

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
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TO: Michelle Hale, Chair of the Assembly LHED Committee
FROM: Dan Bleidorn, Lands and Resources Manager *Daniel Bleidorn*
SUBJECT: THRHA Request to Acquire City Property located at Pederson Hill
DATE: August 4 2022

The August 8, 2022 LHED Committee meeting packet included a Red Folder Item, a letter from Jacqueline Kus.een Pata, the President & CEO of Tlingit Haida Regional Housing Authority (THRHA). The letter requested that the Assembly consider the less than fair market value disposal of City property for the public purpose of developing City property to provide housing for "low-income tribal citizens" and "moderate income Juneau residents" under City code section 53.09.270.

The property that the THRHA is requesting consists of a roughly 11.5 acre parcel. This parcel has an approved preliminary plat that is known as Phase 1B and 1C of Pederson Hill. The preliminary plat shows 69 lots in total. The application states that THRHA anticipates construction of roads and utilities would begin in 2023, with construction of homes beginning in 2024.

The City recently had the property appraised and the value has been determined to be \$635,000. That being said, the City has already invested time and money into the preliminary plat and design for the next two phases. Prior to developing Karl Reishus Blvd. the value of the City property with no access was estimated at \$10,000 per acre. The THRHA did not specify the requested purchase price, just that the request is for less than fair market value. THRHA further indicated it was asking for the property at no cost.

53.09.270 - Disposals for public use.

(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.

After the LHED Committee review on August 29, this application will be brought to the full Assembly as a New Business item in order to determine if this proposal should be considered. If the Assembly chooses to proceed with this application, the City Manager will draft a Purchase and Sales Agreement and the City Attorney will draft an Ordinance for assembly introduction and public hearing.

Staff requests that the LHED Committee provide a motion and forward this application to the Full Assembly in accordance with 53.09.270 - Disposals for Public Use.

Attachment:

1. August 5th, 2022 Jacqueline Kus.een Pate, President & CEO of Tlingit Haida Regional Housing Authority (THRHA) letter of interest to purchase Pederson Hill lots.
2. Preliminary Plat and Map
3. Appraisal Summary