

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

January 12, 2015 7:00 PM

City Hall Assembly Chambers
Regular Meeting 2015-01

Submitted by: _____
Kimberly A. Kiefer
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

A. Proclamation - Big Brothers Big Sisters National Mentoring Month

IV. APPROVAL OF MINUTES

A. December 22, 2014 Regular Assembly Meeting 2014-29

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 2014-24(AA) An Ordinance Appropriating to the Manager the Sum of \$130,000 to the School District Facilities Renovation and Repair Capital Improvement Project; Funding Provided by an Insurance Settlement from Zurich American Insurance Co.**

This ordinance would authorize the appropriation of \$130,000 from the Gastineau Elementary School Roof Insurance Settlement to a new CIP titled "School District Facilities Renovation and Repair."

The School District intends to use approximately \$75,000 of these funds to complete the Marie Drake planning process. The remaining funds of approximately \$55,000 will be used for one or more repair projects (to be determined). The Marie Drake planning process commenced in November 2013 using funds remaining from the District Wide Major Maintenance CIP. These funds were sufficient to complete the first phase of planning, orientation and education plan. This appropriation will allow completion of the remaining phases including master planning, conceptual design, educational specifications, and construction cost estimates. This information is required by the Department of Education and Early Development for approval under the bond debt

reimbursement program.

The Juneau School District Facilities Committee approved this appropriation at its December 18, 2014 meeting. The Public Works and Facilities Committee approved this appropriation at its December 29, 2014 meeting. The School Board will hear this appropriation request at its January 13, 2015 meeting.

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

b. **Ordinance 2015-01 An Ordinance Amending the Excise Tax on Tobacco Products Code.**

This ordinance would increase the tobacco excise tax from the current \$1.00 per pack to \$3.00 per pack of cigarettes, and would amend the definition of “other tobacco products” to include e-cigarettes and other vapor-inducing products. The primary objective of the ordinance is to reduce consumption of cigarettes and tobacco products, particularly among youth. The increase would be effective April 1, 2015. The higher excise tax rate would increase annual tax revenue collected by an estimated \$1.7 million.

The ordinance also amends the existing language providing for the creation of a lien for failure to submit the tax by removing an outdated reference to the Alaska Statutes, and by deleting the language setting the priority of the lien in recognition of the Supreme Court’s holding that a municipality has no discretion to set lien priority by ordinance unless there is express statutory authority to do so.

The proposed amendments were reviewed by the Assembly Finance Committee on November 12, 2014, which recommended an ordinance be drafted and brought to the full Assembly for its consideration.

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

c. **Ordinance 2015-02 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Remote Subdivisions Area Map for Hidden Valley Tract B, Located in the Upper Lemon Creek Valley, from “Not Remote” to Remote.**

In April 2014, the applicant applied to have Hidden Valley Tract B, located in the upper Lemon Creek valley, rezoned from “Not Remote” to Remote.

On May 14, 2014, the Planning Commission approved the rezone application. The proposed ordinance was pulled from the Assembly’s agenda when it was learned that the applicant had a concurrent easement application pending that would have provided road access to the property, making it ineligible for a “Remote” designation. It was subsequently learned that the applicant had constructed a gravel roadway to the property connecting it to the roadway without the CBJ’s knowledge.

On December 9, 2014, the Planning Commission reconsidered the rezone application and determined that the 12 – 16 foot gravel roadway did not prohibit the Commission from recommending the lot be rezoned from “Not Remote” to

“Remote.”

The Planning Commission recommends that the Assembly approve the text amendment to change the subject parcel from Not Remote to Remote.

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

- d. **Ordinance 2015-05 An Ordinance Authorizing the Port Director to Negotiate and Execute a Lease of Alaska Tidelands Survey No. 1277, Located at Approximately 3155 Channel Drive, Juneau, Alaska.**

Salmon Creek Development leases 1.83 acres of CBJ Docks & Harbors managed tidelands adjacent to the Sampson Tug & Barge facility near Channel Drive. The original lease between the State and Salmon Creek Development was recorded in 1984 and provided a 30 year lease of \$9600/annum subject to adjustment following the expiration of the initial 25-year period. The lease was transferred to the City and Borough in 2001. A lease rent adjustment was set in April 2009, making the new lease amount \$11,957.25. The lease expired in April 2014.

Salmon Creek Development submitted a request to re-lease these lands under a provision allowed in CBJ 53.20.100 (Preference Privilege). Docks & Harbors contracted with Horan & Company to appraise the property pursuant to the issuance of a new lease. An appraised value of \$11,957.25 (unchanged) was received and the Docks & Harbors Board, at its October 30, 2014 meeting, recommended accepting this value for the initial five-year period of the new 35-year lease.

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

- e. **Ordinance 2015-06 An Ordinance Approving a Lease Amendment to the 1995 Lease Between the City and Borough and Goldbelt Aerial Tramway, LLC, (“Goldbelt”) of Approximately 10,000 Square Feet Within Lots 1 and 2A, Dockside Subdivision and Lots 13B, 16, And 17, Block 83, Tidelands.**

Since 2011, Docks & Harbors has been engaged in dispute resolution and negotiations with Goldbelt with respect to the required lease rent adjustment contained in the original lease agreement relating to Mount Roberts tram lease.

In October 2013, the Docks & Harbors Board appointed a special sub-committee consisting of Docks & Harbors Finance Committee members to commence negotiations with Goldbelt to reach a fair market value, lease rate and terms.

On November 20, 2014 the Docks & Harbors Board approved a settlement agreement and the negotiated lease amendment contemplated by this ordinance. The resulting effect of the lease amendment would be that Docks & Harbors will collect \$272,000 per year until 2020 when the next appraisal is required. The amendment would also: (1) allow Goldbelt to use the lease premises spaces as “retail space;” (2) remove the provision requiring that a percentage of the annual lease amount would consist of a royalty of 1 – 5 percent depending on the leasehold revenues received by the lessee; (3) change the lease base rent to nine percent of the appraised value of the property from ten percent or \$30 per square foot, whichever is greater; (4) memorializes the assignment of the lease from Mount Roberts Development Corporation to Goldbelt Aerial Tramway, LLC; and

(5) in an effort to avoid future appraisal disputes, include an appraisal dispute resolution process which changes depending on the extent of the disparity between the parties' respective appraisals.

On November 20, 2014, the Docks & Harbors Board approved forwarding the proposed amendments to the Assembly for final approval. On December 8, 2014 the CBJ Lands Committee recommended forwarding the proposed lease amendment to the Assembly for final approval.

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

2. Resolutions

a. **Resolution 2702 A Resolution of the City and Borough of Juneau in Support of Full Funding for the State of Alaska Harbor Facility Grant Program in the FY 2016 State Capital Budget.**

The substantive portions of this resolution were drafted by the Alaska Association of Harbormasters and Port Administrators (AAHPA), of which the CBJ Docks & Harbors is a member. This resolution recommends full funding for the State of Alaska Department of Transportation's Harbor Facility Grant Program. Although the CBJ does not have any projects pending approval in FY2016, Docks & Harbors has been the beneficiary of approximately \$9M in harbor grant funding since the program's inception in 2006. (Statter \$5M; Aurora \$2M; Douglas \$2M)

This year, the municipalities of the Aleutians East Borough, the City and Borough of Sitka, the City of Seward, the City of Ketchikan, the City of Coffman Cove and the Municipality of Anchorage have offered to contribute \$14,262,722 in local match funding for FY2016 towards seven harbor projects of significant importance for Alaska. The continued support of this program is critical for sustaining Alaska's maritime infrastructure.

The Docks & Harbors Board reviewed this resolution at its December 11, 2014 meeting, and recommended forwarding it to the full Assembly for approval. The Public Works & Facilities Committee heard this resolution at its December 29, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

The Manager recommends this resolution be adopted.

b. **Resolution 2704 A Resolution Authorizing the Manager to Submit a Grant Application for StoryCorps Programming to the American Library Association Public Programs Office.**

StoryCorps is an independent non-profit organization that has been collecting and archiving the oral histories of individuals across the country since 2003. Stories, once collected, are archived at the American Folklife Center at the Library of Congress as well as in certain localities. Selected stories are also aired, with permission, on National Public Radio's *Morning Edition*.

StoryCorps @ your Library is a two year pilot project of the American Library Association's Public Programming Office, funded by the Institute for Museum

and Library Services. Successful library applicants receive equipment, training, and promotional materials to help develop community documentation projects using the StoryCorps facilitated interview model.

This resolution, if adopted, would approve and support the City and Borough submitting a grant application.

The Manager recommends this resolution be adopted.

c. **Resolution 2705 A Resolution Authorizing the Manager to Apply for, and Enter Into, a Loan Agreement with the State of Alaska Department of Environmental Conservation, Through its Alaska Drinking Water Fund, for the Salmon Creek Secondary Disinfection Project.**

This resolution would authorize the Manager to enter into a loan agreement with the Alaska Department of Environmental Conservation, Drinking Water Fund, for the Salmon Creek Secondary Disinfection Project in the amount of \$3,000,000.

The Salmon Creek Secondary Disinfection Project involves the assessment of levels of disinfection required, facility permitting, and the design and construction of a secondary disinfection process at the Salmon Creek Water Treatment Facility. This project is necessary to comply with the U.S. Environmental Protection Agency Surface Water Treatment Rule requirement to provide secondary disinfection of surface water sources, which became effective in 2013. (The City and Borough applied for and received an extension to have an approved secondary disinfection system in place by no later than October 1, 2015.)

The \$3 million loan would provide the remaining funding necessary to meet the ADEC compliance deadline of October 1, 2015. This \$3 million will bring the total project funding to \$7.3 million. The project is in the final stages of design and preparation for bid with the anticipated bid opening in April 2015, with completion scheduled for October 2015.

The CBJ has been successful in ranking highest on the State's FY2016 ADEC Municipal Drinking Water Grants list for this project, however the ranking and amount have to survive the 2015 Legislative session and the grant award is not effective until July 1, 2015. If the \$3 million grant is awarded to the CBJ, the grant expenditures are able to be prorated 120 days prior to the effective date, or March 2015. The grant funds would be used to repay the \$3 million loan which would be applied for if authorized by this resolution.

The terms of the low interest loans under the Alaska Revolving Loan Fund programs are 20-year repayment at a 1.5-percent interest rate. If the grant funds are not awarded to the CBJ, the project loans will be re-paid with Water Utility customer revenues.

The Public Works and Facilities Committee passed a motion of support for the resolution at its December 29, 2014 meeting, and recommended forwarding to the full Assembly for approval.

The Manager recommends this resolution be adopted.

d. **Resolution 2708 A Resolution in Support of the Juneau Housing First Project**

This resolution would commit \$1.5 million dollars for the construction of the Juneau Housing First Project, consistent with Assembly goals. The Glory Hole will be submitting a grant request for construction of the Juneau Housing First Project through the Alaska Housing Finance Corporation's Special Needs Housing Grant program. The CBJ's commitment of the \$1.5 million is needed to improve the prospects of receiving the AHFC grant. Tlingit-Haida Regional Housing Authority has donated land for the project, and MRV Architects has drafted renderings of the facility. The facility would include 32 single resident occupancy units, dining and kitchen facilities, administrative offices, and space for the Front Street Clinic. Total estimated construction costs of phase one are \$6.8 million.

Potential funding sources identified at this time include: tobacco tax increase allocation, housing land development CIP, reprioritize 1% sales tax proceeds from FY16 funding of budget reserve, BRH fund balance, JEDC revolving loan fund return of capital, and CBJ fund balance. Because of the short turnaround time, the BRH and JEDC boards have not been able to meet to discuss the option of partially funding the project. I recommend the project funding discussion take place at the February 18 Finance Committee meeting allowing time for input from BRH and JEDC.

The Manager recommends this resolution be adopted.

3. Transfer

a. **Transfer T-963: Transfer \$494,954 of Sales Tax Revenues from existing CIP's to a new Street Reconstruction CIP.**

This action would transfer \$494,954 of Sales Tax Revenues from three completed, existing, capital improvement projects, listed below, to provide additional funding to complete the reconstruction of Jackson Street as the next phase of the Blueberry Hills CIP.

The initial phasing plan for the Blueberry Hills project was to continue up the hill from the most recent phase of Pioneer Avenue, however it was determined that Jackson Street (planned for FY16 in the CIP) is in a more serious state of disrepair, making it a higher priority, and requiring completion sooner, leading to the funding shortfall that this transfer of these completed CIP's is providing.

Transfer From - Closing

R72-044 Gold Creek Flume	\$101,190
R72-062 Irwin & Reinhardt Street Recon	\$232,827
R72-108 Third St. Construction	\$160,937

Transfer To – NEW CIP

R72-114 Blueberry Hills	\$494,954
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The Public Works and Facilities Committee reviewed and approved this action at its December 8, 2014 meeting, and recommended forwarding to the full Assembly for approval.

The Manager recommends approval of this transfer.

4. Liquor License

a. **Liquor License Renewals**

The following liquor license applications are before the Assembly to either protest or waive its right to protest these renewals.

Beverage Dispensary Licenses

License #76 Arctic Bar Inc. d/b/a Arctic Bar, Location: 148 S. Franklin St.
License #674 MSE,LLC d/b/a Lucky Lady, Location: 192 S. Franklin St.
License #1081 Shayz, LLC d/b/a Squirez, Location: 11806 Glacier Hwy.
License #2766 Alaska Red Dog Saloon LLC, d/b/a Red Dog Saloon, Location: 278 S. Franklin St.

Beverage Dispensary-Seasonal License #3720 Goldbelt Aerial Tramway, LLC d/b/a Timberline Bar & Grill, Location: Mt. Roberts 1800 Foot Level

Package Store Licenses

License# 176 Breeze-In Corporation d/b/a Breeze-In Liquor, Location: 8 Mile Old Glacier Hwy.
License# 662 Breeze-In Corporation d/b/a Douglas Island Breeze-In, Location: 3370 Douglas Hwy.
License# 4543 Breeze-In Corporation d/b/a Breeze-In, Location: 5711 Concrete Way (Lemon Creek)
License# 828 Thibodeau's Market Inc. d/b/a Thibodeau's Liquor, Location: No premises.
License# 849 Oke Hui Rodman d/b/a Percy's Liquor Store, Location: 214 Front St.
License# 3352 Costco Wholesale Corporation d/b/a Costco Wholesale #107, Location: 5225 Commercial Way

Recreational Site License# 5095 Taku Lanes LLC d/b/a Taku Lanes LLC, Location: 608 W. Willoughby Ave.

Restaurant/Eating Place Licenses

License #188 Bullwinkle's Inc. d/b/a Bullwinkle's Pizza, Location: 318 Willoughby Ave.
License #816 El Sombrero Inc. d/b/a El Sombrero Mexican & American Food, Location: 157 S. Franklin St.
License #1384 Alfonso Soriano d/b/a Jovany's Italian Restaurant, Location: 9121 Glacier Hwy.
License #1690 Bullwinkle's Inc. d/b/a Bullwinkle's Pizza, Location: 2687 Mendenhall Loop Road
License #2175 The Silverbow, LLC d/b/a Silverbow Bakery and Catering, Location: 120 Second St.
License #4731 DJ LLC d/b/a Asiana Gardens, Location: 9116 Mendenhall Mall Road

Wholesale - General License# 4859 Southern Wine & Spirits of Alaska LLC d/b/a Southern Wine & Spirits of Alaska, Location: 5452 Shaune Drive - Bay 2

The Assembly may protest a license application for any of the reasons listed in CBJ 20.25.025. The Finance, Police, Fire, Public Works, and Community Development Departments have reviewed the above businesses and found them to be in compliance with CBJ Code.

In the event the Assembly does protest the renewal of one or more of these licenses, CBJ Code 20.25 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise their right to an informal hearing before the Assembly.

The Manager recommends the Assembly waive its right to protest the above liquor license renewals.

VIII. PUBLIC HEARING

- A. **Ordinance 2014-24(S) An Ordinance Appropriating to the Manager the Sum of \$64,282 as Funding for the Implementation of the Police K-9 Program at Juneau Police Department, \$48,091 in Grant Funding Provided by United States Department of Justice, Drug Enforcement Agency Grant and a \$16,191 Match Provided by the Roaded Service Area Fund Balance, Asset Forfeiture Reserve.**

This ordinance would appropriate \$64,282 to the Manager for the new K-9 Program. Funding is provided as follows:

United States DOJ, Drug Enforcement Agency Grant:	\$48,091
Asset Forfeiture Reserve Fund:	\$16,191

The grant funding provides for the purchase, travel, training and maintenance of a Police K-9 through September 30, 2015. The K-9 will be utilized for controlled substances interdiction, investigations and enforcement operations. Grant funding is provided by the United States Department of Justice, Drug Enforcement Agency as a part of Operation DIPNET. The grant period is October 1, 2014 ending September 30, 2015. For FY15, the grant funding to be appropriated is \$35,000. The Police K-9 will be assigned to a current officer of the Juneau Police Department.

Overtime costs incurred upon start-up of the program and continued K-9 upkeep for the grant period will be paid by funds in the Asset Forfeiture account, the amount appropriated for FY15 is \$16,191.

The Assembly Finance Committee reviewed this request at its November 12, 2014 meeting, and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

- B. **Ordinance 2014-24(Y) An Ordinance Appropriating to the Manager the Sum of \$50,000 as Funding for Phase I of the Amalga Harbor Fish Cleaning Station Project; Grant Funding Provided by the Alaska Department of Fish and Game.**

CBJ Docks and Harbors requests approval of an appropriation ordinance that would receive funding from the Alaska Department of Fish and Game (ADF&G) for the purpose of determining the most appropriate and feasible fish cleaning station at Amalga Harbor.

The ADF&G cooperative agreement grant is in the amount of \$50,000 for Phase I of the

project that would include planning, design, permitting, if applicable, and determining the most appropriate and feasible fish cleaning station at Amalga Harbor. It is anticipated that ADF&G would amend the cooperative agreement for construction funding if a feasible solution is vetted through the Phase I process.

The Docks and Harbors Board reviewed this recommendation at its December 11, 2014 meeting, and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

C. Ordinance 2014-24(Z) An Ordinance Appropriating to the Manager the Sum of \$650,000 as Funding for the new Waste Management Baler Project; Funding Provided by the Waste Management Fund Balance and the Waste Management Fleet Reserve.

This ordinance would transfer \$650,000 to the new Waste Management Baler CIP from the Waste Management Fund Balance and Fleet Reserve for purchase and installation of a new industrial recycling baler at Capitol Disposal.

Funding of \$450,000 would be provided by the Waste Management Fund Balance.
Funding of \$200,000 would be provided by the Waste Management Fleet Reserve.

The Public Works and Facilities Committee reviewed this transfer at its December 8, 2014 meeting, and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

D. Ordinance 2014-48(b) An Ordinance Amending the Administration Code Relating to the Appeal Process for Civil Violations.

This is a housekeeping ordinance to correct an inconsistency in the civil fine citation appeal timelines specified by CBJ 03.30.075 and 03.30.085. Under the current code, an appeal must be filed within 20 days of the issuance of the citation. However, if the citation is not paid within 30 days, the CBJ sends a notice that the appeal will be accepted if the individual presents evidence that he or she did not receive the notice of violation. This ordinance clarifies that a timely notice of appeal must be received within 30 days of the citation issuing, and allows for a process by which the hearing officer may accept a late-filed appeal upon a satisfactory showing that the original citation had never been received. This ordinance would also amend CBJ 03.30 to allow the hearing officer some discretion in reducing fine amounts in the interest of justice, unless prohibited from doing so by ordinance.

Version (b) amends the ordinance from the version introduced by replacing an "or" with an "unless" in section 03.30.070.

The Manager recommends this ordinance be adopted.

E. Ordinance 2014-50 An Ordinance Imposing a Limited Moratorium on the Receipt or Processing of Applications, Permits, or Pending Approvals Pertaining to Marijuana Establishments.

On November 4, 2014, Alaskan voters approved a ballot measure related to the legalization of marijuana. The initiative, which goes into effect on February 24, 2015, allows the State nine months to enact regulations concerning the registration and oversight of marijuana establishments, defined by the initiative as marijuana cultivation, testing and product manufacturing facilities and marijuana retail stores. The initiative requires the State to

begin accepting and processing applications for the registration of marijuana establishments within one year of the effective date of the act. The initiative authorizes local governments to enact legislation concerning the time, place and manner related to the operation of registered marijuana establishments (for example, hours of operation, allowable locations, and limitations on the number of establishments allowed within the municipality .)

The purpose of the moratorium is to allow the CBJ time to consider and enact legislation concerning the operation of marijuana establishments in the CBJ. The moratorium is set to expire within one year of adoption, which is after the date the State is required to enact regulations given the fact that it may be necessary to coordinate our local legislation with the State's regulatory scheme, but before the time the State is required to begin processing applications.

The Lands Committee heard this ordinance at its December 29, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

F. Ordinance 2014-51(b) An Ordinance Amending the Second-hand Smoke Control Code to Regulate the Use of Marijuana.

This ordinance would amend the Second-hand Smoke Control Code, Chapter 36.30, to provide for the regulation of marijuana smoking in the same way the smoking of tobacco products is regulated within the City and Borough.

The Lands Committee heard this ordinance at its December 29, 2014 meeting, and recommended forwarding an amended version to the full Assembly for approval.

Version (b) of the ordinance clarifies that medical marijuana is not exempted in the same manner as tobacco cessation products or products prescribed by a licensed physician.

The Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Application for De-designation of Liquor Licensed Premises - Suite 907, LLC

A liquor license de-designation application is subject to approval by the local law enforcement agency as well as the local governing body. This is an application to de-designate the liquor license for Suite 907 for certain dates/times to allow the business to hold youth-related events for persons between the ages of 17 and 20.

A similar de-designation application was approved by the Assembly at its August 11, 2014 meeting with the condition that the police department could revoke its approval at any time should any law enforcement issues arise. At its August 11, 2014 Assembly Human Resources Committee meeting, the HRC delegated the review and approval process of these applications directly to the Assembly.

If approved by the Assembly at this meeting, the event dates/times approved for this application are below (all dates are for the 2015 calendar year):

Jan. 19, 9pm - Jan. 20, 1am

Feb. 12, 9pm-Feb. 13, 1am
March 16, 9pm – March 17, 1am
May 24, 9pm – May 25, 1am
June 15, 9pm – June 16, 1am

The Manager recommends the Assembly approve this application with the condition of allowing JPD revocation ability should there be any law enforcement concerns arising from any of these events.

B. Liquor License Mid-Cycle Protests of Continued Operations

Liquor licenses are issued by the State of Alaska on a two-year cycle. Alaska Statute 04.11.480 provides for a mid-cycle protest by the local governing body for the continued operation of liquor license as follows: (*emphasis added*)

Sec. 04.11.480. Protest.

(a) A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license by sending the board and the applicant a protest and the reasons for the protest within 60 days of receipt from the board of notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and in no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer. *The local governing body may protest the continued operation of a license during the second year of the biennial license period by sending the board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application.* The board shall consider a protest and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record of its review. If an application or continued operation is protested, the board shall deny the application or continued operation unless the board finds that the protest is arbitrary, capricious, and unreasonable.

CBJ Finance Department is recommending the Assembly protest the continued operations of the following liquor licenses based on unfiled sales tax returns, the associated taxes owing for those returns, and all associated penalties and interest.

Seong S. Kim d/b/a Seong's Sushi Bar & Chinese Takeout, Restaurant/Eating Place License #4192. Protest based on a total balance owing of \$25,285.72 as of January 2, 2015 for the monthly periods February - September 2014 and unfiled sales tax returns for October - November 2014 and all associated taxes, penalties and interest.

Joan Deering d/b/a Paradise Cafe & Bakery, Restaurant/Eating Place License #5278. Protest based on a total balance owing of \$224.42 as of January 2, 2015 for June - July 2014 and unfiled sales tax returns for September - November 2014 and all associated taxes, penalties and interest.

NYT, Inc. d/b/a Rendezvous, Beverage Dispensary License #772. Protest based on unfiled third quarter sales tax returns with the associated unremitted sales taxes, penalties and interest.

Jacobsen/Daniels Associates, LLC d/b/a Romeo's Tap Room Beverage Dispensary-

Tourism License #5341. Protest based on balances due as of January 2, 2015 of \$501.06 for sales tax periods August-October 2014.

These protest recommendations were scheduled for the January 12, 2015 Assembly Human Resources Committee to review and forward recommendations for Assembly action.

CBJ Code 20.25.025(c) provides licensees with the right to an abbreviated informal hearing before the Assembly. If a licensee wishes to exercise that right, this would be the opportunity for them to do so.

The Manager recommends the Assembly act according to the Human Resources Committee recommendations regarding the continued operation of these liquor licenses.

C. Export Manufacturing Property Tax Exemption

Alaska Glacier Seafood Inc., Taku Smokeries, and AKB EV Group, LLC (Alaska Brewery) timely applied with the Assessor's Office for the 2013 & 2014 Export Manufacturing tax exemption.

CBJ 69.10.020(10) 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

Property owners seeking an 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.

	<u>2014</u>	<u>2013</u>
Alaska Glacier Seafood Inc.		
New Export Mfg. Exempt Property Value	\$278,480	\$497,276
Tax Amount @ Appropriate Mill Rate	\$2,969	\$55,350
S A S S Co, Inc. Taku Smokeries		
New Export Mfg. Exempt Property Value	\$112,981	\$72,538
Tax Amount @ Appropriate Mill Rate	\$1,204	\$781.00
AKBEV Group, LLC		
New Export Mfg. Exempt Property Value	\$553,752	\$1,665,212
Tax Amount @ Appropriate Mill Rate	\$5,903	\$17,918

The Assessor's Office reviewed the exemption applications and determined that the properties met the code requirements. They granted the export manufacturing exemption without Assembly approval. The Assembly Finance Committee reviewed this issue at its November 12, 2014 meeting, and recommended forwarding the tax exemptions for 2013 & 2014 to the full Assembly for authorization.

The Manager recommends approval of these exemptions.

XI. STAFF REPORTS

A. Combining State and Local Elections

XII. ASSEMBLY REPORTS

- A. Mayor's Report
- B. Committee Reports
- C. Liaison Reports
- D. 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

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

Proclamation - Big Brothers Big Sisters National Mentoring Month

ATTACHMENTS:

	Description	Upload Date	Type
<input type="checkbox"/>	Proclamation - BBBS National Mentoring Month	12/12/2014	Presentation

**The Office of the Mayor
City & Borough of Juneau, Alaska**

MAYORAL PROCLAMATION

WHEREAS, studies have shown that young people who receive guidance and support from a caring adult are less likely to resort to violence, abuse drugs or alcohol, and drop out of school, yet more inclined to make positive choices, fulfill their potential, and go on to higher educational studies; and

WHEREAS, Big Brothers Big Sisters is one of the oldest and most successful youth mentoring programs in the nation, originally organized in 1904, and chartered by the United States Congress in 1958; and

WHEREAS, in Juneau, Big Brothers Big Sisters of Alaska has been matching local at-risk youth with caring, adult mentors since 1979, offering a variety of mentoring programs including a community-based program, a school-based program, a program at the Johnson Youth Center, and a program serving youth transitioning out of the foster care system; and

WHEREAS, Big Brothers Big Sisters in Juneau is supported by individual and corporate donations, grants from foundations, and governmental agencies, serving nearly 200 children/youth in 2013; and

WHEREAS, a national coalition for mentoring programs has created National Mentoring Month as a means to recruit adult mentors for the estimated 16 million American children who need or want one, and in Juneau, Big Brothers Big Sisters provides the opportunity for adults to mentor children and youth; and

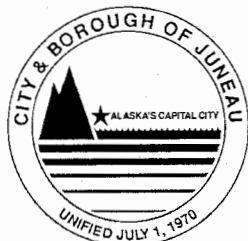
WHEREAS, this month provides an opportunity to thank current and past volunteer mentors for their dedication in making a difference in a child/youth's life, and for others to consider the benefits of mentoring.

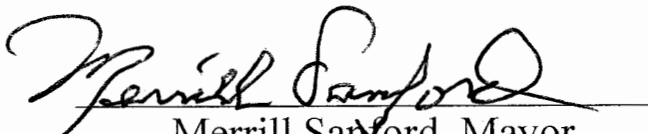
NOW, THEREFORE, I, Merrill Sanford, Mayor of the City and Borough of Juneau, Alaska, on behalf of the City and Borough Assembly, do hereby proclaim January 2015 as:

National Mentoring Month

in Juneau, Alaska and call upon the people of Juneau to recognize the importance of mentoring, to look for opportunities to serve as mentors in their communities, and to celebrate this month with appropriate activities and programs.

IN WITNESS WHEREOF, I have hereto set my hand and caused the seal of the City and Borough of Juneau, to be affixed this 5th day of January, 2015.




Merrill Sanford, Mayor

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

December 22, 2014 Regular Assembly Meeting 2014-29

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> DRAFT MInutes - Dec 22, 2014 Assembly	12/23/2014	Minutes

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - December 22, 2014

MEETING NO. 2014-29: 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, Maria Gladziszewski, Jesse Kiehl (telephonic), Jerry Nankervis, Merrill Sanford, Kate Troll and Debbie White.

Assembly Absent: Loren Jones.

Staff Present: Kim Kiefer, City Manager; Rob Steedle, Deputy City Manager; Amy Mead, Municipal Attorney; Laurie Sica, Municipal Clerk; Charlie Ford, Building Official; Bob Bartholomew, Finance Director; Rorie Watt, Public Works / Engineering Director; Carl Uchtyl, Port Director; Bryce Johnson, Police Chief; Blaine Hatch, JPD Officer; and many JPD staff, family and friends.

II. SPECIAL ORDER OF BUSINESS

A. Bicycle Friendly Community Designation - Juneau

Ms. Kiefer said Juneau was first designated as a Bicycle Friendly Community by The League of American Bicyclists in 2011. CBJ has worked hand in hand with DOT on bike amenities, and Juneau has been awarded this status again.

B. AML Municipal Employee of the Year- Blain Hatch

Mayor Sanford recognized JPD Officer Blaine Hatch as the Alaska Municipal League Municipal Employee of the Year in 2014. He said Officer Hatch serves as the sole school district police officer, running the DARE program and patrolling the schools. In 2014, he led a response to a student bringing a gun to school. He provided CPR to an unresponsive man who survived, thanks to his efforts. During the prom celebrations, he was seen vacuuming the floors in uniform to ensure the event was a success. He is a friend to young people and holds them accountable, and can be seen "high fiving" with students through the halls of school.

The Assembly took an "at ease" to shake hands with Officer Hatch and all of the JPD staff present.

III. APPROVAL OF MINUTES

A. November 10, 2014 Regular Assembly Meeting 2014-26

Hearing no objection, the minutes of the November 10, 2014 Regular Assembly Meeting 2014-26 were approved as corrected.

B. November 24, 2014 - Assembly Retreat

Hearing no objection, the minutes of the November 24, 2014 Assembly Retreat were approved.

C. December 10, 2014 Special Assembly Meeting 2014-28

Hearing no objection, the minutes of the December 10, 2014 Special Assembly Meeting 2014-28 were approved.

IV. MANAGER'S REQUEST FOR AGENDA CHANGES

Ms. Kiefer asked the Assembly to remove Ordinance 2014-24(X) from Public Hearing. Hearing no objection, it was so ordered.

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 2014-48 An Ordinance Amending the Administration Code Relating to the Appeal Process for Civil Violations.

This is a housekeeping ordinance to correct an inconsistency in the civil fine citation appeal timelines specified by CBJ 03.30.075 and 03.30.085. Under the current code, an appeal must be filed within 20 days of the issuance of the citation. However, if the citation is not paid within 30 days, the CBJ sends a notice permitting an appeal if the individual presents evidence that he or she did not receive the notice of violation. This inconsistency creates an equal protection issue. This ordinance clarifies that a timely notice of appeal must be received within 30 days of the citation issuing, and allows for a process by which the hearing officer may accept late-filed appeals upon a satisfactory showing that the original citation had never been received.

This ordinance would also amend CBJ 03.30 to allow the hearing officer some discretion in reducing fine amounts in the interest of justice, unless prohibited from doing so by ordinance.

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

- b. Ordinance 2014-50 An Ordinance Imposing a Limited Moratorium on the Receipt or Processing of Applications, Permits, or Pending Approvals Pertaining to Marijuana Establishments.

On November 4, 2014, Alaskan voters approved a ballot measure related to the legalization of marijuana. The initiative, which goes into effect on February 24,

2015, allows the State nine months to enact regulations concerning the registration and oversight of marijuana establishments, defined by the initiative as marijuana cultivation, testing and product manufacturing facilities and marijuana retail stores. The initiative requires the State to begin accepting and processing applications for the registration of marijuana establishments within one year of the effective date of the act. The initiative authorizes local governments to enact legislation concerning the time, place and manner related to the operation of registered marijuana establishments (for example, hours of operation, allowable locations, and limitations on the number of establishments allowed within the municipality .)

The purpose of the moratorium is to allow the CBJ time to consider and enact legislation concerning the operation of marijuana establishments in the CBJ. The moratorium is set to expire within one year of adoption, which is after the date the State is required to enact regulations given the fact that it may be necessary to coordinate our local legislation with the State's regulatory scheme, but before the time the State is required to begin processing applications.

The Manager recommends this ordinance be referred to the Lands Committee, and set for public hearing at the next regular Assembly meeting

- c. Ordinance 2014-51 An Ordinance Amending the Second-hand Smoke Control Code to Regulate the Use of Marijuana.

This ordinance would amend the Second-hand Smoke Control Code, Chapter 36.30, to provide for the regulation of marijuana smoking in the same way the smoking of tobacco products is regulated within the City and Borough.

The Manager recommends this ordinance be referred to the Lands Committee, and set for public hearing at the next regular Assembly meeting

- d. Ordinance 2014-24(S) An Ordinance Appropriating to the Manager the Sum of \$64,282 as Funding for the Implementation of the Police K-9 Program at Juneau Police Department, \$48,091 in Grant Funding Provided by United States Department of Justice, Drug Enforcement Agency Grant and a \$16,191 Match Provided by the Roaded Service Area Fund Balance, Asset Forfeiture Reserve.

This ordinance would appropriate \$64,282 to the manager for the new K-9 Program. Funding is provided as follows:

United States DOJ, Drug Enforcement Agency Grant:	\$48,091
Asset Forfeiture Reserve Fund:	\$16,191

The grant funding provides for the purchase, travel, training and maintenance of a Police K-9 through September 30, 2015. The K-9 will be utilized for controlled substances interdiction, investigations and enforcement operations. Grant funding is provided by the United States Department of Justice, Drug Enforcement Agency as a part of Operation DIPNET. The grant period is October 1, 2014 ending September 30, 2015. For FY15, the grant funding to be appropriated is \$35,000. The Police K-9 will be assigned to a current officer of the Juneau Police Department.

Overtime costs incurred upon start-up of the program and continued K-9 upkeep for the grant period will be paid by funds in the Asset Forfeiture account, the amount appropriated for FY15 is \$16,191.

The Assembly Finance Committee endorsed this action at their November 12, 2014 meeting.

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

- e. Ordinance 2014-24(Y) - An Ordinance Appropriating to the Manager the Sum of \$50,000 as Funding for Phase I of the Amalga Harbor Fish Cleaning Station Project; Grant Funding Provided by the Alaska Department of Fish and Game.

CBJ Docks and Harbors requests approval of an appropriation ordinance that would receive funding from the Alaska Department of Fish and Game (ADF&G) for the purpose of determining the most appropriate and feasible fish cleaning station at Amalga Harbor.

The ADF&G cooperative agreement grant is in the amount of \$50,000 for Phase I of the project that would include planning, design, permitting, if applicable, and determining the most appropriate and feasible fish cleaning station at Amalga Harbor. It is anticipated that ADF&G would amend the cooperative agreement for construction funding if a feasible solution is vetted through the Phase I process.

The Docks and Harbors Board will consider this item for recommendation to the Assembly at its regular meeting on December 11, 2014.

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

- f. Ordinance 2014-24(Z) - An Ordinance Appropriating to the Manager the Sum of \$650,000 as Funding for the new Waste Management Baler Project; Funding Provided by the Waste Management Fund Balance and the Waste Management Fleet Reserve.

This ordinance would transfer \$650,000 to the new Waste Management Baler CIP from the Waste Management Fund Balance and Fleet Reserve.

The request is to transfer \$650,000 to the new Waste Management Baler CIP to bid and award to a Contractor, the installation of a new industrial recycling baler at Capitol Disposal.

Funding of \$450,000 would be provided by the Waste Management Fund Balance. Funding of \$200,000 would be provided by the Waste Management Fleet Reserve.

The Public Works and Facilities Committee reviewed this transfer at its regular meeting on December 8, 2014 and recommends that it be forwarded to the Assembly.

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

2. Resolutions

- a. Resolution 2699 A Resolution Confirming the City and Borough's Support of the State Library Archive Museum ("SLAM") and Acknowledging the State's Mitigation Efforts.

This resolution would recognize the SLAM project's efforts to mitigate the demolition of the old State Museum by reusing the concrete flicker feather panels, and would reconfirm the CBJ's request that the State provide a publication and interpretive exhibit on the history of the original museum in the new SLAM facility.

By letter dated August 12, 2014, the SLAM project coordinator notified the CBJ that the flicker panels could not be saved as they were structurally unsound and not capable of being safely moved. Though ultimately unsuccessful, this resolution acknowledges the State's good faith efforts to mitigate the old museum's demolition by attempting to reuse the panels.

The Assembly Committee of the Whole reviewed the project at its meeting of October 27, 2014 and recommended that a resolution be forwarded to the Assembly.

The Manager recommends adoption of this resolution.

- b. Resolution 2701 - A Resolution Certifying That the City and Borough of Juneau Did Suffer Significant Effects During the Program Base Year From Fisheries Business Activities That Occurred Within the FMA 17: Northern Southeast Fisheries Management Area.

This resolution would authorize the acceptance of the CBJ's share of the FY2015 State Shared Fisheries Business Tax. This distribution represents CBJ's share of state fishery revenues generated in the Northern Southeast Fisheries Management Area (NSFMA), but outside the boundaries of the organized communities.

The funds are allocated by the DCCED (State of Alaska's Department of Commerce, Community, and Economic Development) to each community in the NSFMA (Angoon, Gustavus, Haines Borough, Hoonah, Juneau, Skagway, and Tenakee Springs). Because the NSFMA's FY2015 allocation falls below the DCCED's long-form threshold value, the short-form method of allocation, as approved by DCCED, is used this year. It is anticipated that the CBJ will receive approximately \$4,399.91 in FY2015.

The Manager recommends adoption of this resolution.

VII. PUBLIC HEARING

- A. Ordinance 2014-24(W) An Ordinance Appropriating to the Manager the Sum of \$800,000 as a Transfer to the Statter Harbor Improvements Capital Project; Funding Provided by the Harbors Fund Fund Balance.

This ordinance would transfer \$800,000 to the Statter Harbor Improvement CIP Account from the Harbors Fund balance.

The request is to transfer \$800,000 to the existing Statter Harbor Improvements CIP account for planned improvements of the Statter Harbor Master Plan, specifically for the construction of a two-lane boat launch facility. Funding would be provided by the Harbor Fund available fund balance with a current balance of \$3,417,730.

The Public Works and Facilities Committee reviewed this request at its meeting on October 27, 2014 and recommended forwarding it to the full Assembly for approval.

The Docks and Harbors Board reviewed this request at its October 30, 2014 meeting and recommended forwarding it to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Nankervis, to adopt Ordinance 2014-24(W). Hearing no objection, it was so ordered.

- B. Ordinance 2014-24(X) An Ordinance Appropriating to the Manager the Sum of \$500,000 as a Transfer to the Downtown Cruise Ship Berth Enhancement CIP account for Corrosion Protection of the Existing Dock Structure at the Steamship Wharf; Funding Provided by the Docks Fund Fund Balance.

This ordinance would transfer \$500,000 to the Downtown Cruise Ship Berth Enhancement CIP Account from the Docks Fund balance.

The request is to transfer \$500,000 to the existing Cruise Berths Enhancement CIP account for corrosion protection of the existing dock structure at the Steamship Wharf. Funding would be provided by the Docks Fund available fund balance with a current balance of \$3,531,061.

The Public Works and Facilities Committee reviewed this request at its October 27, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

The Docks and Harbors Board reviewed this request at its October 30, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

Removed from the agenda - no public testimony.

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

- A. Late Filed Senior Citizen Property Hardship Exemption - Bennett

Alice J. Bennett applied late for the 2014 senior citizen hardship exemption. The hardship exemption form and appeal letter were received on September 29, 2014 by the Assessor's Office. Ms. Bennett passed away on October 28, 2014.

CBJ 69.10.020(10)(C) places the authority for approving late claims with the Assembly.

Alice J. Bennett stated that she filed late due to the fact that she was 98 years old and suffered from a slew of medical issues dating to 2012. Her son had been helping her out but overlooked applying for the exemption by the April 30, 2014 deadline.

Listed below are the assessed values of the property in question, in addition to a breakdown of the financial impact of the requested exemption:

Assessment:	Land	130,700
	Improvements	217,200
Exemption:		<u>- 150,000</u>
Taxable amount:		197,900
Total Tax:		2,129
2% of GHI (Tax Due):		- 383.52
Allowable Hardship Exemption		1,745.88

Approval of this late filing would result in a loss of \$1,745.88 in revenue for the City.

The Assessor's Office determined that the filer had an income ratio that would have qualified her for the exemption if it had been filed in a timely manner. The 2014 taxes were paid in full. Mrs. Bennett's son requested that any refund be applied to the property's utility accounts.

The Manager recommends the Assembly authorize the Assessor to accept the application as if filed timely.

Public Comment: None.

Assembly Action:

***MOTION**, by Crane, to accept the late filed senior citizen property hardship exemption application from Alice J. Bennett, as if timely filed. Hearing no objection, it was so ordered.*

B. Late Filed Senior Citizen Property Hardship Exemption - Frank

Sophie Frank applied late for the 2014 senior citizen hardship exemption. The hardship exemption form and appeal letter were received on July 30, 2014 by the Assessor's Office.

CBJ 69.10.020(10)(C) places the authority for approving late claims with the Assembly.

Ms. Frank stated that she filed late due to medical issues.

Listed below are the assessed values of the property in question, in addition to a breakdown of the financial impact of the requested exemption:

Assessment:	Land	105,000
	Improvements	274,300
Exemption:		<u>- 150,000</u>
Taxable amount:		229,300
Total Tax:		2,467.27

2% of GHI (Tax Due):	799.92
Allowable Hardship Exemption	1667.35

Approval of this late filing would result in a loss of \$1,667.35 in revenue for the City.

The Assessor's Office determined that the filer had an income ratio that would have qualified her for the exemption if it had been filed in a timely manner. The 2014 taxes were paid in full.

The Manager recommends the Assembly authorize the Assessor to accept the application as if filed timely.

Public Comment: None.

Assembly Action:

MOTION, by Crane, to accept the late filed senior citizen property hardship exemption application from Sophie Frank, as if timely filed. Hearing no objection, it was so ordered.

C. Porcupine Lodge 1% for Art Proposal

The 1% for Art Committee has selected two artists for the 1% for Art for Eaglecrest Learning Center, now called the Porcupine Lodge. The budget for this project is \$25,000.

Toby Harbanuk will create an aerial view of Eaglecrest snowboard mural, along with snowboard signs to hang over select doorways such as rental area, retail/repair, and the classroom area. Mary Williams will create 5 snowflakes made from painted and textured old wood ski's, ranging in size from 33"x33" to 50"x50" and vary in color.

Installation for both pieces will occur in early spring. The committee believes the artists have done an excellent job proposing art that will be durable and will require minimal maintenance.

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 Porcupine Lodge.

Public Comment: None.

Assembly Action:

MOTION, by Crane, to approve the 1% for art selections for the Porcupine Lodge as presented. Hearing no objection, it was so ordered.

X. STAFF REPORTS

None.

XI. ASSEMBLY REPORTS

A. Mayor's Report

MOTION, by Becker, to contribute up to \$5,000 from the Assembly Hosting account for the expenses of the inaugural ball, as money was available in the fund and this was a traditional contribution that had been made from the community in the past. Hearing no objection, it was so ordered.

Mayor Sanford asked the Assembly to be sure to read all of the recently distributed reports and those that would be distributed soon, including the Auke Bay Plan, the Economic Development Plan, the NOAA Task Force Report and the Treadwell Arena Task Force Report.

B. Committee Reports

Committee of the Whole: Chair Becker said the COW met on December 8 and discussed the Gastineau Apartments and the Capital Transit Plan. The next meeting was set for December 29 and an extra meeting was set for January 5, which would focus on the Economic Development Plan.

Tax Exemption Review Committee: Chair Becker said there had been quite a few meetings of the TERC. A public meeting was scheduled for January 8 at 5:30 p.m. and the committee would take open testimony but would specifically seek comments on the TERC draft recommendations as follows: The TERC is not recommending removing the lobbyist sales tax exemption, not recommending removing the out-of-borough sales tax exemption, has forwarded no opinion on the rebate program, was recommending a cap on single sale exemption of \$14,000, was recommending eliminating the senior out-of-borough exemption, and was recommending senior sales tax exemptions on food, fuel and electricity for all, and then establishing an income base for the senior exemption of 250% of the poverty level, and continue all other exemptions that were currently in effect. Mayor Sanford anticipated the topic would move from the TERC to the Finance Committee to continue the discussion and he thanked the TERC for its work.

Finance Committee: Chair Crane said the committee met and received information from the manager on planned budget reductions and efficiencies for FY16, and the committee pared down the list of CIP requests to the State. The next meeting was set for January 21.

Human Resources Committee: The next meeting was set for January 12.

Lands and Resources Committee: Chair Kiehl said the next meeting was set for December 29.

Public Works and Facilities Committee: Chair Nankervis said the committee met on December 8 and approved transfer requests, for Jackson St. in Blueberry Hills, for parking management contract, heard information on the recycling baler, and discussed underground utilities. It appears the option to moving to above ground vs. under ground utilities seems to be a wash. The next meeting was set for December 29.

C. Liaison Reports

Airport Board: Liaison White said she took a tour of the airport and was getting up to speed, but the meetings had conflicted with Assembly meetings.

Bartlett Regional Hospital Board: Liaison Crane said BRH Board hired a new Chief Financial Officer, Allan Ulrich, and a comptroller, Karen Taug and the top management positions were full. There was no success with hiring a pediatric psychiatrist yet. The BRH Board reviewed training opportunities for the board and developed a letter of support for Housing First which was delivered to the Assembly.

Docks and Harbors Board: Liaison Nankervis said next meeting was set for January 6, at 5 p.m. to review dock fees.

Eaglecrest Board: Liaison Nankervis said Eaglecrest would like everyone to sing "let it snow." The ski area opened on December 6. The Porcupine Lodge is nearing completion in January. The CIP request was reduced by \$50,000. The next meeting was set for January 8 at 6:15 p.m.

Afterschool Activities Committee: Ms. Becker reported on BAM, which was chosen as a model after school program and she went to Washington, DC to represent Juneau on this topic. People were impressed with what had been done in Juneau with a limited budget and many volunteers.

Affordable Housing Commission: Liaison Troll said the next meeting was set for January 6.

Alaska Committee: Liaison Becker said the Legislative Reception would be held January 22 at Centennial Hall, 5 - 6:30 p.m. and the theme would focus on "Alaska under Construction."

Juneau Commission on Sustainability: Liaison Troll said the JCOS met on December 17 and discussed the presentation the Green Team gave to CBJ staff on the Climate Action Plan, the Auke Bay Plan, and an interest in working with Building Code Advisory Committee to incorporate energy issues into the building code.

Juneau Convention and Visitors Bureau: Liaison White said the JCVB held elections for new officers, presented a list of conventions and meetings solicited in 2015-2016. They have revamped website and the Juneau Travel Guide.

Local Emergency Planning Committee: Liaison Gladziszewski said the LEPC met on December 10 and planned for the Preparedness Expo. The next meeting was set for January 14 and the location of the meeting was changed to the CCFR training room.

Parks and Recreation Advisory Committee: Liaison Gladziszewski said the PRAC met on December 2 and heard reports on Treadwell and the pools from the managers of the facilities. They also heard from the Juneau-Douglas Motocross Association, which is interested in using land above the ballfields in Lena as an OHV park. The discussion is very preliminary. The next meeting was set for January 6.

School Board: Liaison Kiehl said the School Board met on December 16, heard about the AVID program and anti-bullying, student performance data, and approved an application to have the Montessori Borealis program to become a full alternative school and to add a children's program to that that would not be state or city funded but would charge tuition. The Board gave management direction to work closely with the private non-profit Montessori program when setting tuition and hours so the public program would not disadvantage the private non-profit program.

UAS Campus Council: Liaison Kiehl said the Council met and heard extensive presentations on some of the programs focused on Alaska Native students and Alaska Native scholarships, the Alaska Native teacher preparation program, and the language programs. UAS recently finished finals week, and there would be upcoming budget reductions discussions.

D. Presiding Officer Reports

Presiding Officer Nankervis reported that the Tall Timbers NA v Planning Commission Appeal was on track.

Ms. Mead said that the Bicknell v Planning Commission appeal was underway with assistance from Hearing Officer John Corso.

XII. ASSEMBLY COMMENTS AND QUESTIONS

Mayor Sanford thanked the staff for the work to pull together the packets for the meetings. Ms. Kiefer said it was a big team that pulled it all together.

Ms. Becker said she handed out certificates of achievement to DZ students. She served at the Governor's Open House. She attended a suicide prevention workshop at the high school sponsored by Rotary with many young people in attendance.

Ms. White spent some time at JPD and would do a ride along after the holidays.

Mr. Kiehl said the gubernatorial swearing-in ceremony and the Governor's open house were heavily staffed by Juneau volunteers and well attended. The community has done a great job welcoming the new governor to Juneau. He attended a ceremony for Thunder Mountain High School recognizing students for extra efforts. He was traveling to see family and wished everyone a happy Christmas, New Year and Hanukkah.

Ms. Crane wished everyone happy holidays and thanked Ms. Troll for her article about Juneau volunteers in the Juneau Empire.

Ms. Gladziszewski - wished all happy holidays and congratulated the staff of Centennial Hall for their extra efforts with the public market and the swearing-in ceremony.

Ms. Troll said the Tongass Advisory Council would be meeting in Juneau in January and the Assembly was encouraged to attend a reception hosted by JEDC on Tuesday, January 13. She thanked Ms. Mead for the timing of the ordinance on the moratorium on marijuana. She wished all a Merry Christmas and Happy Holidays.

Mr. Nankervis suggested that over the holidays, people spend time with family, friends or someone they love, or all three.

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

There being no further business to come before the Assembly, the meeting adjourned at 7:55 p.m.

Signed: _____
Laurie Sica, Municipal Clerk

Signed: _____
Merrill Sanford, Mayor

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

Ordinance 2014-24(AA) An Ordinance Appropriating to the Manager the Sum of \$130,000 to the School District Facilities Renovation and Repair Capital Improvement Project; Funding Provided by an Insurance Settlement from Zurich American Insurance Co.

MANAGER'S REPORT:

This ordinance would authorize the appropriation of \$130,000 from the Gastineau Elementary School Roof Insurance Settlement to a new CIP titled "School District Facilities Renovation and Repair."

The School District intends to use approximately \$75,000 of these funds to complete the Marie Drake planning process. The remaining funds of approximately \$55,000 will be used for one or more repair projects (to be determined). The Marie Drake planning process commenced in November 2013 using funds remaining from the District Wide Major Maintenance CIP. These funds were sufficient to complete the first phase of planning, orientation and education plan. This appropriation will allow completion of the remaining phases including master planning, conceptual design, educational specifications, and construction cost estimates. This information is required by the Department of Education and Early Development for approval under the bond debt reimbursement program.

The Juneau School District Facilities Committee approved this appropriation at its December 18, 2014 meeting. The Public Works and Facilities Committee approved this appropriation at its December 29, 2014 meeting. The School Board will hear this appropriation request at its January 13, 2015 meeting.

RECOMMENDATION:

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

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> 2014-24(AA)	12/31/2014	Ordinance
<input type="checkbox"/> 2014-24(AA) EIN	12/31/2014	Exhibit
<input type="checkbox"/> 2014-24(AA) Exhibit	12/31/2014	Exhibit
<input type="checkbox"/> 2014-24(AA) MR	12/31/2014	Cover Memo

Presented by: The Manager
Introduced: 01/12/2015
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-24(AA)

An Ordinance Appropriating to the Manager the Sum of \$130,000 to the School District Facilities Renovation and Repair Capital Improvement Project; Funding Provided by an Insurance Settlement from Zurich American Insurance Co.

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 \$130,000 for the School District Facilities Renovation and Repair CIP.

Section 3. Source of Funds

Insurance Settlement – Zurich American Insurance Co. \$ 130,000

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

Adopted this _____ day of _____, 2015.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

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

Ordinance 2015-01 An Ordinance Amending the Excise Tax on Tobacco Products Code.

MANAGER'S REPORT:

This ordinance would increase the tobacco excise tax from the current \$1.00 per pack to \$3.00 per pack of cigarettes, and would amend the definition of “other tobacco products” to include e-cigarettes and other vapor-inducing products. The primary objective of the ordinance is to reduce consumption of cigarettes and tobacco products, particularly among youth. The increase would be effective April 1, 2015. The higher excise tax rate would increase annual tax revenue collected by an estimated \$1.7 million.

The ordinance also amends the existing language providing for the creation of a lien for failure to submit the tax by removing an outdated reference to the Alaska Statutes, and by deleting the language setting the priority of the lien in recognition of the Supreme Court’s holding that a municipality has no discretion to set lien priority by ordinance unless there is express statutory authority to do so.

The proposed amendments were reviewed by the Assembly Finance Committee on November 12, 2014, which recommended an ordinance be drafted and brought to the full Assembly for its consideration.

RECOMMENDATION:

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

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Ordinance 2015-01	1/6/2015	Ordinance

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-01

An Ordinance Amending the Excise Tax on Tobacco Products Code.

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 69.08.010 Definitions, is amended to read:

69.08.010 Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Distributor means a person who brings cigarettes or other tobacco products, or causes them to be brought, into the City and Borough, and who sells or distributes them to others in the City and Borough.

Sale means a sale, barter, exchange, and every other manner of transferring the ownership of personal property.

Cigarette means a roll for smoking of any size or shape, made wholly or partly of tobacco, whether the tobacco is flavored, adulterated, or mixed with another ingredient, if the wrapper or cover of the roll is made of paper or a material other than pure or nearly

1
2 pure tobacco; and also includes any roll for smoking containing tobacco, however wrapped,
3 that weighs less than three and a half pounds per thousand, unless it is wrapped entirely in
4 whole tobacco leaf and does not have a filter.

5 *Other tobacco product* means:

6 (1) [Reserved.]

7 (2) A cigar;

8 (3) A cheroot;

9 (4) A stogie;

10 (5) A perique;

11 (6) Snuff and snuff flour;

12 (7) Smoking tobacco, including granulated, plug-cut, crimp-cut, ready-rubbed, and any
13 form of tobacco suitable for smoking in a pipe or cigarette;

14 (8) Chewing tobacco, including cavendish, twist, plug, scrap, and tobacco suitable for
15 chewing; or

16 (9) An article or product made wholly or in part of tobacco or a tobacco substitute or
17 otherwise containing nicotine that is expected or intended for human consumption,
18 but not including a tobacco substitute prescribed by a licensed physician or a
19 product that has been approved by the United States Food and Drug
20 Administration for sale as a tobacco use cessation or harm reduction product or for
21 other medical purposes and which is being marketed and sold solely for that
22 approved purpose.
23
24
25

1
2 (10) Any noncombustible device that provides a vapor of liquid nicotine to the user or
3 relies on vaporization of any liquid or solid nicotine, including devices
4 manufactured as e-cigarettes, e-cigars, e-pipes or under any other product name.

5 *Wholesale price* means the price the distributor pays for a tobacco product, after
6 deduction of a discount or other reduction received by the distributor for quantity or cash.
7

8 **Section 3. Amendment of Section.** CBJ 69.08.020 Imposition of excise tax on
9 tobacco products, is amended to read:
10

11 **69.08.020 Imposition of excise tax on tobacco products.**

- 12 (a) The City and Borough hereby levies an excise tax of ~~100 cents~~ \$3.00 per pack of
13 cigarettes brought into the City and Borough after ~~December 31, 2009~~ April 1, 2015.
- 14 (b) The City and Borough hereby levies an excise tax on other tobacco products at the rate
15 of 45 percent of the wholesale price of tobacco products brought into the City and
16 Borough after December 31, 2009.
- 17 (c) It is the intent and purpose of this chapter to provide for the collection of the excise tax
18 from the distributor who brings cigarettes or other tobacco products into the City and
19 Borough. The excise tax is levied when a distributor brings, or causes to be brought,
20 cigarettes or other tobacco products into the City and Borough from outside the City and
21 Borough for sale.
22

23
24 **Section 4. Amendment of Section.** CBJ 69.08.090 Lien for tax, interest and
25 penalty due, is amended to read:

1
2 **69.08.090 Lien for tax, interest and penalty due.**

3 The tax, interest and penalty imposed under this chapter shall constitute a lien in favor
4 of the City and Borough upon the assets or property of the distributor of tobacco products
5 within the City and Borough. The lien arises upon delinquency and continues until liability
6 for the amount is satisfied or the property of the delinquent distributor is sold at a tax lien
7 foreclosure sale. The lien is not valid as against a mortgagee, pledgee, purchaser, or
8 judgment creditor until notice of the lien is filed in the ~~office of the recorder~~ recorder's office
9 for the Juneau Recording District. ~~City and Borough recording district in the manner~~
10 ~~provided for federal tax liens in AS 43.10.090—43.10.150. After such filing, it shall be~~
11 ~~superior to all other liens except for those property taxes and special assignments.~~
12

13
14 **Section 5. Effective Date.** This ordinance shall be effective 30 days after its
15 adoption.

16 Adopted this _____ day of _____, 2015.

17
18
19 _____
Merrill Sanford, Mayor

20 Attest:

21 _____
22 Laurie J. Sica, Municipal Clerk
23
24
25

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

Ordinance 2015-02 An Ordinance Amending the Official Zoning Map of the City and Borough to
Change the Remote Subdivisions Area Map for Hidden Valley Tract B, Located in the Upper
Lemon Creek Valley, from "Not Remote" to Remote.

MANAGER'S REPORT:

In April 2014, the applicant applied to have Hidden Valley Tract B, located in the upper Lemon Creek valley, rezoned from "Not Remote" to Remote.

On May 14, 2014, the Planning Commission approved the rezone application. The proposed ordinance was pulled from the Assembly's agenda when it was learned that the applicant had a concurrent easement application pending that would have provided road access to the property, making it ineligible for a "Remote" designation. It was subsequently learned that the applicant had constructed a gravel roadway to the property connecting it to the roadway without the CBJ's knowledge.

On December 9, 2014, the Planning Commission reconsidered the rezone application and determined that the 12 – 16 foot gravel roadway did not prohibit the Commission from recommending the lot be rezoned from "Not Remote" to "Remote."

The Planning Commission recommends that the Assembly approve the text amendment to change the subject parcel from Not Remote to Remote.

RECOMMENDATION:

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

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Ordinance 2015-02	1/6/2015	Ordinance
<input type="checkbox"/> Exhibit A Map	1/6/2015	Exhibit
<input type="checkbox"/> Notice of Decision	1/6/2015	Notice of Decision

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-02

An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Remote Subdivisions Area Map for Hidden Valley Tract B, Located in the Upper Lemon Creek Valley, from “Not Remote” to Remote.

WHEREAS, the City and Borough Comprehensive Plan supports the facilitation of recreational uses; and

WHEREAS, the City and Borough Comprehensive Plan supports use of remote areas for recreational cabins; and

WHEREAS, the lots in question are currently designated as Not Remote on the Remote Subdivisions Areas map of the City and Borough’s official zoning atlas; and

WHEREAS, the applicant wishes to make a map amendment to designate the subject parcel as Remote; and

WHEREAS, the map amendment application meets the following characteristics of a Remote Subdivisions Area, CBJ 49.70.1120, in that the subject parcel should not be:

- (a) In the general proximity of a capital improvement listed in the current capital improvements program;
- (b) Subject to a new growth area master plan, or other private plan adopted by the City and Borough;
- (c) Connected to the road system; or

1
2 (d) Served by a right-of-way, sewer system, water system, fire protection
3 service, or police protection service, operated or maintained by an agency of
4 government.
5

6 NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND
7 BOROUGH OF JUNEAU, ALASKA:
8

9 **Section 1. Classification.** This ordinance is of a general and permanent nature
10 and shall become a part of the City and Borough of Juneau Code.
11

12 **Section 2. Amendment to the Official Zoning Map.** The official zoning map of
13 the City and Borough, adopted pursuant to CBJ 49.25.110, is amended to change the
14 designation of Hidden Valley Tract B from “Not Remote” to “Remote.”

15 The described map amendment is shown on the attached Exhibit “A” illustrating the
16 area of the proposed zone change.
17

18 **Section 3. Effective Date.** This ordinance shall be effective 30 days after its
19 adoption.
20

21 Adopted this _____ day of _____, 2015.
22

23 _____
Merrill Sanford, Mayor

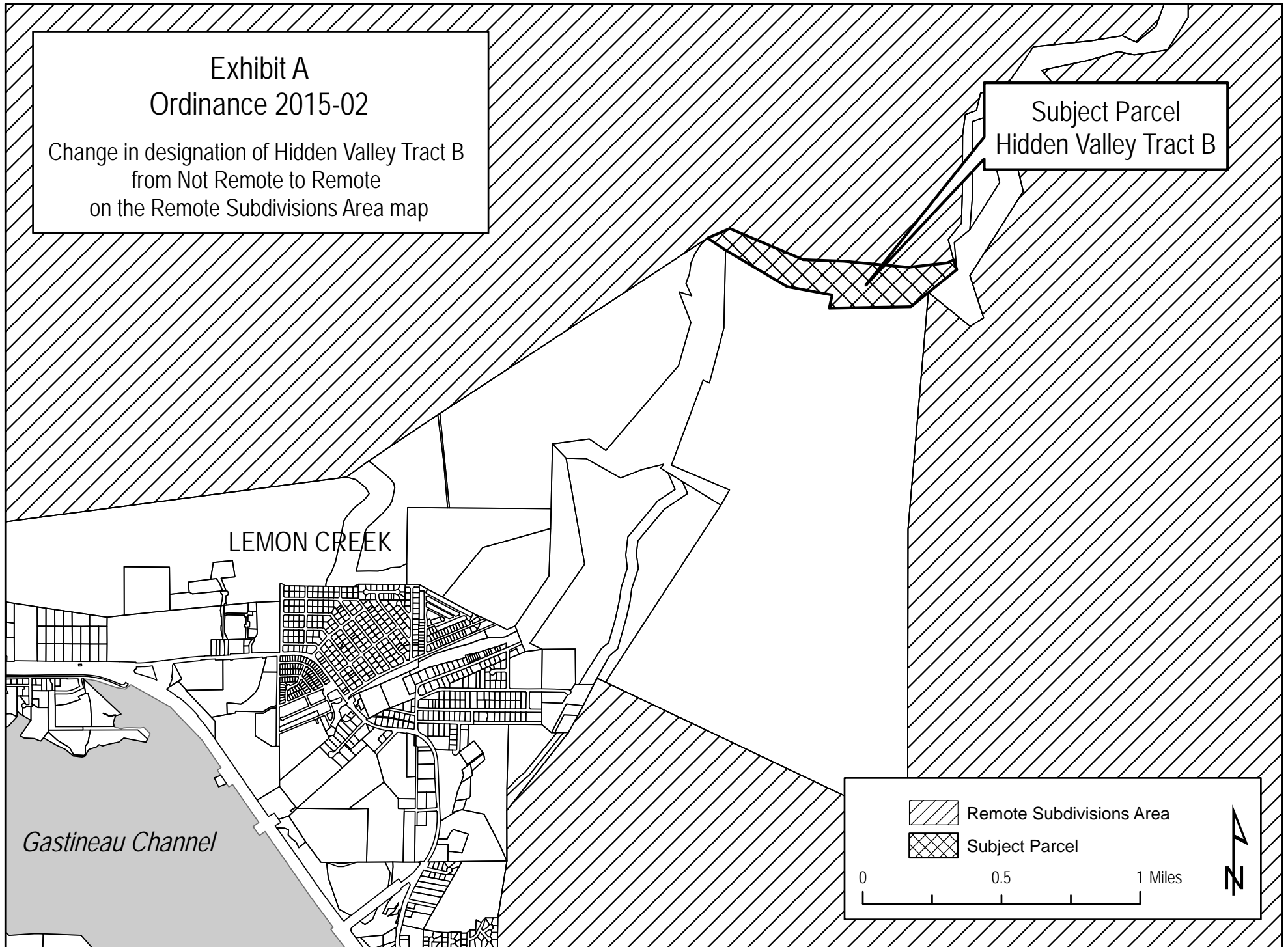
24 Attest:

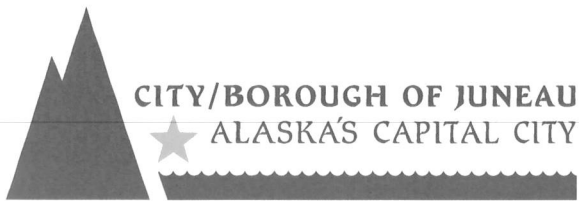
25 _____
Laurie J. Sica, Municipal Clerk

Exhibit A
Ordinance 2015-02

Change in designation of Hidden Valley Tract B
from Not Remote to Remote
on the Remote Subdivisions Area map

Subject Parcel
Hidden Valley Tract B





**PLANNING COMMISSION
NOTICE OF RECOMMENDATION**

Date: May 14, 2014

File No.: AME2014 0004

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

Application For: Planning Commission Recommendation to the City and Borough Assembly regarding amendment to remote subdivision area map to include Hidden Valley Tract B in the upper Lemon Creek Valley.

Legal Description: Hidden Valley Tract B

Property Address: Upper Lemon Creek Valley

Hearing Date: May 13, 2014

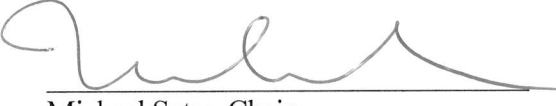
The Planning Commission, at its regular public meeting, adopted the analysis and findings listed in the attached memorandum dated April 24, 2014, and recommended that the City and Borough Assembly adopt staff's recommendation for an amendment to remote subdivision area map to include Hidden Valley Tract B in the upper Lemon Creek Valley.

Attachments: April 24, 2014 memorandum from Jonathan Lange, Community Development, to the CBJ Planning Commission regarding AME2014 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:


Jonathan Lange, Planner
Community Development Department


Michael Satre, Chair
Planning Commission


Filed With City Clerk


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.

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

Ordinance 2015-05 An Ordinance Authorizing the Port Director to Negotiate and Execute a Lease of Alaska Tidelands Survey No. 1277, Located at Approximately 3155 Channel Drive, Juneau, Alaska.

MANAGER'S REPORT:

Salmon Creek Development leases 1.83 acres of CBJ Docks & Harbors managed tidelands adjacent to the Sampson Tug & Barge facility near Channel Drive. The original lease between the State and Salmon Creek Development was recorded in 1984 and provided a 30 year lease of \$9600/annum subject to adjustment following the expiration of the initial 25-year period. The lease was transferred to the City and Borough in 2001. A lease rent adjustment was set in April 2009, making the new lease amount \$11,957.25. The lease expired in April 2014.

Salmon Creek Development submitted a request to re-lease these lands under a provision allowed in CBJ 53.20.100 (Preference Privilege). Docks & Harbors contracted with Horan & Company to appraise the property pursuant to the issuance of a new lease. An appraised value of \$11,957.25 (unchanged) was received and the Docks & Harbors Board, at its October 30, 2014 meeting, recommended accepting this value for the initial five-year period of the new 35-year lease.

RECOMMENDATION:

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

ATTACHMENTS:

	Description	Upload Date	Type
<input type="checkbox"/>	Ordinance 2015-05	1/6/2015	Ordinance
<input type="checkbox"/>	2015-05 Exhibit A Lease Agreement Salmon Creek Development	1/6/2015	Exhibit
<input type="checkbox"/>	2015-05 Exhibit B Map and Photo of the Property	1/6/2015	Exhibit

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-05

**An Ordinance Authorizing the Port Director to Negotiate
and Execute a Lease of Alaska Tidelands Survey No.
1277, Located at Approximately 3155 Channel Drive,
Juneau, Alaska.**

WHEREAS, the State of Alaska conveyed Alaska Tidelands Survey No. 1277 to the City and Borough in 2001, and assigned to the City and Borough administration of the existing lease held by Salmon Creek Development on February 14, 2001; and

WHEREAS, the tideland lease held by Salmon Creek Development for ATS No. 1277 expired on April 27th, 2014; and

WHEREAS, Salmon Creek Development, expressed its wish to renew the lease and has accordingly continued to remit annual lease payments to the City and Borough, with its most recent payment being received on March 31, 2014; and

WHEREAS, the Port Director recommended that the lease be renewed in accordance with City and Borough of Juneau ordinances and regulations and with Salmon Creek Development paying the appropriate fair market value rental rate for its continued use of ATS 1277; and

WHEREAS, it is the intent of the Docks and Harbors Board and Salmon Creek Development that the new lease agreement memorialize the intent and conduct of the parties where Salmon Creek Development remained the responsible leaseholder of ATS

1
2 1277 despite the fact that a new lease document with the City and Borough of Juneau was
3 not signed when the underlying original lease expired; and

4 WHEREAS, in accordance with the appraisal report, the Port Director recommended
5 an annual rental rate of \$11,957.25, which was approved by the Docks and Harbors Board
6 on October 30, 2014.

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

9 **Section 1. Classification.** This ordinance is a non-code ordinance.

10 **Section 2. Authorization to Lease.** The Port Director is authorized to execute
11 the lease attached as Exhibit A to Salmon Creek Development, of Alaska Tidelands Survey
12 No. 1277, Juneau Recording District, First Judicial District, State of Alaska, containing
13 approximately 1.83 acres of property, as shown on Exhibit B to this ordinance.
14

15 **Section 3. Minimum Essential Terms and Conditions.** The lease is subject to
16 the following minimum essential terms and conditions:

17 (A) The lease shall be for a term of thirty-five years, beginning April 27,
18 2014, with one thirty-five year renewal option, subject to City and Borough
19 approval of any renewal.

20 (B) The annual lease payment for the initial five-year period (April 27,
21 2014 – April 27, 2019) shall be \$11,957.25 plus sales tax. Annual rent under
22 this lease agreement shall be due on February 1.

23 (C) Beginning with the first year after the initial five-year period of the
24 term of this lease agreement, the Port Director will re-evaluate and adjust the
25 annual lease payment for the leased property, equipment, and improvements

1
2 for the next five-year period of the term in accordance with 05 CBJAC 50.040 -
3 050. The new annual lease payment amount shall be paid retroactively to the
4 beginning of the lease payment adjustment period.

5 (D) Lessee shall indemnify, defend, and hold harmless the City and
6 Borough and its officers and employees for any claims related to or arising out
7 of Lessee's use, operation, and maintenance of the leased property, equipment,
8 and improvements, and any further development of the leased property or
9 improvements by Lessee.

10 (E) The provisions contained in CBJ 53.20.190 are incorporated in the lease
11 as though set out fully therein.
12

13
14 **Section 4. Effective Date.** This ordinance shall be effective 30 days after its
15 adoption.

16 Adopted this _____ day of _____, 2015.
17

18
19 _____
Merrill Sanford, Mayor

20 Attest:

21 _____
22 Laurie J. Sica, Municipal Clerk
23
24
25

Recorder return to: City and Borough of Juneau
Attn: Carl Uchytel, P.E., Port Director
155 S. Seward Street
Juneau, AK 99801

LEASE AGREEMENT FOR ALASKA TIDELANDS SURVEY 1277

PART 1. PARTIES. This lease is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter “CBJ” or “City” and Salmon Creek Development organized under the laws of the State of Alaska, hereafter “Lessee.”

PART II. LEASE ADMINISTRATION. All communications about this lease shall be directed as follows, and any reliance on a communication with a person other than that listed below is at the party’s own risk.

City:

Attn: Carl Uchytel, P.E.
Port Director
City and Borough of Juneau

155 S. Seward Street
Juneau, AK 99801
Phone: (907) 586-0292
Fax: (907) 586-0295
Email: Carl_Uchytel@ci.juneau.ak.us

Lessee:

Attn: Joseph M. Smith
Manager
Salmon Creek Development

P.O. Box 3437
Juneau, AK 99803
Phone: (907) 321-2330
Work Phone: (907) 789-7437
Email: gastcon@gci.net

PART III. LEASE DESCRIPTION. This lease agreement is identified as: Lease Agreement for Alaska Tidelands Survey 1277. The following appendices are attached hereto and are considered to be part of this lease agreement as well as anything incorporated by reference or attached to those appendices.

Appendix A: Property Description & Additional Lease Provisions
Appendix B: Lease Provisions Required by CBJ Chapter 53.20
Appendix C: Standard Provisions

If in conflict, the order of precedence shall be: this document, Appendix A, B, and then C.

PART IV. PRIOR LEASE SUPERSEDED. This lease agreement supersedes and replaces any lease agreement for Alaska Tidelands Survey No. 1277, entered into between the State of Alaska and a predecessor lessee on April 27, 1984, and any amendments to, or assignments of, that lease agreement.

PART V. LEASE EXECUTION. City and Lessee agree and sign below. This contract is not effective until signed by the City.

City:

Lessee:

Date: _____

Date: _____

By: _____
Carl Uchytel, Port Director

By: _____
Joseph M. Smith
Salmon Creek Development

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

WITNESS my hand and official seal the day and year in the certificate first above written.

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

WITNESS my hand and official seal the day and year in the certificate first above written.

Page 3 of 13

APPENDIX A:

PROPERTY DESCRIPTION & ADDITIONAL LEASE PROVISIONS

1. DESCRIPTION OF PROPERTY

The property subject to this lease is generally referred to as “the Leased Premises” or “the Property.” The Leased Premises are described as follows:

Alaska Tidelands Survey No. 1277 within protracted Section 9, Township 41 South, Range 67 East, Copper River Meridian, according to the plat filed in the Juneau Recording District on November 21, 1983, as Plat #83-210, containing 1.83 acres, more or less.

The Leased Premises, depicted in Exhibit A (consisting of four pages) to CBJ Ordinance No. 2015-05, are subject to any legally enforceable easements and/or covenants. A copy of Exhibit A is attached to and made a part of this lease by this reference.

2. AUTHORITY

This lease is entered into pursuant to the authority of CBJ Code Section 85.02.060(a)(5) and CBJ Chapter 53.20; and CBJ Ordinance No. 2015-05.

3. TERM AND RENEWAL OPTION

The effective date of this lease shall be April 27, 2014, upon signature by the City. The term of the lease is 35 years, commencing on the effective date of this lease agreement (April 27, 2014), unless sooner terminated. City grants Lessee an option to renew this lease for one, successive period of 35 years, subject to written approval by the City and Borough. Lessee shall exercise this option, if at all, by written notice given to City during the first six months of the last year of the underlying lease term.

4. LEASE PAYMENTS AND ADJUSTMENTS

(a) Lessee shall pay City an annual lease payment for the Lease Premises. The annual payment for the first year of the lease, April 27, 2014 – April 27, 2015, shall be \$11,957.25 plus sales tax. Except as provided in this section, after the first year, the annual lease payments shall be made by Lessee to City at the start of each subsequent year of the term, with the annual payment due on or before February 1.

(b) The annual lease payment for the remainder of the initial five-year period of the lease term (April 27, 2015 – April 27, 2019) shall be \$11,957.25 per year (\$0.15/square foot), plus sales tax.

(c) Beginning with the first year after the initial five-year period of the term, the Port Director will re-evaluate and adjust the annual lease payment for the Leased Premises for the next five-year period of this lease, and then every five years thereafter, pursuant to Appendix B, Section 3(2) of this lease, CBJ 53.20.190(2), CBJ 85.02.060(a)(5), and the Docks and Harbors lease administration regulations, 05 CBJAC Chapter 50. The new annual lease payment amount shall be paid retroactively to the beginning of that lease payment adjustment period.

5. AUTHORIZED USE OF PREMISES

Lessee is authorized to use the Lease Premises for waterfront related uses and operations of its radio tower. Should Lessee wish to further development the premises, Lessee shall be required to obtain approval of its development plans from the City Docks and Harbors Board prior to any further development of the Leased Premises or improvements. Lessee shall be responsible for obtaining all necessary permits and approvals for Lessee's development of the Leased Premises.

6. INSURANCE

Commercial General Liability Insurance

Lessee shall maintain at all times during this lease commercial general liability insurance, in the amounts of \$1,000,000 per occurrence and \$2,000,000 general aggregate. The insurance policy shall name City as an "Additional Insured" and shall contain a clause that the insurer will not cancel or change the insurance without first giving prior written notice consistent with the terms of the policy, to City's Risk Management Office. Lessee will provide evidence of this insurance to City in a form acceptable to the City Office of Risk Management.

Property Insurance

Lessee acknowledges that City carries no fire or other casualty insurance on the Lease Premises or improvements located thereon belonging to Lessee, and that it is the Lessee's obligation to obtain adequate insurance for protection of Lessee's buildings, fixtures, or other improvements, or personal property located on the Leased Premises, and adequate insurance to cover debris removal.

**APPENDIX B: LEASE PROVISIONS REQUIRED BY
CBJ CHAPTER 53.20 and CBJ CHAPTER 50**

1. RESPONSIBILITY TO PROPERLY LOCATE ON LEASED PREMISES.

As required by CBJ 53.20.160, it shall be the responsibility of Lessee to properly locate Lessee's improvements on the Lease Premises and failure to so locate shall render Lessee's liable as provided by law.

2. APPROVAL OF OTHER AUTHORITIES.

As required by CBJ 53.20.180, the issuance by City of leases, including this lease, under the provisions of CBJ Title 53 does not relieve Lessees of responsibility for obtaining licenses, permits, or approvals as may be required by City or by duly authorized state or federal agencies.

3. TERMS AND CONDITIONS OF LEASES REQUIRED BY CBJ 53.20.190.

As required by CBJ 53.20.190, the following terms and conditions govern all leases and are incorporated into this lease unless modified by the Assembly by ordinance or resolution for this specific lease. Modifications of the provisions of this Appendix B applicable to this specific lease, if any, must specifically modify such provisions and be supported by the relevant ordinance or resolution to be effective.

(1) **Lease Utilization.** The Leased Premises shall be utilized only for purposes within the scope of the application and the terms of the lease, and in conformity with the provisions of City code, and applicable state and federal laws and regulations. Utilization or development of the Leased Premises for other than the allowed uses shall constitute a violation of the lease and subject the lease to cancellation at any time.

(2) **Adjustment of Rental.** Lessee agrees to a review and adjustment of the annual rental payment by the Port Director not less often than every fifth year of the lease term beginning with the rental due after completion of each review period. Any changes or adjustments shall be based primarily upon the values of comparable land in the same or similar areas including privately owned lands; such evaluations shall also include all improvements, placed upon or made to the land, to which the City has right or title, excluding landfill placed upon the land by Lessee, except that the value of any improvements credited against rentals shall be included in the value.

(a) **Delays in setting rents.** Delays in setting or adjusting lease rents due to the appraisal process shall not change the effective date of the lease rent change. In the case of renewals, the new rent shall apply retroactively to the date the lease expired. In the case of rent adjustments during a lease, the new rent shall apply retroactively to the date of rent adjustment as set out in the lease.

(b) **Preliminary review of appraisal.** The port director may reject an appraisal or recommend an appraisal be modified before review by the docks and harbors board.

(c) **Adjustment Dispute Resolution.** If the lessee disagrees with the lease rent adjustment proposed by the port director, the lessee shall pay for an appraisal and have the appraisal undertaken in accordance with the requirements set out in 05 CBJAC 50.050. The lease rent adjustment proposed by the port director will automatically take effect if the lessee's appraisal is not completed and submitted to the director within six months after the director proposes the adjustment. In the event the

docks and harbors board cannot reach agreement with the applicant or lessee on the lease rent or adjustment, the board shall pay for an additional appraisal and have that appraisal undertaken in accordance with 05 CBJAC 50.050. After reviewing the additional appraisal, the board shall establish lease rent. If the applicant or the lessee disagrees with the lease rent or adjustment, the applicant or lessee may appeal to the Assembly. The decision of the Assembly shall be final.

(3) **Subleasing.** Lessee may sublease Leased Premises or any part thereof leased to Lessee hereunder; provided, that the proposed sub-lessee shall first apply to City for a permit therefore; and further provided, that the improvements on the Leased Premises are the substantial reason for the sublease. Leases not having improvements thereon shall not be sublet. Subleases shall be in writing and be subject to the terms and conditions of the original lease; all terms, conditions, and covenants of the underlying lease that may be made to apply to the sublease are hereby incorporated into the sublease.

(4) **Assignment.** Lessee may assign its rights and obligations under this lease; provided that the proposed assignment shall be approved by City prior to any assignment. The assignee shall be subject to all of the provisions of the lease. All terms, conditions, and covenants of the underlying lease that may be made applicable to the assignment are hereby incorporated into the assignment.

(5) **Modification.** The lease may be modified only by an agreement in writing signed by all parties in interest or their successor in interest.

(6) **Cancellation and Forfeiture.**

(a) The lease, if in good standing, may be cancelled in whole or in part, at any time, upon mutual written agreement by Lessee and City.

(b) City may cancel the lease if it is used for any unlawful purpose.

(c) If Lessee shall default in the performance or observance of any of the lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or service of written notice by City without remedy by Lessee of the conditions warranting default, City may subject Lessee to appropriate legal action including, but not limited to, forfeiture of the lease. No improvements may be removed by Lessee or other person during any time Lessee is in default.

(d) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of City with approval of the Assembly constitute grounds for default.

(7) **Notice or Demand.** Any notice or demand, which under terms of a lease or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address of record. However, either party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid wrapper or envelope addressed as hereinbefore provided.

(8) **Rights of Mortgage or Lienholder.** In the event of cancellation or forfeiture of a lease for cause, the holder of a properly recorded mortgage, conditional assignment or collateral

assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the original lease.

(9) **Entry and Reentry.** In the event that the lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands, or any part thereof, should be abandoned by Lessee during the term, City or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of lands or such thereof, and remove all personals and property there from either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefore. No reentry by City shall be deemed an acceptance of a surrender of the lease.

(10) **Re-lease.** In the event that the lease should be terminated as herein provided, or by summary proceedings, or otherwise, City may offer the lands for lease or other appropriate disposal pursuant to the provisions of City code.

(11) **Forfeiture of Rental.** In the event that the lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by City as partial or total damages for the breach.

(12) **Written Waiver.** The receipt of rent by City with knowledge of any breach of the lease by Lessee or of any default on the part of Lessee in observance or performance of any of the conditions or covenants of the lease, shall not be deemed a waiver of any provision of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by City unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of City to enforce the same in the event of any subsequent breach or default. The receipt, by City, of any rent or any other sum of money after the termination, in any manner, of the term demised, or after the giving by City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice or termination as may have been given thereunder by City to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by City.

(13) **Expiration of Lease.** Unless the lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up to the City all of the leased land on the last day of the term of the lease.

(14) **Renewal Preference.** Any renewal preference granted Lessee is a privilege, and is neither a right nor bargained for consideration. The lease renewal procedure and renewal preference shall be that provided by ordinance in effect on the date the application for renewal is received by the designated official.

(15) **Removal or Reversion of Improvement upon Termination of Lease.** Improvements owned by Lessee shall within sixty calendar days after the termination of the lease be removed by Lessee; provided, such removal will not cause injury or damage to the lands or improvements demised; and further provided, that City may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of City, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements are subject to Lessee's paying the City pro rata lease rentals for the period.

(a) If any improvements and/or chattels not owned by City and having an appraised value in excess of five thousand dollars as determined by the assessor are not removed within the time allowed, such improvements and/or chattels on the lands, after deducting for City rents due and owning and expenses incurred in making such sale. Such rights to proceeds of the sale shall expire one year from the date of such sale. If no bids acceptable to the Port Director are received, title to such improvements and/or chattels shall vest in City.

(b) If any improvements and/or chattels having an appraised value of five thousand dollars or less, as determined by the assessor, are not removed within the time allowed, such improvements and/or chattels shall revert to, and absolute title shall vest in, City.

(16) **Rental for Improvements or Chattels not Removed.** Any improvements and/or chattels belonging to Lessee or placed on the lease during Lessee's tenure with or without his permission and remaining upon the premises after the termination date of the lease shall entitle City to charge Lessee a reasonable rent therefore.

(17) **Compliance with Regulations Code.** Lessee shall comply with all regulations, rules, and the code of the City and Borough of Juneau, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the leased land.

(18) **Condition of Premises.** Lessee shall keep the premises of the lease in neat, clean, sanitary and safe condition and shall take all reasonable precautions to prevent, and take all necessary action to suppress destruction or uncontrolled grass, brush or other fire on the leased lands. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the leased land.

(19) **Inspection.** Lessee shall allow an authorized representative of City to enter the lease land for inspection at any reasonable time.

(20) **Use of Material.** Lessee of the surface rights shall not sell or remove for use elsewhere any timber, stone, gravel, peat moss, topsoils, or any other materials valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used, if its use is first approved by the City.

(21) **Rights-of-Way.** City expressly reserves the right to grant easements or rights-of-way across leased land if it is determined in the best interest of the City to do so. If City grants an easement or right-of-way across the leased land, Lessee shall be entitled to damages for all Lessee-owned improvements or crops destroyed or damaged. Damages shall be limited to improvements and crops only, and loss shall be determined by fair market value. Annual rentals may be adjusted to compensate Lessee for loss of use.

(22) **Warranty.** City does not warrant by its classification or leasing of land that the land is ideally suited for the use authorized under the classification or lease and no guaranty is given or implied that it shall be profitable to employ land to said use.

(23) **Lease Rental Credit.** When authorized in writing by City prior to the commencement of any work, Lessee may be granted credit against current or future rent; provided the work accomplished on or off the leased area results in increased valuation of the leased or other city and borough-owned lands. The authorization may stipulate type of work, standards of construction and the maximum allowable credit for

Lease Agreement for ATS 1277 – 2014

the specific project. Title to improvements or chattels credited against rent under this section shall vest immediately and be in City and shall not be removed by Lessee upon termination of the lease.

APPENDIX C: STANDARD PROVISIONS

- (1) **Holding Over.** If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over will be a tenancy from month-to-month only.
- (2) **Interest on Late Payments.** Should any installment of rent or other charges provided for under the terms of this lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.
- (3) **Taxes, Assessments, and Liens.** During the term of this lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills for the Leased Premises and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, against the Leased Premises or the improvements placed thereon.
- (4) **Easements.** Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.
- (5) **Encumbrance of Parcel.** Lessee shall not encumber or cloud City's title to the Leased Premises or enter into any lease, easement, or other obligation of City's title without the prior written consent of the City; and any such act or omission, without the prior written consent of City, shall be void against City and may be considered a breach of this lease.
- (6) **Valid Existing Rights.** This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.
- (7) **State Discrimination Laws.** Lessee agrees, in using and operating the Leased Premises, to comply with applicable sections of Alaska law prohibiting discrimination, particularly Title 18 of the Alaska Statutes, Chapter 80, Article 4 (Discriminatory Practices Prohibited). In the event of Lessee's failure to comply any of the above non-discrimination covenants, City shall have the right to terminate the lease.
- (8) **Unsafe Use.** Lessee shall not do anything in or upon the Leased Premises, nor bring or keep anything therein, which will unreasonably increase or tend to increase the risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.
- (9) **Hold Harmless.** Lessee agrees to defend, indemnify, and save City, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of or related to the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, costs, expense, or damages resulting from settlement, judgment or verdict, and includes the award of any costs and attorneys fees even if in excess of Alaska Civil Rules 79 or 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against City relating to this lease. The obligations of Lessee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. City shall notify Lessee in a timely manner

of the need for indemnification, but such notice is not a condition precedent to Lessee's obligations and may be waived where the Lessee has actual notice.

(10) **Successors.** This lease shall be binding on the successors, administrators, executors, heirs, and assigns of Lessee and City.

(11) **Choice of Law; Venue.** This lease shall be governed by the law of the State of Alaska. Venue shall be in the State of Alaska, First Judicial District at Juneau.

EXHIBIT A

Consisting of Four Pages, including a plat, maps, and a photograph of the area.

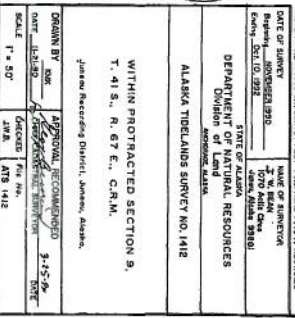


Aerial photo taken June 2006

NORTHLAND BARGE Vicinity

0 125 250 500 750 1,000 Feet

- NOT A SURVEY-
lot lines are approximate

[illegible]

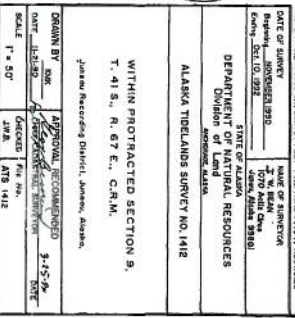


Aerial photo taken June 2006

NORTHLAND BARGE Vicinity

0 125 250 500 750 1,000
Feet

- NOT A SURVEY-
lot lines are approximate

[illegible]

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

Ordinance 2015-06 An Ordinance Approving a Lease Amendment to the 1995 Lease Between the City and Borough and Goldbelt Aerial Tramway, LLC, ("Goldbelt") of Approximately 10,000 Square Feet Within Lots 1 and 2A, Dockside Subdivision and Lots 13B, 16, And 17, Block 83, Tidelands.

MANAGER'S REPORT:

Since 2011, Docks & Harbors has been engaged in dispute resolution and negotiations with Goldbelt with respect to the required lease rent adjustment contained in the original lease agreement relating to Mount Roberts tram lease. In October 2013, the Docks & Harbors Board appointed a special sub-committee consisting of Docks & Harbors Finance Committee members to commence negotiations with Goldbelt to reach a fair market value, lease rate and terms.

On November 20, 2014 the Docks & Harbors Board approved a settlement agreement and the negotiated lease amendment contemplated by this ordinance. The resulting effect of the lease amendment would be that Docks & Harbors will collect \$272,000 per year until 2020 when the next appraisal is required. The amendment would also: (1) allow Goldbelt to use the lease premises spaces as "retail space;" (2) remove the provision requiring that a percentage of the annual lease amount would consist of a royalty of 1 – 5 percent depending on the leasehold revenues received by the lessee; (3) change the lease base rent to nine percent of the appraised value of the property from ten percent or \$30 per square foot, whichever is greater; (4) memorializes the assignment of the lease from Mount Roberts Development Corporation to Goldbelt Aerial Tramway, LLC; and (5) in an effort to avoid future appraisal disputes, include an appraisal dispute resolution process which changes depending on the extent of the disparity between the parties' respective appraisals.

On November 20, 2014, the Docks & Harbors Board approved forwarding the proposed amendments to the Assembly for final approval. On December 8, 2014 the CBJ Lands Committee recommended forwarding the proposed lease amendment to the Assembly for final approval.

RECOMMENDATION:

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

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Ordinance 2015-06	1/6/2015	Ordinance
<input type="checkbox"/> Exhibit A - Ordinance 2015-06	1/6/2015	Exhibit

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-06

An Ordinance Approving a Lease Amendment to the 1995 Lease Between the City and Borough and Goldbelt Aerial Tramway, LLC, (“Goldbelt”) of Approximately 10,000 Square Feet Within Lots 1 and 2A, Dockside Subdivision and Lots 13B, 16, And 17, Block 83, Tidelands.

WHEREAS, in January 1995, the City and Borough of Juneau and Mount Roberts Development Corporation entered a 35 year lease agreement for approximately 10,000 square feet within Lots 1 and 2A, Dockside Subdivision and Lots 13B, 16, and 17, Block 83 Tidelands; and

WHEREAS, under the original agreement, Mount Roberts Development Corporation agreed to pay the City and Borough \$30,000 for the first three years of the lease plus royalty rent in the amount of 1 percent to 5 percent of Mount Roberts Development Corporation’s revenues; and

WHEREAS, after the first three years, Mount Roberts Development Corporation agreed to pay the City and Borough a base rent of 10 percent of the appraised market value or \$3.00 per square foot of the leased premises, whichever was greater, plus the royalty rent of 1 percent to 5 percent of Mount Roberts Development Corporation’s revenues; and

WHEREAS, on July 18, 1995, the lease was assigned from Mountain Roberts Development Corporation to Mount Roberts Tramway Limited Partnership, with Goldbelt, Inc. as a limited partner; and

1
2 WHEREAS, from July 31, 1996 to March 30, 2006, the lessee paid \$90,000 per year in
3 total annual rent, but did not pay any royalty rent as required by the lease; and

4 WHEREAS, from July 1, 2006 to September 30, 2011, the lessee paid \$104,000 per
5 year in total annual rent, but did not pay any royalty rent as required by the lease; and

6 WHEREAS, on September 30, 2011, Horan & Company appraised the lease property at
7 \$3,000,000, adjusting the amount to \$3,300,000 on March 9, 2012 with its updated and final
8 appraisal which resulted in a base rent of \$330,000 under the 1995 lease agreement; and

9 WHEREAS, on July 12, 2012, the lessee obtained an appraisal which used a different
10 valuation criteria than the Horan appraisal and which would have resulted in a negligible
11 annual base rent for the tideland lease; and

12 WHEREAS, on or about August 28, 2012, the Docks and Harbors Finance Committee
13 expressed its intent to negotiate a resolution of the dispute that had arisen between Docks
14 and Harbors and the lessee regarding the adjusted rent amount due under the lease, and to
15 negotiate an appropriate lease amendment if necessary; and

16 WHEREAS, on or about November 3, 2014, a perspective lease amendment and
17 settlement agreement to pay \$272,000 in rent for fiscal years 2013, 2014, 2015 was reached
18 between the parties; and

19 WHEREAS, the lease amendment was approved by the Docks and Harbors Board on
20 November 20, 2014, and by the Lands Committee on December 8, 2014; and

21 WHEREAS, it is the intent of Docks and Harbors Board and Goldbelt Aerial Tramway,
22 LLC – who has been assigned the lease by Mount Roberts Tramway Limited Partnership –
23 to enter a lease amendment which memorializes the parties' negotiations.
24
25

1
2 NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF
3 JUNEAU, ALASKA:

4 **Section 1. Classification.** This ordinance is a non-code ordinance.

5 **Section 2. Amendment of Lease.** The Port Director is authorized to execute the
6 lease amendment attached as Exhibit A.

7 **Section 3. Minimum Essential Terms and Conditions.** The lease amendment
8 is subject to the following minimum terms and conditions:

9 A. Goldbelt Aerial Tramway, LLC may use the associated structures of the tram
10 as retail space, in its discretion.

11 B. Base rent for the next five years (until July 2020) will be \$272,000.

12 C. The property will be reappraised and revalued – where the base rent will be
13 recalculated as provided in subsection (D) – every five years instead of every three
14 years.

15 D. Base rent will be nine percent of the appraised fair market value of the
16 property with the appraised value not considering lease restrictions, plus an
17 additional \$2,000 annually for air rights;

18 E. Should an appraisal dispute arise, the following process shall apply, which
19 deviates from CBJ 53.20.190(2):

20
21 i. If the parties' respective appraisals differ by 15 percent or less, then
22 the fair market value for calculating base rent will be an average of both appraisals.

23 ii. If the parties' respective appraisals differ by more than 15 percent but
24 less than 35 percent, the parties' appraisals will establish a high mark (for the
25 highest appraisal) and a low mark (for the lowest appraisal). A third independent
appraisal of the property will occur, with the parties sharing the cost of the

1
2 appraisal. The third party appraisal will set the fair market value if the appraisal is
3 in between the set high and low marks. If the third party appraisal is higher than
4 the high mark, then the high mark will be the fair market value for rent. If the
5 appraisal is lower than the low mark, then the low mark becomes the value for the
6 fair market value of the property for rent.

7 iii. If the parties' respective appraisals differ by 35 percent or greater,
8 Docks and Harbors will pay for a third appraisal. After reviewing the additional
9 appraisal, the Docks and Harbors Board shall establish the fair market value of the
10 property for calculating base rent. Goldbelt Aerial Tramway, LLC, if they disagree,
11 can then appeal the fair market value decision to the Assembly.
12

13 F. No royalty rent shall be paid.

14 G. The lease shall be amended to acknowledge the assignment of the lease to
15 Goldbelt Aerial Tramway, LLC.

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

18 Adopted this _____ day of _____, 2015.
19
20

21 _____
Merrill Sanford, Mayor

22 Attest:

23 _____
24 Laurie J. Sica, Municipal Clerk
25

Recorder return to: City and Borough of Juneau
Attn: Carl Uchytel, Port Director
155 S. Seward Street
Juneau, AK 99801

AMENDMENT TO MOUNT ROBERTS TRAM LEASE

PART I: PARTIES

This Lease Amendment is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter “City” or “CBJ” and Goldbelt Aerial Tramway, LLC, hereafter “Lessee.”

PART II: AUTHORITY TO AMEND

The CBJ and Lessee enter into this amendment pursuant to Section 4 of CBJ Ordinance 94-42, which states, “Prior or subsequent to execution, the Manager may negotiate substantive changes to the lease and, upon Assembly approval by motion, execute an amendment incorporating such changes.”

PART III: LEASE BEING AMENDED

This is an Amendment to the City and Borough of June and Mount Roberts Development Land Lease dated January 18, 1995 and recorded on February 10, 1995 in the Juneau Recording District at 1995-000839-0 (Book 420 Page 436). Except for the Lease Amendment set forth below, the original 1995 Lease remains unchanged and in full force and effect.

This lease amendment acknowledges and accepts the assignment of the lease from Mount Roberts Tramway Limited Partnership to Goldbelt Aerial Tramway, LLC pursuant to the 1995 lease and this amendment.

PART IV: LEASE AMENDMENT

The following amendments are made to the lease

1. Section 3, “Use of Premises,” is amended to read as follows:

Use of Premises: (a) The Lessee agrees to use the Leased Premises for the following purposes:

The surveying, engineering, design, planning, development, construction, operation, and maintenance of an aerial tramway base terminal and associated structures and uses. As used herein, “associated structures and uses” means:

1. a waiting room;
2. a ticket office;
3. public restrooms; Lessee shall provide public restrooms as specified by the Planning Commission;
4. an area for exhibition of tram models, photographs, and similar historical and explanatory materials;
5. administrative space; and
6. retail space, with this use being at Goldbelt’s discretion.

2. Section 5, “Base Rent” is amended in its entirety to read as follows:

5. Base Rent: (a) Base Rent shall be set at nine percent (9%) of the appraised value of the Leased Premises, including air rights, without consideration of lease restrictions.

(b) Base Rent for City fiscal years 2013 through 2020 (the period from July 1, 2012 through June 30, 2020) is \$272,000 per year with rent to be adjusted effective July 1, 2020 for City fiscal years 2021 through 2025 (July 1, 2020 through June 30, 2025).

(c) Rent adjustment shall take place every five years throughout the remainder of the base term of the lease and the 35 year renewal period, with the next adjustment occurring on July 1, 2020.

(d) The basis of the appraisal shall be the fair market value of the unimproved land of the Leased Premises including the Air Rights Easements at its highest and best use. The appraisal shall not consider any buildings or structural improvements above or below ground, landscaping, or paving. The appraisal shall consider the Leased Premises as unimproved land without consideration of any lease restriction.

(e) Both the Docks and Harbors port director and the Lessee will simultaneously select and compensate a certified appraiser who will provide each with an initial appraisal 90 days before the date of the five year adjustment period for setting the rent. The parties intend that the appraisers, while working in their independent capacity, will use the same methodology in appraising the property. Upon completion of their respective appraisals, the appraisals will be exchanged by the parties on the same date. The following resolutions will arise depending on the differences in the amount of the two appraisals for purposes of setting the rent:

(i) Less than 15 percent difference. If the difference between the Docks and Harbors appraisal and the Lessee's appraisal (with difference calculated from the higher of the two appraisals) is less than 15 percent, then the fair market value for rent calculations will be an average of the Docks and Harbors appraisal and the Lessee's appraisal.

(ii) More than 15 percent difference but less than 35 percent difference. If the difference between the Docks and Harbors appraisal and the Lessee's appraisal (with difference calculated from the higher of the two appraisals) is more than 15 percent but less than 35 percent, then the parties shall engage in the cost of a third independent certified appraiser. If the third independent appraisal is higher than the high initial appraisal, the high initial appraisal provides the appraised amount for setting the rent. If the third independent appraisal is lower than the low initial appraisal, then the low initial appraisal provides the appraised amount for setting the rent. If the third independent appraisal is in between the high initial appraisal and the low initial appraisal, then the fair market value outlined in the third appraisal provides the appraised amount for setting the rent. The third party independent appraiser shall be selected jointly by the two appraisers conducting the initial appraisal. If they fail to agree on a third appraiser within thirty (30) days, each party will submit to the Lessor and Lessee a list of their top five appraisers with the top match from each being selected. If there is no overlap in the initial list of appraisers, the process of submitting five appraisers will continue until a selection occurs.

(iii) More than 35 percent difference. If the difference between the Docks and Harbors appraisal and the Lessee's appraisal (with the difference calculated from the higher of the two appraisals) is greater than 35 percent, the Docks and Harbors board shall pay for an additional appraisal by a third independent certified appraiser and have that appraisal undertaken in accordance with 05 CBJAC 50.050. After reviewing the additional appraisal, the Docks and Harbors board shall establish the fair market value of the Leased Premised to calculate the lease rent. If the lessee disagrees with the amount, the lessee may appeal to the Assembly. The decision of the Assembly shall be final.

(d) In this section, "certified appraiser" means a regular member of the Society of Real Estate Appraisers or the American Institute of Real Estate Appraisers (or the successor body of either group) who has been properly designated MAI or any future similar designation which denotes proficiency in the appraisal of commercial real property and who is listed as qualified by the Alaska Department of Natural Resources. Additionally, the third independent appraiser must be selected from a firm which did not participate in the initial appraisals.

(e) Rent will be paid equally on a quarterly basis on July 1, October 1, January 1, and April 1.

3. Section 6, "Royalty Rent" is deleted and is no longer binding on the Lessee pursuant to rent payment related to the property. Therefore, as to calculating rent, only Section 5 will apply through the remaining life of the base term of the lease and the 35 year renewal period unless amended otherwise via a signed writing by the parties.
4. Section 41, "Notice or Demand" is amended to read as follows:

Notice or Demand: Any notice or demand, which under the terms of this Lease or under any ordinance or statute must be given or made by parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address herein given. However, either party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid wrapper or envelope addressed as hereinbefore provided

LESSOR'S ADDRESS: Carl Uchytel – Port Director
CBJ Docks and Harbors
1600 Harbor Way
Juneau, AK 99801

LESSEE'S ADDRESS: Goldbelt Aerial Tramway, LLC
3075 Vintage Blvd, Suite 200
Juneau, AK 99801

PART IV: EXECUTION

The City and Lessee agree and sign below. This Lease Amendment is effective immediately upon signature by both parties and when approved by motion of the Assembly.

CITY:

LESSEE:

Date: _____

Date: _____

By: _____

By: _____

Authorized Representative
Carl Uchytel
Port Director

Authorized Representative
Richard G. Irwin, President & CEO
Goldbelt Aerial Tramway LLC

CITY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

This is to certify that on the ____ day of _____, 2015, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, Carl Uchtyl personally appeared to me known to be the Port Director of the City and Borough of Juneau, Alaska, a municipal corporation which executed the above and foregoing instrument, who on oath stated that he was duly authorized to execute said instrument on behalf of said corporation; who acknowledged to me that he signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.

Notary Public in and for the State of Alaska

My Commission Expires: _____

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

WITNESS my hand and official seal the day and year in the certificate first above written.

My Commission Expires: _____

Page 6 of 6

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

Resolution 2702 A Resolution of the City and Borough of Juneau in Support of Full Funding for the State of Alaska Harbor Facility Grant Program in the FY 2016 State Capital Budget.

MANAGER'S REPORT:

The substantive portions of this resolution were drafted by the Alaska Association of Harbormasters and Port Administrators (AAHPA), of which the CBJ Docks & Harbors is a member. This resolution recommends full funding for the State of Alaska Department of Transportation's Harbor Facility Grant Program. Although the CBJ does not have any projects pending approval in FY2016, Docks & Harbors has been the beneficiary of approximately \$9M in harbor grant funding since the program's inception in 2006. (Statter \$5M; Aurora \$2M; Douglas \$2M)

This year, the municipalities of the Aleutians East Borough, the City and Borough of Sitka, the City of Seward, the City of Ketchikan, the City of Coffman Cove and the Municipality of Anchorage have offered to contribute \$14,262,722 in local match funding for FY2016 towards seven harbor projects of significant importance for Alaska. The continued support of this program is critical for sustaining Alaska's maritime infrastructure.

The Docks & Harbors Board reviewed this resolution at its December 11, 2014 meeting, and recommended forwarding it to the full Assembly for approval. The Public Works & Facilities Committee heard this resolution at its December 29, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

RECOMMENDATION:

The Manager recommends this resolution be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Resolution 2702	1/6/2015	Resolution

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2702

A Resolution of the City and Borough of Juneau in Support of Full Funding for the State of Alaska Harbor Facility Grant Program in the FY 2016 State Capital Budget.

WHEREAS, the majority of the public boat harbors in Alaska were constructed by the State during the 1960s and 1970s; and

WHEREAS, these harbor facilities represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaskan coastal communities; and

WHEREAS, these harbor facilities are ports of refuge and areas of protection for ocean-going vessels and fishermen throughout the State of Alaska, especially in coastal Alaskan communities; and

WHEREAS, over the last 30 years, the State of Alaska has transferred ownership of most of these State-owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

WHEREAS, in doing so, the municipalities inherited a significant financial burden given the deteriorated state of the harbor facilities at the time of the transfer; and

WHEREAS, in response to this financial burden, the Governor and the Alaska Legislature passed legislation, supported by the City and Borough of Juneau and the Alaska Association of Harbormasters and Port Administrators, to create the Harbor Facility Grant program (AS 29.60.800); and

WHEREAS, the City and Borough of Juneau and the Alaska Association of Harbormasters and Port Administrators is pleased with the Department of Transportation and Public Facilities administrative process to review, score and rank applicants to the Harbor Facility Grant Program, since state funds may be limited; and

WHEREAS, for each harbor facility grant application, these municipalities have committed to invest 100% of the design and permitting costs and 50% of the construction cost; and

WHEREAS, the City and Borough of Juneau Docks & Harbors has benefited from this program in the amount of \$9,000,000 for projects at Don D. Statter Harbor Facility, Aurora Harbor and the Mike Pusich Douglas Harbor; and

WHEREAS, the municipalities of the Aleutians East Borough, the City and Borough of Sitka, and the City of Seward, City of Ketchikan, City of Coffman Cove, and Municipality of Anchorage have offered to contribute \$14,262,722 in local match funding for FY2016 towards seven harbor projects of significant local importance, as required in the Harbor Facility Grant Program; and

WHEREAS, completion of these harbor facility projects is dependent on the 50% match from the State of Alaska's Harbor Facility Grant Program; and

WHEREAS, the Municipal Harbor Facility Grant Program has only been fully funded twice in the last eight years; and

WHEREAS, during the last eight years the backlog of projects necessary to repair and replace these former State owned harbors has increased to over \$90,000,000.

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

Section 1. The Assembly of the City and Borough of Juneau urges the Governor and the Alaska Legislature to fully fund the Harbor Facility Grant Program in the amount of \$14,262,722 in the FY 2016 State Capital Budget.

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

Adopted this _____ day of _____, 2015.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

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

Resolution 2704 A Resolution Authorizing the Manager to Submit a Grant Application for
StoryCorps Programming to the American Library Association Public Programs Office.

MANAGER'S REPORT:

StoryCorps is an independent non-profit organization that has been collecting and archiving the oral histories of individuals across the country since 2003. Stories, once collected, are archived at the American Folklife Center at the Library of Congress as well as in certain localities. Selected stories are also aired, with permission, on National Public Radio's *Morning Edition*.

StoryCorps @ your Library is a two year pilot project of the American Library Association's Public Programming Office, funded by the Institute for Museum and Library Services. Successful library applicants receive equipment, training, and promotional materials to help develop community documentation projects using the StoryCorps facilitated interview model.

This resolution, if adopted, would approve and support the City and Borough submitting a grant application.

RECOMMENDATION:

The Manager recommends this resolution be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Resolution 2704	1/6/2015	Resolution

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2704

A Resolution Authorizing the Manager to Submit a Grant Application for StoryCorps Programming to the American Library Association Public Programs Office.

WHEREAS, the mission of the Juneau Public Libraries is to be the “open door to exploration and lifelong learning” and to “provide programs that... enlighten and educate;” and

WHEREAS, the Juneau-Douglas City Museum seeks to provide exhibits and maintain collections that represent the diverse cultural heritage of Juneau and make archival collections available for public access for research and education; and

WHEREAS, the *StoryCorps* project, conducted in partnership with the American Library Association Public Programs Office with support from the Institute of Museum and Library Services seeks to enable public libraries to implement *StoryCorps*’ interview methods and resources to create local audio collections; and

WHEREAS, many communities with diverse cultures, including Juneau, tell and maintain their histories verbally; and

WHEREAS, the Library and Museum seek to increase the engagement of the community and availability of resources and shared knowledge around topics that rise to the level of community-wide interest.

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

Section 1. The Assembly authorizes the Manager to submit an application to the American Library Association Public Programs Office on behalf of the City and Borough of Juneau for \$2,500, plus travel and training expenses for two staff members, for a *StoryCorps @ Your Library* grant.

Section 2. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this _____ day of _____, 2015.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

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

Resolution 2705 A Resolution Authorizing the Manager to Apply for, and Enter Into, a Loan Agreement with the State of Alaska Department of Environmental Conservation, Through its Alaska Drinking Water Fund, for the Salmon Creek Secondary Disinfection Project.

MANAGER'S REPORT:

This resolution would authorize the Manager to enter into a loan agreement with the Alaska Department of Environmental Conservation, Drinking Water Fund, for the Salmon Creek Secondary Disinfection Project in the amount of \$3,000,000.

The Salmon Creek Secondary Disinfection Project involves the assessment of levels of disinfection required, facility permitting, and the design and construction of a secondary disinfection process at the Salmon Creek Water Treatment Facility. This project is necessary to comply with the U.S. Environmental Protection Agency Surface Water Treatment Rule requirement to provide secondary disinfection of surface water sources, which became effective in 2013. (The City and Borough applied for and received an extension to have an approved secondary disinfection system in place by no later than October 1, 2015.)

The \$3 million loan would provide the remaining funding necessary to meet the ADEC compliance deadline of October 1, 2015. This \$3 million will bring the total project funding to \$7.3 million. The project is in the final stages of design and preparation for bid with the anticipated bid opening in April 2015, with completion scheduled for October 2015.

The CBJ has been successful in ranking highest on the State's FY2016 ADEC Municipal Drinking Water Grants list for this project, however the ranking and amount have to survive the 2015 Legislative session and the grant award is not effective until July 1, 2015. If the \$3 million grant is awarded to the CBJ, the grant expenditures are able to be prorated 120 days prior to the effective date, or March 2015. The grant funds would be used to repay the \$3 million loan which would be applied for if authorized by this resolution.

The terms of the low interest loans under the Alaska Revolving Loan Fund programs are 20-year repayment at a 1.5-percent interest rate. If the grant funds are not awarded to the CBJ, the project loans will be re-paid with Water Utility customer revenues.

The Public Works and Facilities Committee passed a motion of support for the resolution at its December 29, 2014 meeting, and recommended forwarding to the full Assembly for approval.

RECOMMENDATION:

The Manager recommends this resolution be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Resolution 2705	1/6/2015	Resolution

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2705

A Resolution Authorizing the Manager to Apply for, and Enter Into, a Loan Agreement with the State of Alaska Department of Environmental Conservation, Through its Alaska Drinking Water Fund, for the Salmon Creek Secondary Disinfection Project.

WHEREAS, the City and Borough's water source known as the Salmon Creek Reservoir is a surface water source, required to comply with the U.S. Environmental Protection Agency Surface Water Treatment Rule requirement to provide secondary disinfection of surface water sources; and

WHEREAS, in order to comply with the E.P.A. rules, the City and Borough must have an approved secondary disinfection system in place no later than October 1, 2015; and

WHEREAS, by Resolution 2694, the City and Borough designated the Salmon Creek Filtration project as its highest priority for State of Alaska funding for FY2015; and

WHEREAS, the Salmon Creek Secondary Disinfection Project involves the assessment of levels of disinfection required, facility permitting, and the design and construction of a secondary disinfection process at the Salmon Creek Water Treatment Facility, with a total project cost of \$7,300,000; and

WHEREAS, the adoption of this resolution would authorize the City Manager to submit a loan application and enter into a loan agreement with the State of Alaska Department of Environmental Conservation to provide funding for the Salmon Creek Secondary Disinfection Project in the amount up to \$3,000,000, which would provide the remaining funding necessary to proceed with the project; and

WHEREAS, the terms of the low interest loan under the Alaska Drinking Water Fund loan program are a 20-year repayment term at 1.5 percent interest, and will be repaid with Water Utility customer revenues generated from the projects; and

WHEREAS, the Public Works and Facilities Committee, at its regular meeting on December 29, 2014, recommended adoption of this resolution.

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

Section 1. That the Manager is authorized to submit a loan application to the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund loan program, and enter into an agreement with the State of Alaska for the Salmon Creek Secondary Disinfection Project loan, not to exceed \$3,000,000.

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

Adopted this _____ day of _____, 2015.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

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

Resolution 2708 A Resolution in Support of the Juneau Housing First Project

MANAGER'S REPORT:

This resolution would commit \$1.5 million dollars for the construction of the Juneau Housing First Project, consistent with Assembly goals. The Glory Hole will be submitting a grant request for construction of the Juneau Housing First Project through the Alaska Housing Finance Corporation's Special Needs Housing Grant program. The CBJ's commitment of the \$1.5 million is needed to improve the prospects of receiving the AHFC grant. Tlingit-Haida Regional Housing Authority has donated land for the project, and MRV Architects has drafted renderings of the facility. The facility would include 32 single resident occupancy units, dining and kitchen facilities, administrative offices, and space for the Front Street Clinic. Total estimated construction costs of phase one are \$6.8 million.

Potential funding sources identified at this time include: tobacco tax increase allocation, housing land development CIP, reprioritize 1% sales tax proceeds from FY16 funding of budget reserve, BRH fund balance, JEDC revolving loan fund return of capital, and CBJ fund balance. Because of the short turnaround time, the BRH and JEDC boards have not been able to meet to discuss the option of partially funding the project. I recommend the project funding discussion take place at the February 18 Finance Committee meeting allowing time for input from BRH and JEDC.

RECOMMENDATION:

The Manager recommends this resolution be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Resolution 2708	1/6/2015	Resolution

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2708

A Resolution in Support of the Juneau Housing First Project.

WHEREAS, community members of the Juneau Housing First working group have committed to submitting a grant proposal to the Alaska Housing Finance Corporation for a Special Needs Housing Grant to provide funding for a Housing First project in Juneau; and

WHEREAS, Tlingit–Haida Regional Housing Authority has donated land for the Juneau Housing First project; and

WHEREAS, MRV Architects has produced a series of conceptual drawings for the project; and

WHEREAS, the Glory Hole Board of Directors has agreed to be the lead agency to manage and coordinate the operation of the Juneau Housing First facility; and

WHEREAS, the Juneau Coalition on Homelessness and the Affordable Housing Commission support the Juneau Housing First project; and

WHEREAS, the Assembly has identified the need for a community facility that addresses the needs of Juneau’s chronically homeless.

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

Section 1. The Assembly of the City and Borough of Juneau supports the Juneau Housing First project by committing \$1.5 million dollars toward the construction budget of \$6.8 million.

Section 2. The Assembly supports the Juneau Housing First working group’s efforts to submit an application to the Alaska Housing Finance Corporation for its Special Needs Housing Grant for the Juneau Housing First project.

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Section 3. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this _____ day of _____, 2015.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

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

Transfer T-963: Transfer \$494,954 of Sales Tax Revenues from existing CIP's to a new Street Reconstruction CIP.

MANAGER'S REPORT:

This action would transfer \$494,954 of Sales Tax Revenues from three completed, existing, capital improvement projects, listed below, to provide additional funding to complete the reconstruction of Jackson Street as the next phase of the Blueberry Hills CIP.

The initial phasing plan for the Blueberry Hills project was to continue up the hill from the most recent phase of Pioneer Avenue, however it was determined that Jackson Street (planned for FY16 in the CIP) is in a more serious state of disrepair, making it a higher priority, and requiring completion sooner, leading to the funding shortfall that this transfer of these completed CIP's is providing.

Transfer From - Closing

R72-044 Gold Creek Flume	\$101,190
R72-062 Irwin & Reinhardt Street Recon	\$232,827
R72-108 Third St. Construction	\$160,937

Transfer To – NEW CIP

R72-114 Blueberry Hills	\$494,954
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The Public Works and Facilities Committee reviewed and approved this action at its December 8, 2014 meeting, and recommended forwarding to the full Assembly for approval.

RECOMMENDATION:

The Manager recommends approval of this transfer.

ATTACHMENTS:

	Description	Upload Date	Type
<input type="checkbox"/>	T-963	12/22/2014	Transfer
<input type="checkbox"/>	T-963 IBA	12/22/2014	Exhibit
<input type="checkbox"/>	T-963 MR	12/22/2014	Cover Memo

Presented by: The Manager
Introduced: 1/12/2015
Drafted by: Finance

TRANSFER REQUEST FOR THE CITY AND BOROUGH OF JUNEAU, ALASKA

SERIAL NUMBER T-963

It is hereby ordered by the Assembly of the City and Borough of Juneau, Alaska, that \$494,954 be transferred:

From: CIP		
R72-044	Gold Creek Flume	\$ 101,190
R72-062	Irwin & Reinhardt Street Recon	\$ 232,827
R72-108	Third St. Construction	\$ 160,937

To: CIP		
R72-114	JD Plant Infrastructure Improvements	\$ 494,954

The \$494,954 consists of:

Sales Tax	\$ 494,954
-----------	------------

Moved and Approved this _____ day of _____, 2015.

Attest:

Kimberly A. Kiefer, City Manager

Laurie J. Sica, Municipal Clerk

City and Borough of Juneau

Capital Project Budget Summary Report

Impact of Budget Action: **Transfer T-963**

Budget Action and Project Funding Impacts

The effect of this transfer on the project budgets and available funds to complete the projects is summarized below:

Project No.	Project Description	Transfer	Project Budget		Remaining Funds		Status
			Before	After	Before	After	
Transfer From							
R72-044	Gold Creek Flume	\$ 101,190	\$ 310,000	\$ -	\$ 101,190	\$ -	to be closed
R72-062	Irwin & Reinhardt Street Recon	\$ 232,827	\$ 1,220,000	\$ -	\$ 232,827	\$ -	to be closed
R72-108	Third St Construction	\$ 160,937	\$ 500,000	\$ -	\$ 160,937	\$ -	to be closed
Transfer To							
			Project Budget		Remaining Funds		
			Before	After	Before	After	
R72-114	Blueberry Hills	\$ 494,954	\$ 800,000	\$ 1,294,954	\$ 736,829	\$ 1,231,783	NEW project

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

Liquor License Renewals

MANAGER'S REPORT:

The following liquor license applications are before the Assembly to either protest or waive its right to protest these renewals.

Beverage Dispensary Licenses

License #76 Arctic Bar Inc. d/b/a Arctic Bar, Location: 148 S. Franklin St.

License #674 MSE,LLC d/b/a Lucky Lady, Location: 192 S. Franklin St.

License #1081 Shayz, LLC d/b/a Squirez, Location: 11806 Glacier Hwy.

License #2766 Alaska Red Dog Saloon LLC, d/b/a Red Dog Saloon, Location: 278 S. Franklin St.

Beverage Dispensary-Seasonal License #3720 Goldbelt Aerial Tramway, LLC d/b/a Timberline Bar & Grill, Location: Mt. Roberts 1800 Foot Level

Package Store Licenses

License# 176 Breeze-In Corporation d/b/a Breeze-In Liquor, Location: 8 Mile Old Glacier Hwy.

License# 662 Breeze-In Corporation d/b/a Douglas Island Breeze-In, Location: 3370 Douglas Hwy.

License# 4543 Breeze-In Corporation d/b/a Breeze-In, Location: 5711 Concrete Way (Lemon Creek)

License# 828 Thibodeau's Market Inc. d/b/a Thibodeau's Liquor, Location: No premises.

License# 849 Oke Hui Rodman d/b/a Percy's Liquor Store, Location: 214 Front St.

License# 3352 Costco Wholesale Corporation d/b/a Costco Wholesale #107, Location: 5225 Commercial Way

Recreational Site License# 5095 Taku Lanes LLC d/b/a Taku Lanes LLC, Location: 608 W. Willoughby Ave.

Restaurant/Eating Place Licenses

License #188 Bullwinkle's Inc. d/b/a Bullwinkle's Pizza, Location: 318 Willoughby Ave.

License #816 El Sombrero Inc. d/b/a El Sombrero Mexican & American Food, Location: 157 S. Franklin St.

License #1384 Alfonso Soriano d/b/a Jovany's Italian Restaurant, Location: 9121 Glacier Hwy.

License #1690 Bullwinkle's Inc. d/b/a Bullwinkle's Pizza, Location: 2687 Mendenhall Loop Road

License #2175 The Silverbow, LLC d/b/a Silverbow Bakery and Catering, Location: 120 Second St.

License #4731 DJ LLC d/b/a Asiana Gardens, Location: 9116 Mendenhall Mall Road

Wholesale - General License# 4859 Southern Wine & Spirits of Alaska LLC d/b/a Southern Wine & Spirits of Alaska, Location: 5452 Shaune Drive - Bay 2

The Assembly may protest a license application for any of the reasons listed in CBJ 20.25.025. The Finance, Police, Fire, Public Works, and Community Development Departments have reviewed the above businesses and found them to be in compliance with CBJ Code.

In the event the Assembly does protest the renewal of one or more of these licenses, CBJ Code

20.25 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise their right to an informal hearing before the Assembly.

RECOMMENDATION:

The Manager recommends the Assembly waive its right to protest the above liquor license renewals.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> ABC Notice of Liquor License Renewals	1/2/2015	Liquor License



THE STATE
of **ALASKA**

GOVERNOR BILL WALKER

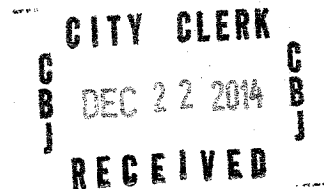
Department of Commerce, Community,
and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

Sarah Daulton Oates
2400 Viking Drive
Anchorage, AK 99501
Direct: 907.269.0356
Fax: 907.334.2285

December 18, 2014

City and Borough of Juneau
Attn: Beth McEwen, City Clerk
VIA Email: beth_mcewen@ci.juneau.ak.us
City_clerk@ci.juneau.ak.us



Re: Notice of Liquor License Renewal Applications

Dear Ms. McEwen,

We have received a renewal application for each of the following licenses within your jurisdiction:

License #	Doing Business As	License Type	Licensee	Premises Address
76	Arctic Bar	Beverage Dispensary	Arctic Bar Inc.	148 S Franklin St.
176	Breeze-In Liquor	Package Store	Breeze-In Corporation	8 Mile Old Glacier Hwy
188	Bullwinkle's Pizza	Restaurant/Eating Place	Bullwinkle's Inc.	318 Willoughby Ave
586	Coho's Bar & Grill	Beverage Dispensary – Tourism	Coho's Bar & Grill, LLC	51 Egan Dr
662	Douglas Island Breeze-In	Package Store	Breeze-In Corporation	3370 Douglas Hwy
674	Lucky Lady	Beverage Dispensary	MSE, LLC	192 S Franklin St
816	El Sombrero Mexican & American Food	Restaurant/Eating Place	El Sombrero Inc.	157 S Franklin St
828	Thibodeaus Liquor	Package Store	Thibodeau's Market Inc.	N/A
849	Percy's Liquor Store	Package Store	Oke Hui Rodman	214 Front St

* Copies of all applications available for review in the Municipal Clerk's Office upon request.

1081	Squirez	Beverage Dispensary	Shayz, LLC	11806 Glacier Hwy
1384	Jovany's Italian Restaurant	Restaurant/Eating Place	Alfonso Soriano	9121 Glacier Hwy
1690	Bullwinkle's Pizza	Restaurant/Eating Place	Bullwinkle's Inc.	2687 Mendenhall Loop Mall Rd
2175	Silverbow Bakery and Catering	Restaurant/Eating Place	The Silverbow, LLC	120 Second St
2185	Canton House	Restaurant/Eating Place	Canton House LLC	8585 Old Dairy Rd
2766	Red Dog Saloon	Beverage Dispensary	Alaska Red Dog Saloon LLC	278 S Franklin St
3352	Costco Wholesale #107	Package Store	Costco Wholesale Corporation	5225 Commercial Way
3720	Timberline Bar & Grill	Beverage Dispensary – Seasonal	Goldbelt Aerial Tramway LLC	1800 Foot Level
4543	Breeze-In	Package Store	Breeze-In Corporation	5711 Concrete Way
4731	Asiana Gardens	Restaurant/Eating Place	DJ LLC	9116 Mendenhall Mall Rd
4859	Southern Wine & Spirits of Alaska	Wholesale – General	Southern Wine & Spirits of Alaska LLC	5452 Shaune Drive – Bay 2
5095	Taku Lanes LLC	Recreational Site	Taku Lanes LLC	608 W Willoughby Ave

A local governing body as defined under AS 04.21.080(b)(18) may protest the approval of an application(s) pursuant to AS 04.11.480 by providing the board and the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is arbitrary, capricious, and unreasonable. Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved.

Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify our office and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind when responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application(s) referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information regarding local governing body protests, please refer to 3 AAC 304.145.

If you have any questions or concerns or require additional information, please feel free to contact me directly.

Sincerely,



Sarah Daulton Oates

Records & Licensing Supervisor

sarah.oates@alaska.gov

(907)269-0356

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

Ordinance 2014-24(S) An Ordinance Appropriating to the Manager the Sum of \$64,282 as Funding for the Implementation of the Police K-9 Program at Juneau Police Department, \$48,091 in Grant Funding Provided by United States Department of Justice, Drug Enforcement Agency Grant and a \$16,191 Match Provided by the Roaded Service Area Fund Balance, Asset Forfeiture Reserve.

MANAGER'S REPORT:

This ordinance would appropriate \$64,282 to the Manager for the new K-9 Program. Funding is provided as follows:

United States DOJ, Drug Enforcement Agency Grant:	\$48,091
Asset Forfeiture Reserve Fund:	\$16,191

The grant funding provides for the purchase, travel, training and maintenance of a Police K-9 through September 30, 2015. The K-9 will be utilized for controlled substances interdiction, investigations and enforcement operations. Grant funding is provided by the United States Department of Justice, Drug Enforcement Agency as a part of Operation DIPNET. The grant period is October 1, 2014 ending September 30, 2015. For FY15, the grant funding to be appropriated is \$35,000. The Police K-9 will be assigned to a current officer of the Juneau Police Department.

Overtime costs incurred upon start-up of the program and continued K-9 upkeep for the grant period will be paid by funds in the Asset Forfeiture account, the amount appropriated for FY15 is \$16,191.

The Assembly Finance Committee reviewed this request at its November 12, 2014 meeting, and recommended forwarding to the full Assembly for approval.

RECOMMENDATION:

The Manager recommends this ordinance be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> 2014-24(S)	12/8/2014	Ordinance
<input type="checkbox"/> 2014-24(S) EIN	12/8/2014	Exhibit
<input type="checkbox"/> 2014-24(S) MR	12/8/2014	Cover Memo

Presented by: The Manager
Introduced: 12/22/2014
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-24(S)

An Ordinance Appropriating to the Manager the Sum of \$64,282 as Funding for the Implementation of the Police K-9 Program at Juneau Police Department, \$48,091 in Grant Funding Provided by United States Department of Justice, Drug Enforcement Agency Grant and a \$16,191 Match Provided by the Roaded Service Area Fund Balance, Asset Forfeiture Reserve.

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. Appropriate. There is appropriated to the Manager the sum of \$64,282 for the Police K-9 Program.

Section 3. Source of Funds

U.S. DOJ Drug Enforcement Agency	\$48,091
Asset Forfeiture Reserve	\$16,191

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

Adopted this _____ day of _____, 201__.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

"ECONOMIC IMPACT" NOTE**ORDINANCE #: 2014-24(S)****OPERATIONAL IMPACT**

(circle one)

NO**YES**

(if yes, explain in detail)

Explanation of Impact:

K-9 program start up and continued costs. DOJ/DEA Grant funding will provide initial purchase, travel and training, food, and supplies. Asset Forfeiture will cover OT. See attached page for additional information.

(Attach Additional Pages as Necessary)

FINANCIAL IMPACT

(circle one)

NO**YES**

(if yes, complete the following)

FUND:**Expenditure Budget**

Operating Expenditures

	FY15	FY16	FY17	FY18	FY19
		\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Funding Sources:

DOJ/DEA Grant

DOJ Asset Forfeiture

\$ 35,000	\$ 13,091	\$ -	\$ -	\$ -
16,191	25,784	27,184	27,727	28,282
-	-	-	-	-
\$ 51,191	\$ 38,875	\$ 27,184	\$ 27,727	\$ 28,282

Personnel

Full-Time FTE's

Part-Time FTE's

Temporary FTE's

CAPITAL IMPROVEMENT PROJECTS (CIP)**Project Budget**

Direct Project Costs

\$ -	\$ -
-	-
Total Project Budget	\$ -

Amounts noted at left are 100% of the project totals.

Project Totals Before Appropriation:

This Appropriation:

Total Project: \$ -**Funding Sources:**

Federal Funds

State Grant

JNU In-Kind Contribution

	\$ -
	-
-	-
Total Funding Sources	\$ -

Comment: _____

Personnel

Full-Time FTE's

Part-Time FTE's

Temporary FTE's

Prepared by: Debra RathboneAffected Depts a) Juneau Police Department

(Dir/Dept): b) _____

Finance Dir: _____

City Manager: _____

Date: 11/24/2014

Date: _____

Date: _____

Date: _____

Date: _____

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

Ordinance 2014-24(Y) An Ordinance Appropriating to the Manager the Sum of \$50,000 as Funding for Phase I of the Amalga Harbor Fish Cleaning Station Project; Grant Funding Provided by the Alaska Department of Fish and Game.

MANAGER'S REPORT:

CBJ Docks and Harbors requests approval of an appropriation ordinance that would receive funding from the Alaska Department of Fish and Game (ADF&G) for the purpose of determining the most appropriate and feasible fish cleaning station at Amalga Harbor.

The ADF&G cooperative agreement grant is in the amount of \$50,000 for Phase I of the project that would include planning, design, permitting, if applicable, and determining the most appropriate and feasible fish cleaning station at Amalga Harbor. It is anticipated that ADF&G would amend the cooperative agreement for construction funding if a feasible solution is vetted through the Phase I process.

The Docks and Harbors Board reviewed this recommendation at its December 11, 2014 meeting, and recommended forwarding to the full Assembly for approval.

RECOMMENDATION:

The Manager recommends this ordinance be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> 2014-24(Y)	12/3/2014	Ordinance
<input type="checkbox"/> 2014-24(Y) EIN	12/3/2014	Exhibit
<input type="checkbox"/> Amalga Harbor Map	12/11/2014	Map
<input type="checkbox"/> 2014-24(Y) MR	12/3/2014	Cover Memo

Presented by: The Manager
Introduced: 12/22/2014
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-24(Y)

An Ordinance Appropriating to the Manager the Sum of \$50,000 as Funding for Phase I of the Amalga Harbor Fish Cleaning Station Project; Grant Funding Provided by the Alaska Department of Fish and Game.

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 \$50,000 for Phase I of the Amalga Harbor Fish Cleaning Station CIP.

Section 3. Source of Funds

Alaska Department of Fish and Game \$ 50,000

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

Adopted this _____ day of _____, 2015.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

CAPITAL IMPROVEMENT PROJECTS (CIP) H51-104 Amalga Harbor Fish Cleaning Station

Project Budget	Expenditures/Commitments		
	Budget	ommitments	Available Budget
Direct Project Costs	\$ 50,000		\$ 50,000
Total Project Budget	\$ 50,000	\$ -	\$ 50,000

Amounts noted at left are 100% of the project totals.
 Project Totals Before Appropriation: \$ -
 This Appropriation: 50,000
Total Project: \$ 50,000

Funding Sources:

City Sales Tax			\$ -
State Funds (ADF&G)	\$ 50,000		\$ 50,000
Marine Passenger Fees			-
Local Revenue		-	-
Harbor Fund Balance		-	-
Total Funding Sources	\$ 50,000	\$ -	\$ 50,000

Comment: _____

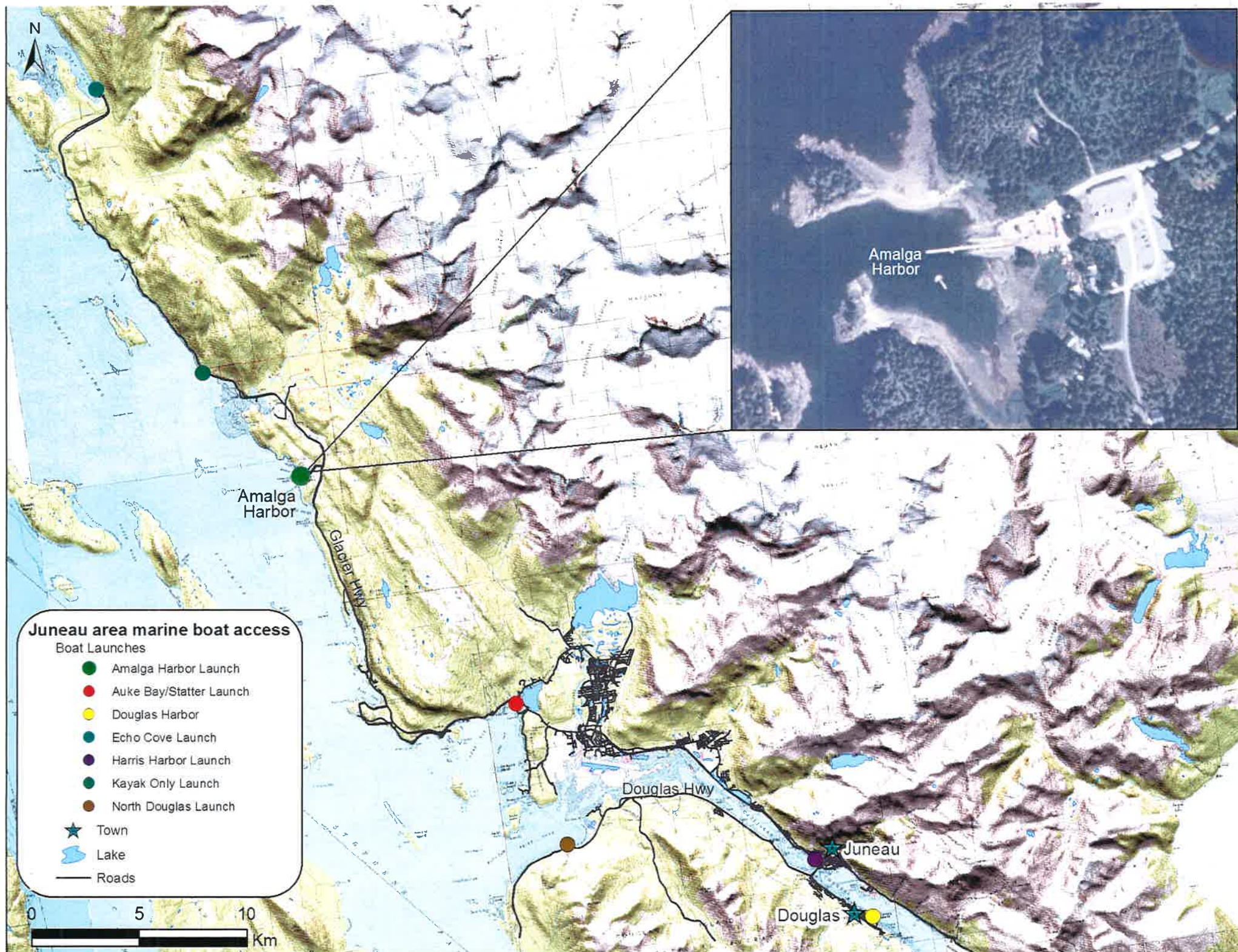
ADF&G funds would be used to plan, design, and determine feasibility of an appropriate fish cleaning station at Amalga Harbor. If a fish cleaning station is determined to be feasible at Amalga Harbor ADF&G would provide funding for its construction through an amendment of the cooperative agreement number 15-049.

Personnel

Full-Time FTE's			
Part-Time FTE's			
Temporary FTE's			

Prepared by: Gary Gillette
 Affected Depts a) _____
 (Dir/Dept): b) _____
 Finance Dir: _____
 City Manager: _____

Date: 28-Oct-14
 Date: _____
 Date: _____
 Date: _____
 Date: _____



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

Ordinance 2014-24(Z) An Ordinance Appropriating to the Manager the Sum of \$650,000 as Funding for the new Waste Management Baler Project; Funding Provided by the Waste Management Fund Balance and the Waste Management Fleet Reserve.

MANAGER'S REPORT:

This ordinance would transfer \$650,000 to the new Waste Management Baler CIP from the Waste Management Fund Balance and Fleet Reserve for purchase and installation of a new industrial recycling baler at Capitol Disposal.

Funding of \$450,000 would be provided by the Waste Management Fund Balance. Funding of \$200,000 would be provided by the Waste Management Fleet Reserve.

The Public Works and Facilities Committee reviewed this transfer at its December 8, 2014 meeting, and recommended forwarding to the full Assembly for approval.

RECOMMENDATION:

The Manager recommends this ordinance be adopted.

ATTACHMENTS:

Description		Upload Date	Type
<input type="checkbox"/>	2014-24(Z)	12/8/2014	Ordinance
<input type="checkbox"/>	2014-24(Z) EIN	12/10/2014	Exhibit
<input type="checkbox"/>	2014-24(Z)MR	12/9/2014	Cover Memo

Presented by: The Manager
Introduced: 12/22/2014
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-24(Z)

An Ordinance Appropriating to the Manager the Sum of \$650,000 as Funding for the new Waste Management Baler Project; Funding Provided by the Waste Management Fund Balance and the Waste Management Fleet Reserve.

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 \$650,000 for the new Waste Management Baler CIP.

Section 3. Source of Funds

Waste Management Fund Balance	\$ 450,000
Waste Management Fleet Reserve	\$ 200,000

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

Adopted this _____ day of _____, 201__.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

"ECONOMIC IMPACT" NOTE**ORDINANCE #: 2014-24(Z)****OPERATIONAL IMPACT**

(circle one)

NO

☒ YES

(if yes, explain in detail)

Explanation of Impact:

The existing baler is 25 years old and beyond it's useful life. The new baler is essential for continuation of CBJ's Recycling Program at Capitol Disposal.

(Attach Additional Pages as Necessary)

FINANCIAL IMPACT

(circle one)

NO

☒ YES

(if yes, complete the following)

FUND:

Expenditure Budget

Operating Expenditures

FY15	FY16	FY17	FY18	FY19
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

Total Expenditures**Funding Sources:**

Federal Grant

\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

Total Funding Sources**Personnel**

Full-Time FTE's

Part-Time FTE's

Temporary FTE's

CAPITAL IMPROVEMENT PROJECTS (CIP)**Project Budget**

Direct Project Costs

\$ -	\$ -
-	-
\$ -	\$ -

Total Project Budget

Amounts noted at left are 100% of the project totals.

Project Totals Before Appropriation: \$ -

This Appropriation: 650,000

Total Project: \$ 650,000**Funding Sources:**

Waste Mngmnt Fund Bal

Waste Mngmnt Fleet Rsrve

\$ 450,000	\$ -
200,000	-
-	-
\$ 650,000	\$ -

Total Funding Sources

Comment: The Waste Management Fund has a

current balance of \$2.3M

Personnel

Full-Time FTE's

Part-Time FTE's

Temporary FTE's

Prepared by: _____

Affected Depts a) _____

(Dir/Dept): b) _____

Finance Dir: _____

City Manager: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

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

Ordinance 2014-48(b) An Ordinance Amending the Administration Code Relating to the Appeal Process for Civil Violations.

MANAGER'S REPORT:

This is a housekeeping ordinance to correct an inconsistency in the civil fine citation appeal timelines specified by CBJ 03.30.075 and 03.30.085. Under the current code, an appeal must be filed within 20 days of the issuance of the citation. However, if the citation is not paid within 30 days, the CBJ sends a notice that the appeal will be accepted if the individual presents evidence that he or she did not receive the notice of violation. This ordinance clarifies that a timely notice of appeal must be received within 30 days of the citation issuing, and allows for a process by which the hearing officer may accept a late-filed appeal upon a satisfactory showing that the original citation had never been received.

This ordinance would also amend CBJ 03.30 to allow the hearing officer some discretion in reducing fine amounts in the interest of justice, unless prohibited from doing so by ordinance.

Version (b) amends the ordinance from the version introduced by replacing an "or" with an "unless" in section 03.30.070.

RECOMMENDATION:

The Manager recommends this ordinance be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Ordinance 2014-48(b)	1/6/2015	Ordinance

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-48(b)

An Ordinance Amending the Administration Code Relating to the Appeal Process for Civil Violations.

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 03.30.070 Violations; civil fines, is amended to read:

03.30.070 Violations; civil fines.

...

(b) *Late payment fee.* The above civil fines shall be increased by an additional \$15.00 in the event that the fine is not paid in full within 30 days of the date the notice of violation was issued, ~~or unless a timely appeal is filed or late-filed appeal accepted as authorized by CBJ 03.30.085(b)(1). In computing the 30 day period, the period during which a properly filed and timely appeal is pending shall not be considered.~~ In addition to the civil fines described above, the violator or presumed violator shall pay all collection and legal costs incurred in collection of a civil fine exclusive of the costs of administrative appeal described in CBJ 03.30.085 and the costs of mailing the notice described in CBJ 03.30.075(b).

1
2 **Section 3. Amendment of Section.** CBJ 03.30.075 Violations; responsibility
3 and penalty, is amended to read as follows:

4 **03.30.075 Violations; responsibility and penalty.**

5 ...

6 (b) *Notices of violation.* Code enforcement officers are authorized to give notice to
7 persons accused of violating an ordinance listed in CBJ 03.30.070(a) by delivering notices of
8 violation to such persons, or, in cases where vehicles without drivers are parked or stopped
9 in violation of CBJ Code listed in CBJ 03.30.070(a), by affixing a notice of violation to the
10 vehicles by means of which the alleged violation occurred, or, in appropriate cases, by
11 conspicuously affixing the notice to a house or other building or property where the alleged
12 violation occurred, or by delivering the notice by certified mail. The notices of violation shall
13 include at least the following:
14

15 ...

16 (6) A statement that unless an appeal is filed or citation paid within 30 ~~20~~ days from
17 the date of notice of the violation ~~or the civil fine is paid within 30 days of the~~
18 ~~violation~~ an additional fee of \$15.00 will be imposed;

19 ...

20 (c) Unless a late-filed appeal is accepted as authorized by CBJ 03.30.085(b)(1) ~~If~~ failure to
21 timely pay the civil fine shown on the notice of violation or failure to timely and properly
22 appeal the notice of violation shall constitute a waiver of all right to appeal or contest the
23 notice of violation, shall be deemed an admission of the violation described in the notice of
24 violation, and shall cause the civil fine and late payment fee described in CBJ 03.30.070 to
25

1
2 become immediately due and payable. Timely payment of the civil fine will waive all rights
3 to appeal or contest the notice of violation or civil fine.

4 (d) *Additional notice.* If the civil fine set forth in CBJ 03.30.070(a) has not been paid
5 within 30 days from the date the notice of violation was issued and if a timely appeal has
6 not been filed, an additional notice shall be sent to the person alleged to have been in
7 violation that the time for appeal has passed. The notice shall contain the following
8 information:

9 (5) A statement that ~~the time for appeal has passed unless~~ a late-filed appeal may be
10 accepted if, within ten days from the date the notice was mailed, the person files a
11 written appeal and sufficient evidence satisfactory ~~proves to the hearing officer by~~
12 ~~satisfactory evidence~~ that the person did not receive the notice of violation and that
13 the failure to receive the notice was not the result of any act or omission of the
14 person, of any registered owner of the vehicle, or of anyone else who operated the
15 vehicle with the consent of any registered owner;
16

17 ...
18

19 (e) *Failure to Appeal.* If an appeal is not timely filed, or a late-filed appeal accepted at
20 the hearing officer's discretion upon a showing of proof sufficient to the hearing officer that
21 the underlying notice of violation had not been received, the civil fine and late payment will
22 become immediately due and payable and will subject the person to additional collection
23 costs if the civil fine and fee are not paid.

24 //

25 //

1
2 **Section 4. Amendment of Section.** CBJ 03.30.085 Administrative appeal, is
3 amended to read as follows:

4 **03.30.085 Administrative appeal.**

5 ...

6 (b) *Time for appeal.* Within ~~20~~ 30 days ~~of~~ from the date the notice of violation was issued,
7 any person appealing a notice of violation shall file with the hearing officer a written appeal.
8 Failure to file a written appeal within the time limits set forth above shall waive any right
9 to appeal or contest the notice of violation or the penalties, fees and costs imposed for the
10 violation, unless the late-filed appeal is accepted as provided by this subsection.

- 11 (1) Failure to timely file an appeal will be waived if, within ten days from the date the
12 additional notice is mailed per CBJ 03.30.075(d)(5), the person wanting to appeal a
13 citation files a written appeal and a request to accept the late-filed appeal. A request
14 to accept a late-filed appeal will be approved if the person submits sufficient evidence
15 satisfactory to the hearing officer that the person did not receive the notice of
16 violation and that the failure to receive the notice was not the result of any act or
17 omission of the person, of any registered owner of the vehicle, or of anyone else who
18 operated the vehicle with the consent of any registered owner. The hearing officer
19 shall issue an order approving or denying the request within 15 days of receiving a
20 request to accept a late-filed appeal. If a hearing has been requested by the
21 appellant, the order shall set a hearing within 30 days from the order accepting the
22 late-filed appeal.

23
24
25 ...

1
2 (f) *Decision.* The hearing officer may exercise reasonable discretion in deciding the appeal.
3 The hearing officer may dismiss the violation or reduce the fine amount unless
4 prohibited from doing so by ordinance. when necessary in the interest of justice. The
5 hearing officer shall promptly issue a written or oral decision ~~on the record.~~ Oral
6 decisions shall be entered on the record.

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

9 Adopted this _____ day of _____, 2015.

10
11
12 _____
Merrill Sanford, Mayor

13 Attest:

14
15 _____
Laurie J. Sica, Municipal Clerk
16
17
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**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Ordinance 2014-50 An Ordinance Imposing a Limited Moratorium on the Receipt or Processing of Applications, Permits, or Pending Approvals Pertaining to Marijuana Establishments.

MANAGER'S REPORT:

On November 4, 2014, Alaskan voters approved a ballot measure related to the legalization of marijuana. The initiative, which goes into effect on February 24, 2015, allows the State nine months to enact regulations concerning the registration and oversight of marijuana establishments, defined by the initiative as marijuana cultivation, testing and product manufacturing facilities and marijuana retail stores. The initiative requires the State to begin accepting and processing applications for the registration of marijuana establishments within one year of the effective date of the act. The initiative authorizes local governments to enact legislation concerning the time, place and manner related to the operation of registered marijuana establishments (for example, hours of operation, allowable locations, and limitations on the number of establishments allowed within the municipality .)

The purpose of the moratorium is to allow the CBJ time to consider and enact legislation concerning the operation of marijuana establishments in the CBJ. The moratorium is set to expire within one year of adoption, which is after the date the State is required to enact regulations given the fact that it may be necessary to coordinate our local legislation with the State's regulatory scheme, but before the time the State is required to begin processing applications.

The Lands Committee heard this ordinance at its December 29, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

RECOMMENDATION:

The Manager recommends this ordinance be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Ordinance 2014-50	12/16/2014	Ordinance

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-50

An Ordinance Imposing a Limited Moratorium on the Receipt or Processing of Applications, Permits, or Pending Approvals Pertaining to Marijuana Establishments.

WHEREAS, on November 4, 2014, the Alaskan voters approved a ballot measure legalizing the use of marijuana, and, with a State license, the operation of marijuana establishments, defined as cultivation, manufacturing, testing and retail facilities; and

WHEREAS, the initiative, which goes into effect on February 24, 2015, requires the State to begin accepting and processing applications for the registration of marijuana establishments within one year of the effective date of the act; and

WHEREAS, the initiative authorizes local governments to enact legislation concerning the time, place and manner related to the operation of registered marijuana establishments; and

WHEREAS, it is in the public's best interest that the CBJ thoughtfully consider and adopt land use regulations that ensure the orderly development and regulation of marijuana establishments within the CBJ; and

WHEREAS, the purpose of this moratorium is to allow the CBJ a reasonable period of time to consider and enact legislation concerning the operation of marijuana establishments in the CBJ.

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

3 **Section 1. Classification.** This is a non-code ordinance.
4

5 **Section 2. Moratorium.** Notwithstanding CBJ 49.25.300 or any other section of
6 the Land Use Code, no development permit application shall be accepted, or pending
7 applications approved, pertaining to marijuana establishments, including marijuana
8 cultivation, testing, and product manufacturing facilities and marijuana retail stores.
9

10 **Section 3. Moratorium Period.** The prohibition imposed by Section 2 shall be in
11 effect for one year from the effective date of this ordinance.
12

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

15 Adopted this _____ day of _____, 2015.

16 _____
17 Merrill Sanford, Mayor

18 Attest:

19 _____
20 Laurie Sica, Municipal Clerk
21
22
23
24
25

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

Ordinance 2014-51(b) An Ordinance Amending the Second-hand Smoke Control Code to Regulate the Use of Marijuana.

MANAGER'S REPORT:

This ordinance would amend the Second-hand Smoke Control Code, Chapter 36.30, to provide for the regulation of marijuana smoking in the same way the smoking of tobacco products is regulated within the City and Borough.

The Lands Committee heard this ordinance at its December 29, 2014 meeting, and recommended forwarding an amended version to the full Assembly for approval.

Version (b) of the ordinance clarifies that medical marijuana is not exempted in the same manner as tobacco cessation products or products prescribed by a licensed physician.

RECOMMENDATION:

The Manager recommends this ordinance be adopted.

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Ordinance 2014-51(b)	1/6/2015	Ordinance

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-51(b)

An Ordinance Amending the Second-hand Smoke Control Code to Regulate the Use of Marijuana.

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 36.60.005 Definitions, is amended to read:

36.60.005 Definitions.

In this chapter:

...

Enclosed public place means an enclosed area or portion thereof to which the public is invited or into which the public is permitted, including:

...

(16) Bars, private clubs, and any other enclosed place, where marijuana or alcoholic beverages are sold, or food is offered for sale.

...

1
2 Marijuana means all of the plant of the genus cannabis whether growing or not, the
3 seeds thereof, the resin extracted from any part of the plant, and every compound,
4 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin,
5 including marijuana concentrate.

6 ...

7 *Smoking* means inhaling or exhaling tobacco or marijuana smoke, or burning or
8 carrying any lighted tobacco product or marijuana, or the use of any noncombustible product
9 that provides a vapor of liquid nicotine or marijuana to the user, or relies on vaporization of
10 any liquid or solid nicotine or marijuana. This term shall include such devices whether they
11 are manufactured as e-cigarettes, e-cigars, e-pipes or under any other product name, but
12 shall not include a tobacco substitute prescribed by a licensed physician, or a tobacco
13 product that has been approved by the United States Food and Drug Administration for sale
14 as a tobacco use cessation or harm reduction product or for other medical purposes, and
15 which is being marketed and sold solely for that approved purpose.
16

17
18 **Section 3. Amendment of Section.** CBJ 36.60.010 Smoking prohibited, is
19 amended to read:

20 **36.60.010 Smoking prohibited.**

21 (a) Smoking is prohibited in:

22 ...

23
24 (6) Private clubs that are licensed by the State of Alaska to sell marijuana or alcoholic
25 beverages, or that offer food for sale, regardless of the number of employees; and

...

Section 4. Amendment of Section. CBJ 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 State or Federal law, Smoking is not prohibited in the following places:

...

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

Adopted this _____ day of _____, 2015.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

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

Application for De-designation of Liquor Licensed Premises - Suite 907, LLC

MANAGER'S REPORT:

A liquor license de-designation application is subject to approval by the local law enforcement agency as well as the local governing body. This is an application to de-designate the liquor license for Suite 907 for certain dates/times to allow the business to hold youth-related events for persons between the ages of 17 and 20.

A similar de-designation application was approved by the Assembly at its August 11, 2014 meeting with the condition that the police department could revoke its approval at any time should any law enforcement issues arise. At its August 11, 2014 Assembly Human Resources Committee meeting, the HRC delegated the review and approval process of these applications directly to the Assembly.

If approved by the Assembly at this meeting, the event dates/times approved for this application are below (all dates are for the 2015 calendar year):

Jan. 19, 9pm - Jan. 20, 1am
Feb. 12, 9pm-Feb. 13, 1am
March 16, 9pm – March 17, 1am
May 24, 9pm – May 25, 1am
June 15, 9pm – June 16, 1am

RECOMMENDATION:

The Manager recommends the Assembly approve this application with the condition of allowing JPD revocation ability should there be any law enforcement concerns arising from any of these events.

ATTACHMENTS:

	Description	Upload Date	Type
<input type="checkbox"/>	Suite 907, LLC De-Designation Permit Application	12/16/2014	Liquor License
<input type="checkbox"/>	Email from Suite 907 with dates specified	12/16/2014	Liquor License

Permit Number: _____

State of Alaska
Dept. of Commerce, Community, and Economic Development
Alcoholic Beverage Control Board

Application for Certification of Dedesignated Licensed Premises
(3 AAC 304.660)

Non-refundable Application Fee of \$50.00

The granting of this application enables the holder of the below named beverage dispensary or restaurant or eating place liquor license to apply for a DEDESIGNATION PERMIT under 3 AAC 304.660(a). Approval of this permit will allow the holder of a license to temporarily utilize the licensed premises or a portion of the licensed premises for purposes of persons 17 years of age or older to be present during certain times for events held on the licensed premises. Alcoholic beverages may not be sold, served, or consumed on the licensed premises during the period beginning two hours before and ending one hour after the times identified in the permit during which under age persons are on the premises.

Licensee's name: **Suite 907, LLC**License Number **447**Business Name: **Suite 907**Business Location: **9121 Glacier Hwy 2nd Fl Juneau Ak 99801**Mailing Address: **9121 Glacier Hwy Box 10 Juneau Alaska 99801**Event to be held from (date) **as listed** (time) **9 pm** to (date) **1 am**

PLEASE ATTACH DETAILED PREMISE DIAGRAM INCLUDING PROPOSED DEDESIGNATED AREA.

I certify under penalty of law the information contained in this application is true and correct to the best of my knowledge.


Signature of Licensee

Date: **12/15/14**

Certification of dedesignation approved by:

Local Police Dept. or Alaska State Troopers

Date

Local Governing Body

Date

or

School Board

Date

Director, Alcoholic Beverage Control Board

Date: _____

Beth McEwen

From: Cyndi Isaak <suite907@gmail.com>
Sent: Saturday, December 13, 2014 1:39 AM
To: Beth McEwen
Subject: proposed dates for D-Designation for the Youth 2015
Attachments: Ddesignation2015.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Beth- Things have been going great with the D-Designation Young Adult dances. Here are the proposed dates for the first 6 months of 2015. Can these be presented to the Board for approval? I have attached the application that once I have the city signature, I take it to the Chief and then send into ABC. Let me know if you need anything else from me. The dates we would like are:

Jan 19, Feb 12, Mar 16, none in April, May 24, and June 15th.

Sincerely,

--

Cyndi Isaak, Owner
Suite 907
9121 Glacier Highway Box 10
Juneau, Alaska 99801
907 790-CLUB
907 321-3496 cell
907 364-3475 fax
www.suite907.com/
suite907@gmail.com

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

Liquor License Mid-Cycle Protests of Continued Operations

MANAGER'S REPORT:

Liquor licenses are issued by the State of Alaska on a two-year cycle. Alaska Statute 04.11.480 provides for a mid-cycle protest by the local governing body for the continued operation of liquor license as follows: (*emphasis added*)

Sec. 04.11.480. Protest.

(a) A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license by sending the board and the applicant a protest and the reasons for the protest within 60 days of receipt from the board of notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and in no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer. *The local governing body may protest the continued operation of a license during the second year of the biennial license period by sending the board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application.* The board shall consider a protest and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record of its review. If an application or continued operation is protested, the board shall deny the application or continued operation unless the board finds that the protest is arbitrary, capricious, and unreasonable.

CBJ Finance Department is recommending the Assembly protest the continued operations of the following liquor licenses based on unfiled sales tax returns, the associated taxes owing for those returns, and all associated penalties and interest.

Seong S. Kim d/b/a Seong's Sushi Bar & Chinese Takeout, Restaurant/Eating Place License #4192. Protest based on a total balance owing of \$25,285.72 as of January 2, 2015 for the monthly periods February - September 2014 and unfiled sales tax returns for October - November 2014 and all associated taxes, penalties and interest.

Joan Deering d/b/a Paradise Cafe & Bakery, Restaurant/Eating Place License #5278. Protest based on a total balance owing of \$224.42 as of January 2, 2015 for June - July 2014 and unfiled sales tax returns for September - November 2014 and all associated taxes, penalties and interest.

NYT, Inc. d/b/a Rendezvous, Beverage Dispensary License #772. Protest based on unfiled third quarter sales tax returns with the associated unremitted sales taxes, penalties and interest.

Jacobsen/Daniels Associates, LLC d/b/a Romeo's Tap Room Beverage Dispensary-Tourism License #5341. Protest based on balances due as of January 2, 2015 of \$501.06 for sales tax periods August-October 2014.

These protest recommendations were scheduled for the January 12, 2015 Assembly Human Resources Committee to review and forward recommendations for Assembly action.

CBJ Code 20.25.025(c) provides licensees with the right to an abbreviated informal hearing before the Assembly. If a licensee wishes to exercise that right, this would be the opportunity for them to do so.

RECOMMENDATION:

The Manager recommends the Assembly act according to the Human Resources Committee recommendations regarding the continued operation of these liquor licenses.

ATTACHMENTS:

	Description	Upload Date	Type
<input type="checkbox"/>	Statutes and Code re: Liquor License Renewals	12/23/2014	Liquor License
<input type="checkbox"/>	Letter to Seong S. Kim dba Seong's Sushi Bar and Chinese Takeout	1/2/2015	Liquor License
<input type="checkbox"/>	Letter to Joan Deering dba Paradise Cafe and Bakery	1/2/2015	Liquor License
<input type="checkbox"/>	Letter to NYT Inc dba Rendezvous	1/2/2015	Liquor License
<input type="checkbox"/>	Letter to Jacobsen-Daniels dba Romeos Tap Room	1/2/2015	Liquor License

ALASKA STATUTES AND CBJ CODE SECTIONS
RE: ASSEMBLY LIQUOR LICENSE REVIEW AND PROTEST PROCESS

Alaska Statutes 04.11.480

Sec. 04.11.480. Protest.

(a) A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license by sending the board and the applicant a protest and the reasons for the protest within 60 days of receipt from the board of notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and in no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer. The local governing body may protest the continued operation of a license during the second year of the biennial license period by sending the board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application. The board shall consider a protest and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the protest and the record of the hearing conducted under [AS 04.11.510](#) (b)(2) or (4) shall be kept as part of the board's permanent record of its review. If an application or continued operation is protested, the board shall deny the application or continued operation unless the board finds that the protest is arbitrary, capricious, and unreasonable.

(b) If the permanent residents residing outside of but within two miles of an incorporated city or an established village wish to protest the issuance, renewal, or transfer of a license within the city or village, they shall file with the board a petition meeting the requirements of [AS 04.11.510](#) (b)(3) requesting a public hearing within 30 days of the posting of notice required under [AS 04.11.310](#), or by December 31 of the year application is made for renewal of a license. The board shall consider testimony received at a hearing conducted under [AS 04.11.510](#) (b)(3) when it considers the application, and the record of a hearing conducted under [AS 04.11.510](#) (b)(3) shall be retained as part of the board's permanent record of its review of the application.

(c) A local governing body may recommend that a license be issued, renewed, relocated, or transferred with conditions. The board shall consider recommended conditions and testimony received at a hearing conducted under [AS 04.11.510](#) (b)(2) or (4) when it considers the application or continued operation, and the recommended conditions and the record of the hearing conducted under [AS 04.11.510](#) (b)(2) or (4) shall be kept as part of the board's permanent record of its review. If the local governing body recommends conditions, the board shall impose the recommended conditions unless the board finds that the recommended conditions are arbitrary, capricious, or unreasonable. If a condition recommended by a local governing body is imposed on a licensee, the local governing body shall assume responsibility for monitoring compliance with the condition, except as otherwise provided by the board.

(d) In addition to the right to protest under (a) of this section, a local governing body may notify the board that the local governing body has determined that a licensee has violated a provision of this title or a condition imposed on the licensee by the board. Unless the board finds that the local governing body's determination is arbitrary, capricious, or unreasonable, the board shall prepare the determination as an accusation against the licensee under [AS 44.62.360](#) and conduct proceedings to resolve the matter as described under [AS 04.11.510](#) (c).

CBJ Code 20.25.025

20.25.025 Assembly review of license issuance, renewal, transfer, relocation, or continued operation.

(a) The assembly may protest the issuance, renewal, transfer, relocation, or continued operation of an alcoholic beverage license as provided in state law. The protest shall cite any of the following criteria which the assembly determines to be pertinent:

- (1) The character and public interests of the surrounding neighborhood;
- (2) Actual and potential law enforcement problems, including the proximity of the premises to law enforcement stations and patrols;

- (3) The concentration of other licenses of the same and other types in the area;
 - (4) Whether the surrounding area experiences an unacceptable rate of alcohol abuse or of crime or accidents in which the abuse of alcohol is involved;
 - (5) The adequacy of parking facilities;
 - (6) The safety of ingress to and egress from the premises;
 - (7) Compliance with state and local fire, health and safety codes;
 - (8) The degree of control the licensee has or proposes to have over the conduct of the licensed business;
 - (9) The history of convictions of the applicants and affiliates of the applicants for:
 - (A) Any felony involving moral turpitude;
 - (B) Any violation of AS title 04; and
 - (C) Any violation of the alcoholic beverage control laws of another state as a licensee of that state;
 - (10) Whether the applicant or the applicant's affiliates are untrustworthy, unfit to conduct a licensed business or constitute a potential source of harm to the public;
 - (11) Any other factor the assembly determines is generally relevant or is relevant to a particular application.
- (b) The assembly may protest the issuance, transfer, renewal, relocation, or continued operation of a license as provided in state law if it determines any of the following conditions exist:
- (1) The business operated under the license is, on the date the assembly considers the license, delinquent in the payment of any sales tax or penalty or interest on sales tax arising out of the operation of the licensed premises;
 - (2) There are delinquent property taxes or local improvement district assessments or penalty or interest thereon arising out of real or personal property owned in whole or in part by any person named in the application as an applicant or on the permit which is to be continued where such property is used, or is to be used, in whole or in part in the business conducted or to be conducted under the license;
 - (3) There is a delinquent charge or assessment owing the City and Borough by the licensee for a municipal service provided for the benefit of the business conducted under the license or for a service or an activity provided or conducted by the municipality at the request of or arising out of an activity of the business conducted under the license;
 - (4) If the license requested is for a beverage dispensary and is requested under AS 04.11.400(d)(1), unless the tourist facility will contain 30 or more rooms;
 - (5) If the application is for the issuance or relocation of a license and, after the issuance or relocation, there would be:
 - (A) More than one restaurant or eating place license for each 1,500 population, or fraction thereof, residing within the City and Borough; or

- (B) More than one license of each other type for each 3,000 population or fraction thereof residing within the City and Borough.
- (6) The business operated or to be operated under the license is violating or would violate the zoning code of the City and Borough; or
- (7) The business operated under the license is, on the date the assembly considers the application, in violation of state or local fire, health, or safety codes. A criminal conviction of this violation is not a prerequisite for a protest under this section.
- (c) If the assembly or committee or a subcommittee thereof recommends protest of the issuance, renewal, transfer, relocation, or continued operation of a license it shall state the basis of the protest and the applicant shall be afforded notice and an opportunity to be heard at an abbreviated informal hearing before the assembly to defend the application. For the purposes of this subsection, notice shall be sufficient if sent at least ten days prior to the hearing by certified first class mail to the address last provided by the applicant to the municipal sales tax examiner. At the conclusion of the hearing, the assembly decision to protest the application shall stand unless the majority of the assembly votes to withdraw the protest.
(Serial No. 84-50, § 4, 1984; Serial No. 86-35, §§ 2, 3, 1986; Serial No. 93-25, § 2, 1993; Serial No. 2002-06, § 2, 2-25-2002; Serial No. 2002-44, § 2, 12-2-2002)

State Law References: Assembly protest, AS 04.11.480.

OFFICE OF THE MUNICIPAL CLERK
Ph: (907)586-5278 Fax: (907)586-4552
e-mail: Beth.McEwen@juneau.org

January 2, 2015

Via certified & regular mail

Seong S. Kim
d/b/a Seong's Sushi Bar & Chinese Takeout
740 W. 9th Street, Juneau, AK 99801

And via regular mail to:

Seong S. Kim
d/b/a Seong's Sushi Bar & Chinese Takeout
615 5th Street, Douglas, AK 99824

Re: Restaurant Eating Place Liquor License #4192 Mid-Cycle Protest

Dear Mr. Kim,

The City and Borough of Juneau is in the process of our annual review of liquor license businesses within the community for compliance with CBJ Code and continued operations of the licenses. Alaska Statute section 04.11.480 provides the following with respect to protesting the continued operation of a liquor license during the second year of the biennial license period (*emphasis added*):

Sec. 04.11.480. Protest.

(a) A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license by sending the board and the applicant a protest and the reasons for the protest within 60 days of receipt from the board of notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and in no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer. ***The local governing body may protest the continued operation of a license during the second year of the biennial license period by sending the board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application.*** The board shall consider a protest and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record of its review. If an application or continued operation is protested, the board shall deny the application or continued operation unless the board finds that the protest is arbitrary, capricious, and unreasonable.

As is our practice in these matters, the staff from the Fire, Finance, Police, Public Works, and Community Development Departments reviewed each establishment to insure compliance with city code. Our Sales Tax Office will be recommending protest of the continuation of the license due to a total balance due of \$25,285.72 for the monthly periods of February through September 2014 along with the fact that returns have not been filed for October and November 2014 along with any sales tax, penalties and interest owing for those periods.

January 2, 2015

Page 2 of 2

Letter to Seong S. Kim d/b/a Seong's Sushi Bar & Chinese Takeout re: Mid-Cycle Liquor License Protest

Please note that while payment plans are available and encouraged if you are unable to pay the full amount due, entering into a payment plan, ie: Confession of Judgment and Stipulation, will not put the business in good standing with the CBJ Finance department for purposes of liquor license protest. Only when the all returns are filed and full payment of the outstanding balance, interest, and penalties are received, will the Finance Department withdraw its recommendation to protest the license renewal.

CBJ Code 20.25.025 provides you with the right to an informal hearing before the Assembly to address this issue. This matter will initially be considered at the Monday, January 12, 2015 Assembly Human Resources Committee (HRC) meeting at 6:00p.m. in the Assembly Chambers and the HRC will then forward a recommendation to the Assembly for action at its regular meeting that same evening at 7:00p.m. in the Assembly Chambers. At that meeting will be your opportunity to participate in an informal hearing before the Assembly if you wish to do so.

Copies of the CBJ Code and Alaska Statutes pertaining to the protest process are enclosed for your reference.

In the meantime, I would urge you to work with CBJ Sales Tax staff to try to resolve the outstanding balances owing on your account. Sales Tax Administrator Clinton Singletary can be reached at 586-5265.

Sincerely,

Beth McEwen
Deputy Clerk

Enclosures
cc via email:
Assembly Human Resources Committee & Assembly
Liquor License Staff Reviewers

OFFICE OF THE MUNICIPAL CLERK
Ph: (907)586-5278 Fax: (907)586-4552
e-mail: Beth.McEwen@juneau.org

January 2, 2015

Via certified & regular mail

Joan Deering d/b/a Paradise Café & Bakery
9351 Glacier Hwy.
Juneau AK 99801

Re: Restaurant Eating Place Liquor License #5278 Mid-Cycle Protest

Dear Ms. Deering,

The City and Borough of Juneau is in the process of our annual review of liquor license businesses within the community for compliance with CBJ Code and continued operations of the licenses. We were informed by ABC staff that your license was issued in December 2014 for the 2014/2015 biennial period. Alaska Statute section 04.11.480 provides the following with respect to protesting the continued operation of a liquor license during the second year of the biennial license period (*emphasis added*):

Sec. 04.11.480. Protest.

(a) A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license by sending the board and the applicant a protest and the reasons for the protest within 60 days of receipt from the board of notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and in no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer. ***The local governing body may protest the continued operation of a license during the second year of the biennial license period by sending the board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application.*** The board shall consider a protest and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record of its review. If an application or continued operation is protested, the board shall deny the application or continued operation unless the board finds that the protest is arbitrary, capricious, and unreasonable.

As is our practice in these matters, the staff from the Fire, Finance, Police, Public Works, and Community Development Departments reviewed each establishment to insure compliance with city code. Our Sales Tax Office will be recommending protest of the continuation of the license due to an outstanding balance of \$224.42 for the June-July 2014 period and unfiled sales tax returns for the September through November 2014 period and the associated unremitted sales taxes, penalties and interest.

January 2, 2015

Page 2 of 2

Letter to Joan Deering d/b/a Paradise Café & Bakery re: Mid-Cycle Liquor License Protest

Please note that while payment plans are available and encouraged if you are unable to pay the full amount due, entering into a payment plan, ie: Confession of Judgment and Stipulation, will not put the business in good standing with the CBJ Finance department for purposes of liquor license protest. Only when the all returns are filed and full payment of the outstanding balance, interest, and penalties are received, will the Finance Department withdraw its recommendation to protest the license.

CBJ Code 20.25.025 provides you with the right to an informal hearing before the Assembly to address this issue. This matter will initially be considered at the Monday, January 12, 2015 Assembly Human Resources Committee (HRC) meeting at 6:00p.m. in the Assembly Chambers and the HRC will then forward a recommendation to the Assembly for action at its regular meeting that same evening at 7:00p.m. in the Assembly Chambers. At that meeting will be your opportunity to participate in an informal hearing before the Assembly if you wish to do so.

Copies of the CBJ Code and Alaska Statutes pertaining to the protest process are enclosed for your reference.

In the meantime, I would urge you to work with CBJ Sales Tax staff to try to resolve the outstanding balances owing on your account. Sales Tax Administrator Clinton Singletary can be reached at 586-5265.

Sincerely,

Beth McEwen
Deputy Clerk

Enclosures

cc via email:

Assembly Human Resources Committee & Assembly
Liquor License Staff Reviewers

OFFICE OF THE MUNICIPAL CLERK
Ph: (907)586-5278 Fax: (907)586-4552
e-mail: Beth.McEwen@juneau.org

January 2, 2015

Via certified & regular mail
NYT Inc., d/b/a Rendezvous
184 S. Franklin Street
Juneau AK 99801

Re: Beverage Dispensary Liquor License #772 Mid-Cycle Protest

Dear NYT, Inc.,

The City and Borough of Juneau is in the process of our annual review of liquor license businesses within the community for compliance with CBJ Code and continued operations of the licenses. Alaska Statute section 04.11.480 provides the following with respect to protesting the continued operation of a liquor license during the second year of the biennial license period (*emphasis added*):

Sec. 04.11.480. Protest.

(a) A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license by sending the board and the applicant a protest and the reasons for the protest within 60 days of receipt from the board of notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and in no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer. ***The local governing body may protest the continued operation of a license during the second year of the biennial license period by sending the board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application.*** The board shall consider a protest and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record of its review. If an application or continued operation is protested, the board shall deny the application or continued operation unless the board finds that the protest is arbitrary, capricious, and unreasonable.

As is our practice in these matters, the staff from the Fire, Finance, Police, Public Works, and Community Development Departments reviewed each establishment to insure compliance with city code. Our Sales Tax Office will be recommending protest of the continuation of the license due to unfiled sales tax returns for the 2014 third quarter period and the associated unremitted sales tax, penalties and interest.

Please note that while payment plans are available and encouraged if you are unable to pay the

January 2, 2015

Page 2 of 2

Letter to NYT Inc. d/b/a Rendezvous re: Mid-Cycle Liquor License Protest

full amount due, entering into a payment plan, ie: Confession of Judgment and Stipulation, will not put the business in good standing with the CBJ Finance department for purposes of liquor license protest. Only when the all returns are filed and full payment of the outstanding balance, interest, and penalties are received, will the Finance Department withdraw its recommendation to protest the license.

CBJ Code 20.25.025 provides you with the right to an informal hearing before the Assembly to address this issue. This matter will initially be considered at the Monday, January 12, 2015 Assembly Human Resources Committee (HRC) meeting at 6:00p.m. in the Assembly Chambers and the HRC will then forward a recommendation to the Assembly for action at its regular meeting that same evening at 7:00p.m. in the Assembly Chambers. At that meeting will be your opportunity to participate in an informal hearing before the Assembly if you wish to do so.

Copies of the CBJ Code and Alaska Statutes pertaining to the protest process are enclosed for your reference.

In the meantime, I would urge you to work with CBJ Sales Tax staff to try to resolve the outstanding balances owing on your account. Sales Tax Administrator Clinton Singletary can be reached at 586-5265.

Sincerely,

Beth McEwen
Deputy Clerk

Enclosures

cc via email:

Assembly Human Resources Committee & Assembly
Liquor License Staff Reviewers

OFFICE OF THE MUNICIPAL CLERK
Ph: (907)586-5278 Fax: (907)586-4552
e-mail: Beth.McEwen@juneau.org

January 2, 2015

Via certified & regular mail
Jacobsen/Daniels Associates, LLC
d/b/a Romeo's Tap Room
121 Pearl Street, Ypsilanti, MI 48197

And via regular mail to:
Business Filings, Inc. (Agent)
d/b/a Romeo's Tap Room
9060 Glacier Hwy. #202, Juneau AK 99801

Re: Beverage Dispensary-Tourism Liquor License #5341 Mid-Cycle Protest

Dear Jacobsen/Daniels Associates, LLC,

The City and Borough of Juneau is in the process of our annual review of liquor license businesses within the community for compliance with CBJ Code and continued operations of the licenses. Alaska Statute section 04.11.480 provides the following with respect to protesting the continued operation of a liquor license during the second year of the biennial license period (*emphasis added*):

Sec. 04.11.480. Protest.

(a) A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license by sending the board and the applicant a protest and the reasons for the protest within 60 days of receipt from the board of notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and in no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer. ***The local governing body may protest the continued operation of a license during the second year of the biennial license period by sending the board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application.*** The board shall consider a protest and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record of its review. If an application or continued operation is protested, the board shall deny the application or continued operation unless the board finds that the protest is arbitrary, capricious, and unreasonable.

As is our practice in these matters, the staff from the Fire, Finance, Police, Public Works, and Community Development Departments reviewed each establishment to insure compliance with city code. Our Sales Tax Office will be recommending protest of the continuation of the license due to a total balance due of \$501.06 for the period August through October 2014.

Please note that while payment plans are available and encouraged if you are unable to pay the full amount due, entering into a payment plan, ie: Confession of Judgment and Stipulation, will

January 2, 2015

Page 2 of 2

Jacobsen/Daniels Associates, LLC d/b/a Romeo's Tap Room re: Mid-Cycle Liquor License Protest

not put the business in good standing with the CBJ Finance department for purposes of liquor license protest. Only when the all returns are filed and full payment of the outstanding balance, interest, and penalties are received, will the Finance Department withdraw its recommendation to protest the license.

CBJ Code 20.25.025 provides you with the right to an informal hearing before the Assembly to address this issue. This matter will initially be considered at the Monday, January 12, 2015 Assembly Human Resources Committee (HRC) meeting at 6:00p.m. in the Assembly Chambers and the HRC will then forward a recommendation to the Assembly for action at its regular meeting that same evening at 7:00p.m. in the Assembly Chambers. At that meeting will be your opportunity to participate in an informal hearing before the Assembly if you wish to do so.

Copies of the CBJ Code and Alaska Statutes pertaining to the protest process are enclosed for your reference.

In the meantime, I would urge you to work with CBJ Sales Tax staff to try to resolve the outstanding balances owing on your account. Sales Tax Administrator Clinton Singletary can be reached at 586-5265.

Sincerely,

Beth McEwen
Deputy Clerk

Enclosures

cc via email:

Assembly Human Resources Committee & Assembly
Liquor License Staff Reviewers
John Coleman, Airport Administrative Officer II

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

Export Manufacturing Property Tax Exemption

MANAGER'S REPORT:

Alaska Glacier Seafood Inc., Taku Smokeries, and AKB EV Group, LLC (Alaska Brewery) timely applied with the Assessor's Office for the 2013 & 2014 Export Manufacturing tax exemption.

CBJ 69.10.020(10) 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

Property owners seeking an 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.

	<u>2014</u>	<u>2013</u>
Alaska Glacier Seafood Inc.		
New Export Mfg. Exempt Property Value	\$278,480	\$497,276
Tax Amount @ Appropriate Mill Rate	\$2,969	\$55,350
S A S S Co, Inc. Taku Smokeries		
New Export Mfg. Exempt Property Value	\$112,981	\$72,538
Tax Amount @ Appropriate Mill Rate	\$1,204	\$781.00
AKBEV Group, LLC		
New Export Mfg. Exempt Property Value	\$553,752	\$1,665,212
Tax Amount @ Appropriate Mill Rate	\$5,903	\$17,918

The Assessor's Office reviewed the exemption applications and determined that the properties met the code requirements. They granted the export manufacturing exemption without Assembly approval. The Assembly Finance Committee reviewed this issue at its November 12, 2014 meeting, and recommended forwarding the tax exemptions for 2013 & 2014 to the full Assembly for authorization.

RECOMMENDATION:

The Manager recommends approval of these exemptions.

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

Combining State and Local Elections

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Combining State and Local Elections Report from City Clerk	1/7/2015	Report

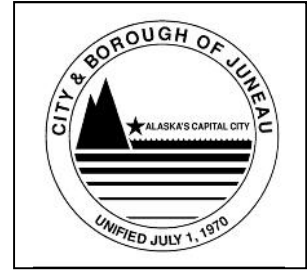
MEMORANDUM

DATE: November 10, 2014

TO: Mayor Sanford and Assembly

FROM: Laurie Sica, Municipal Clerk

RE: Combining State and Local Elections



During every election, a number of people ask why the State of Alaska and the municipalities do not conduct elections on the same day, or combine ballots. It seems like “one stop shopping” might facilitate conduct of the election and increase voter turnout.

The date of the state elections is determined by State Statute. The primary is held on the third Tuesday in August of every even-numbered year.ⁱ The general election is held on the Tuesday after the first Monday in November in every even-numbered year.ⁱⁱ State Statute also outlines the content of the state election. The definition does not include content from municipal elections.ⁱⁱⁱ

The date of local elections is outlined in Alaska Statute Title 29, and specifically for CBJ in the Home Rule Charter to be the first Tuesday in October, annually.^{iv} These dates and the content of the ballot are further outlined in CBJ Code.^v

If the Charter was amended by a vote of the public to change the date of the municipal election to coincide with the date of the state election, some practical difficulties exist.

CBJ uses the same voting precincts, and also maintains the same polling places whenever possible, in order to minimize voter confusion about where to vote.^{vi} If CBJ ran a local election on the same day as the state election, it would be convenient for the voters to go to one poll and not two. Setting up two election boards, with two different ballots, and two different voting machines in the same polling location would be problematic. Many issues would need to be resolved, including:

- 1) The polling area would need to be large enough to accommodate the two separate boards and the voters.
- 2) The physical set up would need to be arranged to avoid voter confusion, so that voters sign the correct register, obtain the correct ballot, and place the voted ballots in the correct machine or in a separated, secured, designated location for counting at a later time.
- 3) Currently CBJ borrows the voting machines from the state. CBJ would need to purchase its own equipment, or hold the ballots and run the ballots at a later date, when the machines were available.
- 4) Currently CBJ employs many of the same poll and election board workers, and additional workers would need to be found and hired.
- 5) CBJ uses the same ballot printer as the state for ballots and election materials, creating a challenge to timely printing and receipt of the ballots.

- 6) Significant voter education would be needed to explain the separate nature of the elections. With separate elections conducted at the same time, absentee voters would need to submit two separate requests for two separate ballots, and could become confused in thinking that one application was sufficient. Additionally, the state and local elections currently operate different absentee voting locations and would need to consider combining those locations and staffing to avoid voter confusion.

Because of these difficulties, combining state and city elections could be facilitated by combining the state and local elections onto one ballot. Doing so would require changing local and state laws. Even if these changes were made, the municipality would still need to conduct its own election in the “off-state election” years.

Local elections are non-partisan. Since state elections involve political parties, running dual elections on the same day, or combining the local and state elections onto one ballot could add an element of partisanship into the conduct of local elections. Local and state campaigns would be running at the same time, competing for advertising space, campaign workers, and voter’s attention.

The Alaska Administrative Code does provide for the state to conduct a special election on behalf of a municipality on the same day as a state primary or general election.^{vii} The two elections are considered separate elections, and the municipality must file a written request at least 150 days before the election and enter into a memorandum of agreement regarding the conduct and cost to the municipality of the election to be paid to the state. The municipality provides its own ballots on colored paper and the ballots are run separately after the state ballots are counted. The municipality is responsible for certification of its election,

The Municipality of Anchorage (MOA) placed a special election proposition on the state general ballot on November 4, 2014, not on a separate ballot. This was a unique arrangement facilitated by the Division of Elections. (See Attachment A – Intergovernmental Cooperation Agreement, July 2, 2014). The proposition involved a referendum initiated by the voters regarding the MOA employment relations code:

Municipality of Anchorage Proposition No. 1
Shall AO No. 2013-37(S-2) (as amended), an ordinance amending
Anchorage Municipal Code chapter 3.70, Employee Relations, remain law?
() Yes () No

As of the writing of this memo, the outcome of the election was 41998 yes, 48968 no, with a voter turnout of 46.8%.

On February 25, 2014, the Anchorage Assembly adopted AO No. 2014-28 amending the Anchorage code to change the date of the regular municipal election from the first Tuesday in April to the Tuesday after the first Monday in November, effective in 2017. Anchorage has many split precincts and service areas that require printing 41 different ballot types. Because of this, and the complications of managing two concurrent separate elections, the Municipal

Clerk's office is exploring alternative voting methods. (See Attachment B – January 30, 2014 Letter from Gail Fenumiai, Director, Division of Elections.)

Combining state and local elections would take a statewide discussion and a significant effort by local and state lawmakers to change laws, policies and procedures controlling the conduct of elections in Alaska.

ⁱ **Alaska Statute Sec. 15.25.020. Date of primary.** The primary election is held on the third Tuesday in August of every even-numbered year.

ⁱⁱ **Alaska Statute Sec. 15.15.020. Date of general election.** The general election is held on the Tuesday after the first Monday in November in every even numbered year.

ⁱⁱⁱ **Alaska Statute Sec. 15.20.225. Definition of "state election".** In [AS 15.20.010](#) - 15.20.225, "state election" means a primary, general, or special election a purpose of which is to

- (1) select, nominate, or elect a governor, a lieutenant governor, an acting governor, a state senator, or a state representative;
- (2) select, nominate, or elect delegates to a constitutional convention;
- (3) approve or reject an initiative submitted under art. XI of the state constitution and [AS 15.45.190](#) - 15.45.200 or a referendum submitted under art. XI of the state constitution and [AS 15.45.420](#) - 15.45.440;
- (4) recall an official identified in (1) of this section when authorized by art. XI of the state constitution and [AS 15.45.650](#) - 15.45.690;
- (5) approve or reject a proposed constitutional amendment submitted under [AS 15.50](#); or
- (6) ratify or reject a state general obligation bond when authorized by [AS 37.15](#).

^{iv} **Alaska Statute Sec. 29.26.040. Date of regular election.** The date of a regular election is the first Tuesday of October annually, unless a different date or interval of years is provided by ordinance.

Alaska Statute Sec. 29.20.300. School boards. (a) Each municipal school district has a school board. Except as provided in (b) of this section, members of a school board are elected at the regular election for three-year terms and until their successors take office. Members are elected at large unless a different method of election has been approved by the voters in a regular election.

CBJ Charter Article VI, Section 6.1. Regular elections. A regular election shall be held annually on the first Tuesday in October, or such other date as the assembly may provide by ordinance. The date of holding regular elections shall not be changed by the assembly within one year prior to the date of the first regular election affected. At least thirty days published notice shall be given of a regular election. The notice shall state the purposes of the election.

CBJ Charter Article VI, Section 6.2. Special elections. The assembly shall provide by ordinance for special elections. At least thirty days published notice shall be given of a special election. The notice shall state the purposes of the election.

^v **CBJ Code Section 29.07.010 Election times; notice.**

- (a) *Time of regular elections.* Annually, on the first Tuesday of October of each year, a regular election shall be held in the City and Borough of Juneau for the election of vacant City and Borough of Juneau offices, and for the determination of other matters as may regularly be placed on the ballot.
- (b) *Time of special elections.* Except as provided in CBJ Charter Section 7.10(b), the assembly, by motion, resolution, or adoption of an ordinance may call a special election at any time. Unless the assembly has set a date for a required special election, the election official shall call a special election when

required by law, charter, or ordinance, to place an initiative, referendum, recall or other question before the voters.

- (c) *Voting hours.* The polls in each voting precinct shall be open as provided in state law on all municipal election days for the purpose of voting.
- (d) *Notice of election.* The City and Borough of Juneau Election Official shall cause to be published a notice of election during three consecutive calendar weeks, once in each week, in a newspaper of general circulation in the City and Borough of Juneau. The first such publication, and the posting, shall be accomplished at least 30 days before the election.
- (e) *Contents of election notices.* Notices of election shall state:
 - (1) The date of the election;
 - (2) The time of opening and closing the polling places;
 - (3) The location of precinct polling places;
 - (4) The qualifications of voters;
 - (5) The type of election, regular or special;
 - (6) The offices to be filled, the propositions submitted to the electors, and the full text of any proposed charter amendment submitted to the electors.

^{vi} **CBJ Code Section 29.07.030 Voting precincts.**

- (a) Voting precincts in the City and Borough of Juneau shall be the same as for state elections.
- (b) The polling places shall be specified by the City and Borough of Juneau Election Official.

^{vii} **Alaska Administrative Code 6 AAC 27.175. Combined municipal and state elections** (a) A municipality may request that the director of elections conduct a special election on behalf of the municipality to be held on the same day as the state's primary or general election. (b) The written request must be signed by the chief election official of the municipality and received by the director at least 150 days before the state election. (c) The request must include (1) the type of election; (2) ballot language; and (3) a copy of the request for preclearance that has been sent to the United States Department of Justice. ^{vii}(d) The municipality is responsible for obtaining preclearance for the election by the United States Department of Justice, and must provide the division of elections with a copy of the preclearance approval when received. ^{vii}(e) The division of elections will prepare a memorandum of agreement that sets out the (1) responsibilities of the division and municipality, and (2) cost to the municipality. (f) The municipality shall print ballots for the municipal special election on colored stock that can be easily identified from the state's white ballots. To make sure that ballot-counting equipment can count the ballots properly, the division of elections will provide the municipality with the ballot printer's specifications. (g) The city or borough clerk shall assist the regional election supervisor in training election workers in the proper procedures for the municipal special election and the state election respectively, and make the election workers aware that the elections are separate. (h) When the polls close, ballots for the state election must be counted first and results provided to the division of elections before ballots for the municipal special election are counted. (i) The municipality is responsible for the final certification process for the municipal special election and for providing the public with final results.

INTERGOVERNMENTAL COOPERATION AGREEMENT FOR THE PURPOSE OF
THE STATE OF ALASKA CONDUCTING A SPECIAL MUNICIPAL ELECTION
FOR THE MUNICIPALITY OF ANCHORAGE CONCURRENT WITH THE STATE
CONDUCTED NOVEMBER 4, 2014 GENERAL ELECTION

This Intergovernmental Cooperation Agreements (hereafter “Agreement”), is for the purpose of authorizing the State of Alaska, Division of Elections (hereafter “State”) to conduct a special municipal election, at the request of the Municipality of Anchorage (hereafter “MOA”), for submission to the qualified voters of the MOA a ballot proposition related to the repeal of an ordinance amending Anchorage Municipal code chapter 3.70, Employee Relations. The special municipal election will be conducted on the same day as the state conducted November 4, 2014 general election.

The state will provide the staffing and resources to conduct the special municipal election. Further, the Agreement provides for the joint exercise of the powers of the State and the MOA to conduct elections. The Agreement is authorized by article X, section 13 of the Alaska Constitution, AS 36.30.700-.790, Anchorage Municipal Code (AMC) 28.10.050, and conforms to legislative intent in Sec. 1, ch. 82 SLA 2000.¹

The consideration for this Agreement is the duties and obligations of the parties set forth below.

MUNICIPALITY OF ANCHORAGE

1. The MOA will prepare its ballot language for the special election ballot question following MOA legal requirements.
2. The MOA will deliver the ballot language to the State not later than August 19.
3. The MOA shall provide for all advertising and notification to Anchorage voters of the special election ballot question as required under the State election code, AS 15, and the MOA code.
4. The MOA shall identify the qualified voting precincts.
5. The MOA shall defend and hold the State harmless from any claim, suit, or liability arising out of a dispute over the wording of the special election ballot language, or any alleged violation of election procedures caused by the MOA’s negligence.
6. The MOA shall be responsible for the distribution of final, certified election results concerning the MOA’s special election ballot question.
7. The MOA shall publish a notice of election that designates an office, website, or individual to whom questions concerning the MOA’s special election can be referred by State employees, and publish the website address, e-mail address(es), address and phone number(s) as applicable.

¹ Sec. 1, ch. 82, SLA 2000 reads:

* **Section 1.** The uncoded law of the State of Alaska is amended by adding a new section read: **INTENT.** The division of elections shall facilitate the coordination of local government elections with regular state elections if requested to do so by a local government.

STATE OF ALASKA

1. The State shall determine ballot quantities and ballot sequence numbers, and provide, as necessary, for the printing and ordering of the ballots. It will be at the State's option and discretion as to whether the MOA's special election ballot question will be included on the State's general election ballot or be printed on a separate ballot.
2. The State will disseminate ballots with the MOA ballot language to eligible voters who vote by early voting, absentee in-person voting, absentee by-mail voting or in person at a precinct for the November 4, 2014 general election.
3. The State will count all ballots voted at a precinct following the closure of the polls on November 4, 2014. If the MOA's special election ballot question is printed on a second ballot, the MOA ballots will be counted following the state closing out its election.
4. The State will provide the MOA with unofficial results through its regular distribution process.
5. The State will review and count all absentee and questioned ballots using the established State procedures and rules for ballot review and counting.
6. The State will certify the results of the MOA's special election ballot question in conjunction with the State's certification of the State races and ballot questions.
7. Following certification, the State will provide the MOA with the final certified election results.

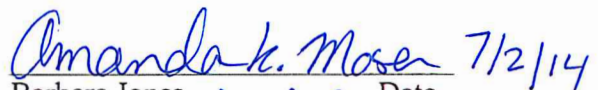
MISCELLANEOUS

1. All ballots, precinct registers, absentee and questioned ballot envelopes and all other election related records are the property of and will remain in the custody of the State.
2. All costs associated with a recount of the MOA's special election ballot question shall be borne by the MOA.
3. All costs associated with any election contest concerning the MOA's special election ballot question shall be borne by the MOA.

This Agreement is effective on the date the last party signs. If the MOA determines that a special election is not required before the ballots are printed by the State, this Agreement is null and void. If, after the ballots are printed or costs are incurred by the State in preparing the MOA's special election ballot, the MOA determines that a special election is not required, the MOA agrees to reimburse the State for its costs that are associated with the MOA's special election ballot question.

 7/2/14

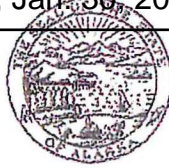
Gail Fenumiai Date
Director
State of Alaska, Division of Elections

 7/2/14

Barbara Jones Date
Municipal Clerk
Municipality of Anchorage

Attachment B
Letter from Gail Fenumiai, Jan. 30, 2014

Director's Office
PO Box 110017
Juneau, Alaska 99811-0017
907.465.4611 907.465.3203 FAX
elections@alaska.gov



Regional Offices
Anchorage 907.522.8683
Fairbanks 907.451.2835
Juneau 907.465.3021
Nome 907.443.5285

STATE OF ALASKA
Division of Elections
Office of the Lieutenant Governor

To: The Honorable Mead Treadwell
Lieutenant Governor

From: Gail Fenumiai, Director
Division of Elections

Date: January 30, 2014

Subject: Municipality of Anchorage (MOA) election date change to coincide
with the State's general election in November

I have met with MOA clerk Barbara Jones and we discussed issues associated with a change in the MOA election date. What follows is a summary of our discussion.

Both the state and the MOA have agreed that it is possible to conduct both the state general election and MOA election on the same day since there are no legal or regulatory prohibitions from doing so. There are concerns on behalf of both the state and MOA with conducting elections under this scenario. Detailed discussions would need to take place to determine the best process to conduct these elections in the most efficient manner while avoiding voter confusion and maintaining the public's trust of the electoral process. This takes time. It is anticipated that the State and MOA should have the opportunity to plan at least thirteen months in advance of a change in the election date. Additional internal staffing most likely will be required by the MOA to facilitate planning and the change.

The elections would be conducted concurrently. The state would conduct their election and the MOA would conduct their election.

Both the state and MOA would need to have their own polling place workers and election boards (such as absentee, questioned and state review/canvas). The state employs six workers at each polling place; the MOA employs approximately four. The state and MOA would be responsible for providing tables, chairs, and other supplies for their own workers.

There are numerous potential issues that would need to be resolved in order to make both elections run smoothly. What follows is a list we came up with at this time. There may be others that may arise as discussions continue.

- Polling place size – many of the polling places, such as the entrances at elementary schools, are small and would not be able to accommodate two election boards, which combined equals ten people, at one time. Another issue that could result from the small size of the polling places and having two election boards or teams is longer lines at the polling locations. As noted in the recently issued bipartisan “Report and Recommendations of the Presidential Commission on Election Administration,” long lines are concern at polling locations and the state and MOA will need to consider addressing as detailed in the report, “techniques to assure efficient management of polling places.”
- Voter confusion – in order to avoid voter confusion it will be best to have two separate sections of the polling place established for each election to make it clear to the voters that there are two elections taking place, which is again complicated by the lack of space. The MOA will also need to conduct significant voter education to inform voters of the change of the MOA election date, as well as to combat voter fatigue and voter drop off, which could result in lower voter turnout because voters may decline to vote the MOA ballot after voting the state ballot.
- Absentee ballot requests – both the state and MOA will need to handle the processing of absentee ballot requests separately as is currently being done. However, there is a chance a voter may assume that by applying with one or the other they may be requesting to receive a ballot for both elections. This would not be the case. The state and MOA will be required to change all of the absentee ballot request forms to include information on the form that the voter must also request a separate absentee ballot for the other election. Because this area is a potential for voter confusion, the MOA will need to conduct significant voter education to inform voters of the change of the MOA election date and the need to request an MOA absentee ballot after requesting a state absentee ballot.
- Absentee in person voting – the state and MOA have different absentee voting locations within the MOA. For example, the Loussac Library is used by the MOA for absentee voting but not by the state. If a voter appeared to vote at this location, they would only be able to receive an MOA ballot and need to go to a different location to receive a state ballot. The state and MOA would need to consider combining absentee in person voting locations and determine the best way to staff those locations.
- Non general election years – the state only has a general election in even numbered years. So I am unclear as to how this proposal will assist the MOA

in their goal of increased voter turnout in those years. Statistics show that the Denali Borough, which has a concurrent election with the state, had a voter turnout of 8.87% in the most recent non general election year in 2013. The low voter turnout statistics in non-general election years also occur nationally, for example, in the November 2013 New York City Mayoral race, the voter turnout was 23%.

- Election worker shortage – both the state and MOA struggle to secure an adequate amount of election workers for their elections. Having them both elections on the same day will significantly impact this problem of a shortage of election workers. Perhaps the state and/or MOA could look into state and municipal employees being allowed to take a day off in order to work at the polling place on Election Day.
- Ballot tabulation – the state owns the equipment used to tabulate the ballots. If the MOA was to continue to use the state's equipment, their ballots could not be counted until after the state completes their polling place closing procedures which would be approximately 8:30 p.m. There could be concerns by the MOA about requiring election workers, whose average age is over 65, to remain on site at the polling place for additional time after what is already a long day, beginning at 6:00 a.m., to run a full day's ballots through the machines, complete MOA closing procedures, and deliver the MOA materials and equipment to the designated return location. This would also require one state board workers remain on site during the MOA ballot tabulation in order to return to the ballot tabulation equipment to the state office. The MOA would likely not have results until after 10:00pm.

An alternative could be that the MOA could purchase their own ballot tabulation equipment for use at the polling places (again polling place size concerns) or purchase a central count tabulator system and have the ballots transported to city hall for counting following their poll closing.

Barbara and I continue to be available to answer questions regarding this issue.

cc: Ernie Hall, MOA Assembly Chair
Chris Birch, MOA Assembly member
Barbara Jones, MOA Clerk