

**ASSEMBLY STANDING COMMITTEE  
COMMITTEE OF THE WHOLE  
THE CITY AND BOROUGH OF JUNEAU, ALASKA  
MINUTES**

September 10, 2015, 8:00 AM.  
Municipal Building - Assembly Chambers

Assembly Work Session - No public comments

**I. ROLL CALL**

Deputy Mayor Mary Becker called the meeting to order at 8:00 a.m. in the Assembly Chambers.

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

Assemblymembers Absent:None.

Staff present: Kim Kiefer, City Manager; Amy Mead, City Attorney, Rob Steedle, Deputy City Manager; Laurie Sica, Municipal Clerk;Rorie Watt, Engineering - Public Works Director; Susan Phillips, Executive Assistant; Greg Chaney, Lands and Resources Manager; Carl Uchytel, Port Director; Dan Bleidorn, Deputy Lands Manager; Michele Elfers, Engineer/Architect; Gary Gillette, Port Engineer; Kirk Duncan, Parks and Recreation Director; Brent Fischer, Facilities, Park and Landscape Superintendent.

**II. APPROVAL OF AGENDA**

Hearing no objection, the agenda was approved as presented.

**III. APPROVAL OF MINUTES**

There were no minutes presented for approval.

**IV. AGENDA TOPICS**

**A. Potential for Housing at Bridge Park Site**

Rob Steedle said at the meeting of August 31, Mr. Wayne Coogan spoke to the Assembly about his proposal of August 19 to co-locate the whale statue with housing at Bridge Park. The Assembly chose to delay the bid opening by a month to review the proposal.

Mr. Steedle said CBJ had made great progress in promoting the development of housing and provided statistics. The Assembly approved the hiring of a housing development coordinator and that position description was being written.

Mr. Chaney said the community was working on housing and reviewed his memo outlining the steps that had been taken to improve the housing situation in recent months. The extension of sewer allowed several lots to be up-zoned, and there was an increase in density that would allow the doubling of the population in Juneau. Renninger Subdivision would be available in the spring and had a potential for 189 new units.

Mr. Watt spoke about the challenges and hurdles of the development of the property near the bridge. The issue was complex. He gave kudos to Mr. Coogan for promoting a straw man idea that had people talking and had filled the Assembly Chambers at 8 am. The properties were managed jointly by Docks and Harbors and Parks and Recreation Departments and housing was

not in the mission of either of those two departments. It was waterfront commercial land and the largest number of units that could be built there was 25 units without spot zoning and that was a real limitation. In any housing project a lot of space was taken up with parking and circulation, so it was not just the footprint of the building that would be squeezed in. In Mr. Coogan's drawing, the entire area north of the bridge would need to be in parking. Everyone wants to have it all, housing, the park, the whale, but this is not possible. There are trade offs. Tour buses would come to the Whale Park and there would need to be bus parking and turn around space. Most of the land is spoken for, but the piece that is not finalized is the area where the Marine Exchange proposed a new facility, with an area for public restrooms and some public use, and a total 10,000 sf. contained within 3 stories. The Assembly had a limited number of choices for moving forward. 1) Scrap the project and look at something completely different, or 2) look at the property where the marine exchange building was proposed to go as a possible site for housing.

Ms. White asked if there was a prohibition on lot consolidation and if the number of units was based on such a consolidation. Mr. Watt said there was no prohibition and the number of units was based on such a consolidation.

Ms. Crane asked if there was any reason why there couldn't be an adjustment on the "preferred site plan" map to increase the buildable site by removing some of the proposed park greenspace.

Mr. Kiehl asked which pieces were in the bid that were advertised now. Mr. Watt said everything but the multi-use building.

Mayor Sanford spoke about the funding for the different parts of the project and asked what source was paying for the park improvements. Mr. Watt said it had been a moving target but it was not a big component of the cost. The areas of tourism movement would be from passenger fees, the setting for the statue and pool would be sales tax funds up to \$650,000, and the whale was paid for by the committee. He said there was no clear delineation where the seawalk ended and the park began and they had not determined what part the sales tax would pay for.

Ms. White asked how long the seawalk was. Ms. Crane said the total was 1.8 miles as proposed. Ms. White asked about the cost of maintenance of the seawalk and if that cost could come from head tax and Mr. Watt said yes.

Ms. Troll asked about the area on the map shown as "future parking for fish market" and the "future multi-use building" was the area for potential housing. Mr. Watt said yes, that and the area from the future multi-use building towards the water was a potential location. However, Docks and Harbors would want to weigh in on the use of those lands. Mr. Watt said the future fish market parking and the future multi-purposed building were not part of the bid.

Mr. Kiehl asked about the airspace easement on the bridge and what did that mean - could nothing be built under the bridge? Mr. Watt said that no gas station or flammables could be under the bridge, but you could allow parking. I believe there can be no new permanent structures. DOT has the right to operate the bridge and replace it in the future. The underlying ground belongs to the city.

Mr. Kiehl asked about waterfront height limit. Mr. Watt said he believed it was 35 feet over the entire site in that zoning district.

Mr. Kiehl asked if Docks and Harbors still had plans for office space in that area. Mr. Uchytel said that D&H was putting together a scope of work for a management plan for the area from Norway Point to the bridge area in order to look at the Harbor as a system. We do not have a vision now of what that building would be but we are pursuing a land management plan to look at all the opportunities - including public / private partnerships, fisheries, float planes, and we want the time to look at the area holistically.

Mr. Nankervis said he appreciated the memo from Mr. Chaney and there were many things happening for housing. Most of the progress was in the valley and Lemon Creek, but not a lot was

downtown. He noted the Corps Permit for the West Douglas road extension being obtained and Mr. Watt said more extensive information would be provided at a future meeting. He asked if the space calculated for housing included the "play area" on the site. Mr. Watt said his 23 unit calculation included all the land on the site. Mr. Nankervis said it appears we have been going down this road for a long time and what all the Assembly was getting from staff was why we can't do something. We have painted ourselves into this corner and that is frustrating. We are not making a dent in housing downtown. We have wants and we have needs. Numerous studies tell us we need housing. Some want parks, a whale statue, a seawalk, but we need housing. He spoke about a fee of 20% per project for the development of projects by the waterfront. He said he was hoping the Assembly would get more about what we would have to do to try to pull this off.

Mr. Watt said staff had followed the Assembly's direction for years and the Assembly chose deliberately to follow this route. If the Assembly wanted to elevate housing as a priority, when you hear that Docks and Harbors are doing a plan for CBJ lands, then they should be given direction that housing should be part of that. The Assembly could tell the Parks and Recreation department that you want them to focus on housing on parks land. This project has been developed through action by the Assembly and it was hard to turn it on a dime with the "you can have it all" option. He spoke about the task to demolish the Gastineau Apartments. He told the Parks and Recreation Advisory Committee (PRAC) that the park there should be given up for the demo and future commercial use, and he was told by the PRAC that their job was to advocate for parks and to do otherwise would not benefit the community. The Assembly was dealing with boards and commissions with specific missions and they needed direction from the Assembly.

Ms. Crane asked where the seawalk ended. She said that we could proceed with the whale, and not proceed with the park at this time, and work with parks and recreation and docks and harbors, and indicate that we could look at the remaining space and mark off land as a potential for housing and continue the discussion - that was her proposal.

Ms. Gladyszewski confirmed the multi-use building was 10,000 sf (3,000 per floor). She asked if 23 units could fit in that. Mr. Watt said that planners would need to work with a potential PUD and really figure out parking and access. She acknowledged Mr. Watt's comment about providing direction to boards. She said the PRAC supported the development of Bridge Park.

Ms. Troll asked to ask Mr. Coogan a question and Ms. Becker allowed this. Ms. Troll asked about his proposal of 60 units and how was this viable to move forward with the park and statue - how viable was his project, did he have financing, and the timing of the project. Mr. Coogan said the issue was very complicated. The number of units was a key factor for the feasibility of this type of project if privately done. The moment the number of units were reduced there would be diminishing returns. He would have to think about whether residents would want to look at a whale statue and tourists in their front yard. Ms. Troll asked how realistic his project was. Mr. Coogan said he had been talking to Bicknell about a land trade and he had two or three underwriters eager to look at this proposal. Certain key elements were needed for the feasibility. He just read the draft of the Housing Action Plan. If the author was a doctor and CBJ was a patient, CBJ has a serious disease and he was using unequivocal language. There was something missing here with the CBJ departments and the culture shift change should be focused on housing. Show me where there is another parcel of property in the downtown area that has these key elements.

Ms. Troll spoke about a tendency to consider a park and waterfront as a want and not a need. She spoke about the benefits of both and said the whale would contribute to tourism, reduce congestion downtown, and there were needs that the waterfront plan addressed and there were few places in the downtown that were available to the public. She sat in on the Affordable Housing Commission and this project did not come before the AHC, and their job was to advocate for housing. She said she welcomed this discussion as it did merit some consideration but we don't have to discard other needs that the waterfront plan addresses just because housing is a priority. We have used our economic development funds to hire a housing position and this one proposal was not a litmus test of whether the Assembly supported housing or not. She was willing to consider Ms. Crane's proposal. We can reexamine those areas, it may not be at the scale Mr. Coogan proposed, and there was a lot of public need in developing that downtown waterfront plan.

Mayor Sanford said yes, parks were important to the community, but Juneau was surrounded by the Tongass National Forest that was tied up and not able to be used, and in this case CBJ was giving up a prime piece of land that can be used for housing. The seawalk could be in front of a housing unit as it was in front of other private businesses. Have we looked at putting the whale on the habitat island? Mr. Watt said that question had been asked, and he said it was mostly sloped and not big enough to fit the size of the pool. We did not propose it there and the fill permit would significantly increase. Mayor Sanford said an engineer could do that if needed. He said he did not want to get rid of the whale and could support it staying there or moving, but we should look at this as a positive opportunity.

Ms. White acknowledged the difficulty of dealing with an ever changing makeup on the Assembly. She saw 45 years of lip service to the needs for housing and was only hearing all of the reasons why we should not develop housing on this site. If the seawalk was 1.8 miles long, it would be taking people away from the downtown core, and they would not walk in the rain more than a mile. We need to look at housing as much as possible.

Mr. Kiehl said if this proposal would not pencil out at 23 units, it would not happen since the zoning only allowed this density and there would be no rezone with the current comprehensive plan. That was not a change that was made quickly and it was made with the input of the whole community. It was time to start an update of the comp plan - we are trying to do this every other year to be more nimble. Mr. Coogan was correct that it was time to dig into it and do more for housing in the comp plan. He agreed with Ms. Crane's suggestion - we have the seawalk, we have the whale in the plaza, and with this island, we don't have to lock up another piece of tidelands as mitigation. He did not want to lose the Corp permit for a speculative project. He supported looking at the site to see if we 23 units or more could fit. We don't have a proposal to put there tomorrow that would be legal but he was willing to look at changing the law to facilitate development.

Mr. Nankervis said his question to Mr. Coogan was about the number of units - if this would be expensive housing and it didn't pencil out then he didn't want to go down the road to infeasibility. From the audience Mr. Coogan said that was true that it wouldn't pencil out with fewer units than his proposal. Mr. Nankervis said he could support continuing the current bid plan but would support Ms. Crane's suggestion of taking the marine exchange site and move towards the water - perhaps a little more of the greenspace, and doing only the whale sculpture, the seawalk, the island, and not doing any further park development.

Ms. Becker asked Mr. Watt to respond and Mr. Watt said it was not a big deal to modify the bid to remove some of the park elements.

Ms. Gladyszewski said she did support using the area of the marine exchange and some additional lands, but was concerned about providing some landscaping in the area and not just gravel around the Whale. Mr. Watt said staff could make that park element an alternate part of the bid. It was not a material piece of the project.

Mr. Watt said the suggestion of deleting it or making an alternate for the park elements was a choice to make.

Ms. Becker asked how many units could be placed on a piece of land that size. Mr. Watt said there would need to be a process to identify the land, create a single parcel, identify parking, the exchange building was built on the premise that it would support Docks and Harbors, but if this becomes a housing project it would become a different discussion with the D&H Board. You would probably take most of the land from the D&H purview.

Ms. Troll asked if the bid documents could be modified so that the area around the whale could be attractive and it doesn't end abruptly. Mr. Watt said yes.

*MOTION, by Crane, to proceed with the bid for seating the whale and seawalk, but to not proceed with the development of the park land that was originally part of that bid, and that the Assembly*

*begin a process to look at the remaining land in this area to see if there was potential for housing in the area she outlined on the map in the packet. The park land called out around the whale would still be developed.*

Ms. Gladyszewski asked if the park could be an alternate rather than removed completely.

Ms. Kiefer asked the Assembly to look at page 29 and to use 9th street as the line, which made the picture clearer. Mr. Watt said staff would come back with a concept, and would do the work to identify a more specific area and understood the intent of the motion.

Hearing no objection, the motion passed.

**V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS**

**VI. ADJOURNMENT**

There being no further business to come before the committee, the meeting adjourned at 9:24 p.m.

Submitted by Laurie Sica, Municipal Clerk