

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 Pending Lease Request
DATE: November 21, 2022

At its August 1st meeting, the Assembly discussed leasing the Telephone Hill properties to its current residents upon conveyance to the City. Based on discussions regarding a "soft landing," the Law Department, Risk Manager, and Lands Office drafted the attached lease. This draft was recently sent to the Telephone Hill Neighborhood Non-profit Management Corp. ("Association"), which has not yet responded (as of November 21). The goal of this draft lease is to approximate the longstanding terms of the 20-year-old ADOT lease—while also complying with State statutes, City code, and insurance requirements—so that current residents experience a "soft landing" during the post-conveyance, pre-development period.

Working terms and conditions of this draft lease include¹:

1. Monthly lease payments of \$4,000.00 with proportional deductions as residences are vacated and become ineligible for re-leasing.
2. Termination on July 31, 2023.
3. The Association will continue managing the properties and working directly with sub-lessees.
4. Before the lease becomes effective, City staff—including engineers, code compliance officers, and the Fire Marshal—shall inspect all inhabited residences to ensure compliance with legal, safety, and insurance requirements.
5. All inhabited residences must be sufficiently insured.

Staff requests the Lands, Housing, and Economic Development Committee provide a motion of support for the City Attorney to draft an ordinance for this lease and set it for public hearing.

¹ As this is a draft lease, some terms may change as City staff and the Association negotiate; however, because many of these terms are carryovers from the ADOT lease, they reflect previously expressed desires of Association members and are legally required. City staff anticipates any alterations will be relatively minor.