

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-47

An Ordinance Authorizing the Manager to Convey Lot 2, Block A, South Lena Subdivision, to Juneau Housing Trust, Inc., an Alaskan Nonprofit Corporation, Subject to Certain Conditions, in Support of the Juneau School District's High School Home Building Program.

WHEREAS, Juneau Housing Trust, Inc., and the Juneau School District, through its Home Building Program, cooperate in the construction of houses for the purpose of teaching skills to the students participating in the program and which results in the building of affordable housing in the City and Borough; and

WHEREAS, the Assembly has a history of supporting and implementing the District's Home Building Program by conveying land for project development; and

WHEREAS, Juneau Housing Trust, Inc., has submitted a request that the City and Borough consider conveying to the Trust Lot 2, Block A of South Lena Subdivision to be used by the Home Building Program; and

WHEREAS, CBJ 53.09.270(b) authorizes the sale of City and Borough property to a private, nonprofit corporation at less than fair market value provided the disposal is approved by the Assembly and as long as the property is to be 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; and

WHEREAS, the market value of the lot to be sold, as of 2007, was \$101,000; and

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2 WHEREAS, Juneau Housing Trust, Inc., is willing to purchase the lot for use by the
3 Juneau School District's Home Building Program and will ensure that future house sales
4 will be to affordable housing income qualifying purchasers in perpetuity.

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

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

8 **Section 2. Authorization to Convey.** The Manager is authorized to negotiate
9 and execute the sale of Lot 2, Block A, South Lena Subdivision (shown on the attached
10 Exhibit A) to Juneau Housing Trust, Inc.

11 **Section 3. Conditions of Sale.** Conveyance of the lot shall be pursuant to a land
12 sale agreement including the following terms:

13 (A) The purchase price for the lot shall be \$40,000.

14 (B) Juneau Housing Trust, Inc., shall participate in the development of the lot for
15 residential purposes only in cooperation with the Juneau School District through
16 the District's Home Building Program.

17 (C) Juneau Housing Trust, Inc., shall be responsible for the closing and recording costs.

18 (D) Given that the Home Building Program intends to begin work on the lot as soon as
19 possible, the sales agreement shall allow the Trust to take early possession of the
20 lot, conditioned upon the Trust obtaining the necessary insurance, as determined by
21 the City and Borough Risk Management Officer, and agreeing to indemnify, defend
22 and hold the City and Borough harmless for claims arising out of or related to its
23 use of the property.
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(E) A reversion clause stipulating that if construction has not begun within two years, title to the property will revert back to the City and Borough.

Section 4. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2014.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk