

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

January 11, 2021, 5:00 PM.

Zoom Webinar/Virtual Meeting Only

Lands Housing and Economic Development Committee. You are invited to a Zoom webinar.

When: Jan 11, 2021 05:00 PM Alaska Topic: Assembly Lands Housing and Economic

Development Committee Please click the link below to join the webinar:

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I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

- A. December 7, 2020 Draft Minutes

IV. PUBLIC PARTICIPATION

(Not to exceed a total of 10 minutes nor more than 2 minutes for any individual).

- A. Those participating via telephone can press *9 or those that are on Zoom can use the raise their hand function to participate.

V. AGENDA TOPICS

- A. Downtown Tax Abatement
- A. Downtown Tax Abatement Presentation

VI. STAFF REPORTS

- A. Housing Action Plan Update
- B. Parking Fee in-Lieu (verbal update)

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

VIII. SUPPLEMENTAL MATERIALS - RED FOLDER ITEM

- A. Downtown Tax Abatement Presentation

IX. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

**ASSEMBLY STANDING COMMITTEE MINUTES
LANDS AND RESOURCES COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
December 7, 2020, 5:00 P.M.
Zoom Webinar Meeting**

I. ROLL CALL

Chair Gladziszewski called the meeting to order at 5:00pm.

Members Present: Chair Maria Gladziszewski, Wade Bryson, Alicia Hughes-Skandijs, Greg Smith

Members Absent: none

Liaisons Present: Chris Mertl, Parks and Recreation, Dan Hickok Planning Commission, Chris Dimond, Docks and Harbors

Liaisons Absent: Dan Hickok Planning Commission, Chris Dimond, Docks and Harbors

Other Assembly Members Present: Mayor Beth Weldon, Loren Jones, Carol Triem

Some Members of the Public Present: KTOO representative, KINY representative

Staff Present: Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Jill Maclean, CDD Director; Scott Ciambor, Chief Housing Officer; Rorie Watt, City Manager; Beth McEwen, City Clerk; Jeff Rogers, Finance Director; Robert Palmer, City Attorney

II. APPROVAL OF AGENDA

Agenda was approved as presented.

III. APPROVAL OF MINUTES

November 9, 2020 Draft Minutes were approved.

IV. PUBLIC PARTICIPATION

Those participating via telephone can press *9 or those that are on Zoom can use the raise their hand function to participate. No public participation.

V. AGENDA TOPICS

A. Discussion of Committee Scope

Chair Gladziszewski opened up this topic for discussion of alternatives for the Lands Committee including a proposed name change for this committee “the Lands, Housing, and Economic Development Committee”. Alternatives include dissolving the Lands Committee and move its work elsewhere, changing the scope of the committee or a discussion on what this committee should focus on. The proposal adds the promotion of a vibrant and diverse local economy. This already had promotion of housing in its scope, as outlined in items (a) through (d) on page 6 of the agenda packet. The Assembly goals have been adopted and can be included in this discussion.

Mr. Bryson asked how much resources, time, energy, printing material, go into every Lands or Public Works meeting and what additional costs go into every Lands Committee meeting. Mr.

Watt replied that this was a difficult question. There is the production of the packet after the agenda items have been established, and there is a lot of time figuring out what to present to the Assembly, how much information is relevant, what their role is, and determining if the item is a one meeting topic or will require multiple meetings. This question also depends on the Assembly's engagement. The mechanics of the packet, printing and putting it together are relatively straightforward, but only if we know where we are heading with the packet. It is trying to align the Assembly's expectations with the right amount of information. Mr. Bryson followed up to ask that if there was no Lands Committee and that responsibility was divided up, how often now does a topic go to both the Lands Committee and Public Works or does a topic often stop in both places or are some items usually just Lands specific. If this committee were reduced, would that make it more expedient for staff to head in the right direction with less points of contact with the Assembly and would that make it more efficient or slow things down for staff. Chair Gladziszewski commented that her recollection from being on Public Works was that it was not very often that items overlapped. Mr. Watt replied that rarely does something go to both committees. Mr. Watt noted that over the years, we have become less disciplined at working in subgroups and if Lands Committee were to be eliminated from a staff perspective, they would be frustrated. Staff has many things they want to work on and get in front of the Assembly to move things forward. Not every Assembly member has the time or inclination to become an expert on every issue but by breaking into work groups an Assembly member that wants to be part of an issue should show up and make their ideas known so that smaller committees can deliver a finished product to the Assembly.

Mr. Smith likes the proposed name for the Committee and focusing on housing and economic development makes sense in that the smaller work group effort of the committee is a good way to move forward and is in support of the changes.

Ms. Hughes-Skandijs noted that looking at the short-term goals, the name change is fine and it goes along with the outlined initiatives, gives the Committee more ownership, and feels that this is the correct scope for this Committee.

Chair Gladziszewski commented that she wanted to make sure we had this conversation in that is we need a committee then to have one otherwise we should not have one. It sounds as though everyone agrees this is good work and everyone agrees to continue on this way.

Mr. Mertl commented that as a liaison, a lot of the issues had previously been about land and if the goal and intent now to start focusing on economic development and financing proposals that come through the committee, as a liaison, what would our roles and responsibilities be as we change to include more economic development. Chair Gladziszewski commented that we also need to discuss whether the three current liaisons are still needed, do we need more, less, or different representation. If the proposed work is to be conducted, who needs to be at the table. It sounds like the Committee is in agreement about the proposed work and if we do the outlined work and highlighted Assembly goals how would that reflect on the liaisons. Mr. Mertl followed up by asking what the Chair anticipates coming to this Committee for economic discussion beyond land issues and what the role of the Committee would be as far as economic development. Chair Gladziszewski replied that Assembly had paid tens of thousands of dollars a few years ago to write plans for economic development and for a housing action plan and the Assembly would want this Committee to work through those plans and try to move those forward. This is not the Lands Committee anymore and if decided, would be the Lands, Housing and Economic Development Committee.

City Clerk Beth McEwen asked if there would be any language in the resolution in regards to the liaisons as the Assembly has liaisons assigned to Enterprise Boards and none of the standing committees mention that liaisons serve on standing committees. Having it spelled out would be helpful for clarity purposes.

Mr. Bryson asked if we are setting the rules for liaisons to stipulate what is expected of them. Chair Gladziszewski commented that this should be discussed in the Human Resources committee as that is the behavior of the liaisons and commented that we should defer the discussion about liaisons at a later committee.

Motion passed for the Lands Committee to introduce a resolution to the Assembly to change the name to the Lands, Housing, and Economic Development Committee and to add a new subsection, (e) Promotion of a vibrant and diverse local economy.

B. Application to Acquire Telephone Hill Properties

Mr. Bleidorn discussed this item. In 1984, the City and Borough of Juneau and the State of Alaska, through DOT&PF, entered into a Cooperative Use Agreement for the Telephone Hill property in which the City provided \$2M for the State's purchase of the Telephone Hill properties for possible location for a new State Capitol. This agreement was amended in 2008 in order for the City to build the parking garage and transit center. The amendment allowed for the City to lease the land located at Telephone Hill in order to build the transit center and garage with the intent that the State would work with the City to convey ownership at a future date.

In December of 2019, the Committee of the Whole was informed of the Governor's Property Disposal Directive Report and agreed that staff should pursue acquisition of the property. The next step in this process is for the Assembly to pass a Resolution in favor of the City Manager submitting an Application for the land.

A motion of support from the Lands Committee for a resolution in favor of the City applying to acquire the Telephone Hill properties from the State passed.

C. Downtown Tax Abatement

Scott Ciambor and Jill Maclean discussed this item from the Housing Action Plan. Mr. Ciambor noted that this was a continuation of the same topic discussed back in August of this year. The Upstairs Downtown Housing item was an inventory project designed to dive a little deeper into housing issues downtown. In the packet there is a draft downtown housing tax abatement ordinance, a memo on the update of Anchorage's Downtown Tax Abatement Program, and discussion on the downtown fee and lieu map. All of these items impact the Assembly goals for 2021 and implement components of the Economic Development Plan, the Housing Action Plan in regards to housing downtown, and the Affordable Housing Fund. During the Upstairs Downtown Housing Inventory, there has been a lot of encouragement for housing development over the years and the need for development. Challenges that have been identified and re-identified with the need to take substantial action for housing development. Some strategies that have been identified in the Housing Action Plan include setting a goal for the number of downtown units; inventory of the vacant, blighted, and abandoned housing units; reviewing the

parking ordinance to promote development; implement a blighted area ordinance; market development opportunities to outside developers and financiers or provide land, such as 2nd and Franklin; and to develop incentives to upgrade and develop housing units.

Ms. Maclean gave an update on the Upstairs Downtown Housing Story Map project from August. This was the downtown inventory that the Assembly had asked CDD and Housing to look at, the upstairs of the structures of the downtown area. Key points from this exercise include that there are only 181 housing units in the study area, which has the characteristics of a business district; the demographics in downtown housing are 18 – 49 year olds; since 2017, there have been no new housing units developed in the study area; the age and condition of the buildings continue to be pros and cons; the majority of the properties are locally owned; significant barriers to housing development include the avalanche and mass wasting zones, flood zones and parking; and there are 37 short-term rentals currently registered on Airbnb/VRBO. These are all pre-COVID numbers. Chair Gladyszewski asked about the 181 units, where are they located and what about the properties that used to be housing. Ms. Maclean replied that these are just current units with housing including Franklin Street, Marine View to the Willoughby District and up the hill to Fourth Street to include the Mendenhall Apartments.

The Planning Commission Title 49 Subcommittee (T49) continues to meet to review parking recommendations for downtown parking requirements. T49 has a meeting set for December 17, 2020. Staff anticipates T49 making a recommendation to the Commission COW at this meeting, which would likely occur in January. Main items that are being looked at are to revise the fee and lieu (FIL) district and to review and revise the parking waivers. Parking waiver revisions include eliminating the PD1 and PD2 overlay districts; keeping the FIL overlay district; use the FIL boundary for the FIL and parking waiver district; update the parking waivers borough-wide to streamline the process; and to revise the parking waivers to have an automatic reduction.

Ms. Hughes-Skandijs asked for an explanation on parking. For example if I needed 100 parking spaces, then 25 would fall under the reduction percentage. Ms. Maclean confirmed that you would still be responsible for the 25 parking spaces for the downtown core and you would pay the FIL on the 25 spaces.

Mr. Bryson commended staff for trying to streamline the rules but noted that there was still a problem with lack of available spaces to park downtown and asked how have developers and contractors responded to the parking language. Ms. Maclean replied that this proposal has not happened yet and the number one recommendation coming out of T49 is that the Assembly direct staff to look at parking management and the parking system. Staff believes that there is a perception that there is not enough parking downtown, in that it may not always be possible to park right outside of the building one wants to enter. In larger cities, such as Seattle or Vancouver there is not a perception that you can park right outside of the building you want to enter, or even in the Valley where you would park outside of the mall. The idea is that the fees will go into the general fund and if we end up needing surface parking the funds would build up.

Mr. Ciambor discussed Downtown Tax Abatement. This model is similar to the Anchorage Downtown Tax Abatement program with key differences being the type of housing eligible for exemption are projects that add new residential units of 4 or more and the targeted area for tax abatement in the FIL parking district. The reporting of the use and effectiveness of tax abatement will be part of the implementation. The five key areas of putting together a tax abatement program include what types of housing is available, what is the targeted area, the

length of the tax exemption, what is the tax exemption coverage, and is there an affordability requirement. The tax abatement will be on new units only that are determined with a formula of the assessed value and a portion of that would be exempt for a period of 12 years. The target area downtown for FIL includes the housing inventory area and extends to the Willoughby District, and encompasses the downtown core.

Mr. Smith asked what new units meant. Ms. Maclean replied that new for the purposes of tax abatement means a unit that had not previously existed as housing, which could also include a housing unit that was condemned or new development. Units that fall under the Upstairs Downtown that need renovating would more appropriately fall under the Housing Fund.

Mr. Bryson recommended holding this item in Lands to continue with work on this item and to discuss any unintended consequences and the area of parking has still not been solved. Chair Gladziszewski agreed that we should spend time on this item and the Housing Action Plan at the next meeting. Ms. Maclean commented that if we bring this item back there should also be a discussion on the Housing Fund, as one item works for new units and the other the Housing Fund is local and under the Assembly's authority and has the ability to be pushed out to the private sector to renovate buildings.

Mr. Mertl wanted parking to be discussed as a continued topic as there may be a perception issue with parking but there are challenges to parking downtown and its management.

Mr. Smith wanted to know more about the Historic Tax Credit and what are the incentives currently to develop housing to add to the next meeting.

Staff requested a motion of support for the Assembly to adopt an ordinance initiating a Downtown Juneau Tax Abatement program as presented. No motion issued, the topic will be continued at the next Lands Committee Meeting on January 11, 2021.

VI. STAFF REPORTS

A. Mendenhall Valley Air Quality Program Update (verbal)

No time for discussion.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

No comments or questions.

VIII. ADJOURNMENT

Chair Gladziszewski adjourned the meeting at 5:58 PM.


MEMORANDUM



155 S. Seward St. Juneau, Alaska 99801
 Scott.Ciambor@juneau.org
 Voice (907) 586-0220
 Fax (907) 586-5385

Date: January 7, 2021

TO: Lands and Resources Committee

FROM: Jill Maclean, AICP, Director, Community Development Department
 Scott Ciambor, Chief Housing Officer 

Re: Downtown Tax Abatement

Dear Lands and Resource Committee:

The Assembly requested that Staff develop a downtown tax abatement Ordinance after reviewing the adopted Housing Action Plan and Juneau Economic Development Plan.

Housing remains at the top of the adopted Assembly Goals for 2021. The proposed tax abatement program would be an active step towards encouraging new housing in Downtown.

This memo provides follow-up information to questions about Downtown Tax Abatement that came from the December 7, 2020 Lands Committee meeting.

The proposed Downtown Tax Abatement Ordinance (Attachment C) would include tax abatement for 12 years on the increased value of property for projects with at least 4 new units in the fee in lieu target area. (Attachment D) As drafted, the tax abatement would only be available for new units being constructed and tax abatement would only begin upon receipt of a certificate of occupancy.

Cost Analysis of Downtown Tax Abatement Incentive

The draft ordinance specifies how the magnitude of exemption would be calculated. Attached is an example to illustrate the cost to the CBJ and how it would be calculated (Attachment A).

Assembly Comments

Since the Assembly began discussing tax abatement for housing development, there have been a number of comments and concerns regarding this type of a program. Below is a summary of the previous comments and concerns with additional notes.

- Comment 1: Opposition to any form of tax reduction no matter the purpose or intended community outcome.
- Comment 2: The cost to CBJ would be too great.
 - Note: Tax abatement would only apply to the increased value of the property.
 - Note: Any reduction in property tax would be off-set by development of housing and future property tax from additional units created once the 12-year period ends.
 - Note: Tax abatement isn't realized until after the property value has increased.

- Comment 3: CBJ does not have a housing problem that warrants this incentive.
 - Note: There have been 3 new units developed in this proposed area in the past 5 years.
 - Note: Multiple adopted City plans have stated that tax abatement is a valid tool to increase housing stock.
 - Note: Housing development in Juneau is expensive and difficult. Tax abatement incentives are common throughout the country in similarly expensive markets. Preliminary research on other programs was provided at the [April 18, 2018 assembly Finance Committee meeting](#). An Anchorage Downtown Tax Abatement Program update was provided at the [December 7, 2020 Lands Committee meeting](#).
- Comment 4: An argument that developers are looking for a handout.
 - Note: Housing development in Juneau is expensive and difficult. CBJ has provided numerous incentives, grants, and loans to facilitate needed housing development in the past. (See attached list of incentives)
 - Note: Adopted plans recognize tax abatement as a tool to be used to facilitate housing development.
 - Note: A tax abatement incentive would be applicable to all property owners/developers in the targeted area with the goal of adding additional housing that otherwise would not exist.
- Comment 5: Why is downtown targeted? Housing is expensive to develop borough-wide.
 - Note: Downtown housing development has been stalled for years and housing units are key to having a healthy vibrant downtown.
 - Note: Other CBJ incentives exist to meet other housing goals Borough-wide. (See attached list of incentives)
- Comment 6: What about rehabilitation of existing properties?
 - Note: Tax abatement is not a catch-all for stimulating housing downtown. Staff are concurrently working on ways to utilize the Juneau Affordable Housing Fund to meet other housing needs, including rehabilitation of existing housing units downtown.
- Comment 7: Concerns over number of participants in the downtown tax abatement program.
 - Note: Downtown tax abatement would apply to a portion of taxes on the increase in value only. Taxes would still be collected on the other square footage of the property and for a small portion of the new increase in value.
 - Note: Housing Action Plan encourages significant and diverse housing development downtown. The Main Street USA initiative (2017) indicated up to 400 new units to revitalize downtown and provide housing for younger and future generations.
 - Note: Given the cost to develop housing, the downtown tax abatement incentive may not be enough to bridge the financing gap in some projects. A longer tax abatement period or another incentive may be necessary for larger projects.
 - Note: If the amount of incentive is a concern, the Assembly could look at other options such as cap the amount of incentive per year, or sunset the program after a certain date.

Where Does Downtown Tax Abatement Fit as a City Housing Strategy?

Downtown tax abatement is one tool to incentivize housing development, focusing on new unit creation in the fee in-lieu parking district. A table of existing CBJ housing incentives is included in the packet to show where it fits among other targeted incentives. (Attachment B)

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Renovation projects are less easily supported through a tax abatement program. In order to qualify under the authorizing State Statute, a renovation project would only constitute economic development (and be eligible for tax abatement under a local code) if the units were uninhabitable (condemnable). An old building that had units that were vacant or unoccupied because they were worn and fell short of a rentable standard would not be eligible for tax abatement as these types of units would not constitute economic development.

Determining the tax abatement benefit in existing buildings would not be particularly easy for two reasons. First, the units would have to be found uninhabitable and second, because the increased economic development value would have to be determined by subtracting the pre-renovation value from the post renovation value, introducing an additional layer of subjectivity. Additionally, building owners that have maintained their buildings in good order may complain that this benefit would be conferred to owners who failed to invest in their properties. The Municipality of Anchorage did not include renovation projects in their tax abatement Ordinance. (Attachment E) All things being equal, tax abatement does not appear to be a good tool to encourage renovation of old buildings.

Staff are concurrently working on ideas to utilize or reconfigure the Juneau Affordable Housing Fund to meet other housing needs, including rehabilitation of existing housing units downtown.

Recommendation

Staff request a motion of support to the Assembly for adoption of a Downtown Tax Abatement Program. The Committee may or may not wish to suggest changes to the key features which are:

- A. Term - 12 Years
- B. New Construction creating 4 or more units.

Downtown Housing Tax Abatement Case Study

This hypothetical property is located in the "fee in-lieu district". It has four floors of residential apartments consisting of 37,724 square feet and one floor of retail, office and lobby space consisting of 9,862 square feet. The assessed value of the building on this property is \$2,566,100 with a total of 47,586 square feet.

After application and approval for the tax abatement incentive, the owner of this property added two floors of residential units consisting of 18,862 square feet. The total square footage of the building on this property is now 66,448. No other improvements or updating were made to this building. The new assessed value of the building is \$4,687,800.

	Existing Building	Additions	Totals with new units
Residential	37,724 sq. feet	18,862 sq. feet	56,586 sq. feet
Retail, Office, and Lobby	9,862 sq. feet		9,862 sq. feet
Total Square Footage	47,586 sq. feet		66,448 sq. feet
Assessed Value	\$2,566, 100		\$4,687,800

The exemption will be calculated as follows:

$$18,862 / 66,448 = .28 \text{ or } 28\%$$

The total assessment of \$4,687,800 x .28 = \$1,330,684 (reduced taxable value)

Full Exemption

If the mill rate is 10.66, the tax savings to the property owner will be \$14,185.09 (\$1,330,684 x .01066).

If the assessed value and the mill rate remain unchanged, the property owner would save \$170,221.08 (14,185.09 x 12) in reduced property taxes over a 12-year period.

Factoring in School Bond Debt Reimbursement

To factor in school bond debt reimbursement, the tax abatement ordinance becomes a partial exemption for the property owner.

If the mill rate is 10.66, it would be reduced to 8.01 to cover school bond debt reimbursement. The savings to the property owner at this level will be \$10,658.78 (\$1,330,684 x .00801). If the assessed value and the mill rate remain unchanged, the property owner would save \$127,905.34 (\$10,658.78 x 12) in reduced property taxes over a 12-year period.

This means that CBJ would receive some tax revenue from the new units during the 12-year tax abatement period. (\$3,526.31/year; \$42,315.75 over 12 year period)



CBJ Housing Development Incentives: Grants and Loan Program (2021)

Grants and Loans (2021)	
Accessory Apartment Incentive Grant Program	\$6000 grant for single-family homeowners that add an accessory apartment to their home; grant received after certificate of occupancy. 2015-17 pilot program: 12 users 2018: \$480,000 for five years
Mobile Home Loan Down Payment Program	\$100,000 revolving loan funds available. For residents with median household income less than \$96,800 , 1% loans area available up to \$10,000. 2017-2020: Average of four loans per year.
<i>Juneau Affordable Housing Fund (draft)</i>	Qualifying projects are eligible for grants and loans up to \$50,000 per affordable or workforce housing unit created, or for other eligible uses on a similar per unit basis. For profit-developer projects utilizing JAHF funds for workforce housing must reserve at least 20% of units for tenants with gross incomes at 80% or less AMI for at least ten years or the life of the loan. <i>In progress: Target Round 1 funding round in 2021</i>
COVID-19 Short-Term Rental Assistance (Alaska Housing Development Corporation)	\$200,000 in CARES Act funds set aside for households impacted by COVID-19 due to loss of employment or inability to cover rent . Level of assistance based on application/documentation of need. May 2020-Jan. 1, 2021
COVID-19 Housing Assistance Grant Program (Catholic Community Services)	CARES Act funds to assist with rent and mortgage payments between \$1500 and \$2500 per qualifying household . Utility assistance up to \$500. October – December 2020
COVID-19 Individual Assistance Grant program (Catholic Community Services)	CARES Act funds to help qualifying individuals pay for basic needs like food, healthcare, transportation, utilities, and housing. Up to \$2000 based on income. October-December 2020
Individual Housing Projects	Juneau Housing First Collaborative 2015, 2018 (Phase I and II), Cold Weather Emergency Shelter Contract(2017-), Torrey Pines Development Senior Assisted Living Project (2020), Glory Hall Emergency Shelter (2020)

CBJ Housing Development Incentives: Real Property Tax Incentives (2021)

Real Property Tax Incentives (2021)	
Subdivision Property Tax Abatement	Property taxes derived from the increase in assessed value and directly attributable to the subdivision of a single parcel of property into three (3) or more parcels and any improvements made to the property necessitated by its subdivision may be exempted for a maximum of five (5) years. In place as of January 1, 2016.
Low-Income Housing Tax Credit	Alaska Statute 29.45.110 provides that an owner of property that qualifies for a low-income housing credit under 26 U.S.C. is entitled to an assessed valuation based on actual income derived from the property, exclusive of the tax credits.
Senior Assisted Living Tax Abatement	At least 15 new residential units of assisted living for senior citizens to qualify. The taxes eligible for exemption under this section are those attributable only to the newly constructed residential units exclusive of previously existing residential units (whether remodeled or not), all nonresidential improvements, and land.
Historic Property Rehabilitation	For four tax years, that part of designated historic property equal in value to the cost of qualifying repairs and rehabilitation as provided in section 69.10.025, but not exceeding \$20,000.00; provided that any qualifying repairs and rehabilitation for which an exemption has been granted under subsection (5) of this section shall not be eligible for an exemption under this subsection; and provided further that the total of the exemptions granted under subsection (5) and this subsection may not exceed \$20,000.00;
<i>Downtown Housing Tax Abatement (draft)</i>	At least 4 new residential units developed downtown in the fee in-lieu of parking district. The taxes eligible for exemption under this section are those attributable only to the newly constructed residential units exclusive of previously existing residential units (whether remodeled or not), all nonresidential improvements, and land.
Miscellaneous	Conservation easement, senior citizen and disabled veteran hardship exemption, and permanently affixed mobile homes treated as real property



Historic CBJ Housing Development Grant and Programs (1978-1994)

Project/Program	Example	Terms
Juneau Rental Housing Stimulation Program (1982)	Hugh Grant (For-profit developer) Harbor Heights Apartments 27-units 3444 Nowell Ave.	\$326,067 zero interest loan (2018 dollars - \$869,931) <ul style="list-style-type: none"> At least 20% of units must be reserved for tenants with gross incomes at 80% or less AMI for the life of the loan. Monthly Repayment: July 1987 to June 1995. Escalating from Year 1 at \$2400 to \$4300/month in 1995.
Juneau Affordable Housing Loan Program (1992)	Alaska Housing Development Corporation (Non-profit developer) Orca Point 41 multi-family apartments 1 & 2 bedrooms 80% AMI and below	\$200,000 zero interest loan (2018 dollars- \$364,356) for: <ul style="list-style-type: none"> \$40K for permitting \$45k for architectural/engineering fees \$10 K for tax credit carryover \$4k for project appraisal \$100K for site development/construction Repayment deferred for ten years Years 11-21: Annual \$20,000 payment. (0% loan)
State of Alaska Department of Administration Grant (1994)	St. Vincent DePaul (non-profit developer) 12-unit transitional housing. 8617 Teal Street	\$212,000 grant dispersed upon invoice during construction period. (2018 dollars - \$364,819)
Housing Rehabilitation Loan Program (1978 version and 1998 version)	1998: The rehabilitation loan program is intended to encourage and facilitate the improvement of residential properties to meet City and State health and safety codes. \$300,000 available for low-income families from CBJ with \$600,000 local match from local lenders.	1998-2000: 14 properties utilized program. 1978: Community Development Block Grant award of \$400,000 was utilized as CBJ match. (Behrends Bank)

Presented by:
Introduced:
Drafted by:

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-xx

An Ordinance Providing for a Property Tax Abatement Program to Incentivize the Development of Housing in Downtown Juneau.

WHEREAS, Alaska S.B. 100 gave municipalities the option to provide tax exemption or deferral for economic development property; and

WHEREAS, consideration of the use of tax abatement incentives to encourage development of workforce, senior, and downtown housing is included in the Housing Action Plan and Juneau Economic Development Plan; and

WHEREAS, a 2020 Assembly Goal is to “develop downtown housing incentives including tax abatement.

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. CBJC 69.10.023 Property tax incentives for economic development property, is amended to read:

69.10.023 Property tax incentives for economic development property.

(a) *Purpose.* This section authorizes property tax exemptions for the following on a property that meets the definition of economic development property in A.S. 29.45.050(m):

- (1) At least fifteen new residential units of assisted living for senior citizens. The term residential units includes the assisted living residential units for senior citizens and only those building spaces that are necessary and incidental to the assisted living of senior citizens that qualify for inclusion in the exemption like common space, support space, and shared facilities. A residential unit qualifies for the exemption even if a non-senior citizen resides in the unit with a senior citizen.
- (2) At least four new residential units in the downtown Juneau area, which is an area defined by xxx.

(b) *Location.* The property is located entirely within the urban service area as defined by Title 49.

(c) *Exclusions.* Repair and rehabilitation property as defined in CBJC 69.10.025 for which an exemption application has been filed or granted is not eligible for this housing tax incentive. Submission of an application for exemption pursuant to this section shall automatically terminate any existing CBJC 69.10.025 application or designation for the property.

(d) *Application.* An application for an exemption under this section shall be made in writing to the Assessor's Office prior to issuance of a building permit for the residential units. Applications made after issuance of a building permit for the residential units shall not be accepted, or rejected if accepted. The application shall at a minimum contain the following:

- (1) *Name.* The name of the applicant;
- (2) *Address.* The legal description and street address of the property for which the application is made;
- (3) *New residential units.* Drawings of the residential units that the applicant will construct, including a floor plan that includes approximate square footages;
- (4) *Existing structures.* Drawings showing the square footage of all existing structures and structures to be constructed on the property;
- (5) *Increase in residential units.* Plans showing the construction will increase the total number of residential units on the property;
- (6) *Acknowledgement of liability.* Applicant acknowledges that the residential units will be taxable if and when the residential units are no longer eligible for tax exemption under this section; and
- (7) *Economic development property justification.* A narrative describing how the application qualifies as economic development property consistent with A.S. 29.45.050(m).
- (8) *Other information.* Other information as may be required by the Assessor.

(e) *Provisional approval.* The Assessor shall provisionally approve an application for tax exemption if

- (1) The applicant submitted a complete application; and
- (2) The applicant acknowledges it must
 - (i) Construct not less than the required residential units in accordance with the plans and drawings submitted with its application; and
 - (ii) Increase the total number of residential units on the property in order to receive final approval under this section.

(f) *Final approval of exemption.* The Assessor shall finally approve an application for tax exemption if

- (1) The applicant has completed construction of residential units in accordance with the plans and drawings submitted with its application and a Certificate of Occupancy has been issued pursuant to Title 19 for each structure that contains a residential unit described in the application; and
- (2) The total number of residential units on the property has increased.

(g) *Magnitude of exemption.* Consistent with this subsection, the total potential exemption shall not reduce the amount of taxes below the amount levied on other property for the school district's required local contribution under A.S. 14.17.410(b)(2). The taxes eligible for exemption under this section are those attributable only to the newly constructed residential units exclusive of previously existing residential units (whether remodeled or not), all non-residential improvements, and land. Except as provided by subsection (m), the magnitude of exemption shall be determined on a spatial basis as follows: the square footage of the newly constructed residential units shall be divided by the square footage of all structures on the property, then multiplied by the assessed value of all improvements on the property and by the mill rate applicable to the property.

(h) *Duration of tax exemption.* Tax exemptions approved under this section shall be for a period of 12 consecutive years beginning on January 1 of the first full calendar year after final approval of the application.

(i) *Recording of exemption.* The Assessor shall memorialize the terms of an exemption granted under this section in a memorandum recorded in the Juneau Recording District and kept on file in the Assessor's Office.

(j) *Termination of exemption upon reduction in number of residential units.* An exemption granted under this section shall terminate immediately if and when the number of residential units on the property is less than the number existing at the time of final approval of the application under this section. An exemption granted under this section does not terminate if the property or residential unit is sold and the new owner continues to comply with this section.

(k) *Appeal.* Any decision of the Assessor under this section may be appealed to the assembly in accordance with CBJC 01.50.

(l) *Annual compliance and status report.* Not later than March 31 of each year, the owner of the property for which an exemption has been granted, shall file with the Assessor a report with the following information:

- (1) *Occupancy.* A statement of occupancy and vacancy of the residential units for the prior twelve (12) months;

- (2) *Residential units remain as described.* A certification that the newly constructed residential units described in the application continue to exist and have not been converted to a non-residential use;
- (3) *Further changes.* A description of physical changes or other improvements constructed since the last report or, on first report, since the filing of the application; and
- (4) *Additional information.* Any additional information requested by the Assessor.
- (m) *Late-file penalty.* The failure for the owner to file the annual compliance and status report by March 31 shall result in ten percent reduction of the taxes exempted in the prior year.
- (n) *Definitions.* In this section, the following definitions apply:

Previously exempt property means real or personal property exempt under CBJC Title 69 in the prior calendar year but taxable in the next calendar year.

Residential unit means a dwelling unit as defined by CBJC 49.80.120 and is either owner-occupied or only leased for periods of at least one month.

Senior citizen means a person who is:

- (1) Sixty-five years or older; or
- (2) At least 60 years of age and the widow or widower of a senior citizen who qualified for an exemption under AS 29.45.030(e) and CBJC 69.10.020(1)(A)(i) and (ii).

Widow or widower means a person whose spouse has died and who has not remarried.

Assisted living means a facility providing housing and institutional care for people unable to live independently or without assistance. Assisted living includes facilities that provide nursing care services.

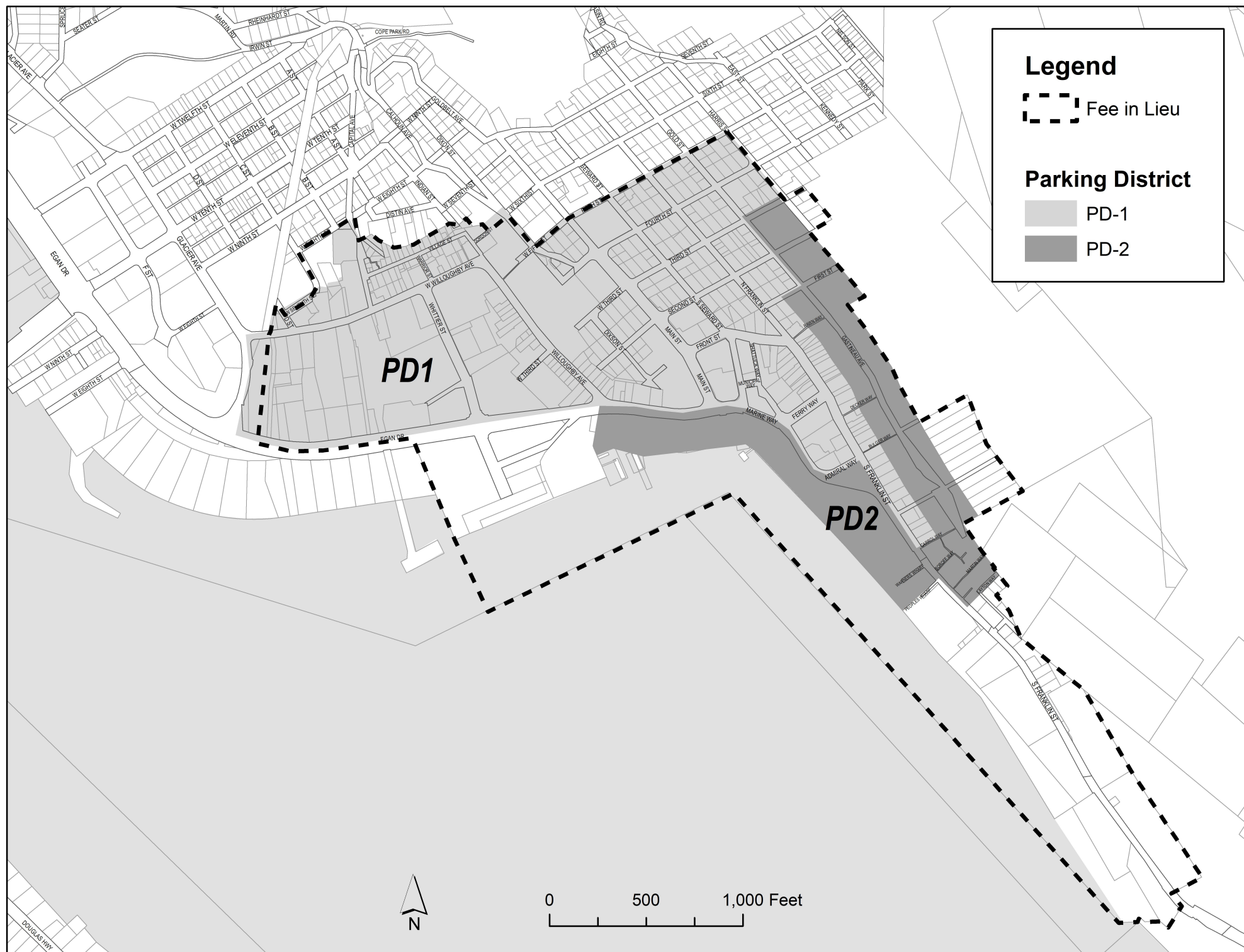
Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ____ day of _____, 2020.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk





MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

No. AM 25-2019

Meeting Date: January 15, 2019

From: MAYOR

Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY TO INCENTIVIZE THE CREATION OF HOUSING IN THE CENTRAL BUSINESS DISTRICT BY AMENDING ANCHORAGE MUNICIPAL CODE TITLE 12 TO ADD A NEW CHAPTER 12.60 TAX INCENTIVES FOR HOUSING; AMENDING THE FINE SCHEDULE IN ANCHORAGE MUNICIPAL CODE SECTION 14.60.030 TO INCLUDE FINES FOR VIOLATIONS OF RELATED REPORTING OBLIGATIONS; AND AMENDING COMPUTATION OF THE MAXIMUM ATTAINABLE TAX REVENUE UNDER THE TAX CAP, ANCHORAGE MUNICIPAL CODE CHAPTER 12.25.

State law governs the Municipality's ability to grant property tax exemptions. In particular, Alaska Statute 29.45.050(m) permits municipalities by ordinance to "partially or totally exempt all or some types of economic development property" from taxation.

In 2017 the Alaska Legislature amended AS 29.45.050(m) and granted increased flexibility in utilizing property tax exemptions to achieve specific community development outcomes, such as increased housing production, if doing so will "enable[] a significant capital investment in physical infrastructure that (i) expands the tax base of the municipality; and (ii) will generate property tax revenue after the exemption expires."

Over the past several years, housing demand surveys conducted by Anchorage Economic Development Corporation have consistently shown that "downtown" is the "#1 neighborhood where people want to live." However, the costs of land and construction in downtown make it prohibitively expensive to develop; as a result, few housing units are available or being constructed.

One way to address these high costs, according to the 2012 Anchorage Housing Market Analysis commissioned by the Municipality, is to create redevelopment strategies and funding solutions to help close the feasibility gap for medium- and high-density housing. Both the Anchorage 2040 Land Use Plan and the Anchorage Downtown Comprehensive Plan identify redevelopment and reinvestment incentives as essential strategies to encourage residential and commercial mixed-use redevelopments in aging and under-utilized areas such as downtown.

The 12-year property tax abatement proposed in this ordinance is expected to encourage the development of additional housing units within downtown ("the Central Business District") which, in turn, should spur additional economic development and renewal in a vital portion of Anchorage community. Incentivizing economic development in the form of housing development should both expand the tax base of the municipality and generate property tax revenue after the exemption expires.

After any tax exemption attributable to residential units expires or otherwise terminates under this ordinance, the tax base for determining the amount of municipal taxes that may be assessed under the tax cap, AMC Chapter 12.25, is increased by the amount of taxes on those residential units.

To ensure that the tax exemption only applies to constructed housing and that the housing units remain in service, this ordinance exempts taxes only upon completion of construction of new residential units and thereafter requires an annual compliance and status report to maintain the exemption – or violators face potential fines.

Further, this ordinance incentivizes housing development only by requiring that a minimum of four (4) new residential units be constructed, and that the construction increases the total number of residential units on the property.

Finally, the ordinance requires the chief fiscal officer, or designee, to submit annual reports to the Assembly that provide a summary of successful applicants and a summary of the total taxes exempted for each property that has been granted property tax abatement.

Public and private economic effects depend on project application and implementation which are unknown; therefore, a summary of economic effects is not attached.

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared by:	Christopher M. Schutte, Director, Office of Economic & Community Development
Concur:	Lance Wilber, Director, Office of Management and Budget
Concur:	Alexander H. Slivka, CFO
Concur:	Rebecca A. Windt Pearson, Municipal Attorney
Concur:	William D. Falsey, Municipal Manager
Respectfully submitted:	Ethan A. Berkowitz, Mayor

Downtown Tax Abatement

Lands and Resources Committee

January 11, 2021

In Your Packet: Downtown Tax Abatement

- ❑ Memo on Downtown Tax Abatement (pg. 7-9)
- ❑ Attachment A: Case study (pg. 10)
- ❑ Attachment B: CBJ Housing Development Incentives (pg. 11-13)
- ❑ Attachment C: Draft Downtown Housing Tax Abatement Ordinance (pg. 14)
- ❑ Attachment D: Zoning/Fee in lieu of parking map for downtown (pg. 18)
- ❑ Attachment E: Anchorage Assembly Memo on Tax Abatement (Pg.19-20)

Downtown Housing Tax Abatement

- ❑ Assembly Goals 2021
- ❑ Housing Action Plan & Juneau Economic Development Plan
 - ❑ Investigate tax abatement as a tool for senior, workforce, and downtown housing;
 - ❑ Senior Assisted Living Housing Tax Abatement Ordinance passed 2020
 - ❑ 12 year abatement for projects creating 15 or more assisted living units

Draft Downtown Tax Abatement Ordinance

- ❑ Language fits State law that allows municipalities to provide property tax exemptions to encourage economic development
- ❑ Terms modeled after Anchorage Downtown Tax Abatement
- ❑ Terms added to the Senior Assisted Living Housing Tax Abatement Ordinance
- ❑ Key Differences:
 - ❑ New residential units, minimum of 4
 - ❑ Targeted Area Map: Fee in Lieu downtown map

Criteria	Anchorage Downtown Tax Abatement	CBJ Senior Housing Tax Abatement	CBJ Downtown Housing Tax Abatement (Proposed)
Type of housing eligible for exemption	New residential units, minimum of 4	At least 15 new residential units of assisted living for senior citizens	New residential units of 4
Targeted area	Central Business District	Urban Service Area	Fee-in-lieu parking district
Length of tax exemption	12 years	12 years: The total exemption not to reduce the amount of taxes below the amount levied for the school district's required local contribution. (2.65 mil)	12 years: The total exemption not to reduce the amount of taxes below the amount levied for the school district's required local contribution. (2.65 mil)
Tax exemption coverage	Newly constructed units	Newly constructed units	Newly constructed units
Affordability requirement	None	None	None

Downtown Tax Abatement Ordinance

❑ Reporting:

- ❑ Annual report of property owners utilizing tax abatement
- ❑ Annual report on exemption of taxes
- ❑ Annual report on applications & status
- ❑ Future reporting on impact on taxes once 12-year abatement period ends

12.08.2020 Lands Committee Follow-up

- ☐ Summary of comments and concerns about tax abatement
- ☐ Cost Analysis Example of a Downtown Tax Abatement Incentive
- ☐ Where does Downtown Tax Abatement Fit as a CBJ Housing Strategy?
 - ☐ Table of current/past housing grants and loans and tax incentives
 - ☐ Use of tax abatement for renovation/rehabilitation of units

Renovation/Rehabilitation of Units

- ❑ Project must constitute economic development to qualify;
 - ❑ “the tax benefit enables a significant capital investment in physical infrastructure that
 - ❑ i) expands the tax base, and
 - ❑ ii) will generate property tax revenue after the exemption or abatement expires.”
- ❑ a renovation project would only constitute economic development if the units were uninhabitable (condemnable)
- ❑ Rehabilitation/Renovation increased economic development value difficult to quantify.

Renovation/Rehabilitation of Units

- ☐ Create a set aside program for this purpose:
 - ☐ CBJ Rehabilitation Loan Program (1978, 1998)
 - ☐ Similar program to Accessory Apartment Incentive Grant Program; or
 - ☐ Similar program to Pittsburgh Downtown Upstairs Loan Program
 - ☐ Upper Floors Life Safety Program: Up to \$100,000 loan for improvements/repairs such as second means of egress, additional windows, sprinkler systems, fire-proofing, elevators, etc.
 - ☐ Vacant Upper Floors Program: Up to \$400,000 loan or 30% of total project costs to create upper floor residential unit/commercial space. Covers gap financing for parking, façade, environmental remediation, mechanical systems, LEED certification, roof repair, soft costs, etc.
- ☐ Look at eligibility options through Affordable Housing Fund competition

Downtown Tax Abatement Ordinance

- Staff request a motion of support to the Assembly for adoption of a Downtown Tax Abatement Program.

The Committee may or may not wish to suggest changes to the key features which are:

- Term - 12 Years
- New Construction creating 4 or more units.
- Mil levy abated – Existing less mandatory school contribution of 2.65 mils.

Housing Action Plan Update

Lands and Resources Committee

January 11, 2021

In Your Packet: Housing Action Plan

- ❑ Memo on Housing Action Plan/Data (pg. 21-22)
- ❑ Housing Action Plan Update (pg. 23-27)

In Your Packet: Housing Action Plan

- ❑ The Housing Action Plan includes 66 strategies over 9 sections and lists an overall goal of developing 1,980 newly constructed units for all housing types by the 30-year mark. (2017-2047)
- ❑ Plan Update and a few housing metrics in the packet.

MEMORANDUM



155 S. Seward St. Juneau, Alaska 99801
 Scott.Ciambor@juneau.org
 Voice (907) 586-0220
 Fax (907) 586-5385

Date: January 11, 2021

TO: Maria Gladziszewski, Chair of the Assembly Lands Committee

FROM: Scott Ciambor, Chief Housing Officer 

Re: Housing Action Plan Update

Dear Lands Committee:

The CBJ Housing Action Plan was adopted by resolution on December 9, 2016.

The Housing Action Plan includes 66 strategies and lists an overall goal of developing 1,980 newly constructed units for all housing types by the 30-year mark. (2017-2047)

The Housing Action Plan and all previous updates [can be found on the CBJ Housing Programs webpage.](#)

January 11, 2020 Housing Action Plan Update

The Housing Action Plan includes nine sections. The attached memo reports on progress in each of these sections, and includes a box that summarizes other suggested actions from the Housing Action Plan.

Housing Data

Recently released housing data is included below.

Housing Production: CDD New dwelling Units

CDD New Dwelling Units Permitted	2017	2018	2019	2020
Single Family*	41	44	46	36
Multi-Family**	36	18	125	9
Accessory Apartments	11	15	15	17
Subtotal	88	77	186	62
Manufactured Home (RV's), and Caretaker Units	2	5	2	6
Gross Total	90	82	188	68
Dwelling Units Demolished	4	4	4	10
Net Total	86	78	184	58

*Single Family includes attached homes (townhomes).

**Multi-Family includes duplex, tri-plex, four-plex, condo, and apartment dwelling.

Rental Market Data

[Alaska Department of Labor August 2020 Trends Report](#): Rental Market Survey Results
Every March DOL surveys the state rental market with results published in the summer.

Some key figures for Juneau include:

- a) lowest vacancy rates in the survey at 4.4%; and
- b) 3rd highest average total rents in the state at \$1257.

Last year DOL began publishing data on apartments and single-family homes by number of bedrooms. These details are located on page 8-9 of the Trends report.

[National Low-Income Housing Coalition Out of Reach](#): The annual *Out of Reach* report was released in June. This report utilizes census data to help assess affordability as well as to gauge annual income needed and hours needed to work to afford rental housing in Juneau. The report shows slightly higher rental rates for Juneau than the DOL survey and notes that for minimum wage earners, an affordable rental rate in Juneau would be \$530 – much, much lower than current rental rates.

CBJ Housing Action Plan Update

January 11, 2021

The CBJ Housing Action Plan was adopted by resolution on December 9, 2016.

The Housing Action Plan includes 66 strategies that fall into 9 categories and lists an overall goal of developing 1,980 newly constructed units for all housing types by the 30-year mark.

1. Adopt the Housing Action Plan

CBJ Housing Action Plan adopted by resolution on December 19, 2016. Housing Action Plan details and a January 2019 2-year update and an October 2019 update can be found on the [CBJ Housing Programs page](#).

Additional Strategies to Consider:

- Public Meetings on the Plan
- Updates to the Plan
- Regular reporting to the Assembly on the progress towards the goals in the Plan

2. Prioritize the Juneau Affordable Housing Fund

Juneau Affordable Housing Fund: *Roughly ninety-five (95%) percent of the work necessary to establish an annual local housing fund competition has been completed.*

Fund Balance

2018: \$2,000,000 from Proposition 1: [Authorization to Extend the Temporary 1% Areawide Sales Tax Effective October 1, 2018, for a Period of Five Years](#). (Affordable Housing Fund 2018-2023: \$400,000/year)

FY21 Fund balance is \$1,413,000. Increase to \$1,717,000 at beginning of FY21. See following memo and meeting minutes:

- 10-22-2018 Committee of the Whole [Juneau Affordable Housing Fund Update](#);
- 03-02-2020 Committee of the Whole, [Affordable Housing Fund Process](#)

Assembly to make final decision on establishing the amount of funding available for Round 1 and the timeline to start a competitive process.

Additional Strategies to Consider:

- Develop criteria and operating plan for the Fund
- Report on metrics for the Fund, including:
 - Resources flowing in and out of the Fund;
 - Number of annual projects;
 - Breakdown of unit tenure and types of projects;
 - Number of additional dollars leveraged by the Fund

CBJ Housing Programs

CBJ Accessory Apartment Grant Incentive Program

The CBJ Accessory Apartment Grant Incentive Program incentive program provides \$6000 in grant funding for homeowners that add an accessory apartment to their home. A pilot program of 16 grants (\$96,000) began in 2016. The program was extended for an additional five years, FY18-FY22 (\$96,000 per year). Funding taken from the Juneau Affordable Housing Fund.

Note: Due to COVID-19, the deadline was extended for FY 20 applications. (5)

Total grants awarded = 25 (\$150K)

FY16 Pilot Program: 12

FY18: 4

FY19: 9

FY20: 3

FY21: 1

Total grants not awarded due to expiration = 6

FY 16 Pilot Program: 3

FY18: 2

FY19: 1

FY20: 0

FY21: 0

Total grants still in process = 3

FY 20: 5

FY 21: 3

CBJ Mobile Home Loan Down Payment Assistance Program

CBJ has partnered with True North Federal Credit Union to create a program that provides low interest loans to qualified residents for up to 50% of the down payment. The program started in 2017. On average, four loans per year have been awarded. \$100,000 from the Juneau Affordable Housing Fund has been set aside for the program.

- 2017-current totals: 13 loans funded (\$79,315), repayments received (\$27,062).
- FY2020 = \$56,277 available for down payment assistance. Loans available at 1% up to \$10,000.

3. Hire Chief Housing Officer

CBJ Housing Program in Manager's Office

- Program oversight of Mobile Home Loan Program, Accessory Apartment Incentive Grant. Major projects: Housing Action Plan implementation, Upstairs Downtown Story Map, Juneau Affordable Housing Fund, Senior Housing Assisted Living Bid Process and Public-Private Partnership, Tax Abatement, Emergency Cold Weather Shelter Program, Housing and Homeless Services Coordinator Grant and Activities.
- Homeless Services Programs: Implementation of local coordinated entry, resource for development of new housing/services program (CCTHITA re-entry, Family Promise rapid re-housing, Glory Hall workgroup), and Emergency Operations Command: Homeless Taskforce, Quarantine and Isolation Activities.

Additional Strategies to Consider:

- Draft Project list, reporting mechanism, and benchmarks
- Develop community housing website with updates
- Appoint staff through CBJ departments to liaise with Housing Director
- Conduct needs assessment updates to verify and track vacancy rates, home prices, property tax base, new investment, Housing Fund progress.

4. Create Housing for Workforce, Seniors, and Young Families

Senior Housing

Vintage Park Business Senior Assisted Living Project

- Land Purchase: CBJ closed on Vintage Park property on August 22, 2020.
- Tax Abatement for Assisted Living: passed *Ordinance 2019-23 Incentivize the Development of Senior Assisted Living Housing by Providing a Property Tax Abatement Program*.
 - 12-year tax abatement for assisted living projects over 15 new units. (in excess of 2.65 mills)
- Sealed Competitive Bid Packet Developed: Bid form, proposals, and completion completed. Award: Torrey Pines Development

Workforce & Young Families Housing: see *CDD Dwelling Units* permits data.

Create Incentives for Housing Development: tax abatement for senior housing implemented, Housing Fund and tax abatement for housing, downtown housing discussed.

Make land available for projects: see *section 6*.

Additional Strategies to Consider:

Workforce

- Develop targets for workforce housing;
- Address Employer Assisted Housing Needs
 - Feedback from employers; annual survey
 - Determine units use in-season; off-season;
 - Determine housing needs of seasonal workers;
 - Develop an inventory of business owned/seasonal use housing.
- Create a tax abatement program to encourage workforce housing development;
- Evaluate the use of Tax Increment Financing districts;
- Investigate time-share or related tourist housing opportunities;
- Evaluate the potential to replace obsolete mobile homes, install manufactured homes;
- Create list of possible participation from outside developers and funders.

Seniors

- Develop targets for senior housing;
- Consider CBJ private financing, tax abatement, use of CBJ land substantial projects;
- Ensure assisted living projects are linked to off-site affordable housing for increase in staff;
- Coordinate support/training for licensing and operating assisted living;

Homeowner Opportunities for Young Adults and Families

- Consider tax abatement for first-time homebuyers;
- Consider CBJ private financing, CBJ land, housing fund, and Tax Increment financing
- Address Transit Oriented Demand
- Develop homeownership and preservation tools, like down payment assistance.

5. Preserve Existing Affordable Housing

- **Hired Code Enforcement Officer, 2017**
- **Chronic Property Nuisance Ordinance Status:** Ordinance 36.70 adopted in February 2020.

Additional Strategies to Consider:

- Create CBJ requirement that all rental property is registered, subject to periodic inspection, and create a provision where owners passing inspections are eligible for property upgrade funding assistance;
- Establish prohibitive finds for code enforcement violations;
- Develop and implement a blighted property ordinance;
- Consider acquisition of problem properties, properties downtown to implement housing;
- Use housing fund to expand loan programs to help residents repair single-family homes, mobile homes, and manufactured housing.
- Use housing fund to support energy efficiency upgrades to existing affordable housing properties.

6. Develop Policies for CBJ Owned Land and Assets

Adopted Land Management Plan & Implementation Strategy for the Plan in 2016. Implementation strategies included an emphasis on disposal for housing development.

- Renninger Subdivision: Four lots sold. Two lots available for sale for multi-family housing development.
- Pederson Hill Subdivision: Bid period now open for Pederson Hill Subdivision land sale. (18 lots in first phase, 16 lots sold)
 - Phase 1B: Expect to go to contract in the next 18 months.
- Lena Subdivision: Concluded, no more lots available as of the last few months.
- Vintage Park Property for Senior Housing: CBJ purchase and sale of property for senior assisted living. Sale completed August 2020.
- 2nd and Franklin: No activity. Eagle Rock Ventures indicated interest in the future if incentives available. (parking reduction, tax abatement, grant)

Additional Strategies to Consider:

- Ensure any CBJ-owned land slated for development is zoned least restrictive/highest density use;
- Adopt criteria for determining appropriate use of developable publicly owned land;
- Designate a minimum of 20% of Pederson Hill lots for affordable housing (50% AMI) or community land trust disposal;
- Consider land banking concept with Army Corps;
- Create a Problem Building Acquisition and Redevelopment Plan;
- Identify properties to dispose for workforce/senior housing.

7. Amend Zoning Code to Promote Housing

- **Alternative Development Overlay District (ADOD)** Douglas & Downtown – Supports infill development in old neighborhoods. *Status:* Temporary ADOD sunsets for Downtown August 1, 2021 and Douglas at December 31, 2021.
- **Alternative Residential Subdivisions Status:** Adopted 2018
- **Non-Conforming Ordinance** - Allows existing properties to access conventional financing. *Status:* Adopted April 2020. 99 non-conforming certifications since April.

- **Shared Access/Panhandles** – Allows infill development *Status*: Shared Access adopted in 2017, updated May 2020. Panhandles adopted in 2017.
- **Accessory Apartment Code Update**: *Status*: Currently at Planning Commission/Committee of the Whole
- **Downtown Parking and Parking Waiver Borough-wide**: *Status*: Title 49 Committee

Additional Strategies to Consider:

- Develop inclusionary housing ordinance and bonus points for workforce and senior housing;
- Streamline/fast-track infill housing permitting;
- Evaluate policies that require clear cost recovery before CBJ will pay for infrastructure;
- Evaluate policies that stipulate that CBJ does not spend money on infrastructure for new development if those projects do not address community workforce or senior housing needs;
- Use local improvement district financing for new roads and utility services so developers need not front total cost of infrastructure;
- Make infrastructure development automatically increase zoning density

8. Develop Neighborhood Plans

- **Blueprint Downtown Strategy**. *Status*: Final draft under review by steering committee.
- **Auke Bay Neighborhood Plan and associated zoning**. *Status*: Area plan adopted by Assembly 2015. Zoning has been through public process and is currently under review by the Planning Commission.
- **Lemon Creek Neighborhood Plan Status**: *Status*: Adopted by Assembly into the Comprehensive Plan by Assembly 2017.
- **West Juneau and South Douglas Area Plan**: *Status*: Kicked off December 2020, underway.

Additional Strategies to Consider:

- Identify additional areas for detailed neighborhood plans
- Invite neighborhood organizations, developers, funders, to participate in plan and potential projects
- Encourage mixed-use housing
- Solicit feedback on barriers to development
- Consider tax Increment financing

9. Develop Downtown Strategy

- [Upstairs Downtown Housing Inventory Story Map](#): GIS mapping project completed November 2019.
- **Blueprint Downtown Strategy**. *Status*: Final draft under review by steering committee.

Additional Strategies to Consider:

- Identify 5 to 10 areas for detailed plans
- Invite neighborhood organizations/associations and developers to discuss potential projects;
- Meet with property owners to discover current development plans; real or perceived obstacles;
- Develop housing and preservation targets;
- Consider tax abatement or Tax Increment Financing funding methods.

Downtown Tax Abatement

Lands and Resources Committee

January 11, 2021

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- ❑ Key Differences:
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 - ❑ Targeted Area Map: Fee in Lieu downtown map

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Downtown Tax Abatement Ordinance

❑ Reporting:

- ❑ Annual report of property owners utilizing tax abatement
- ❑ Annual report on exemption of taxes
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12.08.2020 Lands Committee Follow-up

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- New Construction creating 4 or more units.
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Lands and Resources Committee

January 11, 2021

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In Your Packet: Housing Action Plan

- ❑ The Housing Action Plan includes 66 strategies over 9 sections and lists an overall goal of developing 1,980 newly constructed units for all housing types by the 30-year mark. (2017-2047)
- ❑ Plan Update and a few housing metrics in the packet.