

Presented by:
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-05 COWv3

An Ordinance Authorizing the Manager to Dispose of Eight Lots in the Vintage Business Park, Located near 3041 Clinton Drive, to Torrey Pines Development for Fair Market Value.

WHEREAS, a 2014 study identified that assisted living, primarily for seniors, was a gap in the continuum of care in Juneau and demands for assisted living facilities would increase dramatically over the next three decades; and

WHEREAS, on August 19, 2019, the CBJ acquired the eight lots for \$1.519 million (#2019-003599-0); and

WHEREAS, the CBJ solicited proposals to develop assisted living, primarily for seniors, on the eight lots; and

WHEREAS, Torrey Pines Development proposes to develop 80 units (88 beds) of assisted living and memory care with a wide range of proposed senior services and amenities; and

WHEREAS, the proposed units include a combination of Medicaid eligible and private pay beds with studio and 1-bedroom options for assisted living and private and semi-private beds for Memory Care, with a total project cost of approximately \$32 million; and

WHEREAS, the Manager informed the Assembly Committee of the Whole on December 9, 2019, that Torrey Pines Development was the best bidder and the CBJ would initiate negotiations consistent with CBJC 53.09.250(b); and

WHEREAS, the Assembly Committee of the Whole reviewed the status of negotiations on January 6, 2020.

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 of Sale. The Manager is authorized to sell the following real property subject to the following essential terms and conditions:

- (A) **Property Description.** The property is described as all in the Juneau Recording District, First Judicial District, State of Alaska, constituting approximately 2.35 acres, and further described as follows:
1. Lot 31A, Block C, according to Plat 2016-19, and subject to the terms and provisions of the Access Easement and Option Agreement between Pacific Investment Group LLC and Juneau Senior Housing Partners Limited Partnership recorded April 20, 2018 (#2018-001676-0) and together with the easement for ingress and egress in favor of Lot 31A, Block C, across a portion of Lot 26A, Block C Vintage II Subdivision according to Plat 2016-19; and
 2. Lots 32, 33, 34, 35, 36, 37, and 38 Block C, Vintage II Subdivision according to Plat 85-58;
 3. Subject to reservations, exceptions, easements, covenants, conditions, and restrictions of record, if any.
 4. Any lot consolidation required due to the assisted living development plan will become the legal description for this ordinance.
- (B) **Sale.** The sale encompasses the eight parcels described in Section 2 paragraph A.
- (C) **Lot Consolidation.** Buyer shall pay for all costs associated with any required lot consolidation (CBJC 49.15.403) to develop the assisted living facility.
- (D) **Use of Premises.** Buyer agrees to use the land for the sole purpose of an assisted living facility consistent with the competitive bid proposal.
- (E) **Purchase Payment Schedule.** The first thirty-six months of payments are deferred. Buyer shall purchase the property over a twenty-year term as follows: 1) equal monthly payments of \$4,430.00 totaling \$53,160.00 per year for years four through and including year ten; and 2) monthly payments of \$12,658.00 totaling \$151,896.00 for years eleven through and including year twenty which is the fair market value of the property.
- (F) **Taxes.** Buyer shall be responsible for any and all taxes related to or arising out of the possessory interest and for the improvements on the premises.
- (G) **Hold Harmless.** Any purchase and sale agreement shall require the Buyer to indemnify, defend and hold harmless the City and Borough, its officers and employees, volunteers, consultants and insurers for any claim related to or arising out of Buyer's use, operation, or maintenance of the premises during the term of this sale.
- (H) **Costs.** The Grantee is responsible for all closing costs and fees, including but not limited to title company fees, recording fees, and surveying.

- (I) **Title Insurance.** A title insurance policy shall be obtained, paid for by Grantee.
- (J) **Type of Deed.** The property shall only be conveyed with a quitclaim deed.
- (K) **Option to Buy.** The Buyer may elect to complete early purchase of the property by paying in advance at any time.
- (L) **Other Terms and Conditions.** The Manager may include other disposal 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 ____ day of _____, 2020.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk