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

June 1, 2020, 5:00 PM.
Zoom Webinar/Virtual Meeting Only

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. May 4, 2020 Draft Minutes

IV. PUBLIC PARTICIPATION

(Not to exceed a total of 10 minutes nor more than 2 minutes for any individual).

V. AGENDA TOPICS

A. Mayflower Building/Montessori School Lease Renewal

B. Eagle's Edge Land Donation Request

C. Crazy Horse Drive Communication Tower Land Lease Request

VI. STAFF REPORTS

A. Hurlock Property Release Request

VII. INFORMATION ITEM ONLY/NO PUBLIC PARTICIPATION

A. FEMA Flood Map Adoption Process

VIII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

IX. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

ASSEMBLY STANDING COMMITTEE MINUTES
LANDS AND RESOURCES COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
May 4, 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 Dimond, Docks and Harbors; Chris Mertl, Parks and Recreation

Liaisons Absent: Dan Hickok, Planning Commission

Other Assembly Members Present: Loren Jones

Some Members of the Public Present: Ke Mell, Laura Martinson

Staff Present: Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Jill Maclean, CDD Director; Rob Palmer, Municipal Attorney; Mila Cosgrove, Deputy City Manager

II. APPROVAL OF AGENDA

The agenda was approved.

III. APPROVAL OF MINUTES

The March 2, 2020 Draft Minutes were approved.

IV. PUBLIC PARTICIPATION

No public participation for non-agenda topics.

V. AGENDA TOPICS

A. State of Alaska Parking Lease

Mr. Bleidorn discussed the upcoming renewal for the continuation of the State of Alaska employee parking lease at 350 Whittier. In 2009, Resolution Serial No. 2535 authorized the Manager to lease the area between the JACC and Centennial Hall to the State of Alaska for employee parking for one year with four one-year renewals. Ordinance 2015-30 was adopted by the Assembly in 2015 and authorized the Manager to continue to lease this parking to the state for one year with four one-year renewals.

The final renewal period for the existing lease is set to expire on June 30, 2020. The State has requested a continuation of this lease, which consists of roughly 150 parking spaces. The current lease rate was determined by appraisal in 2015 and is $122,760 per year. In

2018, the lease area was updated to centralize Centennial Hall and JACC Parking. A new appraisal with Roger Ramsey Appraisals will be completed in order to adjust the lease rate to fair market value. The State manages and provides winter maintenance of the leased area. They provide their own striping, appropriate signage and enforcement of their parking regulations.

Chair Edwardson asked if there was any public comment on this item, none given.

Mr. Mertl asked about the protocol to ask questions with webinar meetings. Chair Edwardson replied that one could raise their hand on the screen to be recognized. Mr. Mertl then congratulated Mr. Bleidorn on his promotion and asked when does the new lease expire and how that could impact the potential JACC/Centennial Hall expansion or upgrade. Mr. Bleidorn replied that the lease has one-year terms with options for renewals and the City would have that option each year to reevaluate the lease.

A motion of support to continue to lease roughly 150 parking spaces to the State of Alaska for employee parking was approved and moved to the Assembly.

B. Land Disposal Request at 848 Basin Road

Mr. Bleidorn discussed this request from Ke Mell to the Lands Office to purchase to a 6,500 square foot City lot at 848 Basin Road, in downtown Juneau. Ms. Mell's house is located next door at 850 Basin Road. The applicant is interested in purchasing the 848 Basin Road lot in order to build a house on the property. The area is zoned for D18 multifamily development but Basin Road is mostly developed with single-family residences on very steep lots. The application stated that the lot at 848 is extremely precipitous and would be extremely difficult to access from Basin Road. However, her lot could provide an access route to 848. Therefore, her plan is to stage the construction from her property. As an adjacent property owner, she is uniquely situated to develop the neighboring City lot. Anyone else attempting to build on this property would be required to stage construction from Basin Road and would have to access the lot over a steep retaining wall. These factors would make the prospect tremendously difficult. The Lands and Resources Division manages the parcel of land requested by Ke Mell.

CBJ§53.09.260 Negotiated sales, leases, and exchanges stipulates that once an application has been received, it must first be determined by the Assembly whether the proposal should be further considered by direct negotiation with the original proposer or if the property should be offered for public sale to other individuals. Since this lot is not intended to be used by the City for any other purpose and it could be developed by the applicant to increase housing options within the downtown region, Lands staff is recommending that this lot be sold to the original proposer and would include retaining a maintenance easement for the retaining wall on the lot.

It is listed in the Land Management Plan LND 1020 for retain/dispose and in this case, the subject property is very steep. Since this lot is zoned for residential development but is unusually steep, it is listed. The Lands Division has not offered this property as a candidate for general sale due to the extreme difficulties associated with developing this steep lot. By selling this lot to the applicant, a residential development could be built.

Chair Edwardson asked if there was any public comment on this item. Applicant Ke Mell was identified to be present and available to field questions if needed.

Mr. Mertl asked about situations where an applicant requests sale or disposal of CBJ property, if it is the current procedure to go directly to the applicant or to have public sale. Mr. Bleidorn replied that it depends on the property and in this case, with the development constraints of the property it is suggested to work with the original applicant but in some cases if the property were listed on our disposal list we could go with a sealed competitive bid option. Mr. Mertl followed up to ask if this piece of property was on our disposal list or did the request come in unexpectedly. Mr. Bleidorn replied that it is on our disposal list included in our 2016 Land Management Plan.

Chair Edwardson asked about the different steps of this process. Mr. Bleidorn replied that this is the first step for the Assembly to decide to work with the proposer or to retain the property for public use or to decide to open it up to other proposers to solicit something else for the property or to decide to go to sealed competitive bid. This item is presented at the Lands Committee as a precursor to the Assembly for new business where it could receive a motion of support to work with the original applicant and where we could work with the applicant at staff level to dispose of the property. It would then go to the Planning Commission for a City/State review and come back to the Lands Committee prior to going to the Assembly for adoption by ordinance.

A motion of support to the Assembly for a fair market value sale of City property located at 848 Basin Road to the original applicant, Ke Mell that will also include retaining a maintenance easement for the retaining wall on the lot and will go to the Assembly as new business. Motion approved.

C. Merganser Road/Lena Point Communications Tower Lease Request

Mr. Bleidorn discussed this request and new information that has come about this topic. Community Development Director Jill Maclean and City Attorney Robert Palmer are available for discussion.

In March of 2018, the Lands Committee reviewed a memo and a presentation concerning a request from Vertical Bridge Holdings LLC to lease City property adjacent to a City reservoir on the 64-acre parcel located north of the South Lena Subdivision. At that meeting, the Lands Committee passed a motion in favor of working with Vertical Bridge Holdings LLC towards the lease of City Property located in South Lena. The Assembly reviewed this proposed lease at the April 2, 2018 meeting as New Business and determined not to solicit additional applications and to work with the original applicant.

In the time since the 2018 Lands Committee meeting, an appraisal has been completed for this proposed lease and the Planning Commission reviewed the application. The appraisal was completed on February 21, 2020 and the base lease rate was determined to be $1,075 per month. The Planning Commission, at its regular public meeting on April 14, 2020 adopted the analysis and the findings as attached in the Notice of Decision (NOD) and they approved the special use permit for this tower. At the Planning Commission meeting, six citizens spoke against this proposed tower and one citizen spoke in favor. There were concerns with 5G technology and the proximity to the South Lena Subdivision. City Code 53.09.260 - Negotiated sales, leases, and exchanges states *"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."*

Ms. Maclean spoke generally about wireless technology. Ms. Maclean also noted that an appeal was received at close of business on May 4, 2020 in regards to the April 14 Planning Commission meeting decision to Vertical Bridge in regards to this specific tower. Ms. Maclean cautioned the Lands Committee in discussing this topic and taking public comment in that it may impact the whole Assembly's ability to hear an appeal. Generally, questions came in about wireless and 5G and Ms. Maclean wanted to speak on that.

WCF regulations are somewhat complex, and are more similar to flood regulations and permitting requirements that are set by FEMA, rather than a Conditional Use Permit. The Commission, in its role as regulator, is strictly prohibited from regulating the FCC/health aspects of wireless communication (47 U.S.C. Sec. 332). The FCC has the authority to determine safety limits for radio frequency. Per the U.S. Supreme Court case (47 U.S.C. Sec. 332), "*no state or local government or instrumentality thereof may regulate the placement, construction, and modification of personal wireless service facilities on the basis of environmental effects of radio frequency emissions to the extent that such facilities comply with the Commission's regulations concerning such emissions*."

The WCF Special Use applications received and heard by the Commission in April met the Land Use Code, CBJ 49.65.960(d), which requires a signed statement from a qualified person stating that the proposed WCF complies with FCC regulations. Further, the FCC has determined (in consultation with other agencies) that 5G is safe. Therefore, staff and the Commission are preempted from making a contrary finding.

Ms. Maclean noted that there was another wireless tower application last week and another recent one that may or may not go to the Planning Commission and remain at staff, or director's level for approval. These are aside from the two Vertical Bridge communication tower requests that are presented in this Lands Committee meeting.

Mr. Palmer noted that the Lands Committee meeting has an option to either hold a discussion on the lease application or alternatively to postpone discussion for a later date after the appeal has been considered. If the Committee decides to discuss the lease at this meeting a hearing officer will be appointed by the Assembly. Chair Edwardson noted that his intent was to allow the Committee to discuss this item and to ask questions. Chair Edwardson inquired if there was public comment. Mr. Bleidorn commented that if this item was tabled at this meeting it would come back to the Lands Committee prior to going to the Assembly and would be delayed until after the appeal has been heard.

Chair Edwardson asked about the process for this item. Mr. Palmer noted that option one would be for the Lands Committee to discuss the lease as normal with the consequences that the Assembly would have to appoint a hearing officer to decide the appeal. Alternatively, the Committee could decide not to discuss this lease, let the appeal go first, and depending on that outcome the lease discussion could be considered. Chair Edwardson inquired on the appeal process. Mr. Palmer explained that at the next regular Assembly meeting the Assembly would decide how to process the appeal, whether to accept it and to appoint a hearing officer or to handle the appeal as the Assembly itself. Regardless of this, there would be a short meeting with all the parties to decide how to proceed. Chair Edwardson asked if this would come to the Lands Committee again and Mr. Palmer stated that the appeal would not go to the Lands Committee but back to the full Assembly. The appeal is not before the Lands Committee and would be heard for the first time at a regular Assembly meeting. What is before the Lands Committee is the lease component. The appeal is for the Planning Commission's decision for a permit issued. The parallel track is for the lease component presented before the Lands Committee with the questions of which one to hear first. The option would be to debate the merits of the lease which would mean that the Assembly would more than likely need to appoint a hearing officer or if the Lands Committee does not want to debate the lease they have the option to refer the lease to the Assembly or table this item until a later date.

Chair Edwardson asked if there was any public speakers, none for this topic.

Mr. Smith asked Mr. Palmer if there was any discussion about the lease if that would potentially cause the Assembly to have to appoint a hearing officer and if there are any bounds or guidance for the Committee to discuss this item. Mr. Palmer noted that the big picture idea is that when the Assembly sits as an appellate body, the Assembly needs to recognize the procedure due process rights; the fairness rights of all parties involved, and it depends on how detailed the Lands Committee could get with a conversation. It is unknown what the concerns of the party that filed the appeal is. The Lands Committee could taint the neutral unbiased presumption of the Assembly to hear the appeal. If the discussion is just about money, that may not taint the appeal but if there are concerns about conditions, such as the height of the tower or the technology on the tower, then those are items that may taint the review piece through the appeal.

Mr. Smith commented that he has watched this go through the Planning Commission and there is more information about this topic he is interested in but is uncertain if he could have a conversation with Ms. Maclean about it, if it would be problematic to the appeal process. Mr. Palmer commented that one of the limitation once an appeal has been filed is that it prohibits an Assembly member from having ex partes, or private conversations with any parties. Currently CDD represents the Planning Commission's interest on this item so an Assembly member could not have a private conversation with Ms. Maclean, nor could they with the appellant, Mr. Lee, until the question of hearing officer or the Assembly as an appellate body has been decided. If a hearing officer option has been chosen then an Assembly member could have private conversations because an Assembly member would not be deciding the case. This could put the Lands Committee in an awkward position until the Assembly decides what to do with the appeal.

Ms. Hughes-Skandijs asked that if the appeal has been decided that this would go to the next full Assembly meeting and if the merits of the lease were discussed and a motion was issued, what that also go to the next Assembly meeting? Mr. Palmer noted that the Assembly would have the same choices as the Lands Committee and they would have the options to delay consideration of the lease to consider the appeal or they could take pieces of the lease up as well.

Ms. Triem made a motion to postpone the consideration of this lease until it is known how the appeal process will play out in the Assembly. Motion passed.

VI. STAFF REPORTS

A. Crazy Horse Drive Communications Tower Lease Request

Mr. Bleidorn discussed this request. This tower request is not as far along as the Lena communications tower request, hence why it is in the staff reports, with no motions requested at this meeting and will proceed as new business with the next Assembly meeting. On April 8, 2019, the Lands Committee reviewed a memo and presentation concerning a request from Vertical Bridge Holdings LLC to lease City property on the 32-acre parcel located at the end of Crazy Horse Drive, in the Mendenhall Valley. The Food Bank is located on this industrial property, as well as an existing FAA tower. There is also a private tower just north of this property, believed to be an AT&T tower. At that meeting, the Lands Committee passed a motion of support to work with Vertical Bridge Holdings LLC towards the lease of City Property contingent on a Planning Commission recommendation. In the time since the Lands Committee meeting, an appraisal has been completed for this proposed lease and the Planning Commission has reviewed it. The appraisal was completed on February 21, 2020 and the lease rate was determined to be $1,075 per month. The Planning Commission, at its regular public meeting on April 14 2020, adopted the analysis and findings attached in the Notice of Decision (NOD) and approved the special use permit for this tower. At the Planning Commission meeting, one citizen spoke against this proposed tower.

Since the Lands Committee already provided a motion of support for working with the original applicant on April 8, 2019 there is no request for a motion from staff at this time. However, given the amount of time since the Lands Committee last reviewed this topic, staff requests questions and comments from the Lands Committee prior to bringing the lease request to the Assembly. The next step in the application process is to bring this application to the Assembly as New Business and request a motion to work with the original proposer. City Code 53.09.260 - Negotiated sales, leases, and exchanges states:

"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.

If this lease receives a positive motion from the Assembly to work with the original applicant, it will be brought before the Lands Committee as an Agenda Topic for discussion and staff will request a motion to the Assembly at that time.

Mr. Mertl asked if this is on Parks and Recreation managed lands. Mr. Bleidorn replied that Lands manages this property and it is zoned industrial.

Mr. Smith asked if he had questions about this particular tower if it was appropriate to discuss with Ms. Maclean. Mr. Palmer confirmed that is appropriate to talk to anyone about the lease that may be coming up in the future.

B. **Childcare Update**

Mr. Bleidorn introduced Mila Cosgrove and Laura Martinson to discuss childcare financial recommendations. Ms. Martinson had submitted the childcare financial recommendations to the Lands Committee to assess the need beyond the State funding that will end on May 30, 2020. Childcare providers in town are anticipating 30% to 50% enrollment as facilities will open back up, which creates a huge need for financial assistance based on the thin margins that they are already operating with.

Through fact-finding conducted within Juneau, the Economic Stability Task Force (ESTF) has determined there will be a need for financial assistance within the childcare sector of Juneau's economy. Assistance is needed both on the form of direct monetary assistance, and through directly providing supplies to safely operate. AEYC estimates that upon re-opening during the month of May, enrollment will be approximately 50% of capacity. At full capacity, operating margins for childcare were already very thin. As an example, Shibler's Discovery Preschool was operating at a 3%-5% margin, even with rent 100% subsidized due to legislative family care preference. With the decrease in revenue, margins will be even lower or potentially unprofitable due to fixed costs continuing and tuition declining.

With the intent to encourage childcare operators to remain open and to operate safely, the Assembly should consider providing temporary assistance to licensed centers. Assistance should be in the form of cash grants on a per-child basis for a period of three months beginning June 1 – at which point the market need should be re-assessed, given the quickly changing mandates and public health climate. The three-month time period is recommended as it begins when the state grant funding ends, and offers stability for operators, but recognizes the dynamic pace at which circumstances are fluctuating. The Assembly should also consider covering additional costs of PPE-type items, and potentially other costs not normally incurred by childcare providers for a period of three months, beginning when the provider opens, or immediately if already open. CBJ should also assist in identifying a source for PPE, as the purchasing capacity of most centers is limited.

Mr. Smith commented to Ms. Martinson the hard work the task for has accomplished in putting together these recommendations. Mr. Smith asked if there is a vision what a final work product might be. Ms. Martinson commented that she had spoken with AEYC and noted that there may be a per-student subsidy that the City may provide; this would be an easy mechanism to add additional funding per student. This may incentivize daycare centers to open as it is based on new enrollment and not previous enrollment.

This would be an incentive to get centers open again and get our economy moving again. Mr. Smith followed up by asking if the task force would use a matrix or a list of top recommendations. Is the reason this is coming forth due to the concern of how long these centers can survive on their own after funding ends at the end of May. Ms. Martinson confirmed that is correct and part of that is based on the anticipated enrollment with the concern that some centers may choose not to open at all. Childcare in Juneau is running around 2% - 5% profit margin, with most at 3%, so if enrollment is cut in half then it doesn't make sense financially to open. The taskforce was also trying to find a way to deliver the funds that is efficient for the Assembly. To find a method that is already in place and has the option of piggybacking off of. The three month timeframe is arbitrary as everything is changing so fast and that is a good assessment point but does not mean that the taskforce does not feel that there is a need beyond that date. Three months gives centers more time to operate and can be reevaluated after this timeframe.

Chair Edwardson asked Ms. Cosgrove where this childcare item would go after the Lands Committee. Ms. Cosgrove replied that there were two recommendations from the taskforce, one being EOC specific, if the CBJ EOC could assist center with the obtaining the appropriate PPE, in which the EOC cannot purchase the equipment but can assist and point the centers in the right direction. Ms. Cosgrove commented that this is a FY20 and FY21 issue, noting that Ms. Martinson mentioned the child stipend that is already in consideration for FY21 and FY22. There may be a significant cost increase of putting children into childcare right now, beyond scope of abilities for most parents to be able to pay. Further research is needed to determine if there is additional funding sources available in addition to CBJ funds. Beyond that, the FY20 portion of the taskforce should go back to the Finance Committee. Childcare may not be able to reopen at this time without some sort of financial assistance.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

No Liaison reports provided.

VIII. ADJOURNMENT

Chair Edwardson adjourned the meeting at 5:54PM.

MEMORANDUM

CITY/BOROUGH OF JUNEAU
Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan.Bleidorn@juneau.org
(907) 586-5252

TO: **Rob Edwardson, Chair of the Assembly Lands Committee**

FROM: Daniel Bleidorn **Dan Bleidorn, Lands and Resources Manager**

SUBJECT: **Mayflower Building Lease Renewal**

DATE: **May 27, 2020**

The Montessori School has leased the Mayflower Building from the CBJ since 1992. Fair market value for the Mayflower Building was established by appraisal in 1993 and found to be $2,000 per month. The lease rate has not been updated to a current fair market value since 1993.

The Current lease was signed in 2015 and was authorized by Ordinance 2014-44. In 2014 fair market value was determined by appraisal to be $3,255 per month, at that time the Lands Committee and Assembly chose to keep the lease rate flat at the 1993 amount of $2,000 per month, since it was covering the costs of maintaining the building. Since 2014, the building maintenance costs have gone up and the lease rate no longer covers the costs to maintain this building. It currently costs roughly $2,600 per month to maintain this building.

The current lease has the option for a 5 year renewal with the requirement that anything less than a fair market value lease rate be brought to the Assembly for approval. Section 4 of the lease states that "the manager is only authorized to renew this lease with a rental rate at the fair market value. If the Lessee seeks to renew the lease at less than fair market value, then the Assembly must first authorize the reduced rental rate." On May 18, 2020, staff received the attached letter from Laura Talpey, the Executive Director of the Juneau Montessori School, addressed to the Assembly requesting the lease be renewed and that it continue to be at less than fair market value.

Lands staff requests that the Lands Committee pass a motion of support to continue to lease this property to the Montessori School for less than fair market but increase the rates from $2,000 per month to $2,600 per month in order to cover building maintenance costs.

Attachments:
1. 2014 Mayflower Building Lease with attachments
2. August 19, 2014 Memo from Greg Chaney
3. May 18, 2020 Letter from Laura Talpey, Executive Director of the Juneau Montessori School

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
LANDS & RESOURCES

MAYFLOWER BUILDING LEASE AGREEMENT

PART I. PARTIES. This lease is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter "CBJ," and the Juneau Montessori School, formerly known as Juneau Montessori Center, Inc., an Alaska nonprofit corporation, hereafter "Lessee."

PART II. LEASE ADMINISTRATION. All communications about this lease shall be directed as follows, and any reliance on a communication with a person other than that listed below is at the party's own risk.

CBJ:
City and Borough of Juneau
Attn: Greg Chaney
Land and Resources Manager
155 S. Seward Street
Juneau, AK 99801
Phone: (907) 586-0205
Fax: (907) 586-0295

Lessee:
Juneau Montessori School
Attn: Sharlyn M. Smith
Executive Director
750 St. Ann's Avenue
Douglas, AK 99824
Phone: (907) 364-3535
Fax: (907) 364-3537

PART III. LEASE DESCRIPTION. This lease agreement is identified as: Mayflower Building Lease Agreement. The following appendices are attached hereto and are considered a part of this lease agreement as well as anything incorporated by reference or attached to those appendices.
Appendix A: Property Description & Additional Lease Provisions
Appendix B: Lease Provisions Required by CBJ Chapter 53.20
Appendix C: Standard Provisions

If in conflict, the order of precedence shall be: this document, Appendix A, B, and then C.

PART IV. LEASE EXECUTION. CBJ and Lessee agree and sign below. This contract is not effective until signed by the CBJ. Lessee represents that the person signing below on its behalf has the authority to do so and that it is a valid and binding contract enforceable in accordance with its terms.

CBJ:
Date: March 6, 2015
By: [signature]
Kimberly A. Kiefer
CBJ Manager

Lessee:
Date: 2/10/15
By: Sharlyn M Smith
Sharlyn M. Smith
Executive Director

Risk Management Review: [signature] 2/20/15, Risk Manager
Approved as to Content: Greg Chaney 2/20/15, Lands & Resource Manager
Approved as to Form: [signature] 3/6/15, Law Department

APPENDIX A:
PROPERTY DESCRIPTION & ADDITIONAL LEASE PROVISIONS

1. DESCRIPTION OF PROPERTY
The property subject to this lease shall be referred to generally as "the Property or "the Leased Premises" and shall consist of the following:

> The entirety of the Mayflower Building, (5,086 square feet, more or less) located at 750 St. Ann's Avenue, Douglas, Alaska 99824 and approximately14,816 square feet of Lots 12 and 25 of Block 32, of the Tyee 2nd Millsite Addition, Douglas Townsite, as generally shown on Exhibit A.

2. AUTHORITY
This lease is entered into pursuant to the authority of the CBJ 53.20, CBJ 53.09, and Ordinance No. 2014-44, attached as Exhibit B.

3. TERM AND RENEWAL OPTION

a) The term of this lease is five (5) years, unless terminated as provided herein. The term shall commence on the effective date of this lease, which shall be the date the lease is signed by the CBJ.

b) The Lessee may request renewal of the lease pursuant to Chapter 53.20 prior to the expiration of the lease term or extensions thereof. The parties may negotiate any number of lease extensions, provided that the extensions total no more than five (5) additional years after the original lease term.

4. LEASE PAYMENTS
The current fair market value is $3,255 per month. Consistent with CBJ 53.09.270(b), Lessee shall pay rent to the CBJ at the rate of **$2,000** per month for use and occupancy of the Premises (61% of fair market value). Rent shall be paid in advance on the 1st day of every month and may be mailed or personally delivered to the Office of the Treasurer, City and Borough of Juneau, 155 South Seward Street, Juneau, Alaska 99801.

Lessee agrees to a review and adjustment of the annual rental payment by the manager not less often than every fifth year of the lease term beginning with the rental due after completion of each review period. The CBJ may adjust the rental rate to reflect fair market value of the Leased Premises at the time each renewal option is exercised. The manager is only authorized to renew this lease with a rental rate at the fair market value. If the Lessee seeks to renew the lease at less than the fair market value, then the Assembly must authorize the reduced rental rate.

JJ. C

Any rate changes or adjustments shall be based primarily upon the values of comparable land in the same or similar areas: such evaluations shall also include all improvements. placed upon or made to the land. to which CBJ has right or title. excluding landfill placed upon the land by Lessee. except that the value of any improvements credited against rentals shall be included in the value. Lessee may protest the adjustment to the manager. and if denied wholly or in part. an appeal may be taken to the Assembly. The decision of the Assembly shall be final.

5. AUTHORIZED USE OF LEASED PREMISES

Lessee is authorized to use the Leased Premises solely for the operation of an elementary school. which may include a pre-school, and daycare. Included in this authorization is the Lessee's option to use and make improvements to and expand the existing playground area into the areas currently used for parking and vehicular circulation within the Leased Premises.

Lessee is further authorized to non-exclusive use of the CBJ parking lot that adjoins the Leased Premises. Lessee agrees to make the playground available for public use when Montessori is not in session.

6. INSURANCE REQUIREMENTS.

Lessee understands that CBJ carries no fire or other casualty insurance on the Leased Premises or improvements located thereon belonging to Lessee, and that it is Lessee's obligation to obtain adequate insurance for protection of Lessee's personal property located on the Leased Premises.

Lessee has secured and agrees to keep and maintain in full force and effect. at its own expense. the insurance described by CBJ Risk Management as outlined below. The Lessee has provided certification of proper insurance coverage to the CBJ. attached as Exhibit C. All insurance required under this contract. including during any periods of renewal. shall name the CBJ as an additional insured. except with respect to any required Professional Liability or Workers Compensation policies. At least 30 days prior to the cancellation, non-renewal or reduction in the amount of coverage, Lessee shall provide written notice to the CBJ's Risk Management. The Lessee's insurance shall be primary and any insurance maintained by the CBJ shall be non-contributory. If the Lessee maintains higher limits than shown below. the CBJ shall be entitled to coverage for the higher limits maintained by the Lessee.

Any deductibles and self-insured retentions must be declared to and approved by the CBJ. The CBJ may require the Lessee to provide proof of ability to pay losses and related investigations, claim administration and defense expenses within the retention.

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Commercial General Liability Insurance. The Lessee must maintain Commercial General Liability Insurance in an amount it deems reasonably sufficient to cover any suit that may be brought against the Lessee. This amount must be at least one million dollars ($1,000,000.00) per **occurrence**, and two million dollars ($2,000,000.00) aggregate. **The CBJ will be named as an additional insured on this policy.**

Workers Compensation Insurance. If required by Alaska Statute (*see* Alaska Statute 23.30), the Lessee must maintain Workers Compensation Insurance to protect the Lessee from any claims or damages for any bodily or personal injury or death which may arise from services performed under this contract. This requirement applies to the Lessee's firm, the Lessee's subcontractors and assignees, and anyone directly or indirectly employed to perform work under this contract. The Lessee must notify the City as well as the State Division of Workers Compensation immediately when changes in the Lessee's business operation affect the Lessee's insurance status. Statutory limits apply to Workers Compensation Insurance. The policy must include employer's liability coverage of one hundred thousand dollars ($100,000.00) per injury and illness, and five hundred thousand dollars ($500,000.00) policy limits. Lessee also agrees to provide evidence of Longshore and Harbor Worker's Insurance and Jones Act coverage if applicable to the work required. If the Lessee is exempt from Alaska Statutory Requirements, the Lessee will provide written confirmation of this status in order for the CBJ to waive this requirement.

7. SERVICES AND UTILITIES

Lessee shall contract and pay for all services (i.e. janitorial, snow removal, and yard maintenance, etc.) and utilities for the Leased Premises.

8. REPAIRS AND MAINTENANCE

Except as identified above, the CBJ shall maintain the Leased Premises in good order and condition. The CBJ shall be responsible for building systems which are integral to the structure such as electrical wiring, plumbing sewer lines and durable features of the structure such as roof, walls, floors and stairs. Lessee shall be responsible for supplies, repairs and replacement of interior and exterior improvements made by Lessee. The CBJ's duty to maintain does not include the repair of any damage caused by the act or omission of Lessee, its, students, visitors, volunteers, agents, employees, or licensees, which repair shall be paid for by Lessee.

S.J. C.

APPENDIX B: LEASE PROVISIONS REQUIRED BY CBJ CHAPTER 53.20

1. RESPONSIBILITY TO PROPERLY LOCATE ON LEASED PREMISES.
As required by CBJ 53.20.160, it shall be the responsibility of Lessee to properly locate Lessee's improvements on the Leased Premises and failure to so locate shall render Lessee's liable as provided by law.

2. APPROVAL OF OTHER AUTHORITIES.
As required by CBJ 53.20.180, the issuance by CBJ of leases, including this lease, under the provisions of CBJ Title 53 does not relieve Lessees of responsibility for obtaining licenses, permits, or approvals as may be required by CBJ or by duly authorized state or federal agencies.

3. TERMS AND CONDITIONS OF LEASES REQUIRED BY CBJ 53.20.190.
As required by CBJ 53.20.190, the following terms and conditions govern all leases and are incorporated into this lease unless modified by the Assembly by ordinance or resolution for this specific lease. Modifications of the provisions of this Appendix B applicable to this specific lease, if any, must specifically modify such provisions and be supported by the relevant ordinance or resolution to be effective.

(a) **Lease Utilization.** The Leased Premises shall be utilized only for purposes within the scope of the application and the terms of the lease, and in conformity with the provisions of CBJ code, and applicable state and federal laws and regulations. Utilization or development of the Leased Premises for other than the allowed uses shall constitute a violation of the lease and subject the lease to cancellation.

(b) **Subleasing.** The lessee may sublease lands or any part thereof leased to it hereunder; provided that the proposed sublessee first applies to the manager for a permit therefor; and further provided that the improvements on the leased lands are the substantial reason for the sublease. Leases not having improvements thereon shall not be sublet. Subleases shall be in writing and be subject to the terms and conditions of the original lease; all terms, conditions, and covenants of the underlying lease which may be made to apply to the sublease are hereby incorporated into the sublease.

(c) **Assignment.** Lessee may assign its rights and obligations under this lease; provided that the proposed assignment shall be approved by CBJ prior to any assignment. The assignee shall be subject to all of the provisions of the lease. All terms, conditions, and covenants of the underlying lease that may be made applicable to the assignment are hereby incorporated into the assignment.

(d) **Modification.** The lease may be modified only by an agreement in writing signed by all parties in interest or their successor in interest.

(e) **Cancellation and Forfeiture.**

(i) The lease, if in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by Lessee and CBJ.

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(ii) CBJ may cancel the lease if it is used for any unlawful purpose.

(iii) If Lessee shall default in the performance or observance of any of the lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or any of the provisions of this code, and should the default continue for thirty calendar days after service of written notice by CBJ without remedy by Lessee of the conditions warranting default, CBJ may subject Lessee to appropriate legal action including, but not limited to, forfeiture of the lease. No improvements may be removed by Lessee or other person during any time Lessee is in default.

(iv) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of CBJ with the approval of the Assembly constitute grounds for cancellation.

(f) **Notice or Demand.** Any notice or demand, which under the terms of a lease or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address of record. However, either party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid envelope addressed as hereinbefore provided.

(g) **Rights of Mortgagee or Lienholder.** In the event of cancellation or forfeiture of a lease for cause, the holder of a properly recorded mortgage, conditional assignment or collateral assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the original lease.

(h) **Entry and Reentry.** In the event that the lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the Leased Premises, or any part thereof, should be abandoned by Lessee during the term, CBJ or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of the Leased Premises or such thereof, and remove all persons and property there from either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No reentry by CBJ shall be deemed an acceptance of a surrender of the lease.

(i) **Release.** In the event that the lease should be terminated as herein provided, or by summary proceedings, or otherwise, CBJ may offer the Leased Premises for lease or other appropriate disposal pursuant to the provisions of CBJ code.

(j) **Forfeiture of Rental.** In the event that the lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by CBJ as partial or total damages for the breach.

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(k) **Written Waiver.** The receipt of rent by CBJ with knowledge of any breach of the lease by Lessee or of any default on the part of Lessee in observance or performance of any of the conditions or covenants of the lease shall not be deemed a waiver of any provision of the lease. No failure on the part of CBJ to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by CBJ unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of CBJ to enforce the same in the event of any subsequent breach or default. The receipt, by CBJ, of any rent or any other sum of money after the termination, in any manner, of the term demised, or after the giving by CBJ of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice or termination as may have been given thereunder by CBJ to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by CBJ.

(l) **Expiration of Lease.** Unless the lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up unto CBJ all of the Leased Premises on the last day of the term of the lease.

(m) **Renewal Preference.** Any renewal preference granted to Lessee is a privilege, and is neither a right nor bargained for consideration. The lease renewal procedure and renewal preference shall be that provided by ordinance in effect on the date the application for renewal is received by the designated official.

(n) **Removal or Reversion of Improvements upon Termination of Lease.** Improvements owned by Lessee shall within sixty calendar days after the termination of the lease be removed by Lessee; provided, such removal will not cause injury or damage to the lands or improvements demised; and further provided, that manager may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of the manager, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements are subject to Lessee's paying to CBJ pro rata lease rentals for the period.

(i) If any improvements and/or chattels not owned by CBJ and having an appraised value in excess of five thousand dollars as determined by the assessor are not removed within the time allowed, such improvements and/or chattels shall upon due notice to Lessee, be sold at public sale under the direction of the manager. The proceeds of the sale shall inure to Lessee preceding if Lessee placed such improvements and/or chattels on the lands, after deducting for CBJ rents due and owing and expenses incurred in making such sale. Such rights to the proceeds of the sale shall expire one year from the date of such sale. If no bids acceptable to the manager are received, title to such improvements and/or chattels shall vest in CBJ.

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(ii) If any improvements and/or chattels having an appraised value of five thousand dollars or less, as determined by the assessor, are not removed within the time allowed, such improvements and/or chattels shall revert to, and absolute title shall vest in, CBJ.

(o) **Rental for Improvements or Chattels Not Removed.** Any improvements and/or chattels belonging to Lessee or placed on the Lease Premises during Lessee's tenure with or without Lessee's permission and remaining upon the Premises after the termination date of the lease shall entitle CBJ to charge Lessee a reasonable rent therefor.

(p) **Compliance with Regulations and Code.** Lessee shall comply with all regulations, rules, and the code of the CBJ, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the Leased Premises.

(q) **Condition of Premises.** Lessee shall keep the Leased Premises in neat, clean, sanitary and safe condition and shall take all reasonable precautions to prevent, and take all necessary action to suppress destruction or uncontrolled grass, brush or other fire on the Leased Premises. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the Leased Premises.

(r) **Inspection.** Lessee shall allow an authorized representative of CBJ to enter the Leased Premises for inspection at any reasonable time.

(s) **Use of Material.** Lessee of the surface rights shall not sell or remove for use elsewhere any timber, stone, gravel, peat moss, top soils, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the Leased Premises may be used, if its use is first approved by CBJ.

(t) **Rights-of-Way.** CBJ expressly reserves the right to grant easements or rights-of-way across the Leased Premises if it is determined in the best interest of CBJ to do so. If CBJ grants an easement or right-of-way across any of the Leased Premises, Lessee shall be entitled to damages for all Lessee-owned improvements or crops destroyed or damaged. Damages shall be limited to improvements and crops only, and loss shall be determined by fair market value. Annual rentals may be adjusted to compensate Lessee for loss of use.

(u) **Warranty.** CBJ does not warrant by its classification or leasing of land that the land, or the Leased Premises described in this lease, is ideally suited for the use authorized under the classification or lease and no guaranty is given or implied that it shall be profitable to employ the land or Leased Premises to said use.

(v) **Lease Rental Credit.** When authorized in writing by CBJ prior to the commencement of any work, Lessee may be granted credit against current or future rent; provided the work accomplished on or off the Leased Premises results in increased valuation of the leased or other CBJ owned lands. The authorization may stipulate type

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of work, standards of construction and the maximum allowable credit for the specific project. Title to improvements or chattels credited against rent under this section shall vest immediately and be in CBJ and shall not be removed by Lessee upon termination of the lease.

APPENDIX C: STANDARD PROVISIONS

1. **Holding Over**. If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over will be a tenancy from month-to-month only at fair market value.

2. **Interest on Late Payments**. Should any installment of rent or other charges provided for under the terms of this lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.

3. **Taxes, Assessments, and Liens**. During the term of this lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills for the Leased Premises and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, against the Leased Premises or the improvements placed thereon.

4. **Easements**. Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.

5. **Encumbrance of Parcel**. Lessee shall not encumber or cloud CBJ's title to the Leased Premises or enter into any lease, easement, or other obligation of CBJ's title without the prior written consent of CBJ; and any such act or omission, without the prior written consent of CBJ, shall be void against CBJ and may be considered a breach of this lease.

6. **Valid Existing Rights**. This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.

7. **State Discrimination Laws**. Lessee agrees, in using and operating the Leased Premises, to comply with applicable sections of Alaska law prohibiting discrimination, particularly Title 18 of the Alaska Statutes, Chapter 80, Article 4 (Discriminatory Practices Prohibited). In the event of Lessee's failure to comply any of the above non-discrimination covenants, CBJ shall have the right to terminate the lease.

8. **Unsafe Use.** Lessee shall not do anything in or upon the Leased Premises, nor bring or keep anything therein that will unreasonably increase or tend to increase the risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.

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9. **Indemnification.** The Lessee agrees to defend, indemnify, and hold harmless CBJ, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of or related to the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, and without limitation as to any damages, cost or expense resulting from settlement, judgment, or verdict, and includes the award of any attorneys' fees even if in excess of Alaska Civil Rule 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against CBJ relating to this agreement. The obligations of Lessee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. CBJ shall notify Lessee in a timely manner of the need for indemnification, but such notice is not a condition precedent to Lessee's obligations and is waived where the Lessee has actual notice.

10. **Successors.** This lease shall be binding on the successors, administrators, executors, heirs, and assigns of Lessee and CBJ.

11. **Choice of Law; Venue.** This lease shall be governed by the law of the State of Alaska. Venue shall be in the State of Alaska, First Judicial District at Juneau.

12. **Applicability of Alaska Public Records Act.** Lessee acknowledges and understands that the CBJ is subject to the Alaska Public Records Act (AS 40.25.120) and that all documents received, owned or controlled by the CBJ in relation to this agreement must be made available for the public to inspect upon request, unless an exception applies. It is Lessee's sole responsibility to clearly identify any documents Lessee believes are exempt from disclosure under the Public Records Act by clearly marking such documents "Confidential." Should the CBJ receive a request for records under the Public Records Act applicable to any document marked "Confidential" by Lessee, the CBJ will notify Lessee as soon as practicable prior to making any disclosure. Lessee acknowledges it has five (5) calendar days after receipt of notice to notify the CBJ of its objection to any disclosure, and to file any action with any competent court Lessee deems necessary in order to protect its interests. Should Lessee fail to notify the CBJ of its objection or to file suit, Lessee shall hold the CBJ harmless of any damages incurred by Lessee as a result of the CBJ disclosing any of Lessee's documents in the CBJ's possession. Additionally, Lessee may not promise confidentiality to any third party on behalf of the CBJ, without first obtaining express written approval by the CBJ.

13. **Entire Agreement.** This Agreement, including all appendices and exhibits, constitutes the entire agreement of the Parties regarding the subject matter of the agreement and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to this subject matter.

14. **Severability.** If a court of competent jurisdiction renders any part of this agreement invalid or unenforceable, that part will be severed and the remainder of this agreement will continue in full force and effect.

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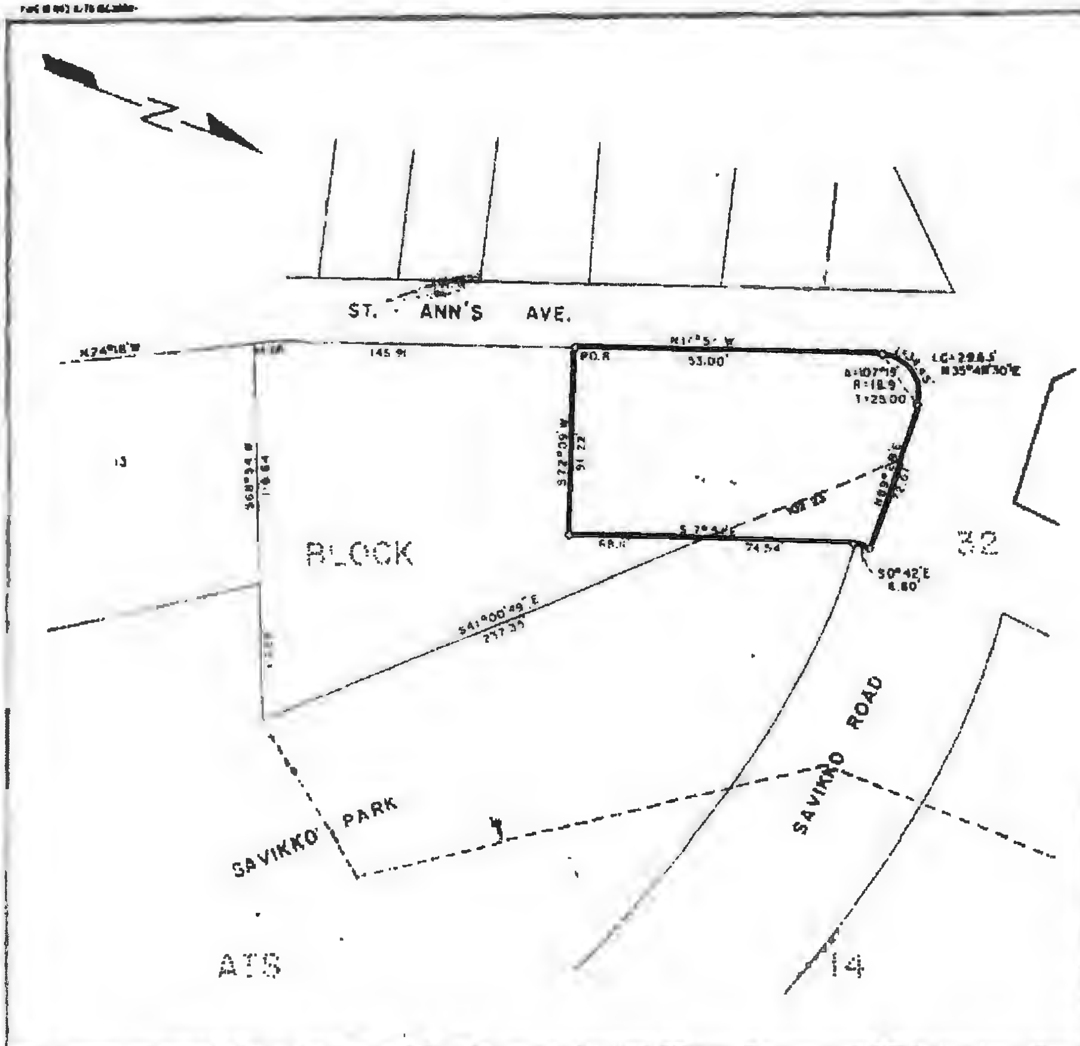


LEGAL DESCRIPTION

A portion of Lots 12 and 25 of Block 32 of Tyee and Hillsite Addition of the Douglas Townsite, in accordance with Plat No. 267 as recorded July 26, 1960, and Plat No. 73-10, as filed in the First Judicial District, State of Alaska, more particularly described as:

Commencing at the southwest corner of said Lot 12, also being the northwest corner of Lot 13 of said Block 32; thence N 24°18' W, 14.6[illegible] feet; thence N 17°5[illegible]' W, 145.91 feet to the point of beginning; thence N 72°[illegible]' E, 91.2[illegible] feet; thence [illegible] 12.65 feet parallel with the west side of said Lot 12; thence [illegible] W, [illegible] feet; thence S 89°39' W, 72.51 feet to the P.C. of a curve to the left, said curve having a radius of 18.[illegible] feet and [illegible] of 107°19'[illegible] [illegible] = 29.63', S 35°48'30" W; thence southwesterly 34.45 feet along said curve; thence S 17°51' E, 153.0[illegible] feet to the point of beginning.

Containing 14,916 square feet, more or less.

MAYFLOWER LEASE
LOT 12A, A PORTION OF LOT 12
BLOCK 32 & SAVIKKO PARK,
TYEE & HILLSITE ADDITION
DOUGLAS TOWNSITE

CITY AND BOROUGH OF JUNEAU
ENGINEERING DIVISION
155 SOUTH SEWARD STREET
JUNEAU, ALASKA 99801

DRWN. TAM
DATE 11-9-81
SCALE 1" = [illegible]0'

STATE OF ALASKA
49TH
No.
REGISTERED PROFESSIONAL ENGINEER

MAYFLOWER LEASE EXHIBIT A CBJ Ordinance No. 2014-44

Presented by: The Manager
Introduced: 10/20/2014
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-44

An Ordinance Authorizing the Manager to Execute a Lease of the Mayflower Building and Grounds to the Juneau Montessori Center, an Alaskan Non-Profit Corporation.

WHEREAS, the Juneau Montessori Center (Montessori) is a non-profit organization providing education to the children of the City and Borough; and

WHEREAS, Montessori has been leasing property for its school from the City and Borough since 1992; and

WHEREAS, by Ordinance 2008-37, the City and Borough executed a lease with Montessori allowing for Montessori's use of the Mayflower Building and an additional 14,816 square feet of Lots 12 and 25 of Block 32 of the Tyee 2nd Millsite Addition, Douglas Townsite; and

WHEREAS, Ordinance 2008-37 authorized Montessori to expand its playground, provided it would be available for public use when Montessori is not in session, and allowing Montessori to utilize a portion of the City and Borough public parking lot for its use as long as such use did not conflict with Robert Savikko Recreation Area operations; and

WHEREAS, Montessori has not yet expanded its playground but intends to do so; and

WHEREAS, the market rental value of the proposed lease premises is $3,255 per month; and

WHEREAS, CBJ 53.09.270(b) authorizes the lease of City and Borough property to a private, nonprofit corporation at less than fair market value provided the lease is approved by the Assembly and the property to be leased is used for the purpose of providing a service to the public that could or should reasonably be provided by the state or the City and Borough.

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

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

Section 2. Authorization. The manager is authorized to negotiate and execute a lease with Montessori of approximately 5,086 square feet of space known as the Mayflower Building and including 14,816 square feet of Lots 12 and 25 of Block 32 of the Tyee 2nd Millsite Addition, Douglas Townsite as shown on Exhibit A, subject to the following essential terms and conditions:

(A) Term. The lease term shall be for a period of five years;

(B) Renewal Options. The manager may negotiate any number of lease term extensions, provided that the extensions total no more than five additional years after the original lease term.

(C) Adjustment of Rental. The City and Borough may adjust the rent to reflect changes in fair market value at the time each renewal option is exercised, except the Assembly must approve any adjustment that results in a rental amount at less than fair market value.

(D) Use of Premises. Montessori shall use the leased premises solely for the operation of an elementary school and day care facility.

(E) Hold Harmless. The lease agreement shall provide that Montessori indemnify, defend and hold harmless the City and Borough, its officers and employees for any claim related to or arising out of Montessori's use, operation or maintenance of the leased premises.

(F) Rent. Pursuant to CBJ 53.09.270(b), rent shall be $2,000 per month, an amount less than the fair market value, for the initial five year term.

(G) Other terms and conditions. The manager may include other lease terms and conditions as the manager determines to be in the public interest.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 10th day of November, 2014.

Merrill Sanford

Merrill Sanford, Mayor

Attest:

Laurie J. Sica

Laurie J. Sica, Municipal Clerk

MEMORANDUM

CITY/BOROUGH OF JUNEAU
Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Greg_Chaney@ci.juneau.ak.us
Voice (907) 586-5252
Fax (907) 586-5385

TO: Assembly Lands Committee

FROM: Greg Chaney, CBJ Lands and Resources Manager Greg Chaney

SUBJECT: Mayflower Building Lease Renewal

DATE: August 19, 2014

The Montessori School has leased the Mayflower Building from the CBJ since 1992. The most current lease expired in April of 2014.

Below is the history of the Montessori School leases in reverse chronological order:

Current lease expired in April 2014 (this year) Appraisal stipulates Fair Market Value $3,255

2009 – NEW 5 year lease approved @ $2,000 month

2005 – 4 year extension of lease approved @ $2,000 month

1999 – 6 year extension of lease approved @ $2,000 month

1998 – Month to month @ $2,000

1997 1 year lease extension

1993-1997 continued lease from 1992 @ $2,000/month

1993 rate increased to $2,000 month (under 1992 lease agreement)

1992 lease signed for 5 years for $1,500 month for the first year

As can be seen above, fair market value for the Mayflower Building was established at $2,000 in 1993 and has not been updated to a current fair market value since then. Per the Leases section of Title 53, the CBJ is required to lease property for fair market value:

53.20.050 Minimum acceptable annual rental.

(a) No land shall be leased for less than the approved, appraised annual rental except that when leased to a governmental unit, agency, department or body for public purposes, or to a nonprofit organization for the purpose of performing a public or quasi-public health function, such minimum rental may be waived by the assembly by resolution;...

(b) The appraisal shall be made by the assessor or a qualified appraiser. The appraisal shall be based on the use of the land specified in the application.

The renewal of the Mayflower Building lease prompted an appraisal as required by CBJ§53.20.040 *Appraisal Required*, to determine the current fair market value for the building. The appraisal which was completed April 11, 2014 established that fair market value is $3,255 (Attachment A).

> Ordinance 2008-37 Section 2(C) Adjustment of Rental.
>
> The City and Borough may adjust the rent to reflect changes in fair market value of the Premises at the time each renewal option is exercised.

Since the Mayflower Building is a City owned property; the Building Maintenance Division is responsible for maintaining the building. This includes routine and unexpected maintenance.

CBJ's annual maintenance costs for the Mayflower Building have varied over the years but have averaged **$16,646** since FY07 with a high of $33,479 in FY10. The FY15 budget includes $17,000 for Mayflower Building maintenance and $17,500 in FY16.

FY07	$13,536
FY08	$18,399
FY09	$14,278
FY10	$33,479
FY11	$10,555
FY12	$12,414
FY13	$15,510
FY14	$14,998
FY15 (budget)	$17,000
FY16 (proposed budget)	$17,500

If the lease rate is not increased to address inflation, in the near future the annual lease rate will not cover maintenance costs and the Lands Fund will be subsidizing the operation of the Mayflower building. The Lands Division has discussed the situation with the Juneau Montessori program. Attached is a June 10th letter from Geoff Kirsch, President Juneau Montessori School Board of Directors objecting to the proposed increased lease rate.

In acknowledgement of the sudden increase in lease rates, the Lands Division is proposing a compromise. This would involve phasing in the new rate over the term of the lease as shown below. The increase would occur in uniform increments starting with the current rate of $2,000 a month for the rest of FY 2015 so that parents would have an opportunity to budget for the increased rates:

FY 2015	$2,000 month
FY 2016	$2,314 month
FY 2017	$2,628 month
FY 2018	$2,942 month
FY 2019	$3,255 month

After reviewing the compromise proposed above, the Juneau Montessori School Board's position was provided in the following E-mail:

Hey, Greg:

Okay, here is the JMS board position.

If the cost for maintenance is $17K/yr, JMS is currently paying $24K in rent, which gives CBJ $7K in profit. Were JMS a for-profit entity, we would gladly pay market value for the rental. However, as a non-profit providing much-needed early childhood education and care to the community -- especially considering the recent closure of Puddle Jumpers learning center -- we do not feel CBJ should be looking to profit from our lease. As such, JMS proposes to pay for the actual cost of building maintenance, setting aside lease payments for these costs, similar to CBJ's rental agreement with the Juneau Arts and Humanities Council, which, from what we understand, is the only other non-profit currently renting from CBJ. Any difference between maintenance costs and our current rate of $24K per annum would go into a CBJ rainy day account to draw upon should large-scale improvements prove necessary (e.g. plumbing).

As a non-profit proving an extremely valuable service to the community, the JMS board sees our position as no different from the swimming pool, Eaglecrest, ice rink and other entities that operate in a deficit. For CBJ to break even with a JMS lease sounds like a win-win.

Please let me know if you have any questions, or require any further information to include in the Aug. 25 Lands Committee packets.

Best,
Geoff Kirsch

As provided in CBJ§53.09.600, all revenue from property leased from the CBJ is credited to the municipal land fund and all expenses for land maintenance or development are drawn from the municipal land fund. If the Mayflower Building is leased for less than fair market value, it represents a loss of potential revenue that could be used to develop more CBJ property for affordable housing. Leasing the Mayflower Building solely for the cost of short term maintenance would be a significant departure from the lease agreement that has been in place since 1993. Prior to leasing the Mayflower Building to the Montessori School, the CBJ spent over $300,000 renovating the building. If significant repairs are needed in the future, no funds would be available for the repairs. Market rate rentals take long term repairs, maintenance and other expenses into account. If the property is leased for the cost of maintenance, the lands fund would be subsidizing the school. If the CBJ desires to subsidize early childhood education, it would be more appropriate to create a uniform program that applies to all programs equally rather than to have the lands fund subsidizing this building lease.

Staff Recommendation:

Lands Committee recommends the Assembly adopt a Resolution to renew the Mayflower Building lease for the Juneau Montessori School as follows:

FY 2015	$2,000 month
FY 2016	$2,314 month
FY 2017	$2,628 month
FY 2018	$2,942 month
FY 2019	$3,255 month

The proposed lease rate will initially be below current market rate but will reach current fair market value in FY 2019. Prior to renewing the lease in 2020, the rate will be reviewed and adjusted as required by CBJ§53.20.050(a).

Juneau Montessori

SCHOOL

SERVING JUNEAU FAMILIES SINCE 1985

750 St. Ann's Ave., Douglas, AK 99824 Phone: (907) 364-3535, Fax (907) 364-3537
E-Mail: jms@juneaumontessori.org Website: www.juneaumontessorischool.org

City and Borough of Juneau Assembly
155 S. Seward Street,
Juneau AK 99801

Dear Assembly Members,

The Juneau Montessori School's lease on the Mayflower building will expire at the end of June. On behalf of the Juneau Montessori School, I would like to request a lease renewal starting at the beginning of July 2020.

Not only is the Mayflower building a wonderful place to house our school, but it also helps us by keeping our rent costs low. As a nonprofit school operating on thin margins, and especially during the difficult time of Covid, our lease with the Mayflower building has been essential for keeping our school alive. Therefore, I would like to request that we maintain our lease at less than market value.

We love our school, and we appreciate CBJ's support in giving us a place to call home. Thank you for all you have done and continue to do to help us keep running!

Sincerely,

LMT

Laura Talpey
Executive Director

MEMORANDUM

CITY/BOROUGH OF JUNEAU
Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan.Bleidorn@juneau.org
(907) 586-5252

TO: **Rob Edwardson, Chair of the Assembly Lands Committee**

Daniel Bleidorn

FROM: **Dan Bleidorn, Lands & Resources Manager**

SUBJECT: **Eagles Edge Homeowners Association Land Donation Proposal**

DATE: **May 22, 2020**

Eagles Edge Homeowners Association consists of a roughly 90 lot subdivision located in Lemon Creek. Eagles Edge includes a neighborhood recreation area that the Homeowners Association is mandated to maintain via plat note number 3 on the attached Plat 85-24. The plat states that the Association shall be responsible for maintaining the recreation area and that these designated areas cannot be changed, abandoned or altered without approval of the City and Borough and "failure to maintain these designated areas may result in a lien on each lot for it's per rata share of necessary costs."

Eagles Edge Homeowners Association is currently working through the process to dissolve which has included working with the City over the past few years to upgrade utilities to meet City standards with the intention of the City accepting them for maintenance. The Association has offered the recreation lot to the City as a land donation in order to clear the plat note related to maintaining the area. Prior to the City accepting this lot and removing the plat note, the Assembly must first authorize this acquisition by adopting a resolution.

CBJ§53.04.030 - Grants and Gifts.
Real property to be acquired as a grant or as a part of a program of grants or which is offered to the City and Borough as a gift, or at less than fair market value and which is not required for an approved project, may be accepted only upon the approval of the Assembly by resolution.

As part of the request to donate this parcel to the City, Eagles Edge Homeowners Association has offered approximately $100,000 for park maintenance to the Parks Foundation. If the city acquires this property, the Parks Department plans to use the $100,000 to bring the property up to the CBJ standard of safety including ADA accessibility and fall protection.

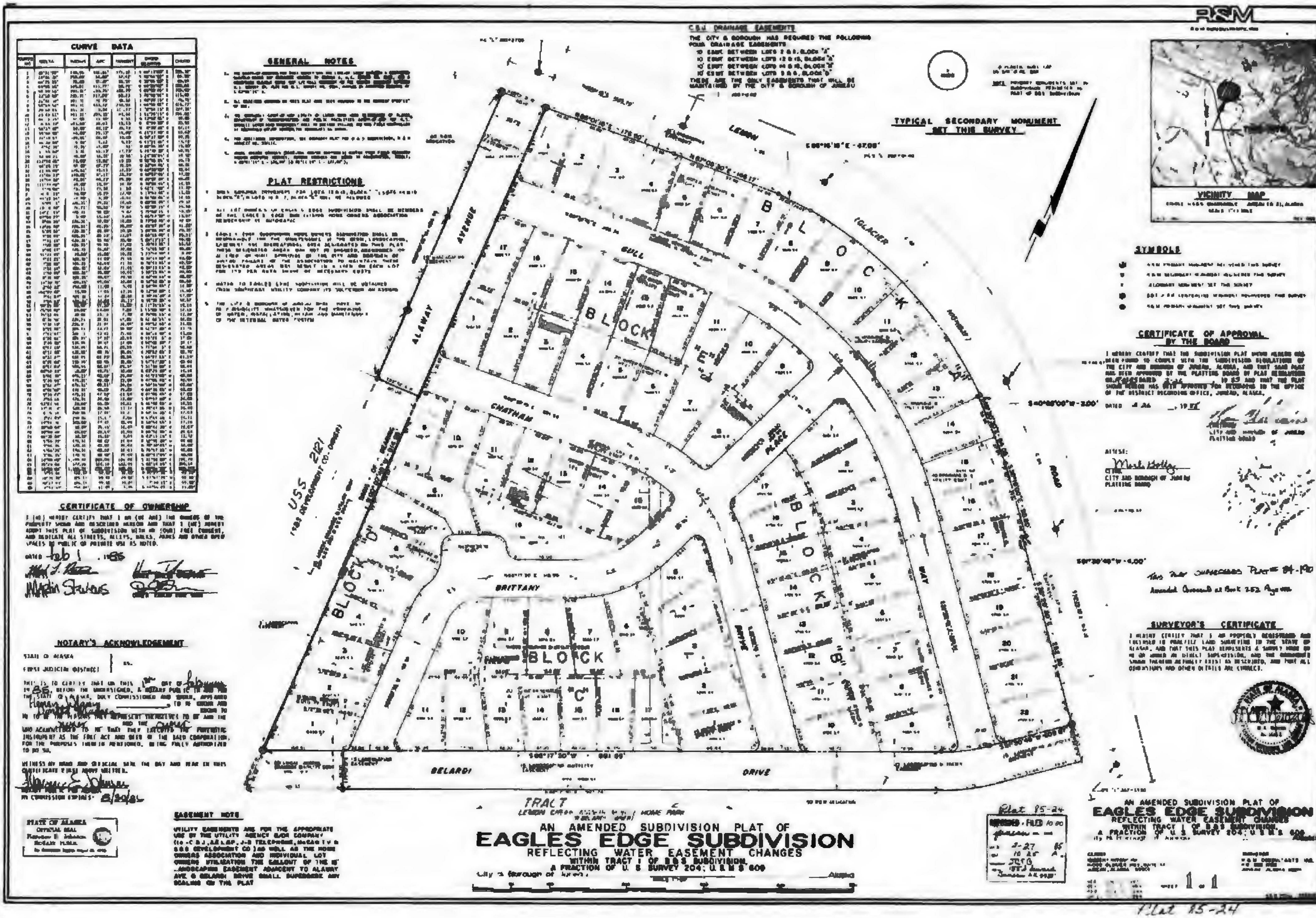
Maintenance requirements for Eagle's Edge Playground include a daily visit to empty trash cans and pick up litter, weekly playground inspection, regular mowing, and minor painting every few years. Park and Landscape maintenance staff perform these routine activities in Lemon Creek and Salmon Creek parks and will be able to add this new playground to the current schedule. New playground installations have an estimated life of fifteen years and Installing poured in place surfacing will help to eliminate regular clean up needs from loose rubber mulch.

Upon a positive recommendation from the Lands Committee, this donation request will be presented by Resolution to the Assembly for adoption.

Lands staff requests that the Lands Committee pass a motion of support to the Assembly for the acquisition of this property by donation.

Attachments:

1. Plat 1985-24
2. March 19, 2020 Memo from Michele Elfers, Parks & Recreation Deputy Director


CURVE DATA
GENERAL NOTES
PLAT RESTRICTIONS
C.B.J. DRAINAGE EASEMENTS
TYPICAL SECONDARY MONUMENT SET THIS SURVEY
VICINITY MAP
SYMBOLS
CERTIFICATE OF APPROVAL BY THE BOARD
ATTEST:
CITY AND BOROUGH OF JUNEAU PLATTING BOARD
This Plat supercedes Plat # 84-190
Amended Covenants at Book 252 Page
SURVEYOR'S CERTIFICATE
CERTIFICATE OF OWNERSHIP
NOTARY'S ACKNOWLEDGEMENT
STATE OF ALASKA
FIRST JUDICIAL DISTRICT
EASEMENT NOTE
BLOCK "A"
BLOCK "B"
BLOCK "C"
BLOCK "D"
BLOCK "E"
ALAWAY AVENUE
GULL
CHATHAM
BRITTANY
GLACIER
LEMON
BELARDI DRIVE
USS 2121
TRACT
Plat 85-24
AN AMENDED SUBDIVISION PLAT OF
EAGLES EDGE SUBDIVISION
REFLECTING WATER EASEMENT CHANGES
WITHIN TRACT I OF B.B.S. SUBDIVISION,
A FRACTION OF U. S. SURVEY 204; U.S.M.S. 609
City & Borough of Juneau, Alaska
1 of 1
Plat 85-24

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
PARKS & RECREATION

TO: Lands Committee

FROM: Michele Elfers, Parks & Recreation Deputy Director Michele Elfers

DATE: March 19, 2020

RE: Eagle's Edge Homeowner's Association Park Proposed Donation

The Eagle's Edge Subdivision Homeowner's Association (HOA) would like to donate a park parcel to CBJ to ensure the continued use of the land as a neighborhood park. The park was constructed approximately 13 years ago and is maintained by the HOA. The donation of the park will allow the HOA to disband and discontinue maintenance.

The attached aerial photo shows the location of the park in Lemon Creek and current park condition. The park contains a basketball court, swing set, climbing structure, picnic and grass area, slide, small play elements and a maintenance shed. The equipment is in moderate condition and will need some replacement of components due to rust and wear. The court surface is in very good condition but the surfacing of the playground areas will need replacement. The HOA will donate approximately $100,000 to fund upgrades to the park and they are currently discussing this donation with the Park Foundation.

CBJ has recognized a need for additional park space in Lemon Creek for many years. The Parks and Recreation Master Plan, 2019 identifies a need for additional recreation service parks in Lemon Creek. The Lemon Creek Area Plan, 2018 includes an action item to "Identify and construct additional parkland in the area with continued input from the public." In 2012 voters approved $250,000 in temporary sales tax funding for the planning and construction of a neighborhood park in Lemon Creek. Under the 1996 Parks and Recreation Comprehensive Plan, a neighborhood park was defined as a 5-10 acre park with "fairly intensive development". At this time in Lemon Creek, there is no land available for this type of park and additional funding would have to be appropriated. The $250,000 sales tax funding is still available for use and could provide additional parkland that is advocated for in the 2019 Master Plan. Improvements to the park to achieve the CBJ standard of safety including ADA accessibility and fall protection are estimated at $225,000. The funding provided by the HOA and the additional sales tax funding will be sufficient to improve the park.

Staff requests that the Lands Committee provide a recommendation to the Assembly for the acquisition of this property by donation.


Glacier Highway
Alaway Avenue
Eagle's Edge
Subdivision Park
Parcel


Eagle's Edge Subdivision Park Parcel
.2 Acres
8900 SF

MEMORANDUM

CITY/BOROUGH OF JUNEAU
Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan.Bleidorn@juneau.org
(907) 586-5252

TO: **Rob Edwardson, Chair of the Assembly Lands Committee**

FROM: Daniel Bleidorn **Dan Bleidorn, Lands & Resources Manager**

SUBJECT: **Crazy Horse Drive Communication Tower Land Lease Request**

DATE: **May 28, 2020**

On April 8, 2019, the Lands Committee reviewed a memo and presentation regarding a request from Vertical Bridge Holdings LLC to lease City property on the 32 acre parcel located at the end of Crazy Horse Drive, in the Mendenhall Valley. At that meeting, the Lands Committee passed a motion of support to work with Vertical Bridge Holdings LLC towards the lease of City Property contingent on a Planning Commission recommendation.

In the time since the 2019 Lands Committee meeting, an appraisal has been completed for this proposed lease, the Planning Commission has reviewed the lease and the Assembly provided a motion of support to work with the original proposer. The appraisal was completed on February 21, 2020 and the lease rate was determined to be $1,075 per month. The Planning Commission, at its regular public meeting on April 14 2020, adopted the analysis and findings attached in the Notice of Decision (NOD) and approved the special use permit for this tower. This tower request was brought to the Lands Committee at the May 4th 2020 as a Staff Report to solicit questions. At the May 18, 2020 meeting, as New Business, the Assembly provided a motion of support to work with the original proposer.

CBJ§53.09.260 - Negotiated sales, leases, and exchanges states:
"*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.*"

If this lease request receives a positive motion from the Lands Committee, an ordinance will be drafted and introduced to the Assembly which will authorize the Manager to execute a lease with Vertical Bridge Holdings LLC.

Lands staff requests that the Lands Committee pass a motion of support to lease property Vertical Bridge Holdings LLC at Crazy Horse Drive for fair market value.

Attachments:

1. 02-21-2020 Appraisal pgs. 1-3
2. NOD from Planning Commission Meeting 04-14-2020
3. 04 08 2019 memo from Dan Bleidorn
4. 04-08-2019 Final Lands Committee Minutes

Appraisal Report
Real Estate Appraisal

Of
Crazy Horse Dr Cell tower site

10020 Crazy Horse Drive, Juneau
AK, 99801

As of
February 21, 2020

Prepared For
Mr. Dan Bleidorn
City and Borough of Juneau
Juneau, AK, 99801

Client File:
PO 112486, LOA 7406

Prepared by
RAMSEY APPRAISAL RESOURCE
Roger Ramsey, Alaska-AA 570

File Name:
RAR File 20-015-1

RAMSEY APPRAISAL RESOURCE

10615 Horizon Drive
Juneau,
AK, 99801

907-723-2936
Fax: 866-404-7117
rogerramsey@mac.com

3/30/2020

Mr. Dan Bleidorn
City and Borough of Juneau
155 S Seward St
Juneau, AK 99801

Re: Appraisal Report, Real Estate Appraisal
Crazy Horse Dr Cell tower site
10020 Crazy Horse Drive,
Juneau, AK, 99801

File Name: RAR File 20-015-1

Dear Mr. Bleidorn:

At your request, I have prepared a market rent appraisal for the above referenced property, which may be briefly described as follows:

The subject larger parcel is a 31-acre site at the end of Crazy Horse Drive. The area to be leased is a 75' X 75' or 5625 SF, centered significantly away from the larger parcel property lines. Access to the site will be allowed through a nonexclusive 7514 SF access and utility easement

Please reference page 9 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 7). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- None

Extraordinary Assumptions:

- None

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), I have made the following value conclusion(s):

Current As Is Market Rent per month:
The “As Is” Market Rent of the proposed lease site, as of February 21, 2020, is

On thousand, Seventy Five Dollars ($1,075)

Respectfully submitted,
Ramsey Appraisal Resource

Roger Ramsey,
Alaska-AA 570

Planning Commission
(907) 586-0715
PC_Comments@juneau.org
www.juneau.org/plancomm
155 S. Seward Street • Juneau, AK 99801

PLANNING COMMISSION
NOTICE OF DECISION
Date: April 17, 2020
File No.: WCF2019 0010

Vertical Bridge, LLC
ATTN: Gary Brekke
6510 Beechcraft Road
Wasilla, AK 99654

Application For:	A Wireless Communication Facility Permit to install a new, unlit 150-foot communication tower
Legal Description:	USS 1041
Property Address:	10020 Crazy Horse Drive
Parcel Code No.:	4B1701100120
Hearing Date:	April 14, 2020

The Planning Commission, at its regular public meeting, adopted the analysis and findings listed in the attached memorandum dated March 17, 2020, and APPROVED the Special Use Permit to install a new, unlit, 150-foot communication tower with a 5-foot lightning rod to be conducted as described in the project description and project drawings submitted with the application and with the following conditions:

1. The site security and required signage must be installed and maintained according to the plan.

Attachments: March 17, 2020 memorandum from Amy Liu, Community Development, to the CBJ Planning Commission regarding WCF2019 0010.

This Notice of Decision does not authorize construction activity. Prior to starting any project, it is the applicant's responsibility to obtain the required building permits.

This Notice of Decision constitutes a final decision of the CBJ Planning Commission. Appeals must be brought to the CBJ Assembly in accordance with CBJ 01.50.030. Appeals must be filed by 4:30 P.M. on the day twenty days from the date the decision is filed with the City Clerk, pursuant to

CBJ 01.50.030(c). Any action by the applicant in reliance on the decision of the Planning Commission shall be at the risk that the decision may be reversed on appeal (CBJ 49.20.120).

Effective Date: The permit is effective upon approval by the Commission, April 14, 2020.

Expiration Date: The permit will expire 18 months after the effective date, or October 14, 2021, if no Building Permit has been issued and substantial construction progress has not been made in accordance with the plans for which the development permit was authorized. Application for permit extension must be submitted thirty days prior to the expiration date.

Laurel Christian

Project Planner:

Laurel Christian, Planner Community Development Department	Michael LeVine, Chair Planning Commission
Filed With City Clerk	4/20/2020 Date

cc: Plan Review

NOTE: The Americans with Disabilities Act (ADA) is a federal civil rights law that may affect this development project. ADA regulations have access requirements above and beyond CBJ-adopted regulations. Owners and designers are responsible for compliance with ADA. Contact an ADA - trained architect or other ADA trained personnel with questions about the ADA: Department of Justice (202) 272-5434, or fax (202) 272-5447, NW Disability Business Technical Center (800) 949-4232, or fax (360) 438-3208.

MEMORANDUM

CITY/BOROUGH OF JUNEAU
Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan.Bleidorn@juneau.org
(907) 586-5252

TO: **Assembly Lands Committee**

FROM: **Dan Bleidorn, Deputy Lands & Resources Manager**
Daniel Bleidorn

SUBJECT: **Vertical Bridge Request to Lease City Property – Crazy Horse Drive**

DATE: **April 4, 2019**

In March, the Lands Office received an application from Vertical Bridge Holdings LLC to lease City property on the 32 acre parcel located at the end of Crazy Horse Drive, in the Mendenhall Valley (Attachment A). This parcel (LND-0450) is the location of an existing 0.5 acre lease to the Southeast Alaska Food Bank and a 400 square foot lease to the FAA for the Low Level Windshear Alert System.

The proposed tower, which will be roughly 350 feet from the Food Bank, will accommodate multiple cellular carriers. The facility will provide needed cellular, data, and E911 services to the area. Vertical Bridge has requested a 75' X 75' lease area that will contain a 150' tower of monopole design, cellular ground equipment and backup generator(s). The facility would have security fencing and have the ground equipment alarmed for emergency service should it be required. It is unknown at this time if the proposed tower would require lighting, but Vertical Bridge would install tower lighting only if state or federal authorities required it.

53.09.260 - Negotiated sales, leases, and exchanges states "*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*.

If the Assembly provides a motion of support to work with Vertical Bridge Holdings LLC., the proposed lease will then be reviewed by the Planning Commission and will be subject to the requirements of CBJ§49.65 Article 9, "Wireless Communication Facilities"

Staff recommendation:

The Lands Committee adopts a motion of support to the Assembly to work with Vertical Bridge Holdings LLC towards the lease of City Property contingent on a Planning Commission recommendation.

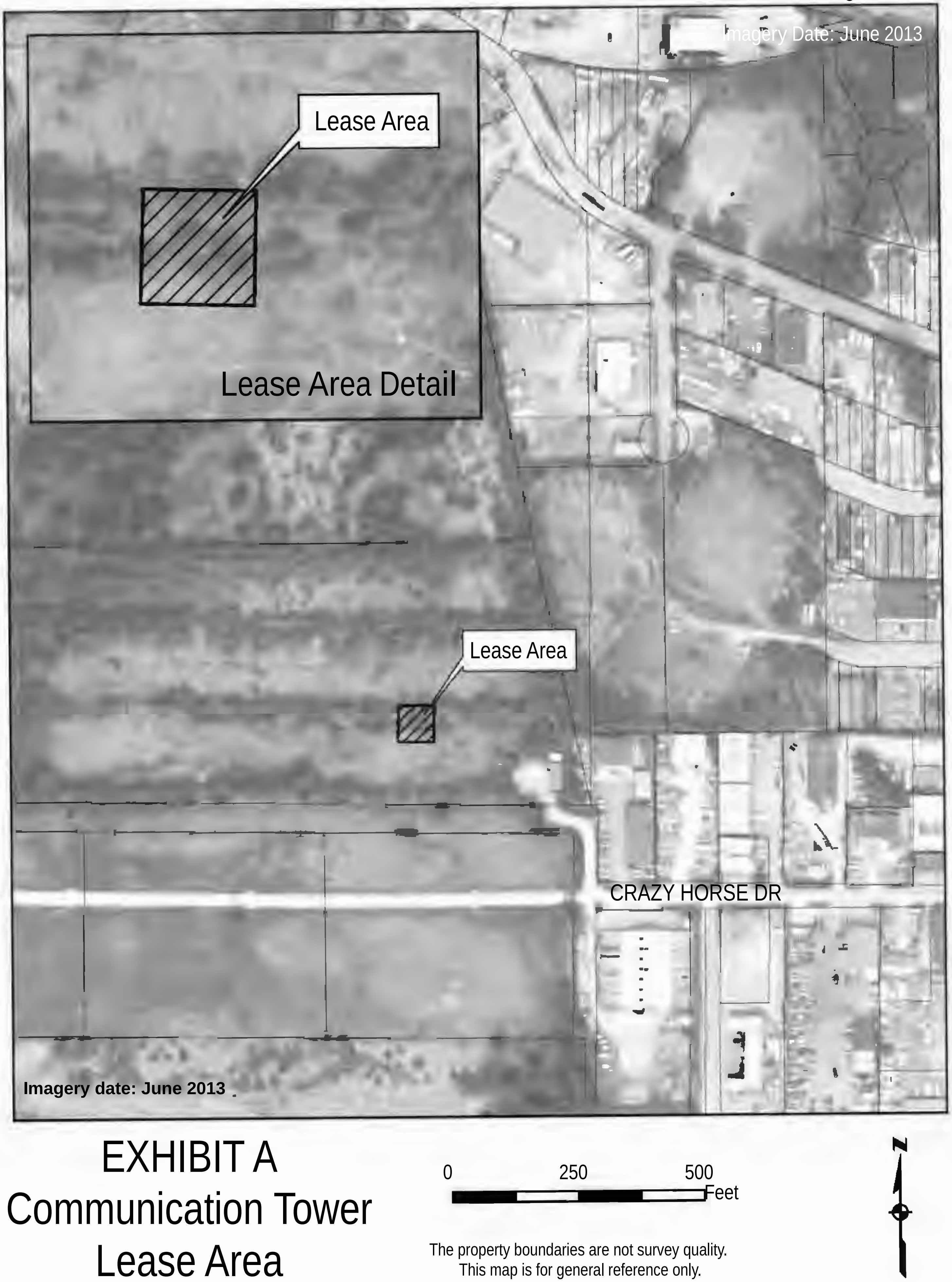


EXHIBIT A
Communication Tower Lease Area

The property boundaries are not survey quality.
This map is for general reference only.

ASSEMBLY STANDING COMMITTEE MINUTES
LANDS AND RESOURCES COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
MINUTES
April 8, 2019, 5:00 P.M.
City Hall, Assembly Chambers

I. ROLL CALL

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

Members Present: Chair Mary Becker, Michelle Hale, Alicia Hughes-Skandijs

Members Absent: Maria Gladziszewski

Liaisons Present: Chris Mertl, Parks & Recreation; Paul Voelckers, Planning Commission

Liaisons Absent: Weston Eiler, Docks and Harbors

Other Assembly Members Present: Beth Weldon, Mayor; Loren Jones; Rob Edwardson

Some Members of the Public Present: Don Gouchtel, Charles Murphy, KINY Radio Reporter

Staff Present: Greg Chaney, Lands Manager; Dan Bleidorn, Deputy Lands Manager; Roxie Duckworth, Lands & Resources Specialist; Scott Ciambor, Chief Housing Officer; Rorie Watt, City Manager; Jill Maclean, Community Development Director: Bob Bartholomew, Finance Director; Jeff Rogers, Finance Director

II. APPROVAL OF AGENDA

Hearing no objections, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. March 18, 2019 Draft Minutes

Chair Becker and Ms. Hale had submitted comments for changes and the March 18, 2019 minutes were approved as amended.

IV. PUBLIC PARTICIPATION

There was no public participation on non-agenda items**.**

V. AGENDA TOPICS

A. Vertical Bridge Cell Tower Lease

Mr. Bleidorn introduced an application from Vertical Bridge Holdings LLC requesting to lease City property on Crazy Horse Drive to put up a 150’ monopole tower about 350’ from the Food Bank. On this same site is an existing 150’ monopole tower owned by the FAA, as part of their wind management system. The new tower will accommodate multiple cellular carriers. The facility will provide needed cellular, data, and E911 services to the area and contain cellular ground equipment and backup generators.

Vertical Bridge will have the ability to co-locate on this tower with revenue sharing for any subleases on the tower. The property has been disturbed in the past by Public Works, with berms being created in which Vertical Bridge will utilized as access roads and will include them in their lease. The next step for this lease would be to go to the Assembly for authority to work with the original applicant, Vertical Bridge, and then apply for a use permit through CDD. This will take a few months before it comes back to the Assembly as a lease application if it passes all of these steps.

Mr. Mertl inquired if this was industrial property. Mr. Bleidorn deferred to Ms. Maclean for confirmation.

Ms. Hale moved to support the recommendation, that the Lands Committee (LC) adopt a motion of support to the Assembly to work with Vertical Bridge Holdings LLC towards the lease of City Property contingent on a Planning Commission recommendation. Unanimous approval of the motion.

MEMORANDUM

CITY/BOROUGH OF JUNEAU
Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan.Bleidorn@juneau.org
(907) 586-5252

TO: **Rob Edwardson, Chair of the Assembly Lands Committee**

FROM: Daniel Bleidorn **Dan Bleidorn, Lands & Resources Manager**

SUBJECT: **Alaska Legacy Partners Release Request for 9290 Hurlock Ave**

DATE: **May 28, 2020**

In December of 2017, the Lands Committee provided a motion of support to solicit letters of interest for potential uses for this property. As a result of this solicitation the Lands Committee received six applications for uses of this property. In April 2018, the Assembly passed a motion directing staff to dispose of this property to Alaska Legacy Partners to be used for senior care for fair market value, which was determined by appraisal to be $350,000. On August 13, 2018 the Assembly adopted Ordinance 2018-42 (Attachment 1) authorizing the sale of this property to Alaska Legacy Partners with the condition that they develop the property in accordance to their proposed use as a senior care facility.

On April 20, 2020, the City Manager and Assembly received a letter from Garrett Schoenberger of Alaska Legacy Partners, requesting a release on this property located at 9290 Hurlock Avenue. Schoenberger's letter (Attachment 2) states that "in late 2019 CBJ purchased land in Vintage Park and subsequently agreed to an incentive package deal with Torrey Pines Development to develop a 90 bed Assisted Living facility. While we applaud CBJ for taking aggressive action to promote a large-scale development, this created direct, subsidized competition 0.5 miles from our proposed Hurlock facility" and that "The second and more pressing issue is the COVID-19 pandemic. This has caused indefinite delays due to government mandates and massive uncertainty in equity and credit markets"

Currently Alaska Legacy Partners is in good standing and has not defaulted on any terms and conditions of the Ordinance or Purchase and Sales Agreement (Attachment 3). To date Alaska Legacy Partners has paid the City $35,000 for this property as a down payment that was due at signing. The financing terms have an interest rate of 6% and there is a 24 month deferment period that will end in November 2020.

Alaska Legacy Partners is requesting that the Assembly allow them to sell this property on the open market and remove the requirement that this property be used for senior care in order to recoup their investment costs.

*****

Unrelated to the Alaska Legacy Partners request, the lands packet contains a letter from Jackie Pata President/CEO of Tlingit Haida Regional Housing Authority, a letter from Brian Wilson, the Executive Director of the Alaska Coalition on Housing and Homelessness, a letter from Hazel LeCount and Gus Marx, co-chairs of the Juneau Coalition on Housing and Homelessness and a letter from Richard J. Peterson President of Central Council of the Tlingit & Haida Indian Tribes of Alaska.. (Attachments 4-7). These letters express interest in utilizing this property for a public purpose. The City does not own this property, but this specific request could be relevant at a later date.

There are uncertainties associated with reacquiring the property such as the condition of the building and site and the amount of remodeling needed to utilize this property for a public purpose. The appraisal completed in 2017 states that "when you have marginal quality improvements, this risk and potential redevelopment cost can negate any value that the improvements might add."

Attachments:

1. Ordinance 2018-42
2. April 20, 2020 letter from Garrett Schoenberger
3. Purchase and Sales Agreement
4. Letter from Jackie Pata President/CEO of Tlingit Haida Regional Housing Authority
5. Letter from Brian Wilson, Executive Director of the Alaska Coalition on Housing and Homelessness
6. Letter from Hazel LeCount and Gus Marx, co-chairs of the Juneau Coalition on Housing and Homelessness
7. Letter from Richard J. Peterson President of Central Council of the Tlingit & Haida Indian Tribes of Alaska

Presented by: The Manager
Introduced: 07/23/2018
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2018-42

An Ordinance Authorizing the Manager to Sell City and Borough of Juneau Property, Located at 9290 Hurlock Avenue, to Alaska Legacy Partners.

WHEREAS, Juneau Youth Services notified the CBJ in November of 2017 that it no longer had need for the Hurlock facility; and

WHEREAS, CBJ staff recognized that the facility had long served an important community purpose; and

WHEREAS, CBJ staff recommended that the community be given the opportunity to propose uses that would continue to serve necessary public purposes; and

WHEREAS, housing is in short supply in the community and through the adopted Housing Action Plan it has been an Assembly goal to support the development of all types of housing, including senior housing; and

WHEREAS, the proposal by Alaska Legacy Partners, to use the property for an assisted senior living facility, was ranked highest in a competitive process; and

WHEREAS, the Assembly Committee of the Whole recommended the approval of the sale of the property to Alaska Legacy Partners at its meeting on April 16, 2018.

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

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

Section 2. Authorization to Dispose of Land by Negotiated Sale. The Manager is authorized to negotiate and execute the sale, by quitclaim deed, of the property identified as

> 9290 Hurlock Avenue, a fraction of U.S. Survey 381, Juneau Recording District, First Judicial District, State of Alaska containing approximately 36,122 square feet

and shown on the attached Exhibit A map, subject to reservations, easements, exceptions, covenants, conditions, and restrictions of record, in accordance with the minimum terms and conditions specified in this ordinance.

Section 3. Conditions of Sale. Conveyance of the property shall be pursuant to a purchase and sale agreement, which must include the following minimum essential terms:

(A) The purchase price of the property shall be the fair market value, to be Three Hundred and Fifty Thousand Dollars ($350,000.00), determined by appraisal dated December 14, 2017. Alaska Legacy Partners shall finance the purchase amount through the City and Borough of Juneau under the following terms:

(1) Alaska Legacy Partners shall pay a 10% (ten percent) down payment of Thirty-Five Thousand Dollars ($35,000.00) at the closing date identified in the purchase and sales agreement.

(2) Interest on any unpaid balance shall be at a rate of 6% (six percent) per annum.

(3) The loan term is five years. The first twenty-four months of payments are deferred to the last payment. Interest accrues during the first twenty-four month period. Payments twenty-five through the second to last payment shall be made monthly based on a 30-year amortization schedule. The last payment is a balloon payment in which all outstanding principal and accrued interest is due.

(B) Alaska Legacy Partners shall be required to purchase title insurance and pay for all closing and recording costs.

(C) Alaska Legacy Partners shall be required to develop the property in accordance with its proposal as presented to the Assembly, specifically, a senior assisted living facility.

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.

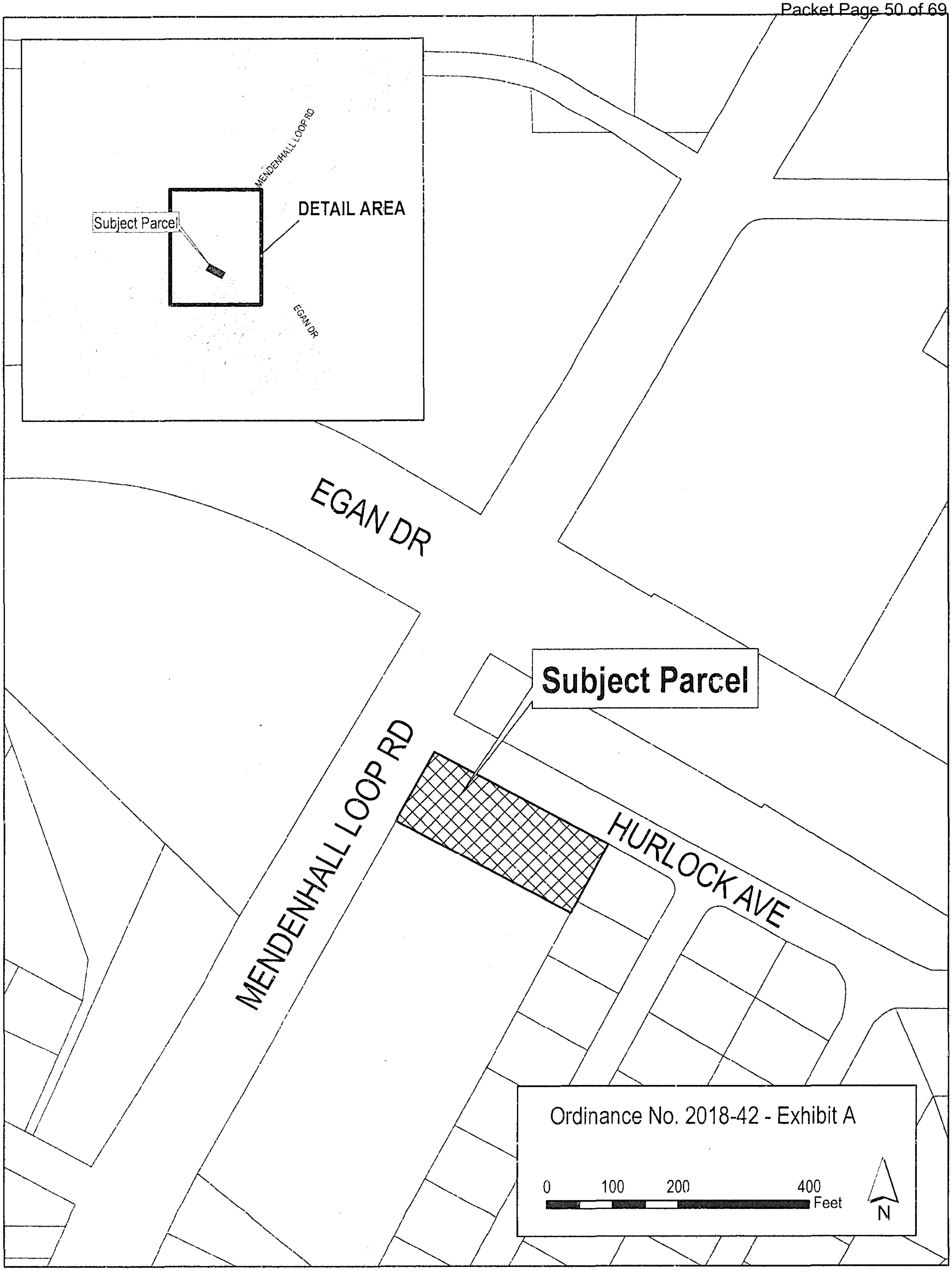
Adopted this 13th day of August, 2018.

Kendell D Koelsch
Kendell D. Koelsch, Mayor

Attest:

Elizabeth J McEwen
Elizabeth J. McEwen, Municipal Clerk

Attachment 1



Attachment 1

Alaska Legacy Partners
P.O. Box 34033
Juneau, AK 99801

April 20, 2020

Mr. Rorie Watt
City and Bureau of Juneau
155 S. Seward Street
Juneau, AK 99801

Mr. Watt:

Alaska Legacy Partners (ALP) would like to formally request a release on its property located at 9290 Hurlock Avenue, Juneau, AK 99801. This release would allow us to sell the property on the open market and recoup costs incurred since acquisition. We are facing two external factors that make executing on our business plan extremely challenging.

In late 2019 CBJ purchased land in Vintage Park and subsequently agreed to an incentive package deal with Torrey Pines Development to develop a 90 bed Assisted Living facility. While we applaud CBJ for taking aggressive action to promote a large-scale development, this created direct, subsidized competition 0.5 miles from our proposed Hurlock facility.

The second and more pressing issue is the COVID-19 pandemic. This has caused indefinite delays due to government mandates and massive uncertainty in equity and credit markets.

To date, ALP's cash outlay on Hurlock is $151,682 (see Exhibit A). The current outstanding balance owed to CBJ is ± $350,000 (see Exhibit B). We believe a market sale would generate enough proceeds to pay off the CBJ debt and give ALP an opportunity to recoup some of its costs. If by chance, the property yielded any proceeds above our actual expenses, those funds would be paid to CBJ. We are not looking to profit from the proposed sale. We believe it's important to note that the property was purchased from CBJ for appraised fair market value and we did not receive any incentives except for 24 months of deferred payments while planning was underway.

ALP acquired the property in October 2018 and worked diligently to develop an Assisted Living facility (see Exhibit C). This process included obtaining a Conditional Use Permit (CUP) and retaining MRV Architects to create a full set of construction, demolition and building plans. Other licensing, entitlement, and design steps were taken, and we continue to have monthly carry costs in the form of increasing mortgage debt, utility, heating, and maintenance payments.

ALP's main goal during this pandemic is to remain solvent and not take unnecessary risks. The offloading of the Hurlock property helps greatly to achieve this.

Sincerely,

Garrett Schoenberger
garrett@alaskalegacypartners.com

Paul Simpson
paul@alaskalegacypartners.com

EXHIBIT A – ALP Cash Outlay

HURLOCK - ALP CASH OUTLAY	
Operating Expenses	
AELP	5,642.98
CBJ - Water/Sewer	1,813.86
CBJ - Property Taxes	4,580.61
Landscaping	734.95
Plumbing	261.25
Fuel	9,430.28
Total Operating Expenses	22,463.93
Design & Planning	
CBJ - Conditional Use Permit	650.00
Asbestos Testing	525.00
Administration	239.70
Electrical Engineering	12,106.50
Mechanical Engineering	30,185.00
Architecture Plans	48,543.52
Total Design & Planning	92,249.72
Down Payment + Closing Costs	36,968.50
Total Cash Outlay to Date	**151,682.15**

Exhibit B – Loan Terms

Loan Terms:

Initial Loan Amount:	$315,000
Term:	5 years – balloon at end of term
Amortization Period:	30 years
Interest Rate:	6%
Monthly Payment:	$1,889
Deferred Payments:	Payments deferred for first 24 months

Deferred Mortgage Payments Due at Sale:

20 months (June 30, 2020 close date):	37,780 (20 x 1,889)
21 months (July 31, 2020 close date):	39,669 (21 x 1,889)

Loan Balance Due at Sale:

Loan Balance with June 30 closing date:	308,421
Loan Balance with July 31 closing date:	308,075

Owed to CBJ at Closing (rounded to nearest thousand):

June 30, 2020 closing date:	346,000 (308,421 + 37,780)
Jul 31, 2020 closing date:	348,000 (308,075 + 39,669)

Exhibit C – Timeline

October 2018:	ALP purchases Property from CBJ at market rate (per appraisal)
March 2019:	ALP receives Conditional Use Permit (CUP) from Planning Commission
August 2019:	ALP receives construction ready documents from MRV Architects
September 2019:	CBJ purchases Vintage Park land and announces RFP process
October 2019:	ALP receives initial bid from Dawson Construction for Hurlock property
November 2019:	ALP & Baxter Senior Living submit proposal for Vintage Park land
December 2019:	Notified we were not selected for Vintage Park land
February 2020:	ALP begins alternate design concepts to come up with viable solution

Recorded in the Juneau Recording District.
When recorded return to:
City and Borough of Juneau, AK
Attn: Division of Lands and Resources
155 S. Seward St
Juneau, AK 99801

Document Title: Purchase and Sale Agreement
Grantor/Seller: City and Borough of Juneau, Alaska
Grantee/Purchaser: Alaska Legacy Partners, LLC.
Legal Description: 9290 Hurlock Ave., A fraction of U.S. Survey 381, Juneau Recording District, First Judicial District, State of Alaska containing 36,122 square feet
Assessor's Parcel Number: 5B1601020230

PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement ("Agreement") is entered into between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska ("Seller"), and Alaska Legacy Partners, LLC, an Alaska limited liability company ("Purchaser"). The Seller and Purchaser are collectively referred to herein as ("the Parties").

I. AGREEMENT

In consideration of the mutual promises and valuable consideration set forth in this Agreement, the Parties agree as follows:

1. **CBJ Authority:** Ordinance 2018-42 authorizes the disposal of the following real property that is the subject of this agreement.

2. **Real Property to be Conveyed**: Purchaser agrees to purchase the following Property from the Seller, and Seller agrees to sell the Property to Purchaser under the terms and conditions set forth in this Agreement:

   9290 Hurlock Avenue, a fraction of U.S. Survey 381, Juneau Recording District, First Judicial District, State of Alaska containing approximately 36,122 square feet

   SUBJECT TO reservations, exceptions, easements, covenants, conditions, and restrictions of record, if any.

3. **Purchase and Sale**: Purchaser agrees to purchase the Property from Seller for Three-Hundred-and-fifty thousand dollars (**$350,000.00 USD**) ("Purchase Price"), and Seller agrees to sell the Property to Purchaser for the same.

4. **Effective Date**: This Agreement shall be effective and binding upon either party only upon such date that this Agreement is fully executed by all parties on the signature page. This provision may not be waived by partial performance or otherwise and no reliance shall be placed on this Agreement until it is so executed.

5. **Payment of Purchase Price**: The Purchaser agrees to pay the purchase price of three-hundred-and-fifty thousand dollars ($350,000.00 USD) as follows:

(a) 10% down payment of thirty-five thousand dollars ($35,000.00) to be paid on or before the Closing Date (as defined below) by wire transfer or electronic transfer.

(b) One-thousand eight-hundred and eighty-nine dollars ($1,889.00) to be paid on or before November 1, 2020, and each month thereafter for a total of thirty-six (36) payments ending on October 1, 2023.

(c) Three-hundred-forty-eight thousand three-hundred-seventy-one dollars and twenty-four cents ($348,371.24) to be paid on or before November 1, 2023 by wire transfer, certified check, or cashier's check.

(d) The Parties understand that this payment plan includes interest accrual of any unpaid balance at a rate of six percent (6%) per annum.

6. **Closing**: Closing of this transaction shall occur in either the offices of the Lands Division, 155 S. Seward St, Juneau, Alaska, 99801, or the title company as chosen by the Purchaser; and shall take place on October 19, 2018. For the purposes of this agreement "closing" shall have occurred when all appropriate documents are recorded and the Seller has received the required down payment. Purchaser is responsible for all closing and recording costs. All closing documents will be drafted by a title company of the Purchaser's choosing and provided to both parties before the date of closing.

7. **Development of Assisted Living Facility**: Alaska Legacy Partners LLC shall be required to develop the property in accordance with its proposal as presented to the Assembly, specifically, a senior assisted living facility, attached as Appendix E.

8. **Title**: Subject to performance by the Purchaser, the Seller agrees to execute and deliver on the date of closing a quitclaim deed similar to the one depicted as Appendix C.

9. **Purchaser's Contingencies:** The Purchaser agrees that this Agreement is not contingent on the Purchaser securing a loan or approval of its physical inspection. The Purchaser waives any financial or inspection contingencies.

10. **Title Insurance:** Purchaser shall purchase and obtain title insurance.

11. **No Warranties:** Purchaser specifically acknowledges and agrees that (1) Seller does not make any representations or warranties of any kind, either express or implied, with respect to the Property, and (2) the Property is conveyed to the Purchaser in an "As-Is" and "WITH ALL FAULTS" condition as of the date of closing, including, without limitations, the condition or stability of the soils or ground waters, the presence or absence of hazardous materials on or under the Property, suitability for any construction or development, zoning and similar matters.

12. **Possession and Risk of Loss**: Seller retains possession and assumes risk of loss prior to Closing.

13. **Closing Costs:** The Seller is not paying any closing costs. Purchaser is responsible for any and all other costs (i.e. Purchaser's attorney fees, escrow fees, title insurance, permitting fees, recording fees, land use/subdivision fees, survey fees, etc.).

14. **Default:**

a. **Purchaser 's Remedies**. In the event Seller defaults in its obligations under this Agreement, Purchaser may only specifically enforce this Agreement or rescind this Agreement.

b. **Seller's Sole Remedy**. If the transaction does not close before the close of business on the Closing Date and through no fault of Seller, this Agreement will be of no further effect.

15. **Non-Foreign Affidavit:** Seller is not a foreign person as the term is used and defined in Section 1445 of the Internal Revenue Code, as amended, and regulations promulgated thereunder. Seller shall, upon written request of Purchaser, complete an affidavit to the effect.

16. **Notices:** All notices required to be given under this Agreement shall be in writing and shall be deemed delivered: (i) on the date of delivery if delivered via electronic mail ("e-mail") to all Parties (i.e. both Sellers and both Purchasers), and the party delivering notice has a record of successful transmission; (ii) on the next business day if delivered by a nationally recognized overnight courier service; or (iii) on the second business day after mailing if mailed by first class U.S. mail, postage prepaid,

return receipt requested, to the address of the other party to be notified as listed below. Either party may, by written notice to the other, designate a different address or e-mail address for purposes of this Agreement.

a. **Seller's Contact**
The City and Borough of Juneau
Attn: Lands & Resources Manager
155. S. Seward Street
Juneau, AK 99801
Phone: 907.586.5252
E-mail: Lands_Office@juneau.org

b. **Purchaser's Contact**
Alaska Legacy Partners, LLC
2780 Fritz Cove Road
Juneau, Alaska 99801
(602) 790-6144
E-mail: garrett@alaskalegacypartners.com

c. **Use of e-mail.** Purchaser and Seller acknowledge and agree that: (i) e-mail is an acceptable form of written communication and may be used by the parties as a method of delivering notices required under this Agreement; provided, however, Purchaser and Seller may only use the e-mail address(es) listed above to send, forward or receive e-mail communication for matters relating to this Agreement.

17. **Time of Essence:** Time is of the essence of this Agreement.

18. **Binding Effect/Assignment Restricted:** This Agreement is binding on and will inure to the benefit of Seller, Purchaser, and their respective heirs, legal representatives, successors, and assigns. Nevertheless, neither Purchaser nor Seller may assign its rights under this Agreement.

19. **No Brokers Or Agents:** The parties represent that neither party has employed the services of a real estate broker or agent in connection with the Property, or that if such agents have been employed, that the party employing said agent will pay any and all expenses outside the closing of this Agreement.

20. **Free and Voluntary Agreement**: The Parties have read all of this Agreement and fully understand all of the terms used and their significance. The Parties execute this instrument freely and voluntarily for the purpose of conveying title of the Property from the Seller to the Purchaser in exchange for the Purchase Price.

21. **Entire Agreement**: This Agreement sets forth the entire understanding of the parties with respect to the purchase and sale of the Property. This Agreement supersedes any and all prior negotiations, correspondence, discussions, agreements, and understandings, whether oral or written, between the parties. This Agreement may not be modified or amended except by a written agreement executed by both parties.

22. **Severability:** If one or more of the provisions of this Agreement is held invalid, illegal or unenforceable in any respect, such holding will not impair the validity, legality, or enforceability of the remaining provisions.

23. **Construction**: The Parties have reviewed and negotiated this Agreement. The Parties agree that any ambiguities will not be construed against a party.

24. **Release**: The parties to this Agreement hereby release each other from any and all claims involving the Property, except for any future claim brought to enforce the terms of this Agreement.

25. **Law and Forum Selection**: The Superior Court for the State of Alaska, First Judicial District at Juneau, Alaska shall be the exclusive jurisdiction for any action of any kind and any nature arising out of or related to this Agreement. Venue for trial in any action shall be in Juneau, Alaska. The laws of the State of Alaska shall govern the rights and obligations of the parties. The Parties specifically waive any right or opportunity to request a change of venue pursuant to A.S. 22.10.040.

26. **Applicability of Alaska Public Records Act**: Purchaser acknowledges and understands that the Seller is subject to the Alaska Public Records Act (AS 40.25.120) and that all documents received, owned or controlled by the Seller in relation to this Agreement must be made available for the public to inspect upon request, unless an exception applies. It is Purchaser's sole responsibility to clearly identify any documents Purchaser believes are exempt from disclosure under the Public Records Act by clearly marking such documents "Confidential." Should the Seller receive a request for records under the Public Records Act applicable to any document marked "Confidential" by Purchaser, the Seller will notify Purchaser as soon as practicable prior to making any disclosure. Purchaser acknowledges it has five calendar days after receipt of notice to notify the Seller of its objection to any disclosure, and to file any action with

any competent court Purchaser deems necessary in order to protect its interests. Should Purchaser fail to notify the Seller of its objection or to file suit, Purchaser shall hold the Seller harmless of any damages incurred by Purchaser as a result of the Seller disclosing any of Purchaser's documents in the Seller's possession. Additionally, Purchaser may not promise confidentiality to any third party on behalf of the Seller, without first obtaining express written approval by the Seller.

27. __Counterparts:__ This Agreement may be signed in multiple counterparts with the same effect as if all parties signed the same document. Delivery of a legible photocopy, telefax, or scanned copy of the entire signed original of this Agreement will be treated the same as delivery of the original.

Dated this 1st day of October, 2018 at Juneau, Alaska.

SELLER/CBJ

CITY & BOROUGH OF JUNEAU

By: ______________________
Duncan Rorie Watt, CBJ Manager

PURCHASER
Alaska Legacy Partners LLC.

By: ______________________
Garrett Schoenberger

By: ______________________
~~Paul~~ Simpson

SELLER ACKNOWLEDGEMENT

STATE OF ALASKA)
)ss.
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ~~28th~~ 1st day of ~~September~~ October, 2018, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Duncan Rorie Watt**, to me known and known to me to be the **CITY AND BOROUGH OF JUNEAU MANAGER**, and known to me to be the person who signed the foregoing instrument, on behalf of said corporation, and s/he acknowledged to me that s/he signed and sealed the same as a free act and deed of the said corporation for the uses and purposes therein expressed.

WITNESS my hand and official seal on the day and year in this certificate first above written.

STATE OF ALASKA
OFFICIAL SEAL
Susan B. Phillips
NOTARY PUBLIC
My Commission Expires 1/10/22

Susan B Phillips
Notary Public in and for Alaska
My Commission Expires: 1/10/22

PURCHASER ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 28th day of September, 2018, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **GARRETT SCHOENBERGER** and **PAUL SIMPSON**, to me known and known to me to be the **CO-FOUNDERS** of Alaska Legacy Partners, LLC, and known to me to be the persons who signed the foregoing instrument, on behalf of said limited liability company, and s/he/they acknowledged to me that s/he signed and sealed the same as a free act and deed of the said limited liability company for the uses and purposes therein expressed.

WITNESS my hand and official seal on the day and year in this certificate first above written.

Notary Public
EDELYN E. VEJAR
State of Alaska
My Commission Expires Mar. 12, 2019

Notary Public in and for Alaska
My Commission Expires: 3/12/19

Approved as to Content: Daniel Bleidorn ______ CBJ Lands Division

Approved as to Form: Robert H Palmer III 9/28/18 ______ CBJ Law Department

Appendix A - Diagram Property and Improvements
Appendix B – Title Commitment No. 3030216
Appendix C – Quitclaim Deed – title co will produce with DOT Note
Appendix D – Financing Amortization Schedule
Appendix E – Alaska Legacy Partner's Proposal
Appendix F – Assembly Ordinance 2018-42

TH
Regional Housing Authority

May 22, 2020

Dan Bleidorn
City and Bureau of Juneau (CBJ)
155 S. Seward Street
Juneau, AK 99801

Re: Hurlock Avenue Property

Dear Mr. Bleidorn,

Tlingit Haida Regional Housing Authority (THRHA) is committed to ensuring safe housing opportunities for the citizens of Southeast Alaska. We support the work of Juneau's Homeless Coalition and the progress of the Youth Homeless Demonstration Program (YHDP) in seeking safe housing for one of our most vulnerable populations, our youth. As we come together as a community to ensure our at-risk youth have housing options it is important to address the Hurlock property in Juneau Alaska.

The property located at 9290 Hurlock Avenue was initially built to address youth transitional housing needs and for a long time was run as the Juneau Receiving Home for youth. Subsequently the receiving home was closed but the need for safely housing at-risk youth still exists.

THRHA formally requests that CBJ ensure this property remains zoned for the public purpose that it was intended for, youth homelessness. THRHA stands ready to assist in this area where our expertise can be useful as we did with Housing First Project. Further THRHA would be willing to be responsible for the Hurlock property and partner moving forward with the Capital City to address Juneau's homeless youth housing needs. Our partnership with the Homeless Coalition remains one of our top priorities as we understand healthy communities require healthy citizens and healthy citizens require safe housing options.

Please feel free to reach out directly to me at jpata@thrha.org or 202-277-9146 with questions or concerns. We look forward to the CBJ's response.

Sincerely,

Jacqueline Pata

Jacqueline Pata
President/CEO

5446 Jenkins Dr. • Juneau, AK 99801 • E. info@thrha.org
T. (907) 780-6868 • Toll Free (888) 241-6868 • F. (907) 780-6895 • regionalhousingauthority.org

Alaska Coalition on Housing and Homelessness

May 21, 2020

Dear City & Borough of Juneau,

The Alaska Coalition on Housing and Homelessness (AKCH2) serves as the Continuum of Care (CoC) body for the Alaska Balance of State (AK BoS). In Fall of 2019, AKCH2 was awarded Round 3 funding of the HUD Youth Homelessness Demonstration Program (YHDP) grant. The YHDP grant aims to prevent and end youth homelessness for youth ages 16-24 in the AK BoS. The grant is a two-year award of $1.65 million. YHDP programs funded by the $1.65 million award will remain funded in perpetuity and be transferred to the HUD CoC grant stream.

The YHDP grant is a rare opportunity to inject new federal funding into our Alaskan communities and challenges service providers to establish partnerships with a variety of local stakeholders: municipalities, schools, Office of Children's Services, first responders, among others. AKCH2 just completed an eight month Coordinated Community Planning (CCP) process which involved consistent input from multiple Alaskan communities. We are very appreciative of the high level of engagement from Juneau stakeholders, as well as local youth with lived experience. Multiple individuals from the Juneau area have volunteered to serve on the YHDP state team which is responsible for managing the funding competition, monitoring program effectiveness, and the continuous quality improvement process.

The YHDP State Team will be launching a request for proposals in late May, 2020. Communities will have the opportunity to submit funding requests for new projects aimed to meet the goals outlined in our CCP. Juneau is one of the five initial communities identified as a high needs area in the initial draft of the CCP. While all YHDP funding decisions are made through a competitive process, we highly encourage CBJ to consider applying for the upcoming request for proposals, in cooperation with other local stakeholders working with at-risk or currently homeless youth and young adults.

If you have any questions regarding this new grant opportunity, the CCP, or how CBJ can get involved in future YHDP activities, please contact me at director@alaskahousing-homeless.org.

Sincerely,

Brian Wilson, Executive Director
Alaska Coalition on Housing and Homelessness

ALASKAHOUSING-HOMELESS.ORG

Juneau Coalition on Housing & Homelessness

May 21, 2020

Dear City & Borough of Juneau,

The Juneau Coalition on Housing and Homelessness (JCHH) enthusiastically supports the opening of a dedicated youth shelter in Juneau. The JCHH is formed of more than two dozen agencies from our community, ranging from social services to the public library. Ironically, the best and most cost-effective key to youth homelessness in Juneau is to repurpose the Hurlock property—the same property that had served young people for nearly fifty years before passing hands a few years ago. With the possibility of the City and Borough of Juneau re-acquiring the property, and with the City no longer having a youth shelter, the JCHH whole-heartedly agrees that now is the time to re-open the shelter, with new energy and new direction and more involvement form the young people that the project would serve.

Juneau's social service agencies are struggling to help young people who are facing housing issues. Agencies can provide training, food, clothing, and other support—but they can't provide a safe, warm, short-term place to stay, and too many young people are having to make a choice between couch surfing, the street, or an unsafe home. A youth shelter would provide that necessary (and critical) missing link in services. And, with the City's help, a new shelter may be an excellent entity to receive the Family and Youth Services Bureau's funding for Basic Center Programs (youth shelter services) in October 2020, which would be excellent timing for all parties involved.

Young people facing housing issues require some different solutions than adults who are struggling with homelessness. For our most vulnerable adult clients the goal is to provide permanent supported housing. But young people need shelter services, mediation with caregivers, skills training, employment opportunities, and warm meals and beds as they sort things out and get back into a safe home. The Hurlock property is an opportunity to get Juneau's vulnerable youth off of couches, off the streets, out of dangerous situations, and into homes.

Sincerely,

Hazel LeCount and Gus Marx

Co-Chairs of the Juneau Coalition on Housing and Homelessness

CENTRAL COUNCIL
Tlingit and Haida Indian Tribes of Alaska
Office of the President • Edward K. Thomas Building
9097 Glacier Highway • Juneau, Alaska 99801

May 27, 2020

Dan Bleidorn
City and Borough of Juneau
155 S. Seward Street
Juneau, AK 99801

RE: Hurlock Avenue Property

Dear Mr. Bleidorn,

The Central Council of the Tlingit & Haida Indian Tribes of Alaska (Tlingit & Haida) is encouraged with the City and Borough of Juneau's effort to address homeless youth in our shared community. As part of that effort, Tlingit & Haida believes that it would be prudent to ensure that the 9290 Hurlock Avenue property remain zoned for the public purpose that it was intended for, youth homelessness. Youth struggling with housing require different solutions than adults facing the same concern. The public purpose for 9290 Hurlock Avenue property fills a vital need for our community and deserves this specific designation.

Again, I stand in full support of 9290 Hurlock Avenue remaining zoned for the public purpose of providing safe housing for our homeless youth. Gunalchéesh/Háw'aa, thank you for your consideration. Please feel free to reach out should you have any questions, rpeterson@ccthita-nsn.gov or 800.344.1432.

Sincerely,

Richard J. Peterson
President

CITY AND BOROUGH OF
JUNEAU
ALASKA'S CAPITAL CITY
COMMUNITY DEVELOPMENT

(907) 586-0757
Jill.Maclean@juneau.org
www.juneau.org/CDD
155 S. Seward Street • Juneau, AK 99801

MEMO

TO: **Rob Edwardson, Chair Lands Committee and Lands Committee Members**

FROM: **Jill Maclean, Director, AICP** Jill Maclean

DATE: **May 27, 2020**

RE: **FEMA Flood Map Adoption Process**

This memo provides a brief background of the Federal Emergency Management Agency (FEMA) process regarding the CBJ borough-wide Flood Map Revision that is currently underway.

FEMA and CBJ Authority. To participate in FEMA's National Flood Insurance Program (NFIP), CBJ must adopt and enforce a floodplain management ordinance utilizing the floodplain maps developed by FEMA that delineate flood zones and base flood elevations. Participation in the program allows property owners to obtain flood insurance, and makes CBJ eligible to receive disaster funding. Flood insurance is necessary for all properties located in Special Flood Hazard Areas seeking to secure federally-backed mortgages.

Mapping Process and Timeline. CBJ first joined the NFIP in 1981. The last completed map revision was 2013. These maps are currently in effect. Issues were identified in the 2013 revision that could not be addressed within federally mandated timelines. Therefore, a second analysis began shortly after in order to utilize new contour data and other information to develop more accurate flood maps—this is the process currently underway. Highlights of the current map revision include:

- Preliminary Map Release. August 25, 2017
- Public Meeting and FEMA/CBJ Workshop. April 4, 2018
  - Approximately 150 people attended.
- First Appeal and Comment Period. April 11-July 9, 2018
  - In conjunction with the public meeting and appeal/comment period, CDD sent a postcard mailing to all properties within or adjacent to a flood zone with a website link, map, and comment information.
- Revised Preliminary Map Release. November 30, 2018
  - The first appeal/comment period revealed a minor, but systematic, error in the maps along a stretch of CBJ coastline that met FEMA's threshold for a second revision and map release.

  - FEMA and CBJ held a second public meeting on August 28, 2019 with a second postcard mailing to all flood properties regarding the changes and the second public/comment appeal period. This meeting addressed both the borough-wide flood map revision and the separate Tee Harbor map revision.
- Second Appeal and Comment Period. July 24-October 22, 2019
- Letter of Final Determination. May 18, 2020
  - This is FEMA's final release of the maps and Flood Insurance Study (the report with supporting data), which starts the federal mandatory timeline of six months for CBJ to adopt the maps and ordinance.
  - The final map revision **removes approximately 191 parcels** from the Special Flood Hazard Area, which eliminates the flood insurance requirement. **Approximately 45 parcels** will be added to the Special Flood Hazard Area.

- ***Maps and Flood Insurance Study Become Effective—if adopted by CBJ. September 18, 2020***
  - ❖ Regardless of the speed at which CBJ moves to adopt the maps and ordinance, the maps go into effect on September 18, 2020 per FEMA—this date is not under CBJ's control.

Tee Harbor Map Revision. The Tee Harbor area was not within the scope of the new study and map revision. However, in the first appeal/comment period on the first draft maps that began in April 2018, Tee Harbor residents sent comments to CBJ and FEMA regarding the extreme inaccuracy of the maps in that area and the high flood insurance costs associated with the error. FEMA agreed, and launched a separate study and timeline specifically for Tee Harbor through the Letter of Map Revision (LOMR) process. Revised Tee Harbor maps were released for public appeal/comment from January 24 through April 23, 2020. CDD sent another postcard mailing, and updated the website. No comments were received. The Tee Harbor LOMR has a separate public process from the borough-wide maps, dictated by federal regulations, and LOMR do not require approval by local ordinance.

  - ❖ The Tee Harbor Map Revision is effective as of May 26, 2020.

Next Steps. CDD is drafting an updated floodplain management ordinance, which must be revised to meet minimum federal requirements. The ordinance, maps, and study are tentatively scheduled for a public hearing before the Planning Commission on June 23, 2020. The Assembly must adopt the revised ordinance, with the revised maps and Flood Insurance Study, by September 18, 2020.