

Mr. Palmer referred to 49.75.120, which would permit the applicant to return to the Planning Commission with a substantially different rezone request after twelve months had passed.

**Roll Call Vote on Ordinance 2021-26 as amended:**

Ayes: Gladziszewski, Jones, Triem, Hughes-Skandijs, Bryson, Woll.

Nays: Hale, Mayor Weldon.

*Motion passed. Six (6) Ayes, Two (2) Nays.*

Ms. Gladziszewski gave Notice of Reconsideration. Mayor Weldon noted the Reconsideration.

*The Assembly took a break at 9:13p.m. The meeting resumed at 9:25p.m.*

**X. UNFINISHED BUSINESS**

None.

**XI. NEW BUSINESS**

**A. NCL Request to Lease Municipal Tidelands**

In June 2021, the City received an application from Norwegian Cruise Lines (NCL) to lease City owned tidelands. NCL acquired an upland parcel that is adjacent to the requested tideland lease in 2019 from the Alaska Mental Health Trust Land Office. In January 2021, the City Manager provided the Assembly Committee of the Whole with the attached Subport Development Memo on the topic of Assembly consideration process, discussion and draft approach.

Because an application has been received, the Assembly must determine “whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the Assembly by motion, the Manager may commence negotiations for the lease, sale, exchange, or other disposal of City and Borough land” (53.09.260).

If the Assembly provides a motion of support to work with the original proposer, staff will direct NCL to apply for City permits, outline the public process, and negotiate terms and conditions of a lease. Staff will provide regular reports to the Lands, Housing and Economic Development (LHED) Committee on progress of this lease. If the Assembly fails to provide a motion to work with the original proposer and determines a lease should not be considered, then the application process will be concluded. If the Assembly provides a motion to seek further proposals then a request for proposals will be advertised and the results will be brought forward to the LHED for review.

**The Manager recommends the pass a motion of support to work with NCL as the original proposer in accordance with City Code 53.09.260.**

**Public Comment:**

**Karla Hart**, a Juneau resident, urged the Assembly to vote against this motion under no conditions. She said that any other response at this time would not benefit the community at this time. She referenced

the City Manager's January 2021 memo regarding the Long Range Waterfront Plan. She felt that this motion did not respect public process, and noted that Juneau was still recovering from the pandemic.

**Bob Janes**, a valley resident, asked the Assembly to support this motion as he felt it supported the community. He described this as an unprecedented opportunity, and spoke to the community's support of the tourism industry. He urged the Assembly listen to the Visitor Industry Task Force (VITF) recommendations, and to listen to public comment on this issue.

**Assembly Action:**

**MOTION** by Ms. Triem for the Assembly to pass a motion of support for the Manager to work with Norwegian Cruise Lines as the original proposer in accordance with 53.09.260 and asked for unanimous consent.

Objection by Mr. Jones. He appreciated the new map, but was concerned about the boundaries of current leases with federal agencies such as the United States Coast Guard, the National Oceanic and Atmospheric Administration, and Goldbelt International.

Mr. Watt explained that the new map was accurate. There is no lease for federal agencies: Goldbelt lease with the Merchant's Wharf owners. The issue is that NCL has not put forward an exact footprint of their proposal. Mr. Jones asked if there was a streamlined process for State tidelands to be leased to the city for this project. Mr. Watt clarified that there is a statute for a municipality to acquire tidelands for economic development purposes. He identified two benefits to this: 1) this permittee would only have one entity to work with, and 2) this would direct income to the city from lease payments.

Objection by Ms. Hale. She noted that Ms. Hart raised an important piece about the project. She said that we are still in a pandemic and we need time; putting the horse before the cart.

Mr. Watt agreed that the lease was complicated, and recommended the Assembly to move to support the beginning of negotiations with NCL. These negotiations would then trigger the public process through the Planning Commission.

Mr. Bryson spoke to the importance of keeping the process moving forward so that the City Manager and NCL can coordinate the logistics of this plan. He referenced the VITF recommendation of removing hot berthing and restricting the ship limit amount from seven to five. He added that building the NCL dock would reduce congestion, and benefits the community and Docks & Harbors. Mr. Bryson also felt that this issue has received a lot of public input via VITF, and saying no once more would send a negative message to the community and the tourism industry.

Ms. Gladziszewski commented that this motion would support the beginning of a process.

Mr. Jones removed his objection.

Ms. Hale felt that it was important that they allow for public process, and choosing to work on this process slowly would not send a negative message to the community – but rather would show that the Assembly is willing to work with the public. Ms. Hale removed her objection.

*Hearing no objections, the motion passed by unanimous consent.*

**B. A&S Rentals LLC v. CDD - Assembly Appeal #2021-03 (Enforcement Action Appeal)**

This appeal relates to a code enforcement action for three properties near downtown Douglas. The Community Development Department determined the three properties were noncompliant with CBJ code and initiated enforcement action. The property owner, A&S Rentals LLC managed by Adam Brown, timely appealed to the Planning Commission. After conducting a hearing, the Planning Commission affirmed the CDD compliance orders. A&S Rentals LLC has filed a timely appeal to the Assembly.

In accordance with the Appeals Code, the Assembly must decide whether to accept or reject the appeal. If you determine, after liberally construing the notice of appeal in order to preserve the rights of the appellant, that there has been a failure to comply with the appellate rules, or if the notice of appeal does not state grounds upon which any of the relief requested may be granted, you may reject the appeal.

If the appeal is accepted, you must decide whether the Assembly will hear the appeal itself or if it will assign the appeal to a hearing officer. If you decide to hear the appeal yourselves, a presiding officer should be appointed.

In hearing an appeal, the Assembly would sit in its quasi-judicial capacity and must avoid discussing the case outside of the hearing process. (See CBJ 01.50.230, Impartiality.)

**The City Attorney recommends the Assembly accept this appeal and assign it to a presiding officer.**

Mr. Jones shared that he once lived in these apartments from 1975 to 1982. He sat through the Planning Commission meetings on this topic. He believed he was able to act on this tonight without a conflict of interest or impartiality, and wanted to state these things for the record. Mr. Palmer felt that Mr. Jones would be able to participate in tonight's questions objectively.

**Assembly Action:**

**MOTION** by Mr. Jones for the Assembly to accept this appeal and assign to a hearing officer.

Mayor Weldon asked Mr. Jones why he chose a hearing officer rather than a presiding officer. Mr. Jones notes that the Assembly has two more Regular Assembly meetings before the 2021 Municipal Election, with at least one new Assemblymember. He felt that it would be a disservice to the new Assembly, as well as CDD, to choose a presiding officer over a hearing officer.