to add to the $52 million appropriated to the fund last legislative session. This resolution supports, and is modeled after, a similar resolution adopted by the Alaska Municipal League.

The Manager recommends this resolution be adopted.

b. Resolution 2712 A Resolution Accepting the Task Force Report on Basing National Oceanic and Atmospheric Association (NOAA) Fisheries and Oceanographic Functions in Alaska.

The majority of the NOAA Alaska fishery and oceanographic research is based in Washington and Oregon. This adversely affects Juneau and other Alaska coastal communities because jobs and income are elsewhere and it limits the time that researchers can spend in Alaska's waters. To address this issue, on February 24, 2014, the Mayor created the Task Force on Federal National Oceanic and Atmospheric Administration Fisheries and Oceanographic Functions in Alaska.

The task force presented its report at the January 26, 2015, Committee of the Whole meeting. The report makes specific recommendations on how Juneau can influence moving the base of that research to Juneau and other Alaska coastal communities. At that meeting, a motion to accept the report was approved without objection.

The Manager recommends this resolution be adopted.

c. Resolution 2716 A Resolution Increasing the Membership of the Sister Cities Committee and Repealing Resolution 2508.

Resolution 2508, adopted on November 23, 2009, increased the membership of the Sister Cities Committee from three members to five. The committee has been meeting regularly and is actively seeking to reconnect and strengthen Juneau's relationships with its sister cities.

When presenting its 2013 annual report to the Human Resources Committee on February 24, 2014, the Sister Cities Committee requested to increase membership from five to seven members in order to better facilitate the committee's work on its various activities and projects. At the February 2, 2015 Assembly meeting, a motion directing staff to draft a resolution to increase the membership from five to seven was approved without objection. The Human Resources Committee meeting reviewed this resolution at its February 23, 2015 meeting.

The Manager recommends the Assembly follow the recommendations of the Assembly Human Resources Committee.

3. Transfers

a. T-965 - Transferring $225,000 of Sales Tax Revenues from the Completed Berners Avenue Reconstruction and Tanner Terrace Reconstruction Capital Improvement Projects to Provide Additional Funding Necessary to Complete the Back Loop Auke Bay Waterline Capital Improvement Project.

Transferring $225,000 of Sales Tax Revenues from the completed Berners Avenue Reconstruction and Tanner Terrace Reconstruction capital improvement projects to provide additional funding necessary to complete the Back Loop Auke Bay Waterline capital improvement project.

The water main being replaced is a part of the original University water system and needs to be upgraded due to being old and undersized (not able to carry the volume of water needed to efficiently supply water from the CBJ water sources – LCB and Salmon Creek – to the customers out the road). The remaining portions of the water system within the ADOT project limits have already been upgraded as parts of past projects. The work is estimated to cost approximately $300,000. The existing CIP has $75,000 remaining, leaving a $225,000 shortfall. The project is anticipated to be bid by early summer 2015. The Berners Avenue project is completed and will be closed upon this transfer. The Tanner Terrace project is substantially complete with minor punch list items and project closeout to be completed this spring.

Transfer From -
R72-051 Berners Avenue Reconstruction $118,000
R72-065 Tanner Terrace Reconstruction LID $107,000

Transfer To –
W75-048 Back Loop Auke Bay Waterline $225,000

The Public Works and Facilities Committee reviewed this request and forwarded to the full Assembly with a recommendation of approval at their January 26, 2015 meeting.

The Manager recommends approval of this transfer.

VII. PUBLIC HEARING

A. Ordinance 2015-07(b) An Ordinance Amending the Land Use Code Relating to Accessory Apartments.

This ordinance would amend Title 49 with respect to accessory apartments. The ordinance would allow for larger accessory apartments, up to 1000 square feet, if certain conditions are met with respect to the net floor area of the primary dwelling and size of the lot. The ordinance also simplifies the review and approval process for accessory apartments that are proposed on lots that exceed the minimum lot size. Additionally, the ordinance provides that the Planning Commission may approve an accessory apartment application on a lot that is less than the minimum lot size. Finally, the ordinance would also clarify the parking requirements and makes a few additional housekeeping changes.

The Planning Commission reviewed Ordinance 2015-07 at its October 28, 2014, meeting and recommended forwarding it to the full Assembly for approval.

The Committee of the Whole reviewed Ordinance 2015-07 at its February 9, 2015, meeting and recommended amending the ordinance to allow the Community Development Director to approve accessory apartments that have adequate wastewater disposal capacity, regardless of whether the capacity is provided by public sewer or onsite septic. Ordinance 2015-07(b) reflects those changes.

The Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by Nankervis, to adopt Ordinance 2015-07(b).

Ms. Kiefer provided a handout regarding possible parking changes, "Alternative A and Alternative B," and Ms. McKibben provided an explanation.

MOTION, by Kiehl, to amend the ordinance to include Alternative A, which required parking based on the number of bedrooms rather than the size of the apartment, at one space for an efficiency or one bedroom, and two spaces for two bedrooms.

Ms. White preferred Alternative B, which required only one space per accessory apartment, as many people were moving to fewer vehicles and use of the transit system.

Roll call on Alternative A:
Aye: Crane, Jones, Kiehl, Troll
Nay: Becker, Nankervis, White, Sanford
Motion failed, 4 ayes, 4 nays.

MOTION, by White, to amend the ordinance to include Alternative B.

Roll Call on Alternative B:
Aye: Becker, Crane, Kiehl, Nankervis, Troll, White, Sanford
Nay: Jones
Motion carried, 7 ayes, 1 nay.
Hearing no objection, Ordinance 2015-07(b) was adopted as amended.

B. Ordinance 2015-08(b) An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Two Parcels between 4605 and 4765 North Douglas Highway, from RR(T)D3 to D-15.

In December 2013, the Community Development Department initiated a rezone of 43 parcels along North Douglas Highway extending from mile 1.3 to 1.9. The parcels are currently identified as transition zones, RR(T)D-3, RR(T)D-15, and D-1(T)D-3.

On June 25, 2014, staff held an informational meeting to discuss the proposed rezoning with all property owners in the affected area. No one from the public participated in the meeting.

The Planning Commission heard the rezone proposal at its August 26, 2014, regular meeting. The Planning Commission recommended approving the rezone with modifications, upzoning a portion of the lots currently zoned D-1(T)D-3 to D-5, and a portion of the lots zoned RR(T)D-3 to D-15. The Planning Commission believed the modifications were needed for consistency with the Land Use Maps of the Comprehensive Plan. Ordinance 2014-45 was forwarded to the Assembly with the Planning Commission's recommendations.

Based on public testimony at the October 20, 2014, Assembly meeting, the Assembly remanded proposed ordinance 2014-45 to the Planning Commission to solicit further public feedback and explore opportunities for higher densities.

The rezone was re-noticed for the November 25, 2014, Planning Commission hearing. Based on public testimony at the hearing, the Planning Commission reversed its earlier decision to recommend upzoning of any of the parcels except the two that are the subject of this ordinance.

Per CBJ 49.70.700-720, once the Assembly has created a transition zone, the rezone occurs upon the Planning Commission granting the rezone to the transition zone designation. Accordingly, as the Planning Commission reversed its October 2014 decision to recommend upzoning 41 of the 43 parcels under consideration, as to those 41 parcels, the rezone is complete. (CBJ 49.70.720(2)(B)(a).)

Ordinance 2015-08(b) removes the 41 parcels that were rezoned at the November 25, 2014, Planning Commission meeting, which leaves two parcels for the Assembly to consider upzoning from D-3 to D-15.

The Manager recommends this ordinance be adopted.

Ms. Kiefer distributed a modified map as Exhibit A to Ordinance 2015-08(b).

Public Comment:

None.

Assembly Action:

MOTION, by Kiehl, to adopt Ordinance 2015-08(b).

MOTION, by Kiehl, to amend by replacing section 2 of the proposed ordinance with the text of section 2, Ordinance 2014-45, that was before the Assembly in October as recommended by the Planning Commission in the fall:

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 reflect the changes from the current and transitional zoning to the new zoning as follows:

Parcel Code No.	**Legal Description**	**Current Zoning**	**Transitional Zoning**	**New Zoning**
6D0701000031	USMS 2225 Tract 1	RR	D15	**D15**
6D0601150011	Channel View Lot 1	RR	D3	**D15**
6D0701000020	Triangle Lot 3	RR	D3	**D15**
6D0701010171	USS 2960 Lot 7A	D1	D3	**D3**
6D0701010172	USS 2960 Lot 7B	D1	D3	**D3**
6D0701010161	USS 2960 Lot 8B	D1	D3	**D3**

6D0701010162	USS 2960 Lot 8A	D1	D3	**D3**
6D0701010150	USS 2960 Lot 9A	D1	D3	**D3**
6D0701010140	USS 2960 Lot 9B	D1	D3	**D3**
6D0701080160	USS 2960 Lot 6 Tract 1	D1	D3	**D3**
6D0701080152	USS 2960 Lot 6 Tract 2	D1	D3	**D3**
6D0701080151	USS 2960 Lot 6 Tract 2A	D1	D3	**D3**
6D0701080140	USS 2960 Lot 5 Tract A	D1	D3	**D3**
6D0701080130	USS 2960 Lot 5 Tract B	D1	D3	**D3**
6D0701080120	USS 2960 Lot 5 Tract C	D1	D3	**D3**
6D0611000012	USS 4605 FR	RR	D3	**D3**
6D0701010010	USS 2960 Lot 16	D1	D3	**D3**
6D0611000010	USS 4605 FR	RR	D3	**D3**
6D0701010130	USS 2960 Lot 10 FR	D1	D3	**D5**
6D0701010120	USS 2960 Lot 10 FR	D1	D3	**D5**
6D0701010110	Deep Lots Lot 11A	D1	D3	**D5**
6D0701010100	Deep Lots Lot 11B	D1	D3	**D5**
6D0701010090	Deep Lots Lot 11C	D1	D3	**D5**
6D0701010080	Deep Lots Lot 11D	D1	D3	**D5**
6D0701010070	USS 2960 Lot 12A	D1	D3	**D5**
6D0701010071	USS 2960 Lot 12B	D1	D3	**D5**
6D0701010060	USS 2960 Lot 13 FR	D1	D3	**D5**
6D0701010050	USS 2960 Lot 13 FR	D1	D3	**D5**
6D0701010040	USS 2960 Lot 14 Tract 2	D1	D3	**D5**
6D0701010030	USS 2960 Lot 14 Tract 1	D1	D3	**D5**
6D0701010020	USS 2960 Lot 15	D1	D3	**D5**
6D0701080111	Scott Lot 6	D1	D3	**D5**
6D0701080112	Scott Lot 7	D1	D3	**D5**
6D0701080100	Scott Lot 5	D1	D3	**D5**
6D0701080090	Scott Lot 4	D1	D3	**D5**
6D0701080080	Scott Lot 3	D1	D3	**D5**
6D0701080070	Scott Lot 2	D1	D3	**D5**
6D0701080060	Scott Lot 1	D1	D3	**D5**
6D0701080050	Graham Lot 3A	D1	D3	**D5**
6D0701080040	Graham Lot 3B	D1	D3	**D5**
6D0701080030	Graham Lot 3C	D1	D3	**D5**
6D0701080020	Graham Lot 3D	D1	D3	**D5**
6D0701080010	USS 2960 Lot 2 FR	D1	D3	**D5**

Mr. Kiehl said there was no substantive difference in the upzone of the D-15 zones, but D-1-T-D-3 parcels would be upzoned to D-5. He said this amendment, if adopted, would require the ordinance to be re-introduced due to the scope of the change, but it was the right thing to do. He spoke about the needs for housing, and the investment made in sewer and water installation in the area. He said that 2 units per acre would equal 160 potential units for D-3, and D5 would be approximately 320 potential units. It would be a long time before the maximum number of units would be built, if ever, and driveway permits could be difficult to obtain, so any change to the neighborhood would be slow. He read the descriptions of the D-3 and D-5 districts in Title 49 and said that D-3 lands were primarily outside of the urban service boundary where public utilities were not provided. D-5 lands were primarily within, and this area for rezoning was within the urban service boundary.

Mayor Sanford asked the next step if the amendment was passed. Ms. Mead said that the ordinance would need to be reintroduced and would have another public hearing.

Ms. Crane supported the amendment. Her concern was the lack of public testimony the first time through and she agreed that the higher zoning was appropriate.

Mr. Jones said he attended the Planning Commission meeting and the public comments were from those who purchased lots at D-1 (T) D-3 and those people are concerned about the increase of zoning to D-5, the increased potential for driveways, there is not a lot of flat land there, and the PC reversed its decision. If this amendment was passed the Assembly would hear from those landowners. He opposed the amendment.

Mr. Nankervis said he attended the Planning Commission meeting as well and he disagreed with sending it back to the Planning Commission in the first place, due to lack of public notice, and the public commented that they did not want the increased density, the Planning Commission responded and now it is back to the Assembly, and the amendment asked for what was envisioned in the first place.

Ms. Troll said she opposed the amendment out of respect for due process - it was properly noticed, the landowners did show up, the Planning Commission did its work and chose to leave it at D-3. Unless there was some compelling evidence that the work was not done properly, the Assembly should uphold the work.

Ms. White said she supported the amendment. The upzoning would not force anyone to subdivide their land, but would provide the option if the topography allowed. The driveways were a matter for the Department of Transportation. She spoke about the investment in infrastructure and subsequent opposition to upzoning and there would always be people who opposed change.

Ms. Becker said she supported the amendment.

Roll call:
Aye: Becker, Crane, Kiehl, Nankervis, White, Sanford
Nay: Jones, Troll
The motion passed 6 ayes, 2 nays.

Ms. Mead said she would return the amended ordinance to the Assembly for introduction.

C. Ordinance 2015-09 An Ordinance Amending the Penal and Traffic Codes Relating to Marijuana Offenses and Establishing Penalties.

As of February 24, 2015, the effective date of the initiative, State law will prohibit the consumption of marijuana in public. The initiative, at section 17.38.040, states: "It is unlawful to consume marijuana in public. A person who violates this section is guilty of a violation punishable by a fine of up to $100."

The initiative does not define "in public," and as such, is potentially subject to legal challenge. Additionally, because the State has not adopted a bail schedule or set fine to be imposed, all citations would require mandatory court appearances.

This ordinance would prohibit the same activity banned under State law (public consumption), but unlike the initiative, would define what "in public" means, giving clear guidance to the public about what is and isn’t allowed, and, by establishing a specific fine amount for violations, would allow persons violating the law the option to pay the fine in lieu of a court appearance for the first two violations. The ordinance would establish a $100 penalty for a first and second violation, with the third and subsequent violations requiring a mandatory court appearance.

This ordinance would also amend the Traffic Code by adding a provision prohibiting the consumption of marijuana while driving a motor vehicle and prohibiting the person in control of a motor vehicle from permitting or allowing anyone in the vehicle to consume marijuana while the vehicle is being driven. The ordinance would establish a penalty of $200 for a first violation, $300 for a second violation, and a mandatory court appearance for the third and subsequent violations, consistent with the City's open container law.

The Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by Becker, to adopt Ordinance 2015-09.

Mr. Nankervis referred to an email from Mr. John Sivertsen and asked about mandatory court appearances (MCA) and if there were bigger fines available, and if not, why make it mandatory court due to the cost of sending CBJ attorneys to court if it could just be a fine. He said it was difficult to figure out how many times someone had been convicted of an offense.

Ms. Mead said the policy decision for graduated fine was made by the Assembly and the MCA did not require attorney assistance as it was still a minor offense to be arraigned in court and it left the fine discretionary with the judge, up to the top limit of $500. The idea of a MCA was to make it a more burdensome process for the person cited, so they could not just write a check, but would have to see a judge.

Mayor Sanford asked if a police officer had a way to look up the number of previous citations when issuing a citation. Ms. Mead said if the officer was on foot, they would need to call dispatch to look it up, but an officer in a car had immediate access to the information.

Ms. White asked if the MCA could be added at a later date, she was concerned about tying up court time for these offenses. She would still support the MCA for the vehicle operation section.

Ms. Mead said it could be a static schedule or the fine schedule could be modified at any time.

Ms. Crane asked if the police had a preference. Chief Johnson said that due to the time it took to look up the history, tickets were often written as a first offense without citing the MCA. Ms. Mead said that whatever was written on the ticket was the limitation of punishment that could be imposed.

Mr. Kiehl said the approach with most options was to have a flat amount with an option for a MCA.

Hearing no objection,Ordinance 2015-09 was adopted.

D. Ordinance 2015-10 An Ordinance Adopting the Juneau Economic Development Plan.

This ordinance would adopt the Juneau Economic Development Plan, dated January 28, 2015, and amend the City's comprehensive plan to include the Juneau Economic Development Plan.

Work on the Juneau Economic Development Plan began in January 2014. In developing the plan, the consultants conducted public workshops and met with community leaders. The Assembly Committee of the Whole heard presentations on the plan from the consultants in April, June, July, August, September and October of 2014. On January 5, 2015, the Committee of the Whole reviewed the final draft plan.

The Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by Jones, to adopt Ordinance 2015-10. Hearing no objection, it was so ordered.

Ms. Troll asked for proposals on how the plan could be implemented.

Mayor Sanford said he had communicated with JEDC, JCVB, the Airport Board, and he would invite people to come in to review Chapter 5 for a discussion, to see how specific groups could help move the plan forward. He was seeking help from the community to expedite implementation of the plan. He asked the Assemblymembers review the objectives and goals that they had been working on or would like to be a champion for, and report back to him, so he could link Assemblymembers with those taking action. Mayor Sanford said that the staff was reviewing the plan for activities that were underway, such as the Housing Action Plan, the West Douglas Road, and others. He asked the Assemblymembers to provide him with their thoughts on the matter.

Ms. Troll asked if there would be a special meeting to discuss Chapter 5 with the community groups and Mayor Sanford said yes. Ms. Troll suggested that each member be a liaison for one of the nine initiatives. This would enable her to continue with the NOAA work she had done.

Mayor Sanford said the plan was big, and a goal was to not start something that could not be finished. He encouraged communication and careful consideration of the initiatives regarding cost.

Mayor Sanford thanked the Assembly for putting forth the funding and the work for the plan and it was a good effort.

Ms. Kiefer said there was an errata sheet of corrections in the red folder. There was no objection to adopting the errata sheet to accompany the plan.

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

A. Authorization to Begin Land Exchange Negotiations with the Christ Evangelical Lutheran Church of Juneau in Order to Gain Access to the Future Pederson Hill Residential

Development

In order for the CBJ to develop Pederson Hill to meet the housing demand needs, the CBJ must first secure access routes from Glacier Highway to the large tracts of property. The Christ Evangelical Lutheran Church has demonstrated interest in a land trade that would be mutually beneficial. The CBJ stands to gain a reliable access point that allows for cost effective development of utilities as well as a four-way intersection off of Glacier Highway that was recommended by the ADOT. The Christ Evangelical Lutheran Church stands to gain land that can be developed for future expansion, direct access to the undeveloped ROW as well as a future sewer hook-up. This land trade will facilitate the next phase of planning and development of the Pederson Hill residential subdivision. The Property Acquistion and Disposal Code CBJ53.09.260(a) requires Assembly direction by motion in order for the Manager to negotiate terms for a land exchange.

The Manager is requesting authorization to enter into direct negotiations for a land trade with the Christ Evangelical Lutheran Church of Juneau.

MOTION, by Troll, to authorize the Manager to enter into direct negotiations for a land trade with the Christ Evangelical Lutheran Church of Juneau, in order to gain access to the Future Pederson Hill land development. Hearing no objection, it was so ordered.

B. Authorization to Waive the $500 Application Fee & Appraisal in Order to Enter into Direct Negotiations for an Expanded Leased Area and Extend the Southeast Alaska Food Bank Lease

In 2001 Resolution Serial No. 2098 authorized the Manager to lease a .25 acre parcel of land for 25 years at the end of Crazy Horse Drive for $1 per year to the Southeast Alaska Food Bank for the purpose of operating a charitable food distribution warehouse. Over the past 14 years the Food Bank has provided a food distribution system for service groups assisting the needy and homeless throughout Southeast; now they seek to expand their leased area in order to meet increasing demand. As part of the request, it is asked that the $500.00 application fee and appraisal (required under CBJ53.09.260) be waived because of the service they provide to the community.

The Manager is requesting authorization to enter into direct negotiations for a new lease with the Southeast Alaska Food Bank, and waive the application fee.

Mr. Kiehl asked for a description of the expanded area. Mr. Chaney said it would be an additional quarter acre, which would double the size of the building and parking area.

Hearing no objection, the Manager was authorized to enter into direct negotiations for a new lease with the Southeast Alaska Food Bank, and waive the application fee.

C. Authorization to Begin Negotiations to Renew the State of Alaska Lease for Employee Parking Adjacent to the JACC and Centennial Hall

Resolution Serial No. 2535 authorized negotiations with the State of Alaska for a one year lease for employee parking in the vicinity of the Juneau Arts and Cultural Center and Centennial Hall, with the option of four one year renewals. The lease was appraised April 2010 for $111,000 annually. The last renewal is set to expire on June 30, 2015. Prior to finalizing a new agreement, the lease will be reviewed by the Planning Commission and come back to the Assembly for final approval by ordinance per CBJ 53.09.260.

The Manager is requesting authorization to negotiate a new lease with the State of Alaska.

The Assembly reviewed the terms of the lease, the number of parking spaces, and the planning for downtown parking and the needs of JACC, Centennial Hall, and the Willoughby District.

Hearing no objection, the Manager was authorized to negotiate a new lease with the State of Alaska for employee parking adjacent to the JACC and Centennial Hall.

D. Gastineau School 1% for Art Proposals

The Gastineau Community School Selection Panel has selected four artists for the 1% for Art for Gastineau Elementary School. Three of the artists would enter into contract with the City for the completion of their work and one artist would be paid for an already completed framed artwork. The budget for the 1% for Art process for Gastineau Community School is $90,000. This is 1% of the final construction cost of the renovation project.

Extreme Dreams (John & Sharon Svenson) have proposed three glass tile mosaic panels depicting a nature theme with warm colors true to the setting and character of Douglas. The panels will be approximately 4’ x 2.5’ each, totaling 30 square feet and installed on the upper half of wall in foyer 117. The panels will be composed of glass tiles and may incorporate other materials and treasures as desired by the artist such as found objects, coins, and gems. Cost: $14,500 + $1,400 stipend.

Dan DeRoux has proposed a hanging sculpture entitled "Rain Drop Light Well" to be installed in the light well at intersection of Foyer 117 & Corridor 102/137. It will suspend forty eight ¼" acrylic discs of varying sizes with centers cut out for placement of crystal or glass raindrops. A 1 ½’ mirrored band will be applied to the light well interior. The idea is to create an illusion that you are looking up at raindrops on the surface of water, and as the sun shines through, it should create a rainbow effect. Cost: $27,000 + $1,000 stipend.

Donna Catotti and Rob Goldberg have proposed an etched glass composition depicting a treetop view of two eaglets in a nest along with two adult eagles reflecting a realistic result through drafting and layering. The Artists will sandblast-etch the existing glazing of eight to twelve glass panels making up a wall that divides the office area from the commons area. The etching will provide a sense of privacy on the lower levels while keeping a filtered view of the commons area in upper levels. This is to block view of children looking into office while allowing adults to see through. Cost: $20,000.

Bruce Nelson proposed a large colorful painted mural to be attached to the upper wall soffits in the commons area. The Art Committee appreciated his sketches but did not choose the full sized mural. Instead the Committee asked Mr. Nelson about purchasing the actual sketch, to which he agreed. The sketch is 23" x 30"; and will arrive framed and ready to hang. Cost: $875.

In accordance with CBJ 62.65 all 1% for Art selections are subject to final approval by the Assembly.

The Manager recommends approval of the 1% for Art Proposals for Gastineau Elementary School.

Hearing no objection, the Assembly approved all 1% for Art Proposals for Gastineau Elementary School as selected by the Gastineau Community School Selection Panel.

X. STAFF REPORTS

A. Update from City Attorney on Gastineau Apartments

Ms. Mead said AHFC had Jensen Yorba Lott do an inspection of the building and JYL determined the building is not salvagable, and needs to be demolished. The price given to do the work was estimated at $900,000 for a clean out and no removal of the concrete shell and up to $1.2 million to demolish the entire site, leaving the foundation in place so as to avoid impact to the surrounding properties. AHFC has determined that the return on investment is too low to move forward either on its own or with a private developer. The cost per unit that a private developer working with AHFC could recover could not meet the demolition costs. This means there are three options if the Assembly is to move forward to do something about this property:

1) Continue down eminent domain path working with AHFC, which would require CBJ to take the property, demolish the property, then allow AHFC to work with a private developer to develop affordable housing.

2) CBJ could pursue eminent domain, transfer the property to a private developer to use any way they wish as long as and only if the current owner consents to this action. There is a provision in the eminent domain statute that allows that type of action, and eliminates the need for a public purpose to take the property.

3) CBJ could initiate a nuisance action, or an administrative action under the International Property Management Code, to require the current owner to demolish the destruction. Going that route would require an administrative process or court action. If the current owner did not demolish the property, CBJ could do so either on its own or through a private developer, and recover the costs through the lein process. There would be a lein on the property and then CBJ would be able to sell the property. It does not appear that we would be able to recover all of the costs from the sale of that property because the current appraised value of the land is $800,000. However, with this route, there is no need to state a public purpose, and therefore, there could be a higher rate of return as there would be fewer restrictions on a developer.

One of the owners that CBJ has not had communication with has contacted the Law Department and has said she intends to have the building demolished by the end of March, but there are no demolition permits in place at this time. That same owner believes the property is worth $2 million and Ms. Mead said she thought that was the current asking price.

Ms. Crane asked for the fastest way to get something done. Ms. Mead said it would be for CBJ to aquire and demolish the property and to be able to provide a developer with a flat lot to develop it. The fastest route was the most expensive, the least expensive route was slightly slower.

Mr. Jones said there was a cost to pursue eminent domain, which was on the top of the cost to demolish. Ms. Mead said that those costs were taken into account in court. If it cost CBJ $1.2 million to demolish and CBJ could sell it for only $500,000, it could be argued to the court that CBJ should not have to pay additional court costs. Mr. Jones said he preferred the option of acquiring the property, demolishing it and still working with AHFC to rebuild, as opposed to CBJ selling to a developer and figuring out the conditions and the financing.

Ms. White asked if interest from private developers had evaporated. Ms. Mead said if the owner would entertain private offers that would help but that had not occured to her knowledge. Ms. Mead said that any developer working with AHFC would be limited to what they could do with the property, and therefore the return on investment may be too low to interest developers, without the ability to use some of the structure as commercial space. There were also other issues from AHFC, such as parking requirements that could come in to play, tax abatement issues/incentives that could be used to get a private developer involved.To work with AHFC, it would take more than creating flat land, CBJ would have to make the situation enticing to a private developer.

Ms. Mead said if affordable housing was not the end goal and there was a different public purpose that could be envisioned, now that it is understood that it needs to be demolished, that could be considered. It could be used for city purposes, parking, affordable housing, etc.

Ms. Crane asked how long the code enforcement action could take. Ms. Mead said the shortest period of time would be requested, and certain milestones would need to be reported to the court to show action, and she suggested a 3- 6 month time frame would be optimistic. Mayor Sanford said the same had been done with Nowell Ave. property and asked for a status report. Ms. Mead said $10,000 of the $72,000 had been recovered for the money spent for the contractor. A bank was currently foreclosing the property, which had stalled the process, and there was no lien on this property.

Ms. Troll said this process shoudl be as flexible as possible to meet guidelines of AHFC and make it attractive to developer but it seemed AHFC was only looking at affordable housing. Ms. Mead said AHFC could not offer full use of the property as commercial to a private developer, and because it would be so expensive to return to a buildable state, they were concerned the return would be too low. AHFC's calculations did not pencil out for their needs.

Mr. Kiehl said he would like to see the figures, the redevelopment cost and what would produce an attractive return. Without seeing the numbers I don't know if there is an opportunity for partnership with AHFC in redevelopment. Ms. Mead said AHFC was willing to speak to the Assembly about this issue.

Mayor Sanford wanted to see the costs outlined on the alternative options. Perhaps the private owners would stand a better chance of selling it if they know the Assembly is not interested in pursuing the matter.

Ms. Troll said the timelines were important too for each option.

Ms. Becker asked about the lien. Ms. Mead said she needed to do more research on the process. Once there was a final report from Jensen Yorba Lott, if that was sufficient for the CBJ Buiding Official to make a finding that the building was in such a deteriorated state that demolition was the only option, then an administrative process was available under the International Property Management Code that was much shorter, cleaner process. She said there was a Supreme Court case in 2008 regarding municipal liens that she needed to understand how that would apply to this situation.

Mr. Jones spoke about the situation and said he did not see anyone other than the city taking action. The building would not get any better sitting there, it was valuable property, there was a need for housing and he would rather act to spend funds to take action than to see no action at all.

Ms. Troll said the the eminent domain route was within CBJ's control and there was a public purpose for housing, it was unlikely we would get cooperation with the private owner to participate in eminent domain, and the code enforcement option would require the owner to demolish a building that they believe is worth $2 million. She did not like the first option but did not see any other realistic option. Ms. Mead said eminent domain got the property taken faster -

the third option returned the most money but would take a longer period of time.

Mr. Kiehl said CBJ would need to identify a public purpose at the outset. There is a building to be demolished, not rehabbed, and he was not prepared to declare a purpose. He would need more information to make that decision.

Ms. Crane said affordable housing and she was not sure that was the best place for it. She said a mixture of uses would create the vibrancy desired for downtown.

Ms. Troll asked if eminent domain would confine the public purpose as affordable housing. Ms. Mead said it could be mixed use but the ratio of commercial use and affordable housing hinges on whether AHFC was involved, which would require more housing. Ms. Mead summarized that the Assembly would like to hear from AHFC to clarify whether they were willing to move forward and could find the property worthwhile if CBJ was to demolish it, and more information about the potential purposes the property could be used for if CBJ moved forward with an eminent domain process, as well as the costs and timelines for various options.

Mr Nankervis said his preference would be for the landowner to take care of his own problems rather than making it CBJ's problem.

Mr. Jones asked for information from AHFC regarding property tax abatement or other incentives that would make it more feasible for an AHFC developer or a CBJ developer.

Mayor Sanford said the fewer requirements that CBJ placed would ease the financing for a private developer.

In response to a discussion about tax abatement, Mr. Steedle said the property owner was current in their taxes and were assessed at the full value of the structure until last year when the condition was factored in. The Assembly asked for the information on assessments and taxes paid on the property.

Ms. White asked if there was a way to recoup costs for the burden placed upon CBJ to address this property. Ms. Mead said if a code enforcement action was done, and a lien way placed on the property for the costs incurred to make the property developable, the lien could be foreclosed upon and a sale forced of the property. If there was a remaining amount still owed, the lien could be reduced to a judgment, which could be recorded and would be a lien against any real property in any state owned by the same person. Ms. Mead expressed concern that this property is owned by a defunct LLC.

XI. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Sanford said that the Sister City group visited Whitehorse and would update the Assembly at a future meeting. There were some good discussions and a group from Whitehorse would be visiting for the Fourth of July and also attending the Southeast Conference meetings in Prince Rupert in September. He said it had been very worthwhile to send the Sister City representatives on this visit.

B. Committee Reports

Committee of the Whole: Chair Becker said the COW heard presentations from Max Mertz and

Kirk Duncan about aquatics facilities, discussed the accessory apartment ordinance and the Auke Bay plan.The next meeting was set for March 2.

Finance Committee: Chair Crane said the Finance Committee considered recommendations from the Tax Exemption Review Committee and voted to move three items to the assembly: 1) raising limit on items purchased to $12,000 from $7,000 and additionally raising it every year by the Consumer Price Index, 2) Limiting the senior sales tax exemption to Juneau seniors only - no out of town residents, and 3) eliminating the senior tax exemption for restaurant meals. The committee was still considering a needs based senior exemption but had additional questions to investigate on how this would work. More information would be considered at the next meeting set for March 18.

Human Resources Committee: Chair Jones said HRC met with SSAB providers to gather information and would continue to review the SSAB grant program. The HRC forwarded a positive recommendation to expand the Sister City Committee from five to seven members. The HRC discussed the Aquatics empowered board and would convene an internal working group, to include Mr. Mertz as a member of Glacier Swim Club, to review and report back on a series of questions at the March 16 HRC meeting.

Chair Jones provided the recommendations from the HRC regarding committee appointments. Hearing no objections, the following appointments were confirmed:

Juneau Commission on Sustainability:
Appointment of John Smith to a term expiring June 30, 2016 and Greg Smith to a term expiring June 30, 2017.

Parks and Recreation Advisory Committee:
Appointment of Frances Dowd to a term expiring February 28, 2016, reappointment of Tom Rutecki to a term expiring February 28, 2018 and appointment of Eric Ouderkirk and Lindsay Halvik for terms expiring February 28, 2018.

Jensen Olson Arboretum:
Reappointment of Ed Buyarski, Patricia Harris and appointment of Steve Moseley to terms expriring January 31, 2018.

Lands and Resources Committee: Chair Kiehl said the questions regarding the application for a map amendment for Hidden Valley would be discussed at the next meeting on March 2. The committee discussed the North Franklin lot proposal and forwarded it to the March 2 Committee of the Whole meeting.

Hearing no objection, the Assembly agreed to send a letter of support for a state statute change regarding supporting a tax abatement rather than a tax deferral option for municipalities in regards to subdivided lands.

Marijuana Committee: Mr. Kiehl was elected chair and Mr. Mike Satre was elected vice chair of this new committee, which met on February 12 to organize. An email address for public comment was established: marijuana.committee@juneau.org as well as a webpage for the meeting packets and other information. The next meeting was set for February 26.

Public Works and Facilities Committee: Chair Nankervis said PWFC met on February 9 and discussed the 2016-2021 CIP list. A DOT representative spoke to PWFC about 22 projects in Juneau on their list. The next meeting was set for March 2.

C. Liaison Reports

Airport Board: Liaison White said Assembly met with Airport Board on February 19 and she had follow up discussions with some of the board members.

Docks and Harbors Board: Liaison Nankervis said next meeting was set for February 26 in Conference Room 224. Mayor Sanford said Aurora Harbor looked very good and Statter Harbor was moving along.

Eaglecrest Board: Liaison Nankervis said the next meeting was set for next meeting March 5.

Affordable Housing Commission: Liaison Troll said the AHC met on February 3, supported the Housing First Project, and discussed their participation in the upcoming home show. The Housing Action Plan was under contract now and getting input from commissioners. AHC intended to work with True North Credit Union on a mobile home assistance loan program.

Alaska Committee: Liaison Becker said the committee met and spoke about the Seward Statue, SEC mid-session summit, statewide polling and legislative contacts were assigned to each member.

Chamber of Commerce: Liaison Becker said the Chamber met on February 4, and were discussing the city budget. She said the Downtown Improvement Group was discussing downtown parking.

Downtown Business Association: Liaison Jones said the next meeting was set for March 19.

Juneau Commission on Sustainability: Liaison Troll said JCOS met on February 10 and discussed the roles of the Assemblymember and the Planning Commissioner and preferred they were not voting members as part of a quorum. The JCOS reviewed the energy plan and a bid for a scope of services was out.

Tongass Advisory Committee: Ms. Troll said she was no longer an alternate, but was a voting member now. The next meeting would be in Juneau starting March 25.

Juneau Convention and Visitors Bureau: Liaison White said Nancy Woizeschke has put in her resignation and Elizabeth Arnette would be temporarily filling that role during a nationwide search for a new destination marketing director.

Juneau Economic Development Council: Liaison Jones said JEDC met and discussed the JEDP, and the next meeting was set for March 4.

Planning Commission: Liaison Jones said the Planning Commission would meet February 24. At the last meeting the PC approved a conditional use permit and parking variance for the Housing First project and discussed and forwarded the Auke Bay Plan to the Assembly.

School Board: Liaison Kiehl said the Board met on February 10 and adopted a strategic plan for

2015-2020. JSD expected the Montessori Borealis expansion to bring in $180,000 more than it would cost, but it was a small bright spot in a dim budget. He spoke about the significant number of students who were not on track to graduate due to the increase in credits required to finish school, and the efforts the district was taking to ensure the credit requirements would be met. The Board discussed the use of funds left from capital projects for voter approved for school projects and recommended applying the funds to accelerate debt payments to retire the bonds faster. A portion of the funds from Gastineau School were recommended to be used to recognize the Tlingit ancestors buried there and the Douglas Indian Association was involved.

Southeast Conference: Ms. Becker announced that the Mid-Session Summit in Juneau would be held March 17 and 18.

D. Presiding Officer Reports

Bicknell v PC re AME2013-0015: A Status Hearing for the appeal was set for February 25 with the parties and the hearing officer.

TTNA v PC re Haven House: Presiding Officer Nankervis said the record was available on-line and the parties were working on submitting briefs.

XII. ASSEMBLY COMMENTS AND QUESTIONS

Ms. Troll was pleased that the Assembly approved the NOAA Task Force Report and that the Mayor had provided a copy to Senator Murkowski during her visit. She said there were six key strategies and asked for staff to report on how the Assembly could implement the recommendations, perhaps during the Finance Committee meetings. There was some overlap with the Juneau Economic Development Plan, which she said was a good effort that included a lot of strategic thinking from the community. She spoke about her attendance in the Black Awareness month activities and participation in the gospel Choir. She said she would be out of the country for three weeks but would call in to meetings.

Mr. Kiehl spoke about the minimum wage voter initiative that would soon go into effect. He also spoke about a new set of rules adopted by Tlingit Haida Central Council governing tribal adoptions, child custody, divorces and marriage, including equal marriage. He attended a Filipino community reception for the legislature and inauguration of officers for new year.

Ms. Becker thanked Ms. Crane and the leadership of AML for the presentation on marijuana. She spoke about her participation in a program called Success Inside and Out organized by Judge Levy for inmates close to release with great speakers and this hopefully helps them feel more comfortable reintegrating into the community.

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

XIV. EXECUTIVE SESSION

A. Litigation Update from City Attorney on Bicknell Appeal

MOTION, by Becker, to enter into executive session, to discuss a matter, the immediate knowledge of which could have an adverse affect upon the finances of the municipality, specifically a litigation update from City Attorney Mead on the Bicknell land negotiations.

Hearing no objection, the Assembly entered into executive session at 9:40 p.m. and returned to regular session at 9:59 p.m.

Staff attending: Chaney, Kiefer, Mead, Steedle.

Upon returning to regular session, Ms. Becker said the Assembly gave direction to Ms. Mead.

XV. ADJOURNMENT

There being no further business to come before the Assembly, the meeting adjourned at 10 p.m.

Signed:__________________________
Laurie Sica, Municipal Clerk

Signed:______________________________
Merrill Sanford, Mayor