

Presented by: The Manager
Introduced: 01/27/2014
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-07(b)

An Ordinance Authorizing the Sale of City and Borough Land Located at the South Lena Point Subdivision and Establishing the Terms and Conditions Related to the Sale.

WHEREAS, the City and Borough of Juneau acquired approximately 185 acres of land at Lena Point from the State of Alaska through the municipal land selection program; and

WHEREAS, with the adoption of Ordinance number 99-11 on April 12, 1999, the City and Borough adopted a land management plan that identified its Lena Point property as available for future disposal; and

WHEREAS, the City and Borough subsequently embarked on an extensive evaluation of its Lena Point property for the purpose of identifying specific lands to be subdivided and sold for residential development; and

WHEREAS, the City and Borough was assisted in its research and analysis by federal and state resource agencies; and

WHEREAS, the final plat for the subdivision known as the South Lena Subdivision was recorded on October 11, 2006; and

WHEREAS, Ordinance 2006-03, which originally authorized the sale of the property within the South Lena Subdivision and which established the terms and conditions related to the sale has expired; and

WHEREAS, at its December 9, 2013 meeting, the Assembly Lands Committee recommended that the Assembly reauthorize the sale of the remaining South Lena Subdivision lots, as shown on the attached Exhibit A map, by sealed competitive bid to the highest qualified bidders over the next eight years through multiple land sales.

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

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

Section 2. Authorization. The Manager is authorized to dispose of the remaining unsold lots in the South Lena Subdivision.

Section 3. Title 53 and Land Management Plan. The sale of these lots are deemed to comply with the intent of, and meet or exceed the standards set forth in, CBJ Title 53, which prescribes the process for classifying, planning, and disposing of City and Borough land, and CBJ Ordinance 99-11, which adopted the City and Borough's Land Management Plan.

Section 4. Method of Sale. Lots shall be sold by sealed competitive bid to the highest qualified bidder.

Section 5. Minimum Bid. Minimum bids for each lot sold shall be determined by the City and Borough assessor or a licensed real estate appraiser.

Section 6. Bidder Qualifications. Notwithstanding CBJ Title 53, bidders must be 18 years or older if bidding as individuals, or if a business or business entity, must be licensed to do business in the State of Alaska. There is no Alaskan residency requirement for non-business bidders.

Section 7. Bid. Notwithstanding CBJ Title 53, bids must be accompanied by an earnest money payment in the amount of \$500.

Section 8. Competitive Bid Procedures. The qualified bidder having the highest bid amount will be named the apparent high bidder.

Section 9. Award. (a) Apparent high bidders will be sent an "Award Notification" letter by certified mail. The letter shall provide the successful bidders 30 days to submit the following:

- (1) Completed Declaration of Intent;
- (2) A non-refundable \$150.00 document-handling fee;
- (3) Notwithstanding CBJ Title 53, a down payment equal to ten percent of the bid amount. The \$500 earnest money submitted with the bid shall be applied toward the down payment;
- (4) If a business or business entity, proof of current business license in the State of Alaska, and proof of signatory authority of the person submitting the bid;
- (5) Selection of title company to handle closing; and
- (6) Any other documents or items requested in the Award Notification letter.

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

(c) Notwithstanding CBJ Title 53, a bidder may purchase more than one parcel. Only the highest bid amount for each parcel will be made public. All other bids will remain confidential until after closing. Earnest money shall be returned to unsuccessful bidders.

Section 10. Title Insurance and Closing Costs. Purchasers shall be required to purchase title insurance and pay all closing costs.

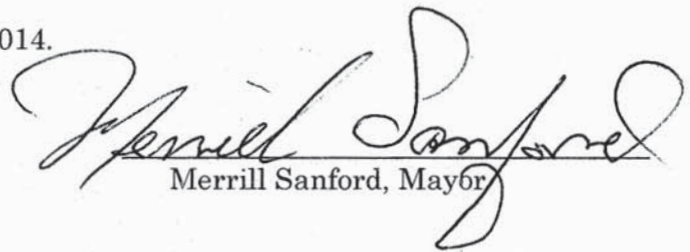
Section 11. Payment and Financing. Notwithstanding CBJ Title 53, purchasers of City and Borough parcels may elect to use City and Borough financing, paying the balance owed over a period of ten years, in annual, quarterly, or monthly payments at an annual interest rate of ten percent. The City and Borough shall not subordinate its security interest to other lenders. No bidder or purchaser may sell or assign his or her interest in a parcel until the City and Borough has been paid in full.

Section 12. Reoffering. Notwithstanding CBJ Title 53, at any time over the next eight years, the Manager may sell any unsold parcels in additional competitive bid sales, under the same terms and conditions as the first sale. After public notice, the Manager may adjust the minimum bid to reflect changes in the market value.

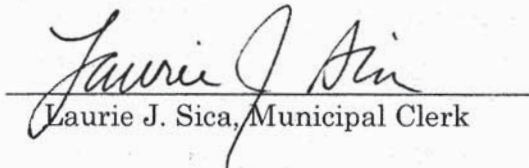
Section 13. Other Terms and Conditions. The Manager may include such other terms and conditions as may be in the public interest and in accordance with CBJ Title 53.

Section 14. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 24th day of February, 2014.


Merrill Sanford, Mayor

Attest:


Laurie J. Sica, Municipal Clerk