

REGULAR ASSEMBLY MEETING 2022-22 *DRAFT* MINUTES

September 12, 2022 at 7:00 PM

Assembly Chambers/Zoom Webinar/YouTube Livestream



Meeting No. 2022-22: The Regular Meeting of the City and Borough of Juneau Assembly was held in the Assembly Chambers and called to order by Mayor Beth Weldon at 6:10p.m.

A. FLAG SALUTE

B. LAND ACKNOWLEDGEMENT

Deputy Mayor Maria Gladziszewski provided the following land acknowledgment: We would like to acknowledge that the City and Borough of Juneau is on Tlingit land, and wish to honor the indigenous peoples 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

Assemblymembers Present: Maria Gladziszewski, Christine Woll, Greg Smith, Michelle Hale, Wade Bryson, Alicia Hughes-Skandijs and Mayor Beth Weldon.

Assemblymembers Absent: 'Wáahlaal Gíidaak, Carole Triem

Staff Present: City Manager Rorie Watt, Deputy City Manager Robert Barr, Assistant City Attorney Sherri Layne, Municipal Clerk Beth McEwen, Deputy City Clerk Diane Cathcart, Assistant City Attorney Adam Gottschalk, Finance Director Jeff Rogers, Community Development Director Jill Maclean, Lands Division Manager Dan Bleidorn, Parks & Recreation Director George Schaaf, Engineering/Public Works Director Katie Koester, Airport Business Manager John Coleman, CDD Planner Irene Gallion

D. SPECIAL ORDER OF BUSINESS

1. Special Recognition: Legislative Citation - Mila Cosgrove

Senator Jesse Kiehl honored former Deputy City Manager Mila Cosgrove with a Legislative Citation honoring her career of public service to the people of Juneau and the State of Alaska.

2. Instruction for Public Participation

Ms. McEwen provided instruction to the listening public on how to participate in the meeting via the Zoom platform or to sign up at the back of the Assembly Chambers for those in person wishing to testify.

E. APPROVAL OF MINUTES – *there were no minutes submitted for approval.*

F. MANAGER'S REQUEST FOR AGENDA CHANGES

Manager Watt requested to move the two bid awards, agenda items 10 (Bid Award for BRH CT/MRI Upgrades) & 11 (Bid Award for JNU Access Road/Float Pond Improvements), to be taken up under New Business. *Hearing no objection, the requested changes were approved.*

G. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Mr. Bob Sylvester, a downtown resident, spoke about housing in Juneau in the 1970s and 1980s. When he couldn't find housing in Juneau other than living on a boat in the 1970s, he ended up living in Haines instead. When he came back in the 1980s, he worked with others to coordinate a Juneau Tenants Action Coalition and they presented a Juneau Housing Symposium in October 1980. They were able to get \$5,000,000 from the Alaska

Legislature to build sustainable housing in Juneau. He urged the Assembly to do whatever they can to create long term, sustainable housing to meet the needs of the community now and in the future.

H. CONSENT AGENDA

Public Request for Consent Agenda Changes – *None.*

Assembly Request for Consent Agenda Changes – *None.*

Assembly Action

MOTION by Ms. Gladyszewski to adopt the Consent Agenda as amended with the removals of items K 10 and K 11, and asked for unanimous consent. *Hearing no objection, the motion carried.*

I. Ordinances for Introduction

3. Ordinance 2022-42 An Ordinance Providing for a Property Tax Abatement Program to Incentivize the Development of Higher Density Housing.

The Housing Action Plan and Juneau Economic Development Plan identify property tax abatement as an incentive to encourage new housing development. Building on an existing provision for downtown housing, this ordinance proposes to expand tax abatement for qualifying new housing developments borough-wide. Only housing developments on a single lot that remain under common ownership would qualify. This incentive is intended to help address Juneau's shortage of adequate and affordable housing, which the Assembly identified as a high priority in its 2022 Goals. This tax abatement would sunset on October 1, 2032, which will induce a future review to determine if the program is accomplishing its aims as designed.

The Assembly Finance Committee discussed this topic at the July 7, August 3, and September 7, 2022 meetings.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

4. Ordinance 2022-49 An Ordinance Authorizing the Manager to Convey Approximately One Acre of City and Borough of Juneau Property Located Near 3145 Fritz Cove Road to Chelsy and Brian Maller at Fair Market Value.

The CBJ Lands Office has received an application from Chelsy and Brian Maller, the owners of property located near 3145 Fritz Cove Road. The Maller property is an undeveloped lot that is adjacent to the City property being requested.

The Lands Housing and Economic Development Committee reviewed this proposed CBJ land disposal at the meeting on January 24, 2022, and passed a motion of support. The Planning Commission reviewed this proposed disposal of the CBJ property at its meeting on April 12, 2022, and recommended that the Assembly approve the sale of a portion of Lot 1 to the applicants. Fair market value of the CBJ property has been determined by appraisal to be \$2.53 per square foot, for a total value of \$110,000.00.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

5. Ordinance 2022-51 An Ordinance Authorizing an Alternative Procurement Method Related to the Emergency Department Addition and Renovation at Bartlett Regional Hospital.

This ordinance authorizes the Manager to competitively solicit proposals and enter into an alternative procurement method for preconstruction services and construction of the Emergency Room Addition and Renovation project at Bartlett Regional Hospital consistent with CBJ charter and Alaska Statute. General Contractor/Construction Manager is a qualifications based procurement method that allows the contractor to be involved in the design process to limit risk and cost for complicated projects such as the Emergency Room where

the department needs to remain operational during construction.

The Bartlett Board of Directors approved the use of GC/CM for this project at its May 26, 2022 meeting.

The Public Works and Facilities Committee approved use of GC/CM for this project at its June 6, 2022 meeting.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

6. Ordinance 2022-06(b)(P) An Ordinance Appropriating \$700,000 to the Manager for a Pre-Development Loan for Gastineau Lodge Apartments, LLC; Funding Provided by the Affordable Housing Fund.

This ordinance would appropriate funding from the Affordable Housing Fund for a pre-development loan for the Gastineau Lodge Apartments project, a 72-unit apartment building in Downtown Juneau. Phased loan disbursement will mitigate CBJ's risk, and liens against the property and building materials further secure the loan. CBJ's support of this project is intended to help address Juneau's shortage of adequate and affordable housing, which the Assembly identified as a high priority in its 2022 Goals.

The Assembly Finance Committee reviewed this request at the August 3 and September 7, 2022 meetings.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

7. Ordinance 2022-06(b)(R) An Ordinance Appropriating \$12,253.50 to the Manager for a Grant to The Glory Hall; Funding Provided by the Affordable Housing Fund.

The Glory Hall's former shelter on South Franklin St does not qualify for CBJ's non-profit exemption in 2022 because it was vacant and not being used for the organization's exempt purpose on January 1, 2022. As a result, property taxes cannot be exempted for 2022, and must be paid by the Glory Hall. This is an unanticipated financial burden for the Glory Hall. This grant would, in effect, acknowledge the intended non-profit purpose of the South Franklin building even though it did not meet the strict legal criteria to be exempted.

The Assembly Finance Committee reviewed this request at the September 7, 2022 meeting.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

8. Ordinance 2022-06(b)(S) An Ordinance Appropriating \$128,200 to the Manager for a Grant to the Alaska Development Corporation for Medical Respite Care; Funding Provided by General Funds and Hospital Funds.

Prior to the pandemic, CBJ and Bartlett Regional Hospital shared the cost of medical respite for individuals experiencing homelessness. During the pandemic, the cost of this care was reimbursed by FEMA; however, medical respite is no longer eligible for reimbursement effective July 1. This ordinance would appropriate \$128,200 for medical respite care in FY23, to be funded equally by CBJ and Bartlett. Current medical respite costs exceed pre-pandemic levels due to quarantine and isolation for COVID-positive patients; however, program spending will be reduced in the coming months to align with the historical cost of providing this care. A portion of these costs may be funded by the Healthy and Equitable Communities Grant, upon approval by the Alaska Department of Health.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

9. Ordinance 2022-06(b)(T) An Ordinance Transferring up to \$500,000 from CIP P44-089 Deferred Building Maintenance to CIP F21-041 Downtown and Glacier Fire Stations Mechanical and Electrical Upgrades.

This request would provide up to \$500,000 in funding for the Downtown and Glacier Fire Stations Mechanical and Electrical Upgrades CIP to replace the heating plant system at the Glacier Fire Station and the emergency generators at both Glacier and the Downtown Fire Stations. The project estimate has increased as a result of

inflation, supply chain issues, and other economic factors. The proposed transfer is reallocating funds from the Deferred Building Maintenance CIP, an ongoing project that will retain sufficient funding to cover remaining project work.

The Public Works and Facilities Committee will review this request at the September 26, 2022 meeting.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

J. Resolutions – *there were no resolutions submitted for approval.*

K. Bid Awards

10. Bid Award for BRH CT/MRI Upgrades

This item was REMOVED From Consent Agenda and taken up during NEW BUSINESS per Manager's Request.

11. Bid Award for JNU Access Road/Float Pond Improvements

This item was REMOVED From Consent Agenda and taken up during NEW BUSINESS per Manager's Request.

12. CMAR Selection Recommendation for the MWWTP SCADA

Pending the outcome of the protest period (in accordance with 53.50.062), staff recommends award of this project to DAWSON. In accordance with 2022-35 which authorizes an Alternative Procurement method, the Manager shall present the recommended Construction Manager at Risk company proposal to the Assembly for approval prior to commencing negotiations with the selected firm. If the Assembly accepts the proposal, the initial contract for pre-construction services will be for \$75,000. All successive amendments will be brought to the Assembly for approval.

L. Transfers – *there were no transfers submitted for approval.*

M. City/State Project Review – *there were no City/State Project reviews submitted for approval.*

N. PUBLIC HEARING

13. Ordinance 2021-36 An Ordinance Amending the Land Use Code Relating to the Downtown Juneau Alternative Development Overlay District.

In 2017, the Assembly established an Alternative Development Overlay District for downtown Juneau and associated interim regulations. Since then, the Community Development Department and the Planning Commission have worked on drafting permanent regulations. This ordinance would establish the permanent regulations for downtown residential properties, which would modify existing lot size, lot width, vegetative cover, structure heights, and setbacks. These proposed regulations would create options for residential development that are more consistent with the current neighborhoods.

The Systemic Racism Review Committee reviewed this ordinance at the June 14, 2022 meeting and forwarded it to the Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

Mayor Weldon thanked CDD staff for the information and said she had a question about the 'floating box' aka: setbacks diagrams as found in Figures 1 and 2 on page 4 of the draft ordinance. She asked if the property owner could choose the setbacks that they wanted or if there was a process which they would be required to follow to determine the setbacks. Ms. Maclean said that this ordinance keeps in place the underlying zoning so if the property owner prefers the setbacks associated with that zoning they can use them but this ordinance would

provide them with additional options to use this overlay district as well. She said that it would not be part of staff's per hour review as long as it is meeting the minimum requirements, they can adjust the setbacks to meet their needs. She said the idea of this ordinance was to keep it as flexible as they can knowing that the area that it in is the downtown area on steep slopes with tiny lots, some of them odd shaped but also people just having to renovate their existing housing. The property owner will have the ability to pick their setbacks as long as it adds up to 20 feet. Director Maclean said that she has heard the concern about neighboring properties and how they may feel but she thinks they will constantly run into that, especially now that they aren't granting variances. She said that the minimum numbers the Planning Commission settled on was based on the fire code so they have to maintain 3 feet from the property line, on each side. She said even for those instances where there is less than 3 feet from the property line, there are still requirements to ensure they meet the fire code and it is fire resistant. She said that with respect to the uses of the property, it does have to conform to the underlying zoning/use as established in the code.

MOTION by Mr. Bryson to adopt *Ordinance 2021-36 An Ordinance Amending the Land Use Code Relating to the Downtown Juneau Alternative Development Overlay District* and asked for unanimous consent.

Hearing no objection, the motion carried by unanimous consent.

14. Ordinance 2022-22 An Ordinance Amending the City and Borough of Juneau Code Related to the Aquatic Board of Directors.

Over the last two years, the Aquatics Board has had vacancies, which contributed to meetings being cancelled for lack of quorum. The Aquatics Board recommended changes to its membership requirements, so it can continue to provide effective oversight of the pool facilities. The Assembly Human Resources Committee reviewed this topic on August 1, 2022 and recommended the Assembly reduce the membership from nine to seven and allow up to three members to be from a local aquatic organization. Assemblymember Triem has also proposed an amendment to remove the current code requirement that inserts the Aquatics Board into the hiring process for the Aquatics Manager. The Systemic Racism Review Committee discussed this ordinance at its August 30, 2022, and September 6, 2022 meetings. After significant discussion, the SRRC moved that it believes there are larger issues with respect to diversity on boards and commissions that merit further review but did not flag this specific piece of legislation.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hughes-Skandijs for adoption of *Ordinance 2022-22 An Ordinance Amending the City and Borough of Juneau Code Related to the Aquatic Board of Directors* but asked for the body to first consider the following amendment as requested by Assemblymember Triem as found on packet page 75 and asked for unanimous consent.

Triem Amendment #1

To amend Ordinance 2022-22 as follows to remove the Aquatics Board from the hiring process of the Aquatics Manager:

- 1. Insert a new Section 3 and renumber existing Section 3 as Section 4:*

"Section 3. Amendment of Section. CBJC 67.10.020 is amended to read:

67.10.020 General powers.

(a) Subject to state laws and City and Borough ordinances, the aquatics board shall make policy decisions and generally direct the operation and maintenance of the municipally-owned aquatics facilities according to the best interests of the public and in a sound business manner. The aquatics board:

- (1) Shall be responsible for generally directing the operation, maintenance, development and marketing of the municipally owned and operated aquatics facilities, except as otherwise provided by the assembly by resolution.*
- (2) Shall prescribe the terms under which persons and groups may use the aquatics facilities under the board's management and establish and enforce standards of operation.*
- (3) May adopt regulations pursuant to CBJ 01.60 necessary for the administration of the aquatics facilities under the board's management.*
- (4) Shall facilitate and receive citizen input on the management and operations of the aquatics program.*
- (b) Shall ensure all legal services for the aquatics board and aquatics facilities are provided by or under the supervision of the municipal attorney.*
- (c) Shall annually provide to the assembly a written review of the aquatics program. The review shall include public usage, financial trends, facility maintenance needs, capital needs, and the efficiency of the program operation.*
- (d) Shall annually provide a personnel evaluation to the parks and recreation department director of the aquatics manager's performance in supporting the board and implementing board direction. The aquatics manager personnel evaluation and the board's deliberation of it shall be confidential unless the aquatics manager requests a public discussion.*
- ~~*(e) Shall participate in the selection process for the hiring of the aquatics manager. In the event the board does not support the hiring recommendation of the parks and recreation department director, the board chair shall timely notify the city manager. The city manager shall then make the hiring decision.*~~

Section 4 ~~Section 3~~. Effective Date. *This ordinance shall be effective 30 days after its adoption."*

Hearing no objection, Amendment #1 passed by unanimous consent.

Hearing no objection, the ordinance, as amended, passed by unanimous consent.

15. Ordinance 2022-30 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Catholic Community Services Property Located near 1800 Glacier Highway, from D-10 to Light Commercial.

At its regular meeting on April 12, 2022 the Planning Commission recommended that the Assembly approve a rezone of 2.6 acres from D10 (residential) to Light Commercial (LC). The property is across Old Glacier Highway from Wickersham Drive, and is recognizable by current operations of the Bridge Adult Day Care and Capital AKcess paratransit service. The Planning Commission based its recommendation on Assembly decisions that found LC to conform to the 2013 Comprehensive Plan of Medium Density Residential (MDR) in AME2021 0001 (North Douglas Highway, Comprehensive Plan map L) and AME2013 0006 (Atlin Drive, Comprehensive Plan map G).

The Systemic Racism Review Committee reviewed this ordinance at its July 12, 2022 meeting and forwarded it to the Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hale to adopt *Ordinance 2022-30 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Catholic Community Services Property Located near 1800 Glacier Highway, from D-10 to Light Commercial* and asked for unanimous consent.

Objection by Ms. Hughes-Skandijs for purposes of a question. She asked Director Maclean if this was similar to the recent North Douglas rezone from Light Commercial to Medium Density Residential. Director Maclean said that yes, this is similar to that one and the one at Atlin Street. She said that based on the Assembly's decision with the North Douglas rezone that Light Commercial does meet the Medium Density residential land use designation from

the Comprehensive Plan. She said that was the reason they found that this would meet that designation for this location and the Planning Commission also made that determination.

Ms. Hughes-Skandijs thanked Director Maclean for her answers. Ms. Hughes-Skandijs said that she removed her objection but also reminded the Assembly that when they are making decisions like that, they are also setting precedent so they need to be good with whatever precedent they are setting.

Hearing no objection, the ordinance passed by unanimous consent.

16. Ordinance 2022-36 An Ordinance Amending the Sales Tax Code to Exempt Veteran Organizations.

Juneau's Sales Tax Code exempts sales by non-profit organizations and to non-profit organizations from the imposition of sales tax. That exemption is limited to organizations with 501(c)(3) and 501(c)(4) designations from the Internal Revenue Service. However, veterans' service organizations, such as the American Legion, are separately designated by the IRS as non-profit organizations under 501(c)(19). This ordinance extends the non-profit sales tax exemption to eligible 501(c)(19) veterans' service organizations.

This ordinance was introduced at the request of the Mayor.

The Assembly Finance Committee reviewed this request at the August 3, 2022 meeting and forwarded it to the full Assembly for public hearing. The Systemic Racism Review Committee reviewed this request at the July 12, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Woll to adopt *Ordinance 2022-36 An Ordinance Amending the Sales Tax Code to Exempt Veteran Organizations* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

17. Ordinance 2022-41 An Ordinance Authorizing the Manager to Execute a Lease with the Juneau Arts and Humanities Council for Use of the Juneau Arts and Culture Center Building.

The State of Alaska conveyed the former Armory Building and property to the City and Borough of Juneau in 2006. In 2007, the City began leasing the building now known as the Juneau Arts and Culture Center (JACC) to the Juneau Arts and Humanities Council (JAHC) to rent and manage the performance and exhibit space for community arts and cultural events. This ordinance will authorize the JAHC to continue to lease and operate the JACC for the benefit of the community by providing arts and cultural opportunities for Juneau and the surrounding Southeast communities. In identifying the JAHC's nonprofit status and the public service it provides, the Assembly has leased the JACC to the JAHC at less than fair market value in accordance with CBJC 53.09.270. The Lands, Housing and Economic Development Committee reviewed this lease request at its June 27 meeting and provided a motion of support to continue to lease this property to the JAHC for the lease rate of \$500.00 per month for the first three years and \$1,000.00 per month for the last two years.

The Systemic Racism Review Committee reviewed this ordinance at its August 2, 2022 meeting and forwarded it to the Assembly for public hearing.

The Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Mr. Smith to adopt *Ordinance 2022-41 An Ordinance Authorizing the Manager to Execute a Lease with the Juneau Arts and Humanities Council for Use of the Juneau Arts and Culture Center Building* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

18. Ordinance 2022-06(b)(F) An Ordinance Appropriating \$9,563 to the Manager for the Statter Harbor Phase IIIC Capital Improvement Project; Grant Funding Provided by the Alaska Department of Fish and Game.

Docks and Harbors has been awarded an additional \$9,563 in Clean Vessel Act grant funding from the Alaska Department of Fish and Game to construct, manage, and maintain sewage pump-out stations in Statter Harbor. This award increases the grant appropriated under Ordinance 2019-06(AF). A local match requirement of \$3,188 will be provided by previously-appropriated funds from the Statter Harbor Phase IIIC CIP (H51-108).

The Docks and Harbors Board approved this request at the July 28, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 2, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Gladyszewski to adopt *Ordinance 2022-06(b)(F) An Ordinance Appropriating \$9,563 to the Manager for the Statter Harbor Phase IIIC Capital Improvement Project; Grant Funding Provided by the Alaska Department of Fish and Game* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

19. Ordinance 2022-06(b)(G) An Ordinance Appropriating \$5,000,000 to the Manager for the North State Office Building Parking Capital Improvement Project; Grant Funding Provided by the Alaska Department of Commerce, Community, and Economic Development.

CBJ has been awarded a \$5 million designated legislative grant through the Alaska Department of Commerce, Community and Economic Development. This grant provides partial funding for the planning, design, and construction of additional parking levels above the North State Office Building Parking Garage. Additional project funding will be provided by temporary 1% sales tax, if extended by voters during the October election. This project is #10 on CBJ's FY23 Legislative Priority List.

The Public Works and Facilities Committee reviewed this request at the August 8, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 2, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Mr. Bryson to adopt *Ordinance 2022-06(b)(G) An Ordinance Appropriating \$5,000,000 to the Manager for the North State Office Building Parking Capital Improvement Project; Grant Funding Provided by the Alaska Department of Commerce, Community, and Economic Development* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

20. Ordinance 2022-06(b)(H) An Ordinance Appropriating \$292,000 to the Manager for the Eagle Valley Center Capital Improvement Project; Grant Funding Provided by the Rasmuson Foundation.

The Rasmuson Foundation has awarded CBJ a \$292,000 grant to renovate the Eagle Valley Center. This grant funding will supplement the 2020 voter-approved general obligation bond funding for energy efficiency improvements. With the grant funding, the project work will include a new, more efficient exterior building shell, new windows and doors, electric boiler and hot water system, electrical upgrades, a potable water filtration system for a well, rot removal, and site drainage improvements.

The Public Works and Facilities Committee reviewed this request at the August 8, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 2, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hughes-Skandijs to adopt *Ordinance 2022-06(b)(H) An Ordinance Appropriating \$292,000 to the Manager for the Eagle Valley Center Capital Improvement Project; Grant Funding Provided by the Rasmuson Foundation* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

21. Ordinance 2022-06(b)(J) An Ordinance Transferring \$116,600 from the Manager's Office to Engineering and Public Works for Grant Writing and Consulting.

This ordinance would transfer \$116,600 from the Manager's Office to Engineering and Public Works for grant writing and consulting. The grant writer position was created in FY22 and funded by Ordinance 2021-08(b)(am)(H) in an effort to identify, prioritize, and pursue funding opportunities available to the city from an unprecedented level of federal stimulus infused into the economy. Establishing the grant writer position in Engineering and Public Works facilitates collaboration and partnership between grant writing and likely infrastructure grant recipients within CBJ (such as Transit, Streets, etc.). The grant writer position will be partially funded by CIPs, making available additional funding for grant consulting from Blank Rome LLP.

The Public Works and Facilities Committee reviewed this request at the August 8, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 2, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hale to adopt *Ordinance 2022-06(b)(J) An Ordinance Transferring \$116,600 from the Manager's Office to Engineering and Public Works for Grant Writing and Consulting* and asked for unanimous consent.

Objection by Ms. Gladziszewski for purposes of a question. Ms. Gladziszewski said that when they initially did this, they put this in the Manager's Office as the Manager is the best one to know the priorities of the Assembly. She said that if this funding goes into the Engineering/Public Works Department there are other entities such as Airport and Docks and Harbors that sometimes have competing interests. She asked Mr. Watt to describe why it is being put into the Engineering/Public Works Department when it is the Manager's Office that has the swing to help all the various departments play together.

Mr. Watt said that when they first considered the grant writing needs, they were not aware of the federal government's focus on infrastructure. At that time, they didn't know if there might be operating grants for things like child care as an example. Being unclear about the scope of federal expenditures, they had decided to put the grant writing tasks under the Manager's Office. He said that it is somewhat unusual to see transfers in departmental operating budgets although they often see transfers within Capital Improvement Projects (CIPs). He said that to the Deputy Mayor's question, the Eng./Public Works staff facilitates communication to the Assembly with the Public Works & Facilities Committee and also provide services at differing levels to the Airport, Docks & Harbors, Bartlett Hospital, Eaglecrest, and many of those services include the procurement piece for hiring and soliciting for professional services or bidding for construction work. He said this will provide for a better connection with the Assembly.

Ms. Gladyszewski thanked Mr. Watt and removed her objection.

Hearing no objection, the ordinance passed by unanimous consent.

22. Ordinance 2022-06(b)(K) An Ordinance Appropriating \$100,000 to the Manager for the Telephone Hill Redevelopment Capital Improvement Project; Funding Provided by General Funds.

This ordinance would appropriate \$100,000 to begin the redevelopment process of Telephone Hill, upon conveyance from the State Department of Natural Resources to CBJ. An additional \$2 million in project funding will be provided by temporary 1% sales tax, if extended by voters during the October election. This project is #9 on CBJ's FY23 Legislative Priority List.

These funds will be used to initiate and complete a public planning process on how the City and Borough should plan to redevelop and use the property. This process will naturally be inclusive and will contemplate a variety of options for using the property in the best interests of the public. Consideration of long-term needs of the Capitol campus and opportunities for significant housing development will be part of this process.

At the August 29, 2022 meeting the Lands, Housing, and Economic Development Committee passed a motion of support for adopting this ordinance. The Systemic Racism Review Committee reviewed this ordinance at its meeting on August 30 and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

Mr. Tony Tengs, a Telephone Hill resident, spoke in opposition to the ordinance. Mr. Tengs said that the language of this ordinance appears to commit \$2,000,000 from the proceeds of the upcoming temporary 1% sales tax ballot extension for the demolition of portions of Telephone Hill, and if so, does it also inherently provide consent for the demolition of those structures. If either or both are true, he said the Assembly should reject this ordinance until the question about what to do with Telephone Hill has a more adequate and thorough public review. He said there are residents who feel that they should not displace 14 more homes and further stoke the housing crisis in Juneau. He said that passage of this ordinance would make him and other Telephone Hill supporters vote against the 1% sales tax proposition on the ballot. He said that if this in fact is committing the \$2,000,000 within a \$100,000 appropriating ordinance, it could be considered a masterclass by the City Manager in hardball and political sleight of hand. He said that the only way the Assembly can vote for this ordinance with a twinge of dignity would be if they were to amend it beforehand to not demolish the neighborhood until they have a plan for what they want to do with it afterward that has gone through the public process.

Assembly Action

Ms. Hale asked the City Manager about the \$2,000,000 in the temporary 1% Sales Tax funding. She said that if that proposition passes during the election, would the Assembly see an appropriating ordinance come back before them and giving them clear information on what that \$2,000,000 would be spent on.

Mr. Watt said that yes, if the sales tax passes, appropriation of funds for the Telephone Hill and any other project, requires Assembly appropriation and that appropriation ordinance would require some Assembly direction. He

said that he would expect that expenditure of those funds would be discussed robustly during committee meetings and other public meetings. He said that expenditure for any demolition of properties, if that is what the Assembly decided to do, would require Assembly action as well.

Mr. Bryson asked if it was likely that whatever discussions were happening on this topic would be going through the Assembly Public Works & Facilities Committee. Mayor Weldon stated that was very likely but all they are taking action on tonight is to pass an appropriating ordinance for \$100,000 to start the planning process to begin to look ahead at this issue.

Mr. Smith said that he discussed this with the Manager previously and asked Mr. Watt if he might be able to provide a summary to the public of what the planning process might look like and the general timelines involved.

Mr. Watt said that to the best of his understanding at this time, the State Department of Transportation (DOT) will transmit the property to the State Department of Natural Resources (DNR) in early October. He said that they believe that DNR will then take about three months before they transmit the property to CBJ. He said that we may become owners of the property shortly after the new year. He said that he thinks that there is an assumption that demolition of the structures is the logical next step. While that very well may be a likely or a leading contender of ideas that has not been decided by the Assembly or anyone for that matter. He said the intent of this funding of this ordinance would be to put out a competitive solicitation for planning services, architect, engineer, landscape architects to put together a public process to determine how to best use the property. That range of options would certainly include a “do nothing” option and leave the houses as they are today as well as a number of redevelopment options. He said that any municipal plan like that would have substantial public meetings, it would go to the Planning Commission, updates provided to the Assembly and then ultimately the Assembly adopting a specific plan to be implemented. It would require bid awards, and all kinds of Assembly approvals and would likely end up with re-surveying and possibly a redo of the subdivision of the property which again would go to the Planning Commission. He said that he anticipates quite a bit of public process for the community to decide what the best use of this property is, especially since it has been in somewhat of a state of limbo for the past 40 years.

MOTION by Ms. Woll to adopt *Ordinance 2022-06(b)(K) An Ordinance Appropriating \$100,000 to the Manager for the Telephone Hill Redevelopment Capital Improvement Project; Funding Provided by General Funds* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

23. Ordinance 2022-06(b)(L) An Ordinance Appropriating \$187,442 to the Manager for the Design Phase of the Gate 5 Passenger Boarding Bridge Capital Improvement Project; Funding Provided by the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant.

This ordinance would appropriate \$187,442 in Airport Improvement Program grant funding for the Gate 5 Passenger Boarding Bridge CIP. This funding would provide for the design phase of the acquisition and installation of a new passenger boarding bridge. The local match requirement will be provided by previously appropriated 1% sales tax funds in the Gate 5 Passenger Boarding Bridge CIP.

The Airport Board reviewed this request at the August 11, 2022 meeting. The Public Works and Facilities Committee reviewed this request at the June 6, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 30, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Mr. Smith to adopt *Ordinance 2022-06(b)(L) An Ordinance Appropriating \$187,442 to the Manager for the Design Phase of the Gate 5 Passenger Boarding Bridge Capital Improvement Project; Funding Provided by*

the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

24. Ordinance 2022-06(b)(M) An Ordinance Appropriating \$2,017,881 to the Manager for the Design Phase of the Ramp Improvements Capital Improvement Project; Funding Provided by the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant.

This ordinance would appropriate \$2,017,881 in Airport Improvement Program grant funding for the Ramp Improvements CIP. This funding would provide for the design phase of the rehabilitation of large air carrier and air taxi ramps. The local match requirement will be provided by previously-appropriated 1% sales tax funds in the Ramp Improvements CIP.

The Airport Board reviewed this request at the August 18, 2022 meeting. The Public Works and Facilities Committee reviewed this request at the June 6, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 30, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Gladyszewski to adopt *Ordinance 2022-06(b)(M) An Ordinance Appropriating \$2,017,881 to the Manager for the Design Phase of the Ramp Improvements Capital Improvement Project; Funding Provided by the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

25. Ordinance 2022-06(b)(N) An Ordinance Appropriating \$2,254,418 to the Manager for the Construction Phase of the Float Pond Improvements Capital Improvement Project; Funding Provided by the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant.

This ordinance would appropriate \$2,254,418 in Airport Improvement Program grant funding for the Float Pond Improvements CIP. This funding would provide for the construction of and raising of the existing roadbed, introducing a drainage ditch, armoring the pond bank with rock, and reconstructing fourteen floatplane dock headwalls. The local match requirement will be provided by previously appropriated 1% sales tax funds in the Float Pond Improvements CIP.

The Airport Board reviewed this request at the August 18, 2022 meeting. The Public Works and Facilities Committee reviewed this request at the June 6, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 30, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Mr. Bryson to adopt *Ordinance 2022-06(b)(N) An Ordinance Appropriating \$2,254,418 to the Manager for the Construction Phase of the Float Pond Improvements Capital Improvement Project; Funding Provided by the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

26. Ordinance 2022-06(b)(O) An Ordinance Appropriating \$2,400,000 to the Manager for the Purchase of the Family Practice Building at 10301 Glacier Highway; Funding Provided by Hospital Funds.

Bartlett Regional Hospital desires to acquire the Family Practice property near Industrial Boulevard to ensure the hospital has space to expand into as the demand for medical care increases. This property currently houses multiple established medical practices, and it would provide convenient access to medical care for people that live in the Mendenhall Valley. The hospital would like to eventually provide easy access to specialty care practitioners.

This request was reviewed by the Lands, Housing and Economic Development Committee at the March 7, 2022 meeting. This request was reviewed by the Hospital Board at the February 22, 2022 meeting. The Hospital Board recommended the purchase of the building at the August 23, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 30, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hughes-Skandijs to adopt *Ordinance 2022-06(b)(O) An Ordinance Appropriating \$2,400,000 to the Manager for the Purchase of the Family Practice Building at 10301 Glacier Highway; Funding Provided by Hospital Funds* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

27. Ordinance 2022-06(b)(Q) An Ordinance Appropriating \$1,185,900 to the Manager for the Hospital CT/MRI Replacement Capital Improvement Project; Funding Provided by Hospital Funds.

This ordinance would appropriate \$1,185,900 of hospital funds for the replacement and installation of one MRI and two CT scanners at Bartlett Regional Hospital. The existing apparatus has reached end of useful life and upgrades to the HVAC, electrical, and magnetic shielding are required for installation of the new equipment. This funding will supplement the original project appropriation of \$2,300,000 in order to award the bid, which came in 65%-75% above the architect's estimate.

The Hospital Board reviewed this request at the August 23, 2022 meeting and the Hospital Finance Committee will review this request at the September 9, 2022 meeting. The Systemic Racism Review Committee reviewed this request at the August 30, 2022 meeting and forwarded it to the full Assembly for public hearing.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hale to adopt *Ordinance 2022-06(b)(Q) An Ordinance Appropriating \$1,185,900 to the Manager for the Hospital CT/MRI Replacement Capital Improvement Project; Funding Provided by Hospital Funds* and asked for unanimous consent.

Hearing no objection, the ordinance passed by unanimous consent.

The Assembly took a 10 minute break beginning at 7:57p.m.

O. UNFINISHED BUSINESS – *there was nothing for consideration under Unfinished Business.*

P. NEW BUSINESS

28. Moline Investment Management Request to Purchase City Property Located at Pederson Hill

In June 2022, the City Manager received an application from Moline Investment Management to purchase City property. The city property included in this application is located northwest of Karl Reishus Boulevard and is located adjacent to what is commonly known as Pederson Hill Phase 1 development. The application states that the proposed project will develop the property for multifamily housing utilizing tax credits to provide housing to residents at 60% AMI and below for 15 or 30 years. In order for the property to be conveyed by the City, the property must first be rezoned and subdivided by the applicant.

The LHED Committee reviewed this request at the August 8, 2022 meeting and provided a motion of support for disposing of this property to Moline Investment Management for fair market value.

The Manager recommends the Assembly pass a motion of support to work with Moline Investment Management as the original proposer in accordance with City Code 53.09.260.

Public Comment

Mr. Michael Heumann, a Fritz Cove Road resident, spoke in his capacity as a professional real estate developer and home builder and also as a general citizen of Juneau. He said that as a developer and builder, he is fully in favor of this because it severely diminishes his competition's ability to deliver housing in Juneau. He said that there is one other builder active in subdivisions in Juneau at this time and they do not have a lot of other property to go to so this will hamper their ability to compete with him. In general this subdivision competes with him in selling lots on the private market. However, from a citizen's perspective, he thinks it is a bad idea without some careful consideration because this decision has a high degree of strategic impact on the disposal of the rest of this 100 acre parcel. He said that by placing low income housing at the beginning of this neighborhood, they will diminish the value of the remaining land there. People are hesitant to invest in low income housing. He said that it is a major stain on the reputation of a neighborhood to have low income housing right next to them and it will erode the trust of the public in the city and how it disposes of its land.

Mayor Weldon asked members if they had any questions for Mr. Heumann.

Ms. Hale said that the Assembly talks a lot about trying to create affordable housing and she was surprised to see the great big houses being built on the smallish lots on Pederson Hill. She said that the future lots would be even smaller on Pederson Hill. She said that while she understands that no one wants low income housing in their neighborhoods, she asked Mr. Heumann what he would suggest is the answer to try to encourage lower priced affordable housing in the Pederson Hill area.

Mr. Heumann said that the simple answer would be to reduce the cost of development. He said that he grew up in Bonnie Brae subdivision with gravel streets, open ditches and no sidewalks and that is a lot cheaper to develop than subdivisions with paved city streets, sidewalks, and gutters. He said they have to lower the amount of money that it takes to develop the land as it generally is ¼ of the total cost to develop the lot so a lot development cost of \$150,000 means they end up with a \$600,000 house.

Mr. Bryson said that 100 acres is a lot of land with a variety of slopes, land configuration, etc. He asked Mr. Heumann that as they look at providing housing for those at 60% AMI what separations Mr. Heumann might suggest are needed for the development of those acres. Mr. Heumann said the key would be in determining access routes. He said that the Hamilton Street and the undeveloped access road, if they put the access to this area of the neighborhood from that right of way and then to have a fire access gate at the Karl Reishus Blvd. to this development, that would go a long way towards this.

Ms. Hughes-Skandijis asked if Mr. Heumann was familiar for what 60% AMI is for Juneau. She said that he made some comments about it being a stain on the neighborhood and the reputation of the neighborhood. Mr. Heumann said it depends on the household size. He said he didn't know off the top of his head.

Mr. Watt stated that the US Dept. of Housing and Urban Development puts out adjusted home income limits so for Alaska, a single person household, 60% AMI would be \$49,140 and a four person household would be \$70,200.

Ms. Hughes-Skandijs thanked Mr. Watt and said that is illuminating as she sees a number of state jobs that would meet those numbers and she doesn't see how that would be considered a stain on the neighborhood.

Mr. Heumann suggested they may want to take a drive through Coho or Chinook housing areas but also that there are other low income housing areas that do a good job. He said it is a mixed bag and it is not reality, it is fear of what the complex might look like when people are making an investment in a new home to see what is happening in the surrounding area. He said this project will be a multi-year project and in the meantime housing builders will have to overcome those fears as they try to sell houses in that area in the interim.

Public testimony was then closed and the Mayor asked Assemblymembers if they had questions for staff.

Ms. Gladyszewski asked about the map on page 95 of the packet that shows the outline of the property labeled Moline Request. She asked about what Phase 2 and 3 look like in comparison to the Moline Request area as compared to the Tlingit Haida request which is contained within the Phase 1 section. She asked what the whole sketch would be to have access to Phase 2 and also who is Moline.

Mr. Watt, in answering some of Ms. Gladyszewski's questions, said that Mr. Moline had lived in Juneau and moved away and is currently residing in Missouri. He came back to visit family and he is proposing to use his business expertise to develop this proposed property. He said that packet page 95 shows the property in question along with an outline of Phase 1. He said that packet page 103 also shows the area from the appraisal and includes the property that Tlingit Haida Regional Housing Authority would like to purchase. He said that these pieces are on either side of the trunk road that CBJ built with Karl Reishus Blvd. Mr. Watt said that with respect to process questions, Mr. Moline would like to buy the property if it can be rezoned. He said there is a rezoning application in that will be heard by the Planning Committee at its meeting the next night. He said that the rezoning request is to change from D-10 single family detached home to D-10 which would allow for multifamily use.

Ms. Gladyszewski said that she could see those areas but asked where Phases 2 and 3 are in relation to those maps. They called up Lands Manager Dan Bleidorn to speak to those questions.

Mr. Bleidorn said that what they are referring to are actually Phase 1b and 1c since there is not a Phase 2 or 3. He said that Phases 1b and 1c are all included within the Phase 1 mapped area.

Additional discussion took place and Mr. Bleidorn provided clarification regarding the mapped areas and how the Moline Request area was never included with any of the initial Pederson Hill development Phase 1 (a, b, or c) areas. They also had discussions about the current zoning vs. the rezoning and how the planning process with the Planning Commission happens and what the formal process is when someone requests to purchase a piece of city land. Mr. Watt answered questions from Assemblymembers on the homework that he has done with respect to Moline Investment Management's purchase request and how it compared to other development projects that the city has been involved with. He also answered what the initial intent was with respect to the Pederson Hill planning process. They proposed the D-10SF zoning for the Pederson Hill to be similar to the smaller, less expensive homes located in the Casey Shattuck areas downtown. He said that didn't actually happen as the developers who purchased the Pederson Hill lots, developed those lots with larger more expensive homes on those lots to get a better return on their investments.

Mr. Bryson asked what the consequences might be if they put this Moline requested property out for a competitive bid process and let other developers look at a potential purchase of that same property. Mr. Watt said he has no idea. He said that when CBJ took an aggressive role in land development of the Pederson Hill property, it was met with some push back from the developers. The developers didn't like the city getting into what they thought was their business. He said that there has not been much interest in the Pederson Hill property until Mr. Moline came in and said that he had an idea on how to develop this property in this particular way. He said they had an ongoing long conversation with Ms. Pata at the Tlingit Haida Housing Authority which led to their application as well. He said they have not had other developers looking at this property before.

Ms. Hale asked to make a statement rather than asking a question at this time. She said that right now, they are looking at the Moline request but they will also be looking at the Tlingit Haida request shortly, the goal of which

would be to provide housing for lower income tribal members but also moderate priced housing to be opened up to all Juneauites. She said that really the idea is talking about more mixed housing. She said that as they are looking at the housing crisis in Juneau, she appreciates the comments made by the gentleman who testified earlier about housing in the 1980s and how housing crises come and go but are ever present in some form. She said that what she is hoping the Assembly can do in the next year is to find ways to make this conversation be part of their overall conversation much more frequently because until they do, they will not be able to solve the housing crisis in Juneau. She said she lives in the valley in a huge swath of single family homes and it is so wasteful of land, she has 1/3 of an acre with a duplex on it. She said that working within the process, how can the process be kicked loose and they don't just come down to "not in my neighborhood" conversations and not just one off conversations about one or two requests but much bigger, community wide conversations and finding solutions.

Mr. Smith asked if there were other areas of town that might work for this proposal. Mr. Watt said that there are not a lot of buildable city parcels that would fit this. He did mention the parcels in the Renninger subdivision but that developers have also indicated that they don't care for the soils and trying to build in that area. He said they did suggest that area to Mr. Moline and Mr. Moline indicated that the land adjacent to the Pederson Hill area was the only land that he was interested in for this development proposal.

Mr. Smith asked Mr. Watt when the Assembly would see this next. Mr. Watt said that if the Assembly passes a motion to allow the manager to negotiate this request with Mr. Moline and if the Planning Commission passes a recommendation for a zone change, Mr. Watt would anticipate that the Assembly may wish to have a worksession during which they can ask Mr. Moline questions related to the development proposal, how the tax credits would work and what the development might look like. Mr. Watt said that for Mr. Moline, there are two questions he wants to know the answers to before he sinks money into developing the property: 1) is the city interested in negotiating with him, and 2) is the Planning Commission going to support a zone change. Mr. Watt said that if the answer to either of those is no, then Mr. Moline will know that he is wasting his time in trying to pursue this further. If those two things are yes, he would likely be spending some money to further develop the idea and engage with the Assembly in an informational session.

Mayor Weldon asked if, during staff conversations with Mr. Moline, he indicated that he was going to do the whole thing as multifamily 60% AMI or if they would be doing a mix like what Ms. Hale spoke about. Mr. Bleidorn said that at the Lands Committee, when this was discussed, originally it was discussed as being 60% AMI. After discussion at the Lands Committee, the motion that was made was to allow for transition from single-family to multi-family and the applicant said he was interested in working the US Coast Guard on developing units for them as well.

Mayor Weldon said that she discussed this with Mr. Watt and she is under the impression that there is no way that the Assembly can put conditions on the land sale such that if the developer doesn't develop the property within a certain timeframe that it would revert back to the city. Mr. Bleidorn said that we do have some ability to put in certain conditions with sales agreements but for this instance, the developer will be required to follow the federal regulations related to the tax credits that imposes certain timelines as well.

Ms. Gladyszewski said that the Assembly has lots of questions about this and likely the next one as well that would be ripe for discussion in a worksession but they went forward with asking those questions at this meeting. She said that the Assembly is constantly under pressure to sell city land. She said that this and other properties are on the market and anyone could have walked up to the city and said they want to purchase land x, y, or z.

Assembly Action

MOTION by Ms. Gladyszewski to direct the Manager to work with Moline Investment Management to negotiate for the sale of this land as the original proposer in accordance with City Code 53.09.260 and asked for unanimous consent.

Objection by Mayor Weldon. Mayor Weldon said that her objection is that this was never open market land and that he walked around and found a piece he was interested in before making his proposal. She said that she would rather see it opened up and see it offered up to the highest bidder before they negotiate with one entity.

ROLL CALL VOTE ON MOTION TO NEGOTIATE WITH THE ORIGINAL PROPOSER

Yeas: Ms. Gladziszewski, Ms. Woll, Mr. Smith, Ms. Hughes-Skandijs, Ms. Hale, and Mr. Bryson

Nays: Mayor Weldon

Motion carried, Six (6) Yeas, One (1) Nay.

29. Tlingit Haida Regional Housing Authority Request to Acquire City Property Located at Pederson Hill for Less Than Fair Market Value

In August 2022, the City Manager received an application from Tlingit Haida (T&H) Regional Housing Authority (Housing Authority) to acquire City property for less than fair market value. The Housing Authority requests that the Assembly consider the less than fair market value disposal of City property for the public purpose of developing City property to provide housing for “low-income tribal citizens” and “moderate income Juneau residents” under CBJ code section 53.09.270. The property being requested is an 11.5 acre property that is commonly known as the future Phase 1B and 1C of the Pederson Hill Subdivision.

The LHED Committee reviewed this application at the August 29, 2022 meeting and provided a motion and forwarded it to both the Committee of the Whole and the Full Assembly in accordance with CBJ code section 53.09.270 – Disposals for Public Use.

The Manager recommends the Assembly pass a motion of support to work with the Housing Authority towards the disposal of City property in accordance with CBJ code section 53.09.270.

Ms. Gladziszewski said she has a lot of questions about this. She spoke to the Affordable Housing Fund process and this is a one off and this would give away city land and she has a lot of questions before they take action on this.

Assembly Action

MOTION by Ms. Gladziszewski to refer this request to the Assembly Committee of the Whole.

Objection by Ms. Hale. She said that one of the reasons the Lands Committee referred this simultaneously to the Assembly and the COW is that the question about giving the land away free, the Lands Committee didn’t say they should do that, they said this needs to go to the COW to figure out if that makes sense and how to go about doing it. She asked if the Manager or Mr. Bleidorn can talk about the process that has happened so far. Tlingit Haida has looked at this and she said that they have not been able to see how this would pencil out without the land being essentially free but there may be more considerations that need to be taken into account. She asked if Mr. Bleidorn can give them some of the background information.

Mr. Bleidorn said that during their conversations, they looked at the housing fund as a potential source but then they were asking if it seemed appropriate for T&H to apply for funds from the Affordable Housing Fund in order to purchase city land. That was why they moved forward in this manner with the letter as contained in the packet. He noted that staff did not yet have authority to enter into negotiations at this time or to discuss their application in great detail so a motion at this meeting would open that door for staff to continue to have discussion with T&H. He said that he believes this topic is also on the schedule for the September 26 COW as well. He said that a motion at this meeting would not necessarily lead to the disposal of the city property but rather, it leads to staff working with T&H to try to negotiate some initial terms and conditions that can be brought forward to the COW.

Ms. Hughes-Skandijs said she would prefer to pass a motion at this meeting to allow staff to negotiate land disposal with T&H so that they are not slowing things down and then have more of a discussion at the COW. She said that whenever there is disposal of CBJ land, it is always a multistep process and she would like to start that process, have the discussions in the COW, and keep the ball rolling.

Ms. Woll said she was in agreement with Ms. Hughes-Skandijs on her points. Ms. Woll said when she was listening to the discussion during the Lands Committee meeting she said that it sounded like Tlingit & Haida was pursuing other avenues for funding and that action tonight would signal to them and their potential funders that they are making forward progress on this issue.

Ms. Gladziszewski said that the Affordable Housing Fund was set up just for this sort of process and it was just opened. She said the committee was set up to make those processes happen in a formal process with experts in that field rather than these types of requests coming directly to the Assembly.

Additional discussion took place regarding the housing crisis within the community, and how this process has come about to this point so far. Ms. Hale asked the Manager to speak to why this proposal came to them in this manner and not through the Affordable Housing Fund. Mr. Watt explained that most applicants to the Affordable Housing Fund have control of the property they are applying for before submitting an application. The answer of whether or not they can even work on the property is the first step. He also noted that as a non-profit organization, it is reasonable that they might ask the Assembly to provide it to them at less than fair market value.

Mr. Watt and Mr. Bleidorn then answered questions from Assemblymembers about the processes involved with land disposal and negotiated land sales.

Mayor Weldon said that she discussed the project with Ms. Pata earlier in the day and Mayor Weldon expressed her reluctance to give T&H the land for free. She said that she asked Ms. Pata if they were to sell the land to them for \$100,000 and then designate that \$100,000 as funding for a park in that area if that would be something they would consider. She said that Ms. Pata agreed that they would be willing to look at that possibility. Mayor Weldon asked staff if a motion tonight would commit CBJ into giving them the land for free or if there was room for negotiation.

Mr. Bleidorn said that staff has not had the authority to negotiate with them yet so they have not yet had those conversations. He said that the application did not state that they wanted the land for free but rather that they were requesting to obtain the land for less than fair market value. He said that after the fact, they said that free would work. He said that he did have a good conversation with the Parks and Recreation Director about the area in Phase 1B that is supposed to be a neighborhood park and they had a similar conversation to the one that Mayor Weldon described with Ms. Pata. Mr. Watt said that he found the code section they were discussing and it states that sale of city property for less than fair market value has to be done by ordinance so the Assembly will have an opportunity to discuss this at the COW prior to an ordinance being ready for introduction.

Ms. Hale said that during the discussions at the Lands Committee about the appraised value of this property, no one was interested in purchasing it at fair market value due to the difficulty of building on it.

ROLL CALL VOTE ON MOTION TO MOVE THIS TO THE C.O.W.

Yeas: Ms. Gladziszewski,

Nays: Ms. Woll, Mr. Smith, Ms. Hughes-Skandijs, Ms. Hale, and Mr. Bryson, Mayor Weldon

Motion failed, One (1) Yea, Six (6) Nays.

MOTION by Ms. Hughes-Skandijs to direct the Manager to work with Tlingit & Haida Regional Housing Authority towards the disposal of CBJ land in accordance with City Code 53.09.270 and asked for unanimous consent.

Objection by Ms. Gladziszewski.

ROLL CALL VOTE ON MOTION TO NEGOTIATE WITH TLINGIT & HAIDA ON THE LAND DISPOSAL

Yeas: Ms. Woll, Mr. Smith, Ms. Hughes-Skandijs, Ms. Hale, Mr. Bryson and Mayor Weldon

Nays: Ms. Gladziszewski

Motion carried, Six (6) Yeas, One (1) Nay.

30. Hardship and Senior Citizen/Disabled Veteran Late-Filed Real Property Tax Exemption Applications

There are four property owners that have requested the Assembly authorize the Assessor to consider a late-filed exemption for their property assessment.

The Assembly should consider each request separately and determine whether the property owner was unable to comply with the April 30 filing requirement. A.S. 29.45.030(f); CBJC 69.10.021(d). The burden of proof is upon the property owner to show the inability to file a timely exemption request. If the Assembly decides to accept one or more late-filed exemption requests, those applications will be referred to the Assessor for review and action.

The City Manager recommends the Assembly act on each of these applications individually.

Public Comment:

None.

Assembly Action:

MOTION by Ms. Gladziszewski that the City Assessor accept the appeals and put it in the docket for consideration for: Young Shimabakuro, Ignacio Toribio, Everett Boster and Luis Alfredo Aguirre and asked for unanimous consent.

Hearing no objections, the motion passed by unanimous consent.

10. Bid Award for BRH CT/MRI Upgrades

This project consists of the work required to facilitate the replacement of three medical imaging modalities including two CT scanners and one MRI.

Bids were opened for this project on August 17, 2022. The bid protest period expired at 4:30 p.m. on August 18, 2022. Results of the bid opening are in the bid letter included on page 35 of this packet.

The City Manager recommends award of this project to Cornerstone General Contractors, Inc. for the total amount bid of \$2,329,698.

This item was REMOVED From Consent Agenda and taken up during NEW BUSINESS per Manager's Request.

Public Comment:

None.

Assembly Action:

MOTION by Mr. Bryson to award the BRH CT/MRI upgrades to Cornerstone General Contractors, Inc. for the bid amount of \$2,329,698 and asked for unanimous consent.

Hearing no objection, the motion carried by unanimous consent.

11. Bid Award for JNU Access Road/Float Pond Improvements

The base bid consists of revetment of the armored slopes along the Float Plane Pond at Juneau International Airport, resurfacing of the seaplane base access road and replacement of gangway abutments including varying quantities of mobilization, and related work. Additive Alternate A generally consists of the installation of Hot Mix Asphalt Pavement on a portion of the Seaplane Base Access Road. Additive Alternate B work generally consists of the installation of Hot Mix Asphalt Pavement on a portion of the Seaplane Base Access Road and the raising and resetting of existing gangways and gangway abutments.

Bids were opened for this project on August 17, 2022. The bid protest period expired at 4:30 p.m. on August 18, 2022. The Airport Board approved recommendation to award on August 18, 2022. Results of the bid opening can be found on the bid letter on page 36 of this packet

The City Manager recommends award of this project to SECON for the total bid amount of \$2,272,463.

This item was REMOVED From Consent Agenda and taken up during NEW BUSINESS per Manager's Request.

Public Comment:

None.

Assembly Action:

MOTION by Ms. Hughes-Skandijs to award of the JNU Access Road/Float Pond Improvements to SECON for the bid amount of \$2,272,463 and asked for unanimous consent.

Hearing no objection, the motion carried by unanimous consent.

Q. STAFF REPORTS

Mr. Watt thanked Mr. Coleman (Airport) and Mr. Ramsey (BRH) for sticking around for their items to be taken up at the end of the agenda.

R. ASSEMBLY REPORTS

Mayor's Report

Mayor Weldon reported that she enjoyed attending the Alaska Municipal League meetings, another round of COVID, and a trip to Minnesota. She said that she got to celebrate Jim Wilcox's 85th birthday and see his museum. She said she was able to go to the dedication of the Salmon Creek dam and then attended the 9/11 commemoration ceremony with Ms. Hughes-Skandijs.

Committee & Liaison Reports; Assembly Comments & Questions

Committee of Whole (COW) Chair Gladyszewski reported that they met with the Planning Commission and the next COW meeting is scheduled for September 26.

Lands, Housing, and Economic Development (LHED) Chair Hale reported that they met on August 29 and discussed those things that were discussed at tonight's meeting. She said they also discussed a lease ordinance for Telephone Hill and that will be coming to the Assembly in the future.

Public Works and Facilities Committee (PWFC) Chair Bryson reported that they did not hold a meeting last month and the next PWFC meeting was scheduled for September 26.

Human Resources Committee (HRC) Chair Hughes-Skandijs reported that the HRC met earlier that evening and forwarded the following names for appointments to boards/commissions:

Youth Activities Board: Bonita Nelson and Summer Christiansen for terms beginning immediately and expiring August 31, 2025.

Treadwell Arena Advisory Board: Jamie Troxel for a seat beginning immediately and expiring May 31, 2025.

Hearing no objections, those appointments were confirmed.

Ms. Hughes-Skandijs also reported that the HRC also discussed the process for applications/interviews of the Systemic Racism Review Committee (SRRC) and Ms. Woll will be following up with the SRRC on that and reporting back to the HRC.

Mr. Bryson reported that the Airport Board met last week and that flooding has been an issue and they determined that the city is not liable. In speaking about parking, they said that they wanted to have EV charging spots available.

Ms. Hughes-Skandijs said that she also attended AML in Sitka and also received her first case of COVID. She attended the 9/11 commemoration ceremony as well. She said that she went to Anchorage and attended the Infrastructure Symposium that was led by Senator Lisa Murkowski in partnership with AML and AFN. She said that she was happy to also see Director Koester attending that same symposium.

Ms. Hughes-Skandijs reported that the Parks & Recreation Advisory Committee (PRAC), Planning Commission, and the Juneau Commission on Aging (JCOA) all met. She said that JCOA is still working towards Juneau being recognized as an age friendly community listing.

Ms. Hale reported that Chamber Housing Task Force is scheduling a meeting to have a discussion about the joint meeting that the Assembly held with the Planning Commission. They have also put out the request for input on the tax abatement for apartment/housing projects. Ms. Hale commented to Mr. Bryson that in relation to the Airport EV charging discussion, she hopes they are aware of the parking/EV charging station study that Director Koester is currently working on.

Ms. Woll reported on a number of topics that the Docks & Harbors Board will be bringing forward to the Assembly. UAS has determined that they do not want to sell the property between Aurora and Harris Harbors to the city and rather they wish to lease it to CBJ. D&H Board is beginning the process of evaluating its options. She also mentioned the email the Assembly received from Hansen-Gress about property disposal of the piece of property that overlaps with their property. D&H is working with Goldbelt on a small cruise ship dock at the Seadrome building. That may involve some of the land swap to line up with those parcels. She said that they also discussed a number of regulations that will be coming before the Assembly in the near future. She noted that one of those regulation changes pertaining to the prohibition of short term rentals (STRs - leases under 6 months) in the harbors and wanted to be sure the Assembly was aware of that since the Assembly has been discussing STRs.

Ms. Woll reported on the discussion and concerns raised by the Systemic Racism Review Committee about the Aquatics Board membership ordinance and that lowering their membership numbers lowers the opportunity for more diverse community representation. She said that ultimately, this one thing doesn't fix the problem but it did raise the issue that tackling specific ordinances may not be the best approach to trying to tackle systemic racism. She said they will be discussing possible recommendations on how they may reform their scope to better tackle systemic racism.

Mayor Weldon thanked Ms. Woll and said that it sounds like they may be looking at holding a joint meeting with the Docks & Harbors Board in the future.

Mr. Smith reported that he met with the UAS Campus Council earlier that day and that enrollment is as predicted which is 1% down but they are hoping to see if they can get it back to flat or slightly up. He said that masks are no longer required at UAS classes. He reported that the Eaglecrest Board met earlier but he was not able to attend. He said that he did attend their planning committee meeting where they discussed some of the logistics related to the gondola installation. He said that discussions/negotiations with Goldbelt are still continuing and that the Manager may be able to provide more information. He said that the Eaglecrest Board will be holding a retreat on October 1. Mr. Smith said he is looking forward to attending Southeast Conference starting tomorrow for a few days.

Ms. Gladyszewski said that she too went to AML and got her first case of COVID but that the meeting was good other than that. She said that she went to the 9/11 memorial and was honored to lay the wreath.

Presiding Officer Reports – *None*.

T. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS – *None*.

U. EXECUTIVE SESSION

31. Assembly Salary Compensation Subcommittee Recommendation re: City Manager & City Attorney Compensation (Verbal Report)

MOTION by Ms. Gladyszewski for the Assembly to enter into Executive Session to discuss subjects that could tend to prejudice the reputation or character of any person, specifically to discuss the City Manager and City Attorney compensation. *Hearing no objection, the Assembly entered into Executive Session at 9:15p.m.*

MOTION by Mr. Bryson for the Assembly to exit Executive Session at 9:47p.m.
Mr. Bryson explained that during the Executive Session, the Assembly Salary Compensation Subcommittee provided a report to the Assembly with recommendations for City Manager and City Attorney compensation.

MOTION by Mr. Bryson for the Assembly to approve the following compensation for the City Manager:
Retroactive to July 4, 2022, Mr. Watt’s annual salary shall be \$213,973.79.
Effective on the first full pay period of Fiscal Year 2024, Mr. Watt’s annual salary shall be \$223,054.84.
Hearing no objection, that motion passed by unanimous consent.

MOTION by Mr. Bryson for the Assembly to approve the following compensation for the City Attorney:
Retroactive to July 4, 2022, Mr. Palmer’s annual salary shall be \$192,022.29.
Effective on the first full pay period of Fiscal Year 2024, Mr. Palmer’s annual salary shall be \$200,171.71.
Effective on the first full pay period of Fiscal Year 2025, Mr. Palmer’s annual salary shall be \$208,667.00.
Additionally, in recognition of Mr. Palmer’s outstanding performance, Mr. Palmer is hereby granted advanced leave accrual rate of the 10-year leave accrual rate, effective the pay period starting July 4, 2022.
Hearing no objection, that motion passed by unanimous consent

XIV. ADJOURNMENT

There being no further business to come before the Assembly, the meeting was adjourned at 9:49p.m.

Signed: _____
Elizabeth J. McEwen
Municipal Clerk

Signed: _____
Beth A. Weldon
Mayor