

Presented by: The Manager
Presented: 04/01/2024
Drafted by: S. Layne

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2024-15

An Ordinance Authorizing the Manager to Convey a Fraction of Renninger Lot 5 Located near 6200 Jackie Street to JG Construction for Fair Market Value.

WHEREAS, in February 2024, JG Construction (“Purchaser”) applied to purchase a fraction of Lot 5, Renninger Subdivision from the City and Borough of Juneau (“CBJ”); and

WHEREAS, Lot 5, Renninger Subdivision has been available for purchase from the CBJ since 2017 by over-the-counter sale (CBJC 53.09.240); and

WHEREAS, Lot 5, Renninger Subdivision has been available for purchase as a negotiated sale since 2017 with the advertised price equivalent to \$2.00 per square foot; and

WHEREAS, Lot 5 is currently 190,873 square feet and JG Construction requests to purchase the amount required to build up to 16 apartments; and

WHEREAS, the CBJ is conveying the property on the express condition that it be developed as multi-unit apartment buildings; and

WHEREAS, lot size and dimensions will be finalized by a surveyor upon approval and review of the minor subdivision by the Community Development Department; and

WHEREAS, the Lands, Housing, and Economic Development Committee reviewed this proposed CBJ land disposal at the meeting on February 26, 2024, and passed a motion of support to the Assembly to direct the Manager to negotiate the sale of the CBJ property for fair market value; and

WHEREAS, the Assembly reviewed this application as New Business at the meeting on March 4, 2024, and passed a motion authorizing the Manager to enter into negotiations with JG Construction towards the disposal of CBJ property for fair market value; and

WHEREAS, the Manager has determined the fair market value of the CBJ property to be \$2.50 per square foot, which was determined as the current over-the-counter sale price per square foot as advertised in the 2019 sales brochure; and

WHEREAS, because housing is needed on this parcel and it has been on the market for more than five years, the Purchaser may receive a \$0.50 per square foot discount on the

1 purchase price if the Purchaser receives certificates of occupancy for four housing units prior to
2 July 1, 2029.

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

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

6 **Section 2. Authorization to Convey.** The Manager is authorized to negotiate and
7 execute the sale of a fraction of Lot 5, Renninger Subdivision, Juneau Recording District, First
8 Judicial District, State of Alaska, constituting 1.08 acres or 47,189 square feet more or less, as
9 shown on the attached Exhibit A.

10 **Section 3. Essential Terms.** The following are essential terms of this purchase and
11 sale:

- 12 a. The purchase price shall be fair market value, which has been determined to be
13 \$2.50 per square foot.
- 14 b. The payment of \$2.00 per square foot will be due at closing.
- 15 c. The remaining balance of \$0.50 per square foot will be due on or before July 1,
16 2029, and the Manager is authorized to determine the appropriate security for
17 future payment (loan, lien, etc.). However, the remaining balance of \$0.50 per
18 square foot will be forgiven and the purchase price fully satisfied if the Purchaser
19 receives certificates of occupancy for four housing units prior to July 1, 2029.
- 20 d. JG Construction is responsible for subdividing this property prior to closing. The
21 final lot dimensions will be approved by the Manager with the intention of
22 maximizing density.
- 23 e. The Manager must include an express condition that the Purchaser agrees to
24 develop this lot with multi-unit apartment buildings, and the Manager is
25 authorized to determine the appropriate security, restrictions, and processes to
ensure such performance.
- f. CBJ will grant an access and utility easement serving Lot 5 through the panhandle
of Lot 1.

Section 4. Other Terms and Conditions. The Manager may include such other
terms and conditions as may be in the public interest and in accordance with CBJ Title 53.

Section 5. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2024.

Michelle Hale, Acting Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk