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: Tlingit Haida Regional Housing Authority Application to Purchase City

Property at Pederson Hill

DATE: May 18, 2023

The LHED Committee reviewed this proposed CBJ land disposal at the meeting August 29, 2022 meeting, and passed a motion of support to the Assembly to direct the Manager to negotiate the sale of the CBJ property for less than fair market value. The Assembly reviewed this application as New Business at the September 12, 2022 meeting and passed a motion authorizing the City Manager to enter into negotiations with Tlingit Haida Regional Housing Authority towards the disposal of City property for less than fair market value.

The outcome of the negotiations is the attached Purchase and Sales Agreement, which both parties have tentatively agreed to, pending Assembly review and approval of an ordinance after a public hearing. At this time Staff requests this Committee review the Purchase and Sales Agreement and provide questions and comments prior to the ordinance being introduced at the next available Assembly meeting.

Staff requests that the Lands Housing and Economic Development Committee direct the City Attorney to draft an ordinance for introduction for the disposal of City property to Tlingit Haida Regional Housing Authority.

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.

53.09.270 - Disposals for public use.

- (a) Disposal to governmental agency. The lease, sale, or other disposal of municipal land or resources may be made to a state or federal agency for less than the market value provided the assembly approves the terms and conditions of such disposal by ordinance.
- (b) Disposal to nongovernmental agency. The sale, lease, or other disposal of City and Borough land or resources may be made to a private, nonprofit corporation at less than the market value provided the disposal is approved by the assembly by ordinance, and the interest in land or resource is to be used solely for the purpose of providing a service to the public which is supplemental to a governmental service or is in lieu of a service which could or should reasonably be provided by the state or the City and Borough.
- (c)The market value, as determined by the manager, of City and Borough land, interest in land or resources, which is granted to a governmental or nongovernmental agency under this section, shall be set forth in the authorizing ordinance. The City and Borough may require the grantee to provide an appraisal to determine the market value.

Attachments: Draft Purchase and Sales Agreement Area Maps