

APPROVED MINUTES

Agenda

Planning Commission

Regular Meeting

CITY AND BOROUGH OF JUNEAU

Michael LeVine, Chairman

July 11, 2023

I. LAND ACKNOWLEDGEMENT – Read by Vice Chair Cole.

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!

II. ROLL CALL

Michael LeVine, Chairman, called the Regular Meeting of the City and Borough of Juneau (CBJ) Planning Commission (PC), held in Assembly Chambers of the Municipal Building, virtually via Zoom Webinar, and telephonically, to order at 7:00 p.m.

Commissioners present: Commissioners present in Chambers – Michael LeVine, Chairman; Mandy Cole, Vice Chair; Erik Pedersen, Assistant Clerk; Paul Voelckers; Matthew Bell; Adam Brown; Nina Keller; David Epstein

Commissioners present via video conferencing – None

Commissioners absent: Travis Arndt, Clerk

Staff present: Jill Maclean, CDD Director; Lily Hagerup, CDD Administrative Assistant; Ilsa Lund, CDD Administrative Assistant; Sherri Layne, Law Assistant Municipal Attorney

Assembly members: ‘Wáahlaal Gíidaak (Barbara) Blake; Beth Weldon, Mayor; Christine Woll

III. REQUEST FOR AGENDA CHANGES AND APPROVAL OF AGENDA – None

IV. APPROVAL OF MINUTES

A. June 13, 2023 Draft Minutes, Regular Planning Commission

MOTION: by Mr. Epstein to approve the June 13, 2023 Planning Commission Regular Meeting minutes.

The motion passed with no objection.

V. **BRIEF REVIEW OF THE RULES FOR PUBLIC PARTICIPATION** – By Chair LeVine

VI. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS** – None

VII. **ITEMS FOR RECONSIDERATION** – None

VIII. **CONSENT AGENDA** – None

IX. **UNFINISHED BUSINESS** – None

X. **REGULAR AGENDA**

Prior to presentation of USE2023 0003, Mr. Voelckers declared a conflict and recused himself from hearing the case.

Prior to presentation of USE2023 0003, Ms. Cole declared a potential conflict as the architect presenting USE2023 0003 is on her board of directors. She has consulted with counsel. She has no financial stake in the matter and feels she can remain impartial. She was allowed to stay.

USE2023 0003: Conditional Use Permit for Mixed Use development: Up to 50,000 square feet of retail and related uses, underground bus staging and vehicle park, and a park. Project includes a floating steel dock up to 70 feet wide and 500 feet long.

Applicant: Huna Totem Corporation

Location: Southwest corner of Egan Drive and Whittier Street

Director's Report

This application focuses on code and plan compliance of this proposal and is part of a larger process. The multi-step process for overall project approval was established by the Assembly when the subport was owned by NCL. There are three (3) major steps. The first step was amendment of the Long Range Waterfront Plan to allow a dock at the subport, which was completed March of 2022. The second step is the Conditional Use Permit (CUP) for the uplands and dock, providing review of code and plan compliance. The third step will be establishing a Tidelands Lease through the Lands and Resources Division. The Tidelands Lease is the authority of the Assembly and will occur at a future date.

Staff Recommendation

Staff recommends the Planning Commission adopt the Director's analysis and findings and APPROVE Conditional Use Permit USE2023 0003 with conditions.

STAFF PRESENTATION – By Director Maclean

QUESTIONS FOR STAFF

Mr. LeVine asked if there was a distinction between the portion of the project affecting the docks and portions affecting uplands or if the permit in question was comprehensive to the entire project. Ms. Maclean explained it is comprehensive covering both the dock and the upland site.

APPLICANT PRESENTATION – Fred Parady, COO, Huna Totem Group, Mickey Richardson, Creative Development VP, Huna Totem Group, and Corey Wall, Jensen Yorba Wall Architects presented the project.

Mr. Parady introduced the project saying it conforms to the comprehensive plan. Mr. Richardson presented the goals and vision of the project saying their plan includes creating a destination that can be utilized year-round, including performance and plaza areas. Phase one includes 34,000 sq ft of retail and restaurant space with a 10,000 sq ft welcome center. They plan to move bus and tourism parking underground. In the off season, the parking structure will provide 172 car spaces.

Mr. Richardson expressed minimal concerns with conditions 5, 7, and 9. Condition 5 requires shore power within 24 months. However, it may take longer than that to get the necessary transformers. Condition 7 limits the dock to one large cruise ship per day. They are in agreement with the one ship limit but the plan includes using the backside of the dock for tour boat loading. Condition 9 requires no lightering. They are supportive of that condition.

Mr. Wall explained the plan is still in the design phase and is 12-18 months away from obtaining building permits.

QUESTIONS FOR APPLICANT

Ms. Cole asked what the timeline is for getting shore power. Mr. Richardson explained they are in line behind CBJ for getting transformers. However, they are plumbed in and ready when the CBJ is ready for the dock to come online.

Mr. Levine asked if the reason Huna Totem could not provide shore power at their own expense is because doing so would compromise other portions of the city. Mr. Richardson and Mr. Wall said cost is not the limiting factor. Instead, they are currently limited by city power capacity.

Ms. Cole asked how Whittier and Klawock would take pressure off CBJ? Mr. Richardson said that given the 5-ship limit and overcrowding issues, if the ships have another destination choice, they can have fewer ships in a port here at a time.

Mr. Pedersen noticed the owner is listed in the packet as Huna Totem but the assessor database shows Auke Landing LLC as the owner and asked for clarification. Mr. Parady explained Huna Totem Corporation owns Auke Landing LLC.

Mr. LeVine asked for a summary of the future phases two and three. Mr. Richardson explained phase one includes a pedestal for future development of the second phase. That phase would be the addition of up to 40,000 square feet of building. Mr. Wall added the drawing with the upper level is the only future phasing. The lower level, parking, seawalks, retail spaces, welcome center and park space is the initial phase. Phase three is subject to future planning. Mr. Parady added that the plan is to have phase two completed within three years of completing phase one.

Mr. Bell asked if shore power is a critical component to getting to the next phase and if passing the permit right away would give them the step needed to take it to AELP. Mr. Parady said it would help.

Mr. Epstein asked how they determined the number of needed bus spaces. Mr. Wall answered that Huna Totem is affiliated with local coach companies and have worked with them to determine parking needs. The corporation also will have control over when and how many buses come to the site and will be able to limit overcrowding. He added the planned bus parking capacity is larger than any other location in Juneau.

Ms. Cole wanted to know if they had considered housing as critical to further tourism expansion and maybe addressing that as part of phase one or two rather than phase three? Mr. Parada answered that housing is not guaranteed to be included even in phase three. That phase is not yet planned.

Mr. LeVine stated the definition of MU2 is intended to include housing and asked how the PC could consider allowing the permit if housing is not included in the project.

Ms. Cole asked, how might Huna Totem feel about a condition for housing in the determination of the CUP considering a CUP goes with the land. Mr. Parady said they would have to see the proposal and discuss it considering. He felt it may be difficult to direct housing on this particular three-acre lot though he understands housing is a citywide concern.

Mr. LeVine asked for clarification if Huna Totem's plan in making this investment is that it could allow and not necessarily preclude housing in phase three. Mr. Wall agreed that the plan proposed could possibly accommodate housing.

****AT EASE 7:41 p.m. – 7:43 p.m.****

PUBLIC COMMENT

Wayne Coogan, Auke Bay – Spoke in support of the project saying this is a pretty unique project that supports the tourism economic pillar that will strengthen the CBJ relationship with Huna.

Max Mertz, West Juneau – Spoke on behalf of the Chamber of Commerce saying the Chamber strongly supports this project.

Mr. LeVine asked Mr. Mertz how he thought the PC might consider housing with this project? Mr. Mertz said any housing added in this 3-acres waterfront property will not be affordable housing and added it may not help to make it a requirement of this CUP.

Lee Kadinger, COO, Sealaska Heritage Institute (SHI), spoke in support saying this will support jobs, increase tax revenue, emphasize southeast culture and help with parking congestion.

Ms. Cole asked what are the smaller costs he mentioned in his statement. Mr. Kadinger said the small costs would include construction noise and other inconveniences of construction.

ADDITIONAL APPLICANT COMMENTS – Mr. Parady pointed out the totems recently installed around downtown, the coastal arts campus recently built by SHI, central council work in the Willoughby district and said those developments all create a cultural core in town.

He spoke to housing saying it is a complex issue and added this problem may increase as the tourism season lengthens and overlaps dates of the legislative session. He is not sure that housing is the best use of this land but said that they would be a part of the housing discussion in some capacity going forward.

ADDITIONAL COMMISSIONER QUESTIONS

Ms. Cole inquired the status with the US Coast Guard (USCG) regarding parking and impacts to navigability and asked if the applicant has worked with the USCG to sufficiently answer their questions. Mr. Parady answered they have met with the USCG in Washington DC and Senator Sullivan. USCG may lose a few parking spaces but overall, he sees this as having positive impacts and predicted this may even bring in more ice breakers.

Mr. LeVine wanted a description of the size of vessels that will be supported by the new dock and the extend of planning that has been completed regarding pedestrian traffic from crew and passengers in that area. Mr. Richardson said the largest ship that can currently be supported carries up to 4,500 passengers. This plan does not increase the number of ships coming to Juneau. Rather, they will move around from the far end to the north end of the docks. This will reduce the anchored ships and lightering back and forth. The traffic studies conducted demonstrate this project will not negatively impact pedestrian traffic in the downtown area.

Ms. Cole asked how this project will be a year-round advantage to downtown. Mr. Parady said the retail shops and restaurants can remain open in the off-season. Additionally, the covered parking will draw people to the area.

Mr. LeVine was concerned by the lack of public participation and asked what outreach had been done. Mr. Parady described multiple events have been conducted and they will hold more in the near future. He considered the lack of participation at the meeting illustrative of support as nobody came to speak against the project.

COMMISSIONER QUESTIONS FOR STAFF

Mr. LeVine asked Ms. Layne how the PC should consider the phases. Specifically, if they were to consider each phase or the entire project as a single item. Additionally, he wanted to know how to insure the third phase is developed.

Ms. Layne explained the key with phasing is to look at the ultimate end phase and decide if all the interim pieces are supporting that end phase. With respect to ensuring phase three, she suggested the PC can rely on the public process or they can add conditions. Ultimately, it is hard to guarantee any project will be completed.

Ms. Cole asked Ms. Layne if there would be concerns with approving a CUP without a final vision of the third phase. Ms. Layne said her understanding was that the applicant is thinking ahead and they have said they have a vision and they will build to what the location can handle.

Mr. Pedersen asked if it would be correct to interpret that approving as shown that they are limited to the building as presented? Ms. Maclean said that if the project was changed, the applicant would need to bring that before the PC. Therefore, if they do not adhere to the plan, then the PC would have to approve significant changes.

Mr. Bell said phase three is a moving target but the PC is tasked with voting on all three phases and asked if they could recommend housing be included. Ms. Maclean said if housing is required, it would have to be conditioned.

Ms. Cole asked for an example of a project the CDD would NOT approve under MU2. She felt this project is more like waterfront commercial than MU2. Mr. LeVine clarified the question by asking if an applicant had a project in MU2 that could accommodate housing but would not; could it be approved? Ms. Maclean said it would be possible to approve that adding just because it is allowed does not mean it is automatically in the community's best interest. It may not be safe or prudent to add housing in one area or another. In this case, any housing would be high end and would not add to affordable housing.

Mr. Brown asked if the PC could approve the project one phase at a time or if they must approve all or nothing right now.

Mr. LeVine pointed out phases one and two include the same geographic parcel. Considering a CUP runs with the land, he felt there wasn't a way to approve phase one and not phase two.

Mr. Bell asked if the PC could stipulate a timeline for phase three. Ms. Maclean said that would be within the authority of the PC.

MOTION: *by Mr. Epstein that the Commission approve the applicants' application and adopt the Director's analysis and findings and approve with the conditions, plus one additional condition. Phase three development will be subject to the CUP process.*

Mr. LeVine restated the motion for clarity saying, “the motion is to approve USE2023 0003 and staff findings and conditions with an additional condition requiring phase three development to be subject to the CUP process”

****AT EASE 8:34-8:44 p.m.****

Attorney Layne explained the motion before them was not valid as you cannot put a CUP on a CUP.

Mr. Epstein withdrew the motion.

Ms. Cole said crafting a motion is ‘tricky’ because she has questions but there is enough information to issue a CUP for the dock up to 500 feet long and 70 feet wide.

MOTION: *by Ms. Cole to approve the CUP for the dock and accept the conditions and findings that apply to the dock; not the uplands part of the project at this moment.*

Ms. Cole spoke to her motion stating there are many fine qualities about the project and its design. However, she had questions about how to address the ‘mystery’ portion of phase three through the CUP process. In order for her to satisfy her responsibility as a commissioner, she needs to understand the entirety of the intent of the project. She said she has discomfort with a CUP predicated on ‘what could be’. She believes the project should continue and feels confident the applicant will come before the PC again with a finished project that will balance the needs of the community and those of Huna Totem. Mr. LeVine felt they could approve phases one and two but not knowing what the project phase three entails and how it will comport with the Land Use code make it difficult to approve phase three. However, the issue with approving only phases one and two is ensuring the final project will be in compliance with MU2.

Director Maclean cautioned the PC to be thoughtful as this could set a precedent with unintended consequences.

MOTION TO AMEND: *by Mr. Epstein to add the approval of phases one and two.*

Mr. Epstein spoke to his support saying the applicant has sufficiently defined their intention in phases one and two but phase three is not ready for approval.

Mr. LeVine clarified that approval of only phases one and two could tacitly disapprove construction of phase three. Mr. Epstein felt building atop phase two would be subject to further permitting.

Mr. Bell spoke to support the amendment.

Mr. LeVine spoke against the amendment. He expressed concern that the applicant would not be able to use that area at all, including building the infrastructure for future development of the phase three area.

ROLL CALL VOTE ON MOTION TO AMEND

YEA – Epstein, Brown, Bell

NAY – Pedersen, Cole, Keller, LeVine

Motion Failed 3-4

****AT EASE 9:01 p.m. – 9:04 p.m.****

MOTION TO AMEND: *by Mr. Brown to approve phases one, two, and three of the uplands portion with a condition that 50% of square footage in phase three be dedicated to housing.*

Ms. Cole spoke against the motion saying conditioning 50% of an undesigned phase may not be the correct way to go.

Mr. Brown spoke to the amendment saying this allows them to begin construction and the applicant can request an amendment or a change to the condition by coming before the PC when that time comes.

Mr. Epstein suggested removing the percentage requirement and rather just recommend the developer consider housing in the planning of phase three.

MOTION TO AMEND THE MOTION TO AMEND: *by Mr. Epstein to recommend to the developer that they include housing in phase three with no percentage specified.*

Mr. Brown spoke in support of the motion.

Mr. Pedersen spoke against the motion saying it is an advisory condition and not necessarily effective.

ROLL CALL VOTE ON MOTION TO AMEND THE MOTION TO AMEND

YEA – Epstein, Brown, Bell

NAY – Keller, Pedersen, Cole, LeVine

Motion Failed 3-4

ROLL CALL VOTE ON MOTION TO AMEND THE MOTION TO AMEND

YEA – Brown, Bell, Epstein, LeVine

NAY – Keller, Pedersen, Cole

Motion Failed 4-3

Mr. Bell spoke to the main motion saying phases one and two complement each other and he cannot support voting for only one portion. Mr. Brown agreed with Mr. Bell.

Mr. LeVine clarified the motion approves only the dock construction and does not address either phase one, two, or three.

Ms. Keller said it makes her uncomfortable not knowing what phase three is going to be. This motion allows the applicant to move forward and they can come back in the future with a proposal for the phase three of the project.

Mr. Pedersen spoke in support of the motion saying making this a two-step process will allow the public more opportunity to make comments and give input.

Mr. LeVine is supportive of the project but is concerned with the incomplete proposal and lack of public participation. He is hopeful that the motion as presented will encourage the applicant to bring a completed proposal soon.

ROLL CALL VOTE ON MOTION

YEA – Cole, Pedersen, Epstein, Keller, LeVine

NAY – Brown, Bell

Motion Passed 5-2

XI. OTHER BUSINESS – None

XII. STAFF REPORTS

Title 49 will meet July 20 Noon – Accessory Dwelling Unit ordinance is on the agenda for this meeting

The Assembly approved permit software yesterday and bids closed today

The Assembly adopted the stream setback ordinance.

The July 25 PC meeting will include Chapter 35, Bungalow Lots, and Rules of Order on the Agenda
The Eaglecrest CUP will be a large packet at the August 8 meeting

XIII. COMMITTEE REPORTS

LANDS – Cole – The last meeting focused on Hazard Mapping.

XIV. LIAISON REPORTS - 'Wáahlaal Gíidaak (Barbara) Blake – Nothing to add

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

XVI. PLANNING COMMISSION COMMENTS AND QUESTIONS

Mr. LeVine reminded commissioners to promptly answer emails from staff.

XVII. EXECUTIVE SESSION – None

XVIII. ADJOURNMENT – 9:23 p.m.

Respectfully submitted by *Kathleen Jorgensen Business Assists (907)723-6134* 