

Presented by: The Manager
Introduced: 03/26/2020
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Emergency Ordinance Serial No. 2020-17

An Emergency Ordinance Authorizing the Manager to Execute a Campground Lease Agreement with AJT Mining Properties, Inc.

WHEREAS, COVID-19 is a respiratory disease that can result in serious illness or death and is caused by the SARS-Cov-2 virus ("virus"), a new strain of the coronavirus that has not been previously identified in humans and is easily transmittable person to person; and

WHEREAS, on March 11, 2020, the World Health Organization ("WHO") declared the virus a pandemic; and

WHEREAS, on March 11, 2020, the State of Alaska declared a public health emergency in response to the anticipated outbreak of the virus in Alaska; and

WHEREAS, on March 13, 2020, President Donald J. Trump declared a national emergency in response to the virus pandemic; and

WHEREAS, on March 16, 2020, the Assembly declared a local emergency in response to COVID-19; and

WHEREAS, on March 22, 2020, the City and Borough of Juneau ("CBJ") received its first positive case of COVID-19; and

WHEREAS, on March 23, 2020, the Assembly passed Resolution 2885(b)(am), mandating people in the CBJ to hunker down to help slow the spread of COVID-19; and

WHEREAS, the CBJ has leased real property from AJT Mining Properties, Inc. ("AJT") for over 20 years for use as a campground for those in need of living accommodations during the temperate summer months, most commonly known as the Thane Campground; and

WHEREAS, the CBJ is currently in negotiations with AJT to relocate the campground; and

WHEREAS, the new location, provided for in Exhibit B, is slightly closer to downtown and provides better access to users, allows for vehicle access, and is more open, providing safer access to Juneau Police Department officers, park staff, and emergency responders; and

WHEREAS, AJT has offered to continue leasing its property to the CBJ for a nominal value of \$1.00 during the term of the lease; and

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3 WHEREAS, given the contemplated use of the premises, AJT requires the CBJ to indemnify
4 it against any action, claim, or lawsuit arising out of the CBJ's use and occupancy of AJT's
property; and

5 WHEREAS, this indemnity provision has been in place since the CBJ originally leased AJT's
6 property at the Thane Campground and reads as follows:

7 Lessee agrees to defend, indemnify, and save Lessor, its employees and
8 insurers, with respect to any action, claim, or lawsuit arising out of the
9 use and occupancy of the Leased Premises by Lessee. This agreement to
10 defend, indemnify, and hold harmless is without limitation as to the
11 amount of fees, and without limitation as to any damages resulting from
12 settlement, judgment, or verdict, and includes the award of any attorneys'
13 fees even if in excess of Alaska Civil Rule 82. The obligations of Lessee
arise immediately upon notice to the Lessor of any action, claim, or
lawsuit. Lessor agrees to provide Lessee written notice of any action,
claim or lawsuit in a timely manner. This agreement applies and is in full
force and effect whenever and wherever any action, claim, or lawsuit is
initiated, filed, or otherwise brought against Lessor.

14 WHEREAS, pursuant to CBJ Charter 9.13(a) and its prohibition against payment being
15 made or an obligation being incurred without an appropriation, the CBJ is generally prohibited
from agreeing to indemnify; and

16 WHEREAS, CBJ Charter 9.13(c) carves out an exception to that general prohibition:

17 Notwithstanding Section 9.13(a) of this Charter, the assembly by
18 ordinance may require payment of funds from appropriations of a later
19 fiscal year or of more than one year for any contract, lease or note or bond
obligation, or federal or state grant, or any other federal or state program
that the municipality may not otherwise participate in.

20 WHEREAS, CBJ Charter 5.4(a) provides the Assembly may adopt emergency ordinances to
21 meet a public emergency; and

22 WHEREAS, as the result of the COVID-19 pandemic, the CBJ needs immediate possession
23 of the new campground premises to prepare as a potential living location for unsheltered
individuals; and

24 WHEREAS, having the campground available for unsheltered individuals will assist with
25 the public health emergency by providing an area for social distancing that is still easily
accessible to health and safety personnel; and

WHEREAS, the campground is in addition to other facilities made available for unsheltered
individuals, such as the Juneau Arts and Culture Center ("JACC"); and

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3 WHEREAS, use of the premises is currently only contemplated for the summer of 2020, and
any extension that includes the indemnity provision will require further Assembly action.

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

6 **Section 1. Classification.** This is an emergency non-code ordinance premised on the
7 emergency declared under Resolution 2884.

8 **Section 2. Authority to Lease.** Pursuant to CBJ Charter 9.13(c), the Manager is
9 authorized to temporarily execute the lease agreement provided for in Exhibit A and agree, on
behalf of the CBJ, to indemnify AJT Mining Properties, Inc. to the extent required by law.

10 **Section 3. Effective Date.** This emergency ordinance shall be effective upon adoption
11 and shall remain in effect until Tuesday, September 22, 2020, a date not exceeding 180 days
from the date of adoption.

12 Adopted this _____ day of _____, 2020.

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15 _____
Beth A. Weldon, Mayor

16 Attest:

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18 Elizabeth J. McEwen, Municipal Clerk
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