Presented by: The Manager
Introduced: 08/19/2019
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-32

An Ordinance Authorizing the Sale of City and Borough Land Located at Pederson Hill and Establishing the Terms and Conditions Related to the Sale.

WHEREAS, this property has been included for disposal in the 2016 Land Management Plan, adopted May 23, 2016; and

WHEREAS, this property has been included in the Implementation Strategy for the 2016 Land Management Plan; and

WHEREAS, the Lands Committee at the March 18, 2019 meeting, passed a unanimous motion of support for a blended disposal strategy which includes the sealed competitive bid sale of five individual lots, sealed competitive bid on a block of six lots, and a lottery for six lots; and

WHEREAS, the Planning Commission approved the final plat on July 9, 2019, with the condition that prior to the plat recording all public improvements must be accepted for maintenance by the City and Borough; and

WHEREAS, the disposal of these lots will assist the Assembly in meeting its goal of providing land for the creation of additional housing units for individual residents of Juneau; and

WHEREAS, terms and conditions of this land sale are set forth below.

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

Section 1. Classification. This is a non-code ordinance.

Section 2. Authorization. The Manager is authorized to dispose of seventeen (17) lots in the Pederson Hill Subdivision II, Phase 1A as depicted in Exhibit A.

Section 3. Title 53 and Land Management Plan. The sale of these lots are deemed to comply with the intent of and meet the standards set forth in CBJ Title 53, which prescribes the process for classifying, planning, and disposing of City and Borough land, and CBJ Ordinance No. 2016-18, which adopted the City and Borough's Land Management Plan.

Section 4. Method of Sale. As described below, eleven lots shall be sold by sealed competitive bid to the highest qualified bidder, six of which will be offered as a block to encourage

developer involvement and six lots by fixed price fair market value lottery. The winning participants of the lottery will have the opportunity to purchase the property at appraised value.

Lottery: Lots 1, 14, 15, 16, 17, and 18;

Sealed competitive bid as a block of six lots: Lots 2, 3, 4, 5, 6, and 7;

Sealed competitive bid as individual lots: 8, 10, 11, 12, and 13.

Section 5. Sealed Competitive Bid.

(a) Minimum Bid. Minimum bid shall be determined by a licensed real-estate appraiser.

(b) Competitive Bid Procedures. The qualified bidder having the highest bid amount will be named the apparent high bidder. The winning amount will be announced the following business day.

(c) Award.

(1) Apparent high bidders will be sent an "Award Notification" letter by certified mail. The letter shall provide the successful bidders 30 days to submit the following:

(A) Completed Declaration of Intent;

(B) A non-refundable $150.00 document-handling fee;

(C) Notwithstanding CBJ Title 53, a down payment equal to ten percent of the bid amount. The $500 earnest money submitted with the bid shall be applied toward the down payment;

(D) If a business or business entity, proof of current business license in the State of Alaska must be provided, and signatory authority of the person submitting the bid; and

(E) Any other documents or items requested in the Award Notification letter.

(2) If a successful bidder fails to comply with the requirements in the award notification letter, the bidder shall forfeit the $500 earnest money and all rights to the parcel, and the second highest bidder will then be awarded the opportunity to purchase the parcel.

(3) A bidder may purchase more than one parcel. Only the highest bid amount for each parcel will be made public. All other bids will remain confidential until after closing. Earnest money shall be returned to unsuccessful bidders.

Section 6. Lottery.

(a) Sale Price. Fair market value shall be determined by a licensed real-estate appraiser selected by the Manager.

(b) Award. Lottery winners will be provided an "Award Notification" letter at the lottery event. The letter shall provide the successful bidders 30 days to submit the following:

(1) Notwithstanding CBJ Title 53, a down payment equal to ten percent of the bid amount;

(2) A non-refundable $150.00 document-handling fee;

(3) If a business or business entity, proof of current business license in the State of Alaska, and signatory authority of the person submitting the bid;

(4) Any other documents or items requested in the Award Notification letter; and

(5) A bidder may not purchase more than one parcel. A bidder drawn for more than one parcel must choose, at the time of drawing, which parcel to relinquish.

Section 7. Payment and Financing. Purchasers may elect to use City and Borough financing, paying the balance owed over a period of ten years, in annual, quarterly, or monthly payments at an interest rate of ten percent. No bidder or purchaser may sell or assign his or her interest in a parcel until the City and Borough has been paid in full.

Section 8. Reoffering. The Manager may sell any unsold parcels as sealed competitive bid or over the counter sales. The sale price, should the lots become available through over the counter sale, shall be fair market value as determined by appraisal, or set at the minimum bid from the preceding sealed competitive bid sale.

Section 9. Other Terms and Conditions. The Manager may include such other terms and conditions as may be in the public interest.

Section 10. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 16th day of September, 2019.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

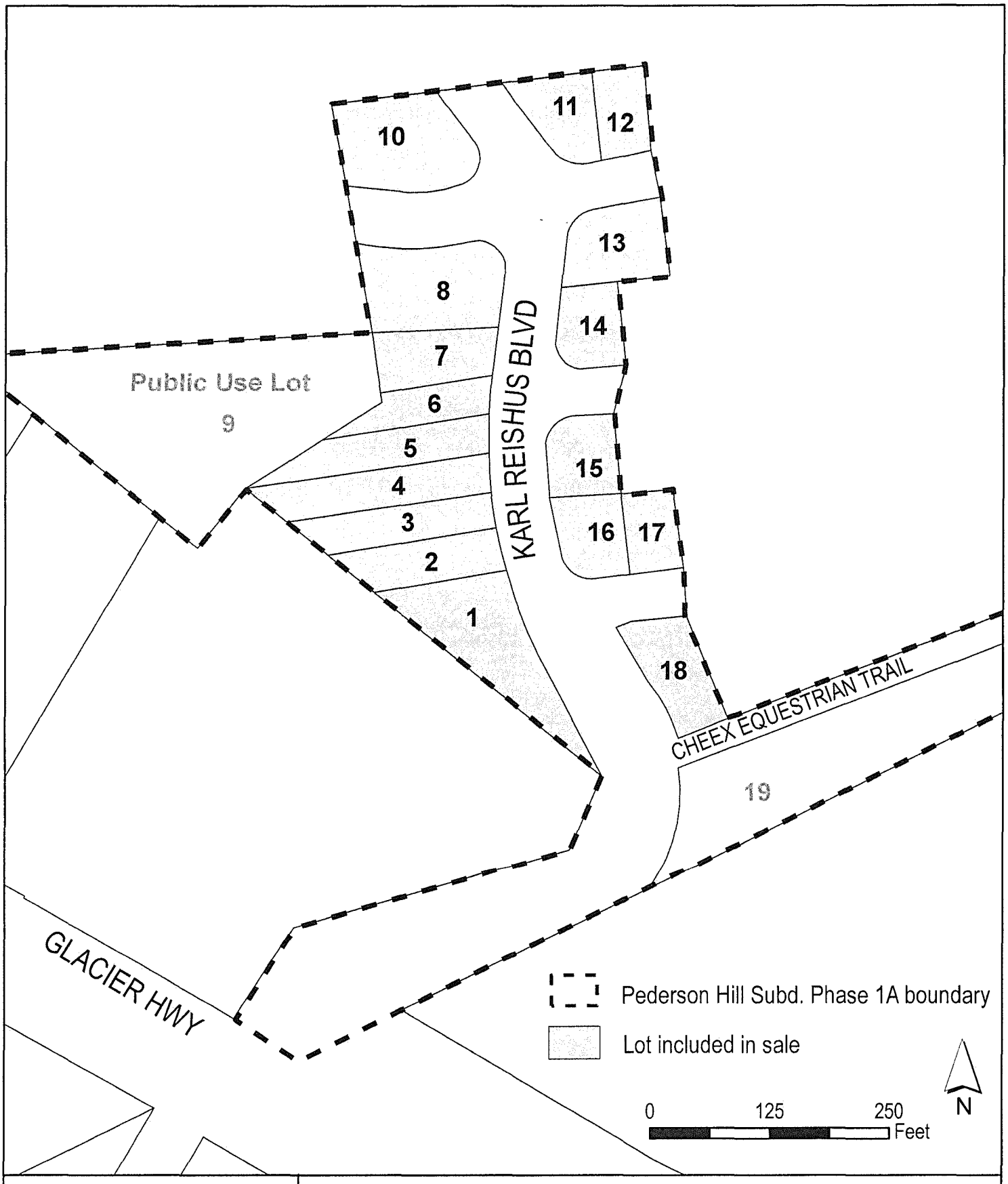

EXHIBIT A
Ord. 2019-32

Sale of Pederson Hill Subdivision Phase 1A
Lots 1 - 8 and 10 - 18