

# ASSEMBLY LANDS HOUSING AND ECONOMIC DEVELOPMENT MINUTES

November 06, 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, Wáahlaal Gíidaak, Greg Smith, Paul Kelly

**Members Absent:** none

**Liaisons Present:** Mandy Cole, Planning Commission; Jim Becker, Docks & Harbors Committee

**Liaisons Absent:** Chris Mertl, PRAC

**Staff Present:** Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Joseph Meyers, Senior Planner/Housing & Land Use Specialist; Jill Maclean, Community Development Director

## D. APPROVAL OF AGENDA – approved as presented

## E. September 18, 2023 Draft Minutes – approved as presented

## F. AGENDA TOPICS

### 2. FAA Crazy Horse Drive Lease Renewal

Mr. Bleidorn discussed this topic. No discussion from the committee.

Assemblymember Smith moved that the Lands Housing and Economic Development Committee provide a motion to continue to lease CBJ property located off Crazy Horse Drive to the FAA at no cost in accordance with city code 53.09.270. Motion passed, no objections.

### 3. Juneau Affordable Housing Fund – 2023 Funding Recommendations

Mr. Meyer and Mr. Bleidorn discussed this topic.

Assemblymember Kelly asked about the bid that's being recommended for \$2.2 million, as his understanding is that \$1.1 million was allocated and another \$400,000 was available in sales tax. If those numbers are right, we would still have a deficit of about \$700,000, where would that money come from if the Assembly did decide to award that bid. Mr. Bleidorn replied he was part of the review committee with another staff member and representatives from the financial and construction sector. This committee met, and based parameters not just on funding, and that \$2.2 million project rose to the top. Knowing the fundings available, that's why we had two options, then with further discussions, it seemed likely there were options for additional funding. We also wanted to note that another change has happened in the last few years, previously we had a lot of requests for grants, not loans, and this is primarily for loan requests, which was something worth discussing. We can move forward with the options that comes up through discussion at this meeting. Chair Hughes-Skandijs commented that we have the chart that shows us where things fell from the committee and it's an interesting year, because someone going through this for the first process, it's very obvious we have a set amount of money, and it covers what the committee recommended. This committee could do a lot of things, and I don't want to misdescribe the mechanisms that can be used, but sometimes, because this is in the one percent we might be interested in for example, on this committee of dipping into something, knowing that it will be replenished by the sales tax in future years. Hopefully this helps you think about this process.

Assemblymember Smith commented that we do have other funding sources available, we can use the general fund, we have a fund balance there. You could potentially find other funding sources for some

of these projects. He asked about the amount in the fund, in the memo it says that the FY24 fund balance is \$1.595 million, almost \$1.6, but then at the bottom of packet, page 17, after checking with finance, there is \$1.5 million in available funding in the Affordable Housing Fund for FY24, is the \$1.5 number that is available for use correct, and anything more would need to come from an additional funding source. Mr. Meyers confirmed that was correct.

PC Cole asked that in the application, did it say that \$1.1 was available for funding? Mr. Meyers confirmed. PC Cole commented that in her other life she frequently applies for housing grants and apply for the ones that I know the money that's available is the money that I'll need. If I need \$2.2 million, and the funding available is \$1.1, I might not choose to apply for that. She cautioned that if you're going to put a number on the application, it's quite important to the applicants to make it fit within that number. If you start a precedent of granting more, that can be slightly dangerous.

Assemblymember Smith asked if there has been discussion on allowing multiple application periods during the year, for instance, two instead of one. Obviously, I realize it is a burden on staff with additional work. It takes resources to process applications and I don't know how that would line up with construction timeframes. Has staff seen a need for more than one application period in a year. Mr. Bleidorn replied that if we were going to do that, if the Assembly is interested in finding additional funds and making those available to the public through an additional process, staff could work to make that happen. You're correct, it does take a lot of additional staff time, and we want to discuss that with the city manager. Chair Hughes-Skandijs commented that for historical context, as this is our first night as a new committee, we did ask staff about that previously and also asked them to evaluate the timeline, if that made the most sense for the building sectors, what it would look like to do it twice and ask them to evaluate how they would change that and received a memo back that we certainly could explore that more. The recommendation was, yes, it would be substantially more staff time than we want to invest. It doesn't mean we can't look at it in the future.

Assemblymember Wáahlaal Gíidaak was curious during the review process if the committee has conversations with the applicants, as one questions she would be curious to hear from the applicants is if they weren't fully funded, what is their plan to ensure that their project moves forward. Mr. Meyers replied that during the application review process the committee does reach out to the applicants to request more information to determine if alternatives to their request would be able to make the project work or would be applicable to their project. For the project this evening we asked that, the question of would \$1.1 million work for their project, and the answer was that it would not. Assemblymember Wáahlaal Gíidaak asked if the applicant said that anything less than \$2.5, would their project be a no go? Mr. Meyers confirmed that.

Assemblymember Kelly asked about historical context, have we done this in in previous years and do we stay within the \$1.1 million? Mr. Meyers replies that each year there is a different amount of funding, it fluctuates year after year. Typically, we do stay within the funding for the review committee. There are instances where there is funding allocated outside of the review committee process.

PC Cole asked if anyone on the committee would let the other applicants know that more funding would be available after considering this larger request from one applicant. Mr. Bleidorn replied that we were bringing it forward tonight to get a feel from this committee for direction. It's a policy measure in some ways where if the Assembly is motivated to move forward with some projects that were loans and not grants and based on the decision tonight we'll have direction on how to move forward.

Assemblymember Smith asked if people ever say if I can't get more than \$1.1 million, I'm not interested. Did you get a sense that there was more demand out there that was not actually submitted in terms of an application due to the \$1.1 million funding level. Mr. Bleidorn replied that if he understood the question correctly if there's applications that didn't apply because the amount was too low, that's a hard

question to judge. We tried to get out and make these funds available publicly, and there was no feedback that it wasn't enough. I think we got a healthy number of applications. Ms. Maclean added that one helpful piece of information might be that the Housing Fund, grant, or loan, is not necessarily to be the entire funding, it can also be GAP funding. It's not set up for the entire development to be funded. Applicants that have questions can have those discussions with Mr. Meyers as they work through the process. I just want to be clear that I don't think that the applicants expect to be fully funded each time they apply, depending on the amount that they're applying for.

Assemblymember Smith initially moved to modify the original motion of approving the first project, Chilkat Vistas, and to include the next two projects for approval and to fund the third project by moving \$1.65 million from the general fund to the Affordable Housing Fund. Wáahlaal Gíidaak objected to that motion to ask that the project support and the financing be separated into three motions.

Assemblymember Smith amended his motion to separate the approval of the first project, and to approve of the next two highest ranked projects on the list and to have a third motion to transfer funds from the general fund to the Affordable Housing Fund. Wáahlaal Gíidaak withdrew her objection.

**1<sup>st</sup> Motion:** Assemblymember Smith moved to adopt the Affordable Housing Fund application for \$2.25 million to Chilkat Vistas and to forward a recommendation to the Committee of the Whole. Motion passed, no objections.

**2<sup>nd</sup> Motion** Assemblymember Smith moved to adopt the application review committee recommendations for \$900,000 to Coogan Alaska, LLC and for Duran Construction Company LLC, and to forward a recommendation to the Committee of the Whole. Motion passed, no objections.

**3<sup>rd</sup> Motion:** Assemblymember Smith moved to have the city attorney draft and ordinance for \$1.65 million to be moved from the general fund balance to the Affordable Housing Fund, set for introduction at the Committee of the Whole and then refer to the Finance Committee. Motion passed, no objections.

## **G. STAFF REPORTS**

### **4. CBJ Christmas Tree & Firewood Harvesting Policy**

Mr. Bleidorn discussed this topic. No discussion from the committee.

## **H. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS**

Assemblymember Kelly wanted to address PC Cole's concern about setting a precedent and this could be a question to staff. Would it be possible in future years to add such a requirement, that the funding request be within the stated advertised amount. Mr. Bleidorn replied that we take into consideration all assembly conditions and parameters. When we draft a future request, we'll consider that condition and I agree about the concern for setting a precedent.

Assemblymember Smith commented that he was hoping we would set a precedent in terms of having people come forward with their good housing options and we may be able to find money to do them. We know housing is a priority, but I would hope that what's out there as opposed a set amount.

Docks & Harbors Liaison Becker asked if there was any updates on the Second and Franklin Street area. Mr. Bleidorn replied that there has been a little bit of movement. The city manager applied to acquire the adjacent property that's owned by the State of Alaska. Their 2-story parking garage is likely at the end of its life. Long story short, is, there's a handful of lots there. The city's lot is fractured into 3 pieces, and the states is into 2 pieces. If the acquisition can be made, we can consolidate the property that would be large and could be used for a number of things in the future.

## **I. NEXT MEETING DATE - December 18, 2023**

## **J. ADJOURNMENT – 5:45pm**