ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2024-12

An Ordinance Authorizing the Port Director to Negotiate and Execute a Lease of Alaska Tidelands Survey No. 842 Tracts A&B, for the Purpose of Waterfront Commercial Activities.

WHEREAS, on August 19, 1971, the State of Alaska entered into a lease agreement with J.E. Trucano ("the Applicant") for ATS 842 Tracts A&B for a period of 55 years with the annual rental rate of $400.00; and

WHEREAS, in 2001, the State of Alaska conveyed ATS 842 Tracts A&B to the City and Borough of Juneau, and transferred the administration of the lease to the City and Borough; and

WHEREAS, the lease expires in August, 2026; and

WHEREAS, Trucano Family LLC, the successor to J.E. Trucano, now desires to enter into a new lease agreement with the City and Borough of Juneau for the lease of ATS 842 Tracts A&B, containing approximately 1.01 acres; and

WHEREAS, the Docks and Harbors Board and the applicant conducted appraisals for the property to be leased; and

WHEREAS, the Docks and Harbors Board reviewed this lease proposal at its meeting on May 30, 2024, and approved the lease of ATS 842 Tracts A&B to Trucano Family LLC for the purpose of waterfront commercial activities, with an annual lease payment of $20,909.00, the annual lease payment established for the first five years, with an adjustment every five years thereafter pursuant to the terms of the lease; and

WHEREAS, the Docks and Harbors Board is authorized in CBJC 85.02.060(a)(5) to lease lands as provided in CBJ Chapter 53.20.020 and any action required by the City Manager may be performed by the Port Director; and

WHEREAS, CBJC 53.20.020 authorizes the lease of lands owned by the City and Borough, including tidelands and submerged lands, by ordinance under such procedures and minimum terms and conditions as set forth in the ordinance.

THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Authorization to Lease. The Port Director is authorized to negotiate and execute a lease to Trucano Family LLC, for ATS 842 Tracts A&B, a parcel of approximately 1.01 acres, located at ADL51488 - ATS 842 Tracts A & B, Juneau Recording District, First Judicial District, State of Alaska, as generally depicted in Exhibit "A," subject to the following minimum essential terms and conditions:

(A)   The leased property shall be used by the Lessee for waterfront commercial activities;

(B)   The lease shall be for a maximum term of 35 years (CBJC 53.20.080);

(C)   The annual lease rent for the first five-year period of the term shall be $20,909.00, plus sales tax. The first payment under the lease agreement shall be due at the start of each year of the term. The Port Director shall review and adjust the annual rental payment every fifth year of the lease in accordance with CBJC 53.20.190(2) and CBJC 85.02.060(a)(5), as well as Docks and Harbors administration regulations;

(D)   Applicant shall be responsible for obtaining all necessary permits and approvals for its use and development of the leased property;

(E)   Applicant shall indemnify, defend, and hold harmless the City and Borough and its officers and employees for any claims related to or arising out of the Applicant's use, operation, or maintenance of the leased property, equipment, and improvements, or

any further development of the leased property or improvements by the Applicant; and

(F)   The lease shall include all provisions of the standard CBJ land lease form not in conflict with ordinance, and any other provisions that the Port Director determines to be in the public interest.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2024.

                                                                    _____
                                                                    Beth A. Weldon, Mayor

Attest:

_____
Elizabeth J. McEwen, Municipal Clerk