MEMORANDUM

CITY/BOROUGH OF JUNEAU

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TO: Michelle Hale, Chair of the Assembly LHED Committee

FROM: Dan Bleidorn, Lands and Resources Manager Daniel Bleidorn

SUBJECT: Telephone Hill Acquisition

DATE: August 4 2022

The buildings on Telephone Hill consist of approximately twelve dwelling units, which are occupied by approximately 17 tenants. Through DOT&PF, the lease of the buildings is managed by the Telephone Hill Neighborhood Non-Profit Management Corporation. The Telephone Hill property that is being conveyed by the State of Alaska to the CBJ also includes the land under the Main Street parking garage and the Downtown Transit Center.

The Legislature directed the Department of Natural Resources ("DNR") to convey Telephone Hill to the CBJ at no cost (HB349 (June 29, 2022)). Because DOT&PF currently manages the property, DOT&PF must internally transfer it to DNR before DNR conveys it to the CBJ. The State determined that it needed to give notice of eviction for the conveyance to occur. (Attachment 2).

There are many ongoing processes and unanswered questions that will be brought before this Committee and Assembly in the coming months including an appropriations ordinance to fund planning. To continue the process of acquiring Telephone Hill, the Assembly must adopt a resolution pursuant to 53.04.030:

53.04.030 - Grants and gifts.

Real property to be acquired as a grant or as a part of a program of grants or which is offered to the City and Borough as a gift, or at less than fair market value and which is not required for an approved project, may be accepted only upon the approval of the assembly by resolution.

Resolution 2999 includes the "Tenant Soft Landing" in Section 3. We have communicated this request with the State and will continue to do so to ensure that tenants are not untimely evicted.

Staff requests that the LHED Committee recommend the Assembly adopt Resolution 2999.

Attachments:

- 1. Draft Resolution 2999
- 2. Ryan Anderson, P.E. Memo dated July 28, 2022
- 3. Notice of Termination of Lease dated July 29, 2022
- 4. Master Lease for Residential Properties dated November 13, 2001
- 5. ADOT&PF PowerPoint dated May 02, 2019

