

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

May 16, 2016 5:00 PM
Assembly Chambers

I. ROLL CALL

Kate Troll, Chair, called the meeting to order at 5:00 pm.

Members Present: Chair Kate Troll; Assembly members: Mary Becker, Jerry Nankervis, and Debbie White

Liaisons Present: Carl Greene, Planning Commission; Bob Janes, Docks & Harbors

Liaisons Absent: Chris Mertl, PRAC

Staff Present: Greg Chaney, Lands Manager; Dan Bleidorn, Deputy Lands Manager; Rachel Friedlander, Lands and Resources Specialist; Scott Ciambor, Chief Housing Officer; Mila Cosgrove, Deputy City Manager; Teri Camery, Senior Planner; Rorie Watt, City Manager

II. APPROVAL OF AGENDA

There were no agenda changes.

III. APPROVAL OF MINUTES

A. April 25, 2016

The April 25th, 2016 minutes will be on the upcoming June 6th, 2016 meeting agenda.

IV. PUBLIC PARTICIPATION

There was no public participation on non-agenda items.

V. AGENDA TOPICS

- A. Request for authorization to enter into negotiations for the sale of Lots 6 & 7 of the Renninger Subdivision with the Alaska Housing Development Corporation

As directed by the Lands Committee, Lands prepared the terms for sale regarding Lots 6 and 7 between the City and Alaska Housing Development Corporation. Mr. Chaney also reviewed the process for this sale. First, the Assembly has to authorize Lands to negotiate, thus the motion of support before the Lands Committee, and once that authorization is approved, the proposal is taken before the Planning Commission, which makes a recommendation, and then the approved proposal is taken back to the Assembly to be authorized with an ordinance.

The Lands Committee unanimously made a motion of support for the Assembly to authorize the Manager to enter into direct negotiations with the Alaska Housing Development Corporation for the sale of Lots 6 and 7 in the Renninger Subdivision, utilizing City financing.

- B. Distribution of Lots in Renninger Subdivision for Pacific Development Group, Educational Home Build partnership, and Prama Inc.

Mr. Chaney briefly reviewed each proposer's lot request (s) within Renninger subdivision. As directed by the Lands Committee, Lands staff devised recommendations for the distribution of lots. Mr. Chaney then reviewed the different allotment options as outlined in the packet materials. Mr. Chaney then directed the Committee's attention to the supplemental materials provided by Prama Inc. and noted that even with these additional materials, he would not change his recommendations. Mr. Chaney then gave two options for staff recommendations:

"If the CBJ agrees to enter into a partnership with the Pacific Development Group, then Option A (as presented in the staff memo) would be the most efficient use of resources."

"If the CBJ determines that the Pacific Development Group's proposal is not appropriate, then allocation of lots within Renninger Subdivision should be reconsidered."

Ms. Becker asked what lot did the Educational Homebuilders Partnership first request and Mr. Chaney replied they have remained committed to Lot 3 all along.

Chair Troll noted that Option A also stresses the need to provide low-cost-or-free gravel in order to make Lot 5 attractive to the Educational Homebuilders Partnership, and pricing it to the same level as Lot 3. Mr. Chaney said for the Lena Subdivision, it was proposed to sell the lot to the Educational Homebuilder Partnership at half price, but the price was reduced to 40% because the Educational Homebuilder Partnership had to build a waste water disposal system. In this case, said Mr. Chaney, all utilities are provided, so using the same logic, if the City would be willing to give Lot 5 for the same price as Lot 3 plus low cost fill, it would be an amazing deal. The advantage of Lot 5 is its large size and that it would extend Educational Homebuild Partnership's development opportunities years into the future, but it would cost more to build there, said Mr. Chaney.

Chair Troll reiterated to the Committee that the decision before them is regarding the allocation of lots within the Renninger Subdivision and that the Committee of the Whole's agenda includes the partnership aspect with Pacific Development Group for discussion.

Mr. Nankervis offered a motion of support for the Assembly to authorize the Manager to enter into direct negotiations with the Educational Homebuild Partnership for the sale of Lot 3 in the Renninger subdivision and requested unanimous consent. Chair Troll asked if there were any objections, and both she and Docks and Harbors liaison Bob Janes objected to the motion (it was later clarified that liaisons do not vote).

Mr. Janes said the Educational Homebuild Partnership prefers Lot 3, and inquired about the implications associated with Lot 2. Mr. Chaney explained they were topography and drainage.

Chair Troll stated the basis of her objection was that single family homes fit better in Lots 2 or 5 rather than being surrounded by multifamily housing. Because there is multifamily housing above Grunening Park, below it would be more appropriate to locate single family dwellings on the edges of the subdivision rather than in the middle. Putting the Educational Homebuild Partnership on Lot 5 would allow for continuous PDG project design. It would provide further benefits by minimizing the cost to PDG and the City. This would also minimize the long term risks for the PDG proposal for PDG & CBJ. There are advantages to Lot 5 and the City could make it attractive for the Educational Homebuild Partnership. Overall it would be better for long term sustainability, said Chair Troll.

Ms. White called forward a representative of the Educational Homebuild Partnership program from the audience. Mr. Justin Fantasia addressed the Committee on the Partnership's thoughts regarding Lot 5. As proposed by the Lands Committee, Lot 5 was of interest, but Mr. Fantasia stated Lot 5 has additional challenges such as wetlands. Although the lot is large, the Corps has only issued a permit for a quarter acre of fill and most of the easily buildable land is restricted by the Corps. The Educational Homebuild Partnership has a clear development strategy for Lot 3, and Mr. Fantasia stated that if Option A is chosen for Renninger, the Educational Homebuild Partnership would do additional research for Lot 5. Mr. Janes asked what percentage of Lot 5 has been approved by the Corps for fill and Mr. Chaney guessed 20%. Mr. Janes said that 20% of Lot 5 isn't too much smaller than Lot 3 and leaves the group a future in creative design and permitting. Mr. Chaney corrected his earlier estimate and said the Corps has permitted 12,000 square feet of fill for the site, which is smaller than 20%. Ms. Becker asked if the challenges to the Educational Homebuild Partnership are worse, better, or different than it would be for Pacific Development, and would Pacific Development have the same challenges as Lot 5, and Mr. Chaney replied that the Pacific Development project is a different type of development project completely, and that the Educational Homebuild Partnership needs are smaller than the 90 unit development of Pacific Development. Chair Troll asked Mr. Fantasia what the group's preference was between Lot 2 and Lot 5 and Mr. Fantasia said Lot 5 would be of more interest as shown in Option B. Chair Troll then reiterated the motion before the Committee, which was to allocate Lot 3 to the Educational Homebuild Partnership as shown in Option B. Mr. Janes stated that without having walked the lot himself, he really felt that Lot 5 is worthy of strong consideration for what it could bring to the program's future. Ms. White said that Lot 5 only has 12,000 square feet of area to build on, which

is less than 10% of the square footage of Lot 3 and that she doesn't think having volunteers and people learning work on wetlands mitigation and drainage issues is a good idea, nor does the Committee know what the Corps is going to do in the future for Lot 5. Ms. White said these reasons are exactly why there is no affordable housing in Juneau. Ms. White also said that the City considering selling these properties for less than what it costs to put in the infrastructure shows why building in Juneau is not affordable. Ms. White then asked how many units were going into Lot 3 and Mr. Fantasia replied 6-8 units and the group has not proposed anything in particular for Lot 5. Ms. White said she is not comfortable putting the students on Lot 5.

Chair Troll directed the Committee to vote on the motion before them, Mr. Greene wished to recuse himself from voting due to conflict of interest, and Mr. Chaney clarified to the Committee that liaisons cannot vote.

Chair Troll- No
Ms. Becker – Yes
Mr. Nankervis- Yes
Ms. White- Yes

Motion passes 3 to 1

The Lands Committee made a motion of support for the Assembly to authorize the Manager to enter into direct negotiations with the Educational Homebuild Partnership for the sale of Lot 3 in the Renninger subdivision.

Chair Troll then directed the Committee to vote on Lots 2, 4, and 5. Mr. Nankervis made the motion for the Lands Committee to forward the discussion about entering into a contract for land sale negotiations with Pacific Development Group regarding Lots 2, 4, and 5 to the Committee of the Whole.

Chair Troll- Yes
Ms. Becker – Yes
Mr. Nankervis- Yes
Ms. White- Yes

Motion passes 4 to 0

The Lands Committee made a motion to forward the discussion about entering into contract for land sale negotiations with Pacific Development Group regarding Lots 2, 4, and 5 to the Committee of the Whole.

C. Presentation of the Draft Juneau Wetlands Management Plan

Ms. Teri Camery, Senior Planner with CBJ CDD, brought forward the Juneau Wetlands Management draft plan to the Committee for a second time. This is by no means the last draft, said Ms. Camery, only the last time the Committee will have a chance to ask the consultants questions before the grant and contract expire June 1st, 2016. CDD will continue working on the draft wetland management plan internally and will bring it forward to the Lands Committee and other entities in 2-3 months. Ms. Camery said all major changes made in September 2015 have been incorporated.

Chair Troll asked for a short presentation to be given by the consultants working on the draft plan. Mr. Paul Adamus gave a brief overview of the issues associated with construction within wetlands in Juneau.

Ms. White said it seems like the City has invited more tools, like the draft management plan, to prevent development. Mr. Chaney said what the City has received from the plan is knowledge of 'what's out there', and the plan doesn't change the law either way. When staff looks into the development of a subdivision, the first item needed is a wetlands assessment, said Mr. Chaney. This federal grant has allowed the CBJ to map all developable property so that when staff apply to

the Corps for wetland fill, there is already knowledge on the wetlands in question, said Mr. Chaney. Ms. White asked if this tool will be available to the public and both Mr. Chaney and Mr. Adamus replied yes. Mr. Adamus said the plan doesn't have a slant for pro or con development, and decisions will be made on the wetlands based on science and policy. Mr. Nankervis asked if the study area was mostly CBJ land and Mr. Adamus replied yes, and that back in the '80s the study area included more private land. Mr. Nankervis then asked if the study area included fresh water wetlands and Mr. Adamus replied that this study includes both fresh water and estuary wetlands. Mr. Nankervis finished by saying that with the new LIDAR data, 54% of the study area was considered wetlands. Mr. Nankervis further inquired about the previous study area versus the location of this study area and Mr. Adamus replied the plan encompasses a different study area with very little overlap. Ms. Camery then reiterated that the draft wetland management plan will be coming to the Assembly for multiple revisions and that this presentation was just the final time to speak with the consultants before the grant and contract expire. Chair Troll thanked the consultants for their presentation.

D. Alaska Power and Telephone request to acquire CBJ Park property for communications cable

Mr. Chaney presented maps to demonstrate a boundary issue regarding a request to install a fiber-optics cable on CBJ property. Mr. Bleidorn added that Alaska Power and Telephone Company came to the City for a lot line adjustment to correct the existing encroachment on City property and to include this utility easement, and Mr. Bleidorn noted that the City-owned Parks and Recreation property already has two existing easements that run through it.

The Lands Committee approved a motion of support to the Assembly for further consideration of this application by direct negotiations with the original proposer.

Chair Troll requested that the next steps for this project happen concurrently rather than sequentially so that Lands Committee could move things along and Mr. Chaney replied Lands will do what it can while following the code.

E. Summary of Air Quality monitoring program for 2015-2016 winter

Mr. Chaney gave a brief presentation and said overall the CBJ Air Quality monitoring program has been very successful.

VI. STAFF REPORTS

Mr. Chaney let the committee know that 4 out of 5 Lena lots had apparent high bidders on them and that it was a successful land sale.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

There were no committee member/liaison comments.

VIII. ADJOURNMENT

The meeting was adjourned at 5:51 pm.