

Presented by: The Manager  
Introduced: 09/18/2017  
Drafted by: A. G. Mead

## ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-27

### **An Ordinance Authorizing the Manager to Convey Lot 2 of the Renninger Subdivision to the Alaska Housing Development Corporation.**

WHEREAS, the City and Borough of Juneau subdivided a portion of USS 5504 into six buildable lots; and

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

WHEREAS, on April 26, 2017, the Alaska Housing Development Corporation (AHDC) submitted an application to purchase Lot 2 for fair market value through direct negotiations; and

WHEREAS, on April 27, 2017, AHDC submitted a letter discussing the organization's interest in purchasing Lot 2 to allow the City and Borough to satisfy one of its primary goals of providing affordable housing in a neighborhood setting; and

WHEREAS, the Lands Committee, at its meeting on May 1, 2017, passed a unanimous motion of support of the negotiated sale of Lot 2, Renninger Subdivision to AHDC; and

WHEREAS, the Assembly, at its meeting on May 15, 2017, passed a unanimous motion of support authorizing the Manager to enter into negotiations for the disposal of Lot 2, Renninger Subdivision with AHDC at fair market value; and

WHEREAS, the Planning Commission, at its meeting on July 25, 2017, reviewed and approved the disposal of Lot 2, Renninger Subdivision to AHDC while encouraging the development of the maximum practical number of units per lot; and

WHEREAS, AHDC has repeatedly demonstrated its commitment to developing affordable housing in Juneau, recently purchasing Lots 6 and 7 of the Renninger Subdivision as part of this continual effort.

NOW, 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 Convey.** The Manager is authorized to execute an agreement for the sale of Lot 2 of the Renninger Subdivision to AHDC.

**Section 3. Conditions of Sale.** Conveyance of Lot 2, Renninger Subdivision shall be pursuant to a land sale agreement, which must include the following terms:

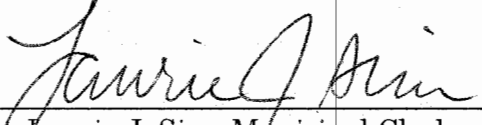
- (A) The purchase price for Lot 2 shall be \$204,000, the appraised fair market value.
- (B) AHDC shall be required to purchase title insurance and pay all closing and recording costs.
- (C) AHDC may elect to use City and Borough financing, paying the balance owed over a period of ten years, in annual, quarterly, or monthly payments at an annual interest rate of ten percent. If AHDC elects City and Borough financing, AHDC shall pay a down payment equal to five percent of the purchase price at closing. The City and Borough shall not subordinate its security interest to other lenders. AHDC shall not sell or assign its interest in a parcel until the City and Borough has been paid in full.

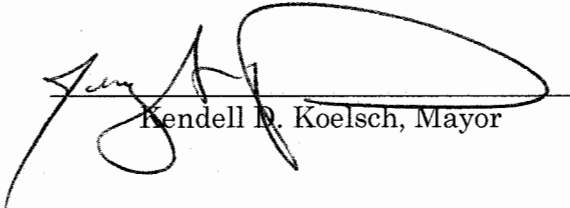
**Section 4. Other Terms and Conditions.** The Manager may include such other terms and conditions as may be in the public interest and in accordance with CBJ Title 53.

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

Adopted this 16<sup>th</sup> day of October, 2017.

Attest:

  
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Laurie J. Sica, Municipal Clerk

  
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Rendell R. Koelsch, Mayor