

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: Ruschmann Application to Purchase CBJ Property
DATE: March 5, 2024

In August 2023 Chris Ruschmann submitted an application to the Land Office requesting to purchase CBJ property adjacent to the applicant's property which is located at 15700 Auke Rec Bypass Road. The original application was for up to five acres for the purposes of "High Tunnel Farming and other agricultural resources". In the time since this application was submitted to the Land Office, the applicant has updated the application stating that they "recently had a house fire and am dealing with my house not being usable for a bit. But it's got me thinking about a smaller scale land increase. Enough to subdivide and potentially build another house on the back part of my property."

The CBJ property that is being requested is not currently served by municipal water or sewer. This property is 151 acres and is transected by Glacier Highway and parts are managed by the Parks and Recreation Department as the Aant'iyek Park and Disc Golf Course. The fraction that is included in this application is managed by Lands and Resources. This property is located outside of the sewer service boundary but also does not have water service because the service out the road is located south of this property on Auke Rec Bypass Road and not on Glacier Highway.



The next step in this process will be for the Assembly to review this application as a new business topic and 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." If the Assembly provides a motion to negotiate with the original proposer and the negotiations are successful, an ordinance with terms and conditions of the sale will be introduced prior to a public hearing.

The applicant's property is served by municipal water and is located on the Auke Rec Bypass Road. If this application moves forward, there is an opportunity to negotiate an access and utility easement on the applicant's property to provide municipal drinking water to the remaining CBJ Parcel. Access to municipal water would increase the value and developability of the remaining CBJ property in a way that makes this proposal beneficial to the CBJ.

Staff request that the Lands, Housing and Economic Development Committee provide a motion of support to the Assembly for working with the original proposer in accordance with CBJ 53.09.260

CBJ Code section 53.09.260

Negotiated sales, leases, and exchanges.

(a) *Application, initial review, assembly authority to negotiate.* Upon application, approval by the manager, and payment of a \$500.00 fee, a person or business entity may submit a written proposal to lease, purchase, exchange, or otherwise acquire City and Borough land for a specified purpose. The proposal shall be reviewed by the assembly for a determination of 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.

(b) *Review and approval process.* Upon satisfactory progress in the negotiation or competition undertaken pursuant to subsection (a) of this section, after review by the planning commission for disposals other than leases, after review by the assembly lands committee, and authorization by the assembly by ordinance, the manager may conclude arrangements for the lease, sale, exchange, or other disposal of City and Borough land. The final terms of a disposal pursuant to this section are subject to approval by the assembly unless the minimum essential terms and the authority of the manager to execute the disposal are set forth in the ordinance enacted pursuant to this subsection. The disposal may not be executed until the effective date of the ordinance.