# MEMORANDUM

### CITY/BOROUGH OF JUNEAU 155 South Seward Street, Juneau, Alaska 99801

DATE.	March 23 2012
DATE:	March 23, 2012

TO: Planning Commission

FROM: Eric Feldt, Planner II, CFM Community Development Department

**FILE NO.:** CSP2012 0007

**PROPOSAL:** A City consistency permit for the disposal of City land to the Juneau Housing Trust for future Bungalow homes.

#### **GENERAL INFORMATION**

Applicant:	Heather Marlow, City Lands & Resources Manager	
Property Owner:	City and Borough of Juneau	
Property Address:	5871 Churchill Way	
Legal Description:	Lot 8 Block A Glacierview	
Parcel Code No.:	5-B12-0-124-007-0	
Site Size:	6,621 square feet	
Zoning:	D-15	
Utilities:	City Water & Sewer	
Access:	Churchill Way	
Existing Land Use:	Single Family Residence	
Surrounding Land Us	<ul> <li>North - D-15; Mobile Home; Churchill Way</li> <li>South - D-15; Single-family Dwelling; Churchill Way</li> <li>East - D-15; Vacant; Churchill Way</li> <li>West - D-5; Single-family Dwelling; Mountain Avenue</li> </ul>	

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CITY/BOROUGH OF JUNEAU

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#### **ATTACHMENTS**

Attachment A	Vicinity Map
Attachment B	Project Letter
Attachment C	Draft Ordinance

#### BACKGROUND

The City recently acquired 5871 Churchill Way in Lemon Creek through a foreclosure. See Attachment A for location. This property contains a house that was built in 1961 and is now in need of substantial repair. The property is located in a D-15 zoning district, which allows multi-family dwellings and small commercial uses.

Staff consulted the Juneau Economic Development Council (JEDC) for single family home affordability data because the subject memorandum discusses how the City is trying to create affordable housing. The 2010 Juneau Housing Needs Assessment report created by JEDC states that Juneau is experiencing a shortage of affordable housing that is exacerbated by a lack of sufficient rental housing and single-family homes. The report also states that there has been a recent drop in new home builds (from over 100 per year to less than half) and salary levels have not increased at the same rate as housing since 2000. These have contributed to a decrease in affordable housing in Juneau. The 2011 Juneau & Southeast Alaska Economic Indicator report (also completed by JEDC) noted that the lack of buildable land outside of wetlands, forested area, or steep terrain, and along the road system is another reason for higher housing costs. Very low vacancy rates for rental units and homes were also reported to be another deterrent to affordable housing.

The 2010 Juneau Housing Needs Assessment report recommended ways to increase the amount of affordable housing in Juneau such as creating an Affordable Housing Trust Fund. As of the date of the subject memorandum, this trust has been created under the Juneau Housing Trust<sup>1</sup> and a few projects have been built.

#### ANALYSIS

Heather Marlow, City Lands & Resources Director, states that the subject property is desirable for the Juneau District High School Home Building Program to build two Bungalow homes; See Attachment B. For this to happen, the City will first release the property to the Juneau Housing Trust, with the attached ordinance (Attachment C). Through the Trust, the Juneau District High School Home Building Program will seek to subdivide the property into two lots and build a Bungalow

<sup>1</sup> The Juneau Housing Trust is a program that helps create affordable housing in the City & Borough of Juneau by setting the re-sale price of homes. More information is available at the following website link: <u>http://www.juneauhousingtrust.org/</u>

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home on each new lot. These steps require an approved Subdivision plat and recording of the new lots. An approved Building permit will be required to construct the two homes.

As described in the Land Use Code, a "bungalow" is a small, single-family house limited to 1,000 square feet in size. This specific type of dwelling was created in code to encourage developers to build small homes in areas with existing utilities. This is called in-fill development and increases the use of land. Bungalow homes would likely attract a wide variety of future and current homeowners. Due to its size, a bungalow dwelling would likely cost less to construct than a typical house, and sell at an affordable price. The project will result in a density of 13 units per acre. This is less than D-15 density.

Another incentive for developing bungalow housing was enabling subdivisions for single-family detached homes on similarly sized lots as permitted common wall houses in multi-family districts. This type of subdivision would only permit 1,000 square foot bungalow dwellings. Therefore, developers could subdivide developed land into smaller parcels to construct detached housing, which could have only been allowed through the Bungalow Subdivision.

#### **CONFORMITY WITH ADOPTED PLANS**

This proposal was reviewed against of the 2008 Comprehensive Plan. This plan designates the neighborhood along Churchill Way as Medium Density Residential (MDR), which is defined as urban residential lands for multi-family dwelling units at 5-20 units per acre, and commercial development being similar with a residential neighborhood. The subject property consists of 6,621 square feet of lot area. Within one acre, there are 6.5 lots of this size, which results in a density of seven units per acre (staff notes that the Land Use Code rounds to the nearest whole number). Further if this lot is halved in size, the density would be approximately 13 units per acre. Therefore, the density is consistent with the MDR density.

The 2008 Comprehensive Plan indicates a shortage of housing in Juneau and lack of housing choices. This issue is noted earlier in the 2011 Juneau & Southeast Alaska Economic Indicator report & 2010 Juneau Housing Needs Assessment report. The Comprehensive Plan recommends the following policies to encourage the construction of more affordable homes:

#### POLICY 4.1. IT IS THE POLICY OF THE CBJ TO FACILITATE THE PROVISION AND MAINTENANCE OF SAFE, SANITARY AND AFFORDABLE HOUSING FOR ITS RESIDENTS.

4.1.IA3 Investigate potential new financing strategies for new affordable housing development.

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#### POLICY 4.2. IT IS THE POLICY OF THE CBJ TO FACILITATE THE PROVISION OF AN ADEQUATE SUPPLY OF VARIOUS HOUSING TYPES AND SIZES TO ACCOMMODATE PRESENT AND FUTURE HOUSING NEEDS FOR ALL ECONOMIC GROUPS.

#### **HABITAT**

There are no habitats on the subject lot regulated by the Land Use Code.

#### **FINDINGS**

Granting the City consistency permit to dispose City land to the Juneau Housing Trust would create more affordable housing in Juneau. This is consistent with the 2008 Comprehensive Plan.

#### **RECOMMENDATION**

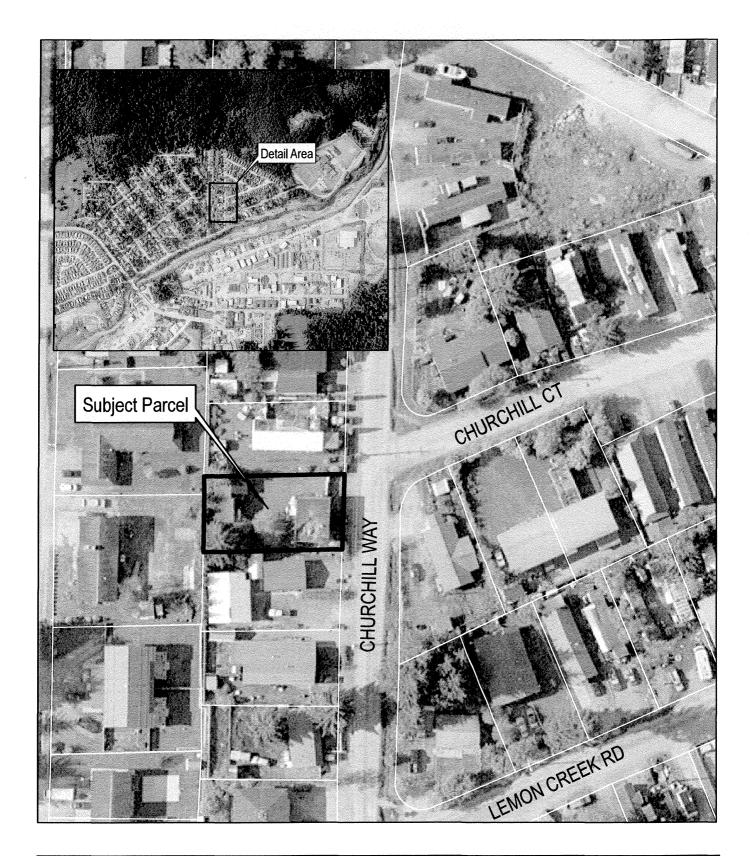
It is recommended the Planning Commission adopt the Director's analysis and findings and recommend the approval of the disposal of City land to the Juneau Housing Trust.

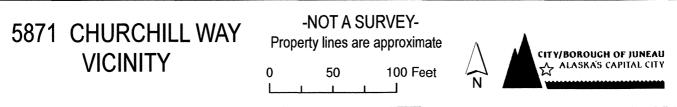
CSP2012-0007

## **DEVELOPMENT PERMIT APPLICATION**

	Number CITY and BOROUGH o	f JUNEAU Date Rec	eived: 3 DLO 17-	
Project (City Sia	Namo If to Assign Name)			
	Project Description Disposal of Lot & Block A, Glacierview Subdivision			
TION	PROPERTY LOCATION Street Address 5871 Churchill Way Legal Description(s) of Parcel(s) (Subdivision, Survey, Block, Tract, Lot) Lot 8, Block A, Glacierview Subdivision	City/Zip Juneau,AK 99801		
RMA	Assessor's Parcel Number(s) 5B1201240070			
INFORMATION	LANDOWNER/LESSFE Property Owner's Name CBJ	Contact Person: Heather Marlow	Work Phone:	
elue teint	Mailing Address E-mail Address	Home Phone: Other Contact Phone Numi	Fax Number: > <r(s):< td=""></r(s):<>	
	LANDOWNER/LESSEE CONSENT ****Required for Planning Permit I am (we are) the owner(s)or lessee(s) of the property subject to this application and I ( A. This application for a land use or activity review for development on my (our	s not needed on Building/Engleseg we) consent as follows:	**************************************	
APPLICANT	B. I (we) prant permission for officials and employees of the City and Borough application. X Landowner/Lessee Signsture	of Juneau to inspect my property as	needed for purposes of this	
APPL	XLandowner/Lessee Signature	Date		
NOTICE: The City and Borough of Juneau staff may need access to the subject property during regular business hours and will attempt to c landowner in addition to the formal consent given above. Further, members of the Planning Commission may visit the property before the sub- base of the				
ROJEC	APPLICANT If the sente as GWMER, write 'SAME' and sign and Applicant's Name Heather Marlow, CBJ Mailing Address	Contact Person: Contact Person: Heather Marlow Home Phone:	Work Phone: Fax Number:	
ā	E-mail Address	Other Contact Phone Numb	er(s):	
	x TRiller Marten Applicant's Signature		S/1/12 Application	
	Permit Type		plication Number(s)	
	Permit City State	01/12 CSP20	120007	
ALS	(Fee In Lieu, Letter of ZC, Use Not Listed) Mining Case (Small, Large, Rural, Extraction, Exploration)			
PROVAL	Sign Approval (if more than one, fill in all applicable permit #'s) Subdivision (Minor, Major, PUD, St. Vacation, St. Name Change)			
АЕЕ АРР	Use Approval (Allowable, Conditional, Cottage Housing, Mobile Home Parks, Accessory Apartment) Variance Case (De Minimis and all other Variance case types)			
	Wellands Permits Zone Change			
ST/	Application Other (Describe)		an a	
	Comments:	out and in the file.	Permit Intake Initials	
			40r	

NOTE: DEVELOPMENT PERMIT APPLICATION FORMS MUST ACCOMPANY ALL OTHER COMMUNITY DEVELOPMENT DEPARTMENT APPLICATIONS INFORMS/2010 Applications Revised November 2009





ATTACHMENT A

Map created: 3/19/ 2012

## MEMORANDUM

#### CITY/BOROUGH OF JUNEAU

Lands and Resources Office 155 S. Seward St., Juneau, Alaska 99801 <u>Heather\_Marlow@ci.juneau.ak.us</u>

TO: Dale Pernula, Community Development Director

FROM: Heather Marlow, Lands and Resources Manager

DATE: March 1, 2012

SUBJECT: JDHS Home Building Program – Churchill Way Development

The CBJ Finance Department foreclosed on Lot 8, Block A, Glacierview Subdivision, also identified as 5871 Churchill Way, in FY12. The property is improved with a partially completed residential structure that has not received a building permit. The property is desirable for a JDHS Home Building Program project and meets their needs.

If the project were to proceed, the property would be cleared of improvements and redeveloped with two bungalow houses. The property would be sold to Juneau Housing Trust, a partner of the JDHS Home Building Program, for the amount necessary to satisfy the delinquent property taxes, plus any other expenses or demolition costs incurred by the CBJ to convey the property for redevelopment. These costs are anticipated to be significantly less than market rate for the property, resulting in a cost savings to the project. Ordinance 2012-15 would identify the property for a public purpose. The approval of a companion resolution is required to dispose of the property to Juneau Housing Trust, a nonprofit, at less than fair market value. The Assembly Lands Committee, at its February 28, 2012 meeting, recommended that this ordinance, and a companion resolution to dispose of the property to Juneau Housing Trust at less than fair market value, be drafted for approval by the Assembly.

Per 53.09.260(c) the planning commission is identified to review and comment on municipal land disposals.

## **ATTACHMENT B**

1	Presented by: The Manager	
2	Introduced: Drafted by: J.W. Hartle	
3		
4	ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA	
5	Serial No. 2012-15	
6 7	An Ordinance to Designate a Tax Foreclosed Property Located at 5871 Churchill Way for a Public Purpose for the Benefit of the Juneau-Douglas High School Home Building Program.	
8		
9	WHEREAS, the City and Borough of Juneau has acquired by tax foreclosure certain	
10	properties herein described, and	
11		
12	WHEREAS, AS 29.45.460 requires that the municipality determine by ordinance	
13	whether foreclosed property deeded to the municipality shall be retained for a public	
14	purpose.	
15		
16	NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF	
17	Juneau, Alaska:	
18	Section 1. Classification. This ordinance is a noncode ordinance.	
19		
20	Section 2. Findings. (a) The following property has been acquired by the City	
21	and Borough of Juneau by clerk's deed pursuant to tax foreclosure:	
22		
23	(1) Lot 8, Block A, Glacierview Subdivision, Juneau, Alaska, located at 5871	
24	Churchill Way. This property was acquired from Robert Ling (deceased),	
25	whose last address of record was 5881 Churchill Way, Juneau, Alaska, 99801.	
26		
27	-1- Ord. 2012-15	
	ATTACHMENT C	

### ATTACHMENT C

1	(1) The second described in Castion 2(a) share shall be retained by the City and
1	(b) The property described in Section 2(a) above shall be retained by the City and
2	Borough for a public purpose. The City and Borough intends to utilize the property for
3	a Juneau School District project that will establish a partnership with Juneau Housing
4	Trust, a private, nonprofit corporation. The disposal of the property to Juneau Housing
5	Trust shall be considered by resolution, pursuant to CBJ §53.09.610(b).
6	
7	Section 3. Effective Date. This ordinance shall be effective 30 days after its
8	adoption.
9	Adopted this day of 2012.
10	
11	
12	Bruce Botelho, Mayor
13	Attest:
14	
15	Laurie J. Sica, Clerk
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23	
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25	
26	
27	-2- Ord. 2012-15
	-2- Oru. 2012-10