MEMORANDUM

CITY/BOROUGH OF JUNEAU

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TO: Alicia Hughes-Skandijs, Chair of the Assembly LHED Committee

FROM: Dan Bleidorn, Lands and Resources Manager *Daniel Bleidorn*

SUBJECT: Telephone Hill Lease Update

DATE: August 24, 2023

On March 21, 2023, Telephone Hill was conveyed from the State of Alaska to the City & Borough of Juneau (CBJ). The site consists of 4.2 acres, including the Transit Center, Park, Garage, and Shoppers Lot, all located on one 1.7-acre property. In addition to these uses, the site includes an additional 2.5 acres consisting of 13 residential units on 19 individual properties and three (3) rights-of-way (ROW). On August 1, 2022, the Assembly passes a motion stating that "the residents of Telephone Hill be assured that they will not be evicted prior to the city knowing what it is going to do with the land". On June 12, 2023, the CBJ contracted with JPR Management for the property management of the residential units at Telephone Hill.

Currently, twelve of the thirteen units are occupied, and one resident has moved out of the property since it was conveyed by the State to the CBJ. The current lease has not been adjusted since the CBJ received ownership of the properties, and each unit will need to sign a new lease with the CBJ. New leases are authorized by the Assembly by ordinance in accordance with CBJ Code 53.09.260 (b).

As part of the current contract, JPR is working to complete a lease rate analysis, which will provide information on the market rate of the units. This analysis will take into account that the heating fuel, trash, water, and sewer for each of these units are paid for by the CBJ. This analysis will also consider the number of bedrooms, square footage, and condition of each unit. If JPR determines that any unit needs immediate attention, they will provide information on corrective measures and estimated costs.

Once results from the rate analysis are available, the next step will be for the LHED Committee to review a draft ordinance which will include lease terms and conditions. Additionally, if an ordinance is adopted, the Manager will execute individual leases for each unit.

Attachments:

Telephone Hill Map: Address, Year Built, Square Footage and Lease Rate as of 8/28/23.