

ASSEMBLY LANDS HOUSING AND ECONOMIC DEVELOPMENT MINUTES

May 22, 2023 at 5:00 PM

Assembly Chambers/Zoom Webinar



<https://juneau.zoom.us/j/94215342992> or 1-253-215-8782 Webinar ID: 942 1534 2992

A. CALL TO ORDER

B. LAND ACKNOWLEDGEMENT

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. Gunalchéesh!

C. ROLL CALL

Members Present: Chair Alicia Hughes-Skandijs, Wade Bryson, Christine Woll, Wáahlaal Gíidaak

Liaisons Present: Mandy Cole, PC

Liaisons Absent: PRAC; D&H liaisons have not been assigned to this committee.

Staff Present: Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Jill Maclean, CDD Director; Rorie Watt, City Manager

Members of the Public Present: Jackie Pata, President & CEO of the Tlingit-Haida Regional Housing Authority

D. APPROVAL OF MINUTES - April 24, 2023, Draft Minutes – approved as presented

E. APPROVAL OF AGENDA – approved as presented

F. AGENDA TOPICS

2. Tlingit Haida Regional Housing Authority Application to Purchase City Property at Pederson Hill

Wáahlaal Gíidaak was happy to hear this discussion. She asked if the intent of this is setting a new precedent moving forward and would like us to see us be equitable in how we approach these situations moving forward. Is this a proposed new precedence that we're setting in terms of how we adhere to any land disposal as it comes before us from a nonprofit. Mr. Bleidorn replied that if we're going to dispose of city property for less than fair market value, we've heard the Assembly say that they want to have some type of conditions included in an agreement, and it's tricky to have anything in conveyance documents as the buyer and the seller. In this instance, we're also acting as the lender. Rather than discounting the property, it will be forgiven after certain conditions are made as part of the lending entity. Looking at this agreement, it's going to make it easier to work on these things in the future when we continue these type of this conditions.

Mr. Bryson asked if this is charting new territory and gives us a good direction to work with a nonprofit housing agency. How many other nonprofit housing agencies are in the community that could benefit from a situation like this. If we are disposing of something for less than fair market value, how do we ensure that what's in the application is going to get built. Mr. Bleidorn replied that there are a couple entities out there. We regularly have requests from nonprofits, the concern we hear from the assembly is, if we dispose of something for less than fair market value, how do we ensure that what's in the application is going to get built, that's where we started with this. It also depends on the application we receive and then the willingness of the applicants to work with us, to meet with the Assembly's goals.

Ms. Woll asked about the price, she didn't remember as an assembly member that they gave direction for this to be \$100,000. Mr. Bleidorn replied that when the assembly authorized the manager to negotiate this lease, one concern that he expressed was that assembly members came to him and said that for \$0 it wouldn't be worth it but there is benefit in coming together and having something that has some value. A lot of that was also part of the fact that we had surveys and prep work done on the preliminary plat. When negotiating the lease, both parties came together and also agreed to this.

Ms. Woll asked to hear from the applicant, she was curious what their feelings were about this agreement, does it meet their needs to move this project forward. Ms. Pata replied that they had a similar relationships with the city in the past, they did the Kanat'A Day subdivision project. We worked with the city on an undeveloped piece of land that was not receiving revenue from property taxes. This was a potentially large track for development and turned out to be a really good project. The homes that were designated home ownership have been conveyed and are now on your property rolls as a revenue generator. There were conditions placed on us then, such as a park that is still there with the city having responsibility for that now. There were lots of land that were more readily developed that could be sold either by the city or by others, with mixed income housing development there. One of the last parcels of land had just been developed and had been sold by the city. The person who purchased that lot went to our financial corporation to get a construction loan to build their own house. That's the kind of partnership that we're looking for on how we can make it work, and the city had different conditions this time. It was important when, in conversations I had with the mayor and the assembly, that they want to have something designated for a park space. That's where the 100,000 came in and I agreed that that was good terms. It is a very expensive site to develop, I'm a little nervous about that, but as all good partnerships go, I'm hoping that as we work together, we'll be able to meet those thresholds. As the for the unit counts and being able to deal with the forgiveness, there's no way that the project can go forward for the intended purpose as the other portion of the that development was originally determined to be for affordable housing and wasn't affordable because it was too expensive. This doesn't mean that this land is going to be less expensive to develop just because we call it affordable, it just means that we have to be more creative to get it that way. We can apply for grants and other kinds of things to deal with the infrastructure. Today we just got announced a HUD grant, we just did a press release this afternoon that announced our grant that we applied for this particular project was awarded 2 million dollars towards the infrastructure. We're feeling positive today.

PC Cole asked Ms. Pata if she felt as though the benchmarks for the conditions for forgiveness are appropriate. Ms. Pata replied that development on the scale like this is going to run into problems, they make her nervous. We've talked to our construction superintendent and others, and we anticipate being able to meet those benchmarks. It all depends upon how we continue to get funding sources. I worry every day, just like the rest of us do, as we listen to what Congress has to say about budgets and look at all the funding resources. It's a big step forward to say we have access to the land as a match. The only challenge is how HUD or Federal agencies will look at the match with so many conditions attached to it. Whether or not it can be really used as a match for the source of future funding, or whether the conditions will create something different, it is untested. For this, grant that we received today, the housing authority put up the cash for the match and \$200,000 was a lot to match.

Mr. Bryson asked that if we take one of our partners down this path and they ran into issues that Ms. Pata is describing, such as HUD is now withholding something, because we haven't released a condition of forgiveness, then it just doesn't exist to them. Could the assembly advance or designate one of the things we believe you're going to achieve and can forgive that, so, you can qualify for this. How could the assembly help our partners, Tlingit Haida Regional Housing Authority, achieve what they're trying to do without hindering them for any future grant money but still accomplishing the same thing that we're trying to accomplish here today. Ms. Pata replied that this is uncharted waters, and they are willing to be the ones who try to work that out. I feel like we've had good partnership with the city and the assembly. She wanted to remind folks that it was basically the city that said, we have an affordable housing problem in the community, can you be a resource and then we tried to figure out how to make that happen. I feel like we're in this together. And if we have a problem, I'm hoping that we will be in to find a solution, and that takes trust and faith, but I think that's where we are. Mr. Bleidorn commented

that if we move forward, and something like that comes up, it's just as easy for the assembly to amend the ordinance that will set this in place.

Mr. Bryson moved that the Lands Housing and Economic Development Committee direct the City Attorney to draft an ordinance for introduction for the disposal of City property to Tlingit Haida Regional Housing Authority. Motion approved unanimously.

3. An Ordinance Amending the Sensitive Areas Requirements of the Land Use Code Related to Marine Mammal and Anadromous Waterbody Habitat Protections

Ms. Woll commented that she is one of those few people who believe you can have development and protect salmon habitat, but with a background as a salmon habitat biologist, you got to be careful. She is knowledgeable in this area, there is 40 to 50 years of research on what salmon need to have healthy habitat in areas with people. I'm curious in this process, have there been habitat biologists involved and what kind of conversation has happened around all of that research and best management practice for the salmon habitat in the areas where people live. Ms. Maclean replied that this ordinance has been a long time in the works. It predates her and the Planning Commission. We had the Wetland Review Board and over the years we did have various experts on that, not probably the most recent boards that some of you may have been familiar with, and throughout the process, we have reached out to the Southeast Alaska Watershed and State Fish and Game, as well as other agencies for their comments and review. At times they had spoken up when Title 49 was working on it about a year to 2 years ago, and they have been weaved in and out of the process over the years.

Mr. Bryson asked about the salmon and thought that you can protect salmon habitat and also develop. He's in the same category as Ms. Woll. As we have input from those experts, is the answer of having that 15 foot, or is it 35 feet away from the stream and having them repair that last 15 feet, was that adequate mitigation strategy to protect the salmon according to the professionals that you brought in, is this path safe? Ms. Maclean replied that I can't say confidently that those same experts have seen this version that's in the packet from the Commission, and they have not seen this latest version before you tonight. What we heard quite strongly was the 0 to 25 feet is most significant to the habitat, because it isn't just the edges of the creek itself or the water itself, but it's the shade, it's the shadows, it's all of that from the overhanging trees as well as the ground vegetation. When the city manager and I were speaking what to do next, I would recall from the beginning of what kicked this all off from builders was that they simply needed a little more room to work. The 15 feet seemed reasonable, especially if they were to restore that after a growing season. The idea was, go in, do your development, either it's a house or commercial, it could be either, this would give you more room so that you could build at, say, 51 feet whereas today you're really going to have to offset that to 65 or more, it just depends on what you're doing and what equipment you need to get around the site and what your site looks like. The intent was just going back to what the builders had discuss many years ago, and what that room was needed to work in order to be able to build it, say 51-ish feet, or just over 50 feet.

PC Cole commented that she has been thinking all afternoon about what to say about this memo, because part of her is concerned that Title 49 and the Planning Commission put a lot of time into the rewrite with those exact concerns that Mr. Manager conveyed to try and ensure that development is possible, and fish are protected. It definitely recognizes the ordinance that we drafted and is a departure from the prior ordinance, but our goal was to make it easier to develop at least to that 50 foot mark. I think the history that's presented here is accurate, and there are nuances that are important. Seeing all of that, I'm not speaking for the Planning Commission at this point, because they haven't seen this new compromise ordinance either, but I actually think it's pretty awesome. I think it's a nice simplification

because that's always been our goal. I don't think we could have gotten here at those 3-years ago meetings, when we sat down to edit this line by line. If we would have come to you with that, I think everybody would have thought that was it was insane. Part of the process that got us here was lengthy, and it did involve lots of experts on both sides weighing in and that process was important. If I had to say, I like the ordinance, I object to a little bit of the direction that we evolved to a practice of having Planning Commission agree on philosophical direction and refrain from group writing. I absolutely understand that group writing is time consuming, and it ultimately didn't yield a result that we were particularly happy with. There have been times when going through line by line has uncovered important problems or fixes with ordinances. I do want to say that I think the work that the Planning Commission did was not a year's long boondoggle, there may have been a little boondoggling somewhere in there, but it ultimately all brought us to today and the fact that Staff wrote this simplified ordinance is awesome, and I think we have a process that can be improved on. All of the work that we did put into it was valuable. I don't know that the answer is writing code line by line, but I don't think the answer is not writing code line by line either, so you can have both things.

Ms. Woll comment that she had trepidation coming into this conversation, because, on one hand, knowing what she does about salmon habitat protections, she felt uncomfortable with what the Planning Commission ultimately came up with. To provide context, she knows the State standard for buffer size in timber harvest, which is different than development, but it's similar in its impact to fish, is 66 feet, and for the Forest Service lands it is 100 to 200 feet. We're already on one end of that spectrum. On the other hand, I don't take lightly when the assembly throws out what the Planning Commission does and says. Her question is, is there a way that we can take what staff have worked on to forward in a way that continues to have the Planning Commission feel valued for their work. PC Cole replied that the Planning Commission is ready for this to moved forward, which is why we worked for 5 hours that one night trying to come up with things, and may disagree on some of the details, but we were ready to move it out. I know this is different, but I think we were ready to move it out, and it does absolutely need to go. For myself, I think the Planning Commission will understand that this is an effort to move things forward and they can offer public comment at the Assembly meeting.

Mr. Bryson moved that the Lands Housing and Economic Development Committee recommend staff's most recent ordinance to the full Assembly for adoption. The draft ordinance maintains practical protection of anadromous waterbodies, while allowing development to occur in a portion of the outer buffer during construction by providing the work area necessary to construction outside the 50 foot buffer. Motion approved unanimously.

G. STAFF REPORTS

4. Reiswig Request to Purchase CBJ Property - Verbal Update

Mr. Bryson asked for a map of the area. Mr. Bleidorn replied he would provide one and include it in the packet when this item goes to the assembly under new business.

5. Douglas Cemeteries - Verbal Update

Mr. Bryson asked how many cemeteries total in the city of Douglas that are in question for acquisitions. Mr. Bleidorn replied that they're all in the general area, but the letter that the assembly and this committee received has nine listed. A lot of work would have to go into making sure that these are legally defined properties. And I'll just add a note, because that reminded me of something that's really fascinating with cemetery property, it doesn't necessarily follow the same process as a as a taxable property, cemeteries are untaxed. Generally speaking, if somebody is deceased or property is vacated,

and over a certain number of years, the city would eventually foreclose on it, because property taxes wouldn't be paid. Cemeteries can go generations with owners being long gone and uncared for without that tax property kicking in, so the history gets complex.

Ms. Woll commented that she appreciates how much work this would be and that it makes sense for this to come to the full assembly to ask if this truly a priority, and she's happy to take up that cause. She wanted to point out, especially fellow assembly members, but also for staff, is that this is related to some of our priorities around building better relations and the community and healing relationships, especially with the Alaska Native community. I think there are portions of the cemetery that have not been taken care of for many years, and there are members of our community that are leading an effort to tend to those places on Douglas Island, and I think that is part of our healing journey with those communities that this could be assisting with that. She sees this project as being part of that and will push for this to be a priority under those values.

Chair Hughes-Skandijs commented that she appreciates this topic being brought back up. She received outreach from one of our advisory boards, and it felt like, at the very least, we needed to bring this publicly to discuss why there might be a lack of movement on it, and I appreciate you breaking down the variety of things. Hearing you talk about all that would go into it, I do agree that it would need to be brought to the full assembly, and I'm sure people will make the case, and we can have that conversation at a future Assembly Retreat. Your comments are well taken, and I think that's a larger conversation we need to have, understanding that we have just one Lands Manager, and we've put an awful lot of our priorities into housing right now. And understanding that that would take away from Law and from Lands on what they were working on. She appreciates the update, and the assembly will chew on that, and they appreciate the Douglas Advisory Board for bringing that back to our attention and we will see where that goes in the future.

H. STANDING COMMITTEE TOPICS - no updates

6. Telephone Hill Updates

7. LHED Committee Goals

I. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS - no updates

J. NEXT MEETING DATE - June 26, 2023

K. ADJOURNMENT – 5:41 P.M.