

**ASSEMBLY STANDING COMMITTEE MINUTES  
LANDS AND RESOURCES COMMITTEE  
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

June 22, 2020, 5:00 P.M.

City Hall, Assembly Chambers, Zoom Webinar Meeting

**I. ROLL CALL**

Chair Edwardson called the meeting to order at 5:00pm.

**Members Present:** Chair Rob Edwardson, Alicia Hughes-Skandijs, Greg Smith, Carole Triem

**Members Absent:** None

**Liaisons Present:** Chris Mertl, Parks and Recreation; Chris Dimond, Docks and Harbors

**Liaisons Absent:** Michael LeVine, Planning Commission

**Other Assembly Members Present:** Loren Jones

**Some Members of the Public Present:** Taku Terrace Homeowners Association members

**Staff Present:** Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Teresa Bowen, Assistant Attorney

**II. APPROVAL OF AGENDA**

Mr. Bleidorn added a staff report item to the agenda. The agenda was approved.

**III. APPROVAL OF MINUTES**

The June 1, 2020 Draft Minutes were approved.

**IV. PUBLIC PARTICIPATION**

None

**V. AGENDA TOPICS**

**A. Taku Terrace Association Request to Purchase City Property**

Mr. Bleidorn discussed this item. Taku Terrace is located at 1220 Glacier Avenue and the total square footage for this property is .63 acres. The land below the condos is owned by the City and has been leased to the condo association since 1970. There is no road frontage to the condos on Glacier Avenue but there is a long existing easement agreement to allow for access. There are 35 condo units. The lease is for 90 years with forty years left. One of the clauses in the lease states that the rent is to be evaluated every ten years and "the rental for any ten (10) year period shall not exceed by more than 20% of the amount paid during the immediately prior ten (10) year period." Currently Taku Terrace's lease rate is \$296.38 per month. Because of the 20% cap on the lease rate, this lease is not currently at fair market value. The last

assessment of this property is from 2000 and determined that the fair market value for the lease would have been \$1,852.50 per month.

On May 21, 2020, the Lands Office received a request from Taku Terrace Association declaring that there is interested in acquiring the property from the City. Private financing on the condominiums has become problematic because Taku Terrace Association does not own the land that the condominiums are built on. This property was listed in the 2016 Land Management Plan as “retain” which will need to be updated prior to a disposal of this property. If the Lands Committee provides a positive motion to work with the original proposer, the next step in the process will be to have this request reviewed by the Planning Commission. The Planning Commission will evaluate for conformity with existing plans, including the Land Management Plan and provide a recommendation to the Assembly.

Bringing this to the Lands Committee for discussion is the first step in the process. The Assembly would decide to retain the property, work with the original proposer, or open it up for competition. Because Taku Terrace owns the building on top of the land, it makes sense to work with them on this proposal. The application has been reviewed by Lands staff and deemed complete and a Planning Commission review has been started due to the large file for this property and the uniqueness of this situation. After a Planning Commission meeting, it will go to the Assembly as new business and back to Lands prior to an ordinance being drafted, if this proposal has been approved along the way.

Ms. Hughes-Skandijs asked what the status of this property was in the adopted Land Management plan. Mr. Bleidorn replied that there was an oversight in the 2016 plan with the thought that this property was to be retained due to the long-standing lease and there was no proposals to purchase the property at that time. Part of the Planning Commission and Staff review is to look at this detail to make sure it makes sense to make the change from retain to dispose.

Mr. Mertl asked if the property is the entire property that the condominiums are on, Mr. Bleidorn confirmed. Mr. Mertl asked if there are any legal complications with the easement going through the adjacent piece of property that may cause future issue. Mr. Bleidorn replied that he has not found any complications through his research and that this is one area that will be addressed through the Planning Commission.

Chair Edwardson asked Mr. Bleidorn to explain leases in regards to land rights. Mr. Bleidorn replied that this agreement is written as a lease with a 90-year lease with nine, ten-year terms, but when that lease expires, it could get complicated with the ownership of the building when the land reverts back to the City. Part of this request is to ensure the future of the condo association is secure. Chair Edwardson commented that he was referring to a land right, if you imagine all of the rights that exists in land as a bundle of sticks. The City is not giving up just the right of

occupancy with the lease, we are not just letting someone live there we are giving up legal rights they get a good portion, maybe half of that bundle of sticks is rights. If the City does not approve this then it will stay a lease for the next forty years. It is binding agreement that surrenders certain rights to the lessee.

A motion of support to the Assembly to work with the original proposer (Taku Terrace Association) for the disposal of a fraction of U.S. Survey 655; passed.

## **VI. STAFF REPORTS**

### **A. Juneau Home Building Program Update**

Mr. Bleidorn highlighted the success that the Home Build Program has had in Juneau. Mr. Bleidorn had recently spoken with Tamara Rowcroft, the executive director at Alaska Housing Development Corporation, about the progress she has made with the Juneau Home Build program. She has been working with Juneau high schools on a property that was sold to her organization from the City. Ms. Rowcroft was pleased to announce that the first house through this project has been completed and she is working on closing on the house, as it has been sold. Mr. Bleidorn wanted to update the Lands Committee, as this committee has been an advocate for this project in getting this property to the housing trust. This is the first of seven houses they plan on building. She has had delays with the COVID pandemic and working with the school district, with a previous goal of building one house per school year and that has changed a little. The Jackie Street lot that was sold to the housing trust in 2017 was about fifty percent of fair market value with the requirement that they build the houses with the home build program. The housing trust puts these in a 99-year land lease, for affordability. This great program provides a lot of training to the students that participate.

## **VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS**

No Liaison reports provided.

## **VIII. ADJOURNMENT**

Chair Edwardson adjourned the meeting at 5:18PM.