

**Mayor**

James Kacsh

**Council Members**

Kristin Carpenter

Tim Joyce

Tom Bailer

Robert Beedle

Josh Hallquist

David Reggiani

James Burton

**City Manager**

Randy Robertson

**City Clerk**

Susan Bourgeois

**Deputy Clerk**

Tina Hammer

**Student Council**

New appointee

New appointee

**Planning & Zoning  
Commission**

**Chairman**

Tom Bailer

**Members**

Allen Roemhildt

Scott Pegau

John Baenen

Tom McGann

Heath Kocan

Mark Frohnapfel

**City Planner**

Sam Greenwood

**Assistant Planner**

Leif Stavig

**City Council Joint Work Session with  
The Planning & Zoning Commission  
February 11, 2016 @ 7:30 pm  
Cordova Center Community Rooms A & B  
Agenda**

**A. Call to order**

**B. Roll call**

Council

Mayor James Kacsh, Council members Kristin Carpenter, Tim Joyce, Tom Bailer, Robert Beedle, Josh Hallquist, David Reggiani and James Burton

Planning & Zoning Commission

Chairman Tom Bailer, Commission members Allen Roemhildt, Scott Pegau, John Baenen, Tom McGann, Heath Kocan and Mark Frohnapfel

**C. Communications by and Petitions from Visitors**

1. Audience Comments regarding agenda items

**D. Work Session topic**

2. Review of Planning & Zoning Commission's criteria for property disposal to insure that the Planning & Zoning Commission is not tasked with items beyond its roles and responsibilities

**E. Audience participation**

**F. Council comments**

**G. Adjournment**

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# Memorandum

**To:** City Council, P&Z Commission, Public  
for 2-11-16 work session agenda packet  
**From:** Council member Tim Joyce, City staff  
**Date:** 1/27/2016 & 02/04/16  
**Re:** Planning and Zoning Commission Roles and Responsibilities

## **PART I – GENERAL INFORMATION**

The Planning and Zoning Commission’s use of evaluation criteria as outlined in Planning and Zoning Commission Resolution 11-06 approved by the Commission on December 13, 2011 and then accepted by City Council on December 21, 2011 has come into question. *Council member Tim Joyce* has brought forward a suggestion to realign these criteria with Title 18 of the City Code.

### **Cordova Municipal Code regarding Zoning – General Provisions**

#### **Title 18 – Zoning**

#### **Chapter 18.04 – General Provisions**

#### **18.04.010 - Purpose.**

The zones and regulations pertaining thereto as set forth in this title are made for the purpose of promoting health, safety, morals and general welfare of the community. They are designed to lessen congestion in streets, to secure safety from fire, panic and other dangers, to provide adequate light and air, to prevent overcrowding of land, to avoid undue concentration of population, to facilitate adequate provision of transportation, water, sewerage, schools, parks and other public requirements. They are made with reasonable consideration, among other things as to the character of each district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the city. This title is based on a comprehensive study of the area and becomes one part of the complementation of the general plan.

Council had this agenda item before them at its 02-03-16 regular council meeting and asked for a joint work session with the Planning and Zoning Commission to discuss this topic.

## **PART II – BACKGROUND MATERIAL**

- Exhibit 1 – Memo, and P&Z resolution as included..... (page 1)  
in Council packet of 12-21-11.
- Exhibit 2 – Minutes of 12-21-11 Council meeting with..... (page 5)  
agenda item 18 highlighted.
- Exhibit 3 – Currently being used, Land Disposal Evaluation Criteria..... (page 7)
- Exhibit 4 – Suggested new criteria..... (page 8)
- Exhibit 5 – Cordova Municipal Code 3.40..... (page 9)
- Exhibit 6 – Cordova Municipal Code 5.22..... (page 12)

# Memorandum

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**To:** City Council  
**From:** Sam Greenwood, City Planner  
**Date:** 12/14/11  
**Re:** Land Disposal Evaluation Criteria

## PART I. BACKGROUND:

The Planning and Zoning Commission felt that having written and defined criteria was an important part of evaluating proposals that are **submitted for land disposal**. The commissioners felt that such criteria should be easily understood and should provide explicit direction for the proposers to understand how the commissioners would be evaluating the proposals. Below is the time line of meetings where these criteria were discussed and developed.

- July 12<sup>th</sup> P&Z Mtg - discussed creating land disposal criteria
- August 9<sup>th</sup> P&Z Mtg - discussion of types of criteria and how criteria could be used
- September 13<sup>th</sup> P&Z Mtg - no discussion at meeting; homework was given to commissioners to read and think about criteria
- October 11<sup>th</sup> P&Z Mtg - discussion of criteria and weights; request to develop fake proposals to test criteria; commissioners to review and develop weights for criteria
- November 8<sup>th</sup> P&Z Mtg - fake proposals were reviewed, weights finalized, criteria defined and finalized, and policy for residential criteria and commercial proposals finalized
- December 13<sup>th</sup> P&Z Mtg - criteria, ranks, weights and formula were finalized and Resolution 11-06 was passed to recommend the criteria to City Council

## PART II. GENERAL INFORMATION:

At this time Planning and Zoning is recommending to City Council the Land Disposal Evaluation Criteria for residential and commercial land disposal. When City Council directs that city property be “disposed by proposals” the weighted criteria developed by the Planning and Zoning Commission will be included in the proposal packets. After the 30 day proposal period the Planning and Zoning Commission will use the weighted criteria to evaluate the proposals and make a recommendation to City Council.

Each proposal will be evaluated on the criteria in the table below. Each criteria will be scored from 1-10 for the individual proposals. The multiplier will then be applied to the scores to determine a final score. It was decided that if a proposal was a **residential** proposal that sales tax revenue and number of employees would be eliminated from the

**Exhibit 1**

evaluation process. Changing the total possible score to 8, but the ranking would still be 1-10 for individual criteria.

**PART III. REVIEW OF APPLICABLE CRITERIA:**

Final Land Disposal Evaluation Criteria

<b>Criteria</b>	<b>Multiplier</b>	<b>Proposal A Rank 1-10</b>	<b>Proposal B Rank 1-10</b>	<b>Proposal C Rank 1-10</b>	<b>Subtotal For Proposal A</b>	<b>Subtotal For Proposal B</b>	<b>Subtotal For Proposal C</b>
Value of improvements	1.75						
Number of Employees*	1						
Sales Tax Revenue*	1						
Importance to Community	1.75						
5yr Business Plan/Time line	0.75						
Enhanced Architectural Design	1.25						
Proposal Price	1						
Consistency with Comprehensive Plan	1.5						
<b>Total</b>	<b>10</b>						

\*Residential properties will not be evaluated with these criteria

**PART IV. SUGGESTED MOTION:**

“I move City Council accept Resolution 11-06 of the Cordova Planning and Zoning Commission.”

**Exhibit 1**

**CITY OF CORDOVA, ALASKA  
PLANNING AND ZONING COMMISSION  
RESOLUTION 11-06**

**A RESOLUTION OF THE PLANNING AND ZONING COMMISSION OF THE  
CITY OF CORDOVA, ALASKA, RECOMMENDING LAND DISPOSAL  
EVALUATION CRITERIA TO THE CITY COUNCIL OF THE CITY OF  
CORDOVA**

**WHEREAS**, the Planning and Zoning Commission of the City of Cordova is directed by the Cordova Municipal Code Section 5.22.060(D); A request for proposals to lease or purchase city real property shall specify the criteria upon which proposals shall be evaluated, which may include without limitation the type of proposed development and its benefit to the community, the qualifications and organization of the proposer, the value of the proposed improvements to the real property, and the required rent or purchase price. All proposals submitted in response to a request for proposals shall be reviewed by the planning commission, which shall recommend a proposal to the city council for award.

**WHEREAS**, the City of Cordova's Planning and Zoning Commission has determined that creating weighted evaluation criteria for land disposal will assist the commission in formulating a recommendation of a proposal to city council that is deemed most appropriate and beneficial for the city of Cordova ; and

**WHEREAS, the** City of Cordova's Planning and Zoning Commission has determined that the each proposal will be evaluated on the following criteria. Each criteria will be scored from 1-10. The multiplier will be applied to the rankings to determine final score.

**WHEREAS**, the City of Cordova's Planning and Zoning Commission has identified these criteria as important criteria in determining the proposal that will benefit the citizens of Cordova,

**Exhibit 1**

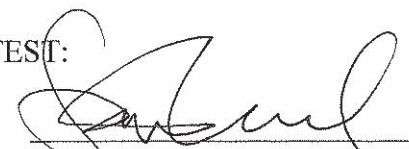
<b>Criteria</b>	<b>Multiplier</b>	<b>Proposal A Rank 1-10</b>	<b>Proposal B Rank 1-10</b>	<b>Proposal C Rank 1-10</b>	<b>Subtotal For Proposal A</b>	<b>Subtotal For Proposal B</b>	<b>Subtotal For Proposal C</b>
Value of improvements	1.75						
Number of Employees*	1						
Sales Tax Revenue*	1						
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5yr Business Plan/Time line	0.75						
Enhanced Architectural Design	1.25						
Proposal Price	1						
Consistency with Comprehensive Plan	1.5						
<b>Total</b>	<b>10</b>						

\*Residential properties will not be evaluated with these criteria

**NOW, THEREFORE, BE IT RESOLVED THAT** the City of Cordova's Planning and Zoning Commission hereby recommends the Land Disposal Evaluation Criteria to City of Cordova's City Council.

**PASSED AND APPROVED THIS 13th DAY OF DECEMBER, 2011**

  
 \_\_\_\_\_  
 Tom Bailer, Chairman

ATTEST:  
  
 \_\_\_\_\_  
 Samantha Greenwood, City Planner



## **Exhibit 2**

**Bradford** stated that at first thought it sounded good but after talking to people he has decided against it. The time we have set up currently works well for everybody. He will not support the resolution. **Beedle** stated he would like more discussion because the idea was just presented at the last meeting and now it is requiring action. He would like to table it for another meeting. **Bourgeois** responded that the only way for this to possibly be ready for March's ballot is for it to get passed now so it can get pre-clearance from the Department of Justice. If it gets tabled the action will have to wait till the next election. **Lynch** pointed out that if the election was in November than the newly elected council members could go to the Newly Elected Officials training at AML right away. **Reggiani** stated that if we change it there really wouldn't be any cost saving which is what the thinking was behind a change. He likes that the new elected council members get some experience under their belt before getting into the budget process. **Mayor Kallander** stated that he is opposed to the resolution. Cordova is such a seasonal community that we are unique in our timing but it works for us. It made a lot of sense what the council did back then to change it to March. **Beedle** stated that when he went to the AML training it was helpful to him to have some experience under his belt so he knew what they were talking about. He does not see a cost saving in a change and so would like to table it for more research or let it pass. **Allison** he will not support it as a resolution because it would make a council member stay until November not March.

Vote on motion: 1 yeas, 5 nays, 1 absent (Kacsh). Motion failed.

### 16. Resolution 12-11-48

A resolution of the City Council of the City of Cordova, Alaska, authorizing amendment to the 2011 budget, and authorizing the supplemental appropriation of \$463,250

**M/Beedle S/Reggiani** to approve Resolution 12-11-48, a resolution of the City Council of the City of Cordova, Alaska, authorizing amendment to the 2011 budget, and authorizing the supplemental appropriation of \$463,250.

**Lynch** explained that this is all the changes that were made to the budget this year. The specific items are listed out in the packet. Some of this money is actually grant money but it still has to be appropriated. **Allison** clarified that this money is being appropriated from multiple funds. **Reggiani** added that it would be helpful to include a column that shows where the money is coming from.

Vote on motion: 6 yeas, 0 nays, 1 absent (Kacsh). Motion passes.

## **M. UNFINISHED BUSINESS**

### 17. Capital Priorities List (Resolution 09-11-39) – looked at quarterly by Council

**Mayor Kallander** informed Council that Anchorage and the Valley are looking to create a Ports and Harbor bond for roughly \$500M. They are looking at using \$350M and will increase it to the \$500M to get votes across the State. He would like to bring forward a new CIP list at the next meeting to include a G-float replacement for \$2M and municipal ocean dock renovations for \$1.5M. He thinks they should have \$10-\$20M in ports and harbors projects on the list. **Reggiani** agreed with **Mayor Kallander** and added that location on the list doesn't really matter as long as it is on the list. **Mayor Kallander** stated that CH2MHill gave them numbers for the Shipyard fill \$18.2M but he asked a local contractor to drum up some numbers and thinks it can be done for \$7.8M if we do the project ourselves. **Beedle** invited **Mayor Kallander** to the next Harbor Commission meeting. **Reggiani** pointed out that Council has a Harbor feasibility study on their CIP list and he wonders if there was some way it could be fast tracked to be included on this list. **Beedle** suggested the sidewalks are a safety concern to add to the list. **Mayor Kallander** stated that this all will be in front of them at the next meeting.

## **N. NEW & MISCELLANEOUS BUSINESS**

### 18. Council approval of P&Z Resolution 11-06 in re Land Disposal Criteria

**Exhibit 2**

**M/Reggiani S/Bradford** the City Council accepts Resolution 11-06 of the Cordova Planning and Zoning commission.

**Greenwood** stated that the commission wanted agreed upon criteria to look at and base their decisions on for the proposals. **Van den Broek** stated he strongly supports this adding that it was tough last time. He is glad to see this come forward. **Cheshier** agreed with **Van den Broek**.

Vote on motion: 6 yeas, 0 nays, 1 absent (Kacsh). Motion passes.

19. Pending Agenda and Calendar

- January 6<sup>th</sup> Home Land Security Evacuation training
- January 10<sup>th</sup> Declaration of Candidacy opens
- January 18<sup>th</sup> town hall meeting with DOT prior to the Council meeting
- January 27<sup>th</sup> work session on zoning with Holly for P&Z

**O. AUDIENCE PARTICIPATION**

**Jennifer Gibbens**, Browning St, stated that she appreciates the paper packet at the meetings and added that many people in the community are not digital. A story on Mile 36 Bridge will be in Friday's paper. It helped her appreciate how massive a project this is. The community will have to put on some pressure to get it moved forward and help with the funding. We will be lucky to get this completed by 2015.

**P. COUNCIL COMMENTS**

20. Council Comments

**Beeble** stated that there is lots of time being put into the black highway he would like to see more consideration put into the blue highway. He would like the Harbor commission to be used more.

**Cheshier** stated that this year the roads are tough so be careful.

**Allison** wished everyone a Merry Christmas and was thankful for his Christmas gift.

**Reggiani** was also thankful for his gift and welcomed **Lynch** back from vacation. He offered compliments to the City crew and added that he hopes we are putting some pressure on the State to get those road fixed.

**Bradford** welcomed Katrina to Cordova. He stated that he is a supporter of the Aurora coming back to town for winter service. Merry Christmas!

**Van den Broek** wished everyone a Merry Christmas! He added that the proclamations should be read at the next meeting when it can be on the radio.

**Q. EXECUTIVE SESSION**

21. Cordova Center Financial Update

**M/Bradford S/Reggiani** to go into executive session subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government specifically to hear a Cordova Center Financial Update.

Vote on motion: 6 yeas, 0 nays, 1 absent (Kacsh). Motion passes.

Council took a 5 minute recess at 9:40 pm; Council entered executive session at 9:46 pm; Council came out of executive session at 10:12 pm

**R. ADJOURNMENT**

**M/Allison S/Reggiani** to adjourn the regular meeting at 10:13 pm  
Hearing no objection. Motion approved.

Approved: February 1, 2012

Attest: \_\_\_\_\_  
Robyn Kincaid, Deputy City Clerk





### **Exhibit 3**

Each proposal will be evaluated on the criteria in the table below. Each criteria will be scored from 1-10. The multiplier will then be applied to the scores to determine a final score.

#### **Final Land Disposal Evaluation Criteria**

<b>Criteria</b>	<b>Multiplier</b>	<b>Proposal Rank 1-10</b>	<b>Subtotal for Proposal</b>
Value of improvements	1.75		
Number of Employees	1		
Sales Tax Revenue	1		
Importance to Community	1.75		
5yr Business Plan/Timeline	0.75		
Enhanced Architectural Design	1.25		
Proposal Price	1		
Consistency with Comprehensive Plan	1.5		
<b>Total</b>	<b>10</b>		

#### **Exhibit 4**

Is the use permitted in the zone district

Can the use be permitted with Conditional use permit

Does the proposal promote health, safety, morals and general welfare of the community-( is a part of the purpose)

Does the Height of building fit in the zone

Does the proposal meet all the requirements of the district—thinking here is Business district-residential is allowed with 0 lot line if a business is operating on the lower level of the building—this may be something that the Planner would provide but could be a criteria that would eliminate the proposal.

Does the use fit within the Comprehensive Plan

## **Exhibit 5**

### **3.40.080 - Planning commission—Powers and duties—Designated.**

The commission shall be required to do the following:

- A. Develop, adopt, alter or revise, subject to approval by the city council, a master plan for the physical development of the city. Such master plan with accompanying maps, plats, charts, descriptive and explanatory matter, shall show the commission's recommendations for the development of the city territory, and may include among other things:
  1. Development of the type, location and sequence of all public improvements,
  2. The relocation, removal, extension or change of use of existing or future public ways, grounds, spaces, buildings, properties and utilities,
  3. The general extent and location of rehabilitation areas.

When a master plan for the city has been approved by the council, amendments, revisions and extensions thereof may be adopted by the council after consideration and report by the planning commission. All amendments, revisions or extensions shall correspond to major geographical divisions of the city or to functional divisions of the subject matter of the plan. When such master plan has been approved by the city council, no amendments, revisions or extensions thereto shall be approved except upon the affirmative vote of four members of the city council;

- B. Exercise control over platting and subdivision of lots, blocks or lands within the city limits. All proposed plans, plats or replats of lots, blocks or lands within the city limits and all streets, alleys and other portions of the same intended to be dedicated to public or private use within the corporate limits shall first be submitted to the commission for its approval or rejection before such plans, plats or replats shall be entitled to record in the office of the district recorder for the Cordova Precinct. Unless the city council disapproves the action of the planning commission within twenty days, its decision shall be final. If the commission has approved any plan, plat or replat and city council has not within twenty days disapproved this action, the planning commission through its chairman shall endorse its approval on the plan, plat or replat and the owner thereof may then offer it for recording. In exercising the powers granted it by this section, the planning commission shall prepare and recommend for city council adoption regulations governing the subdivision of land within the city limits. Such regulations may provide for the harmonious development of the city and its environs, for the coordination of streets and other ways within the subdivided land with other existing or planned streets and ways or for conformance to the master plan or official map, for adequate open spaces, for spaces for traffic, utilities, recreation, light and air, and for the avoidance of congestion of population. Subdividing, for the purposes of this section, means and includes the division of any lot, tract or parcel of land into two or more lots, sites or other divisions of land for the purpose, whether immediate or future, of sale or building development. No lot, tract or parcel of land may be divided for any purpose whatsoever by means of metes or bounds, description or by any means other than platting or replatting as provided in [Title 17](#) of this code;
- C. Draft an official map of the city and recommend or disapprove proposed changes in such map;
- D. Make and adopt plans for the clearance and rebuilding of slum districts and blighted areas within the city;
- E. Submit annually to the city council, not less than ninety days prior to the beginning of the budget year, a list of recommended capital improvements which in the opinion of the commission are necessary or desirable to be constructed during the forthcoming three-year period. Such list shall be arranged in order of preference, with recommendations as to which projects shall be constructed in which year;
- F. Promote public interest in and understanding of the master plan and of planning, zoning and slum clearance;
- G. Make and develop plans for the replanning, improving and redevelopment of any areas within the city;
- H. Make and develop plans for the replanning, reconstruction or redevelopment of any area or district within the city which may be destroyed in whole or in part or damaged by fire, earthquake or other disaster;
- I. Make investigations regarding any matter related to city planning;
- J. Make and prepare reports, prints, plats and plans for approval by the city council;

## **Exhibit 5**

- K. Make or cause to be made surveys, maps and plans relating to the location and design of any public building, dock, beach, ski ground, statue, memorial, park, parkway, boulevard, street, alley or playground. For the purpose of implementing this subsection, all departments of the city considering any such improvement are required, and all public agencies not a part of the city are requested, to inform the commission of the proposed improvement and submit such pertinent information to the commission and within such time as will enable the commission to recommend to city council whether the proposed improvement is consistent with the general plan and established planning principles. No public improvement shall be authorized by city council until the recommendation of the planning commission has been received and reviewed by the city council.

### **3.40.090 - Planning commission—Powers and duties—Zoning commission.**

A. Planning Commission to be Zoning Commission. The planning commission is designated as the zoning commission and the terms, method of filling vacancies, ex officio members, selection of chairman, and meeting applicable to the planning commission shall also apply to the zoning commission. They shall be considered as one and the same commission for the purposes of this chapter, and all actions may be taken and all records kept in the name of the planning commission.

B. Powers and Duties. It shall be the duty of the planning commission, exercising the powers of zoning commission:

1. To develop, adopt, alter or revise, subject to approval by the city council, a building code, plumbing code, electrical code, and other codes and regulations that may be required from time to time to regulate building construction;
2. To develop, alter, adopt or revise, subject to approval by city council, a plan establishing fire zones within the city;
3. To develop, adopt, alter or revise, subject to approval by city council, a comprehensive plan designed to lessen congestion in streets, to secure safety from fires, panic and other danger, to promote health and the general welfare, to provide adequate light and air, to prevent over-crowding of land to avoid undue concentration of population, to facilitate adequate provision for transportation, water, sewage, schools, parks and other public requirements. To accomplish the above objectives, the commission is hereby empowered to:
  - a. Regulate and restrict the height, number of stories and size of buildings and other structures, the percentage of lot that may be occupied, the size of yards, courts and use of buildings, structures and land for trade, industry, residence or other purposes,
  - b. Condemn buildings which have become a fire or health hazard or public nuisance, and, after hearing on thirty days' notice to the owner or his agent, order or cause the removal or demolition; provided, the owner shall be given at least thirty days time after hearing within which to remove the objectionable building or buildings before the city may proceed to do so. The cost incurred by the city shall be chargeable to the property, first against the salvaged material, which may be sold at public auction, the balance of cost, if any, against the land, the same as taxes,
  - c. Divide the municipality into districts of such number, shape and area as may be deemed best suited to carry out the purposes of this code, and within such districts to regulate and restrict the erection, construction, reconstruction, alterations, repair or use of buildings, structures or land,
  - d. Provide for the manner in which regulations and restrictions and the boundaries of districts shall be determined, established and enforced, and from time to time amended, supplemented or changed. However, no such regulation, restriction or boundary shall become effective until after a public hearing in relation thereto at which parties in interest and citizens shall have an opportunity to be heard, as hereinafter provided. At least fifteen days' notice of the time and place of such hearing shall be published in an official paper or a paper of general circulation in such municipality. Such regulations, restrictions and boundaries may from time to time be amended, supplemented, changed, modified or repealed. In case, however, of a protest against such change, signed by the owners of twenty percent or more, either of the area of the lots included in such proposed change, or by the owners of twenty percent or more of the area of the lots immediately abutting either side of the territory included in such proposed change or separated therefrom only in

### **Exhibit 5**

an alley or street, such amendment shall not become effective except by the favorable vote of three-fourths of all the members of the council. The provisions relative to public hearings and official notice shall apply equally to all changes or amendments.

e. Develop, adopt, alter, or revise, subject to approval by city council a coastal management element to the comprehensive plan for the community; said coastal management element shall be prepared in conformance with applicable state and federal law. To accomplish these objectives, the commission is empowered to:

- i. Prescribe and recommend an area to be designated the Cordova coastal zone into management districts of such number, shape, and area as may be deemed best suited to carry out the purposes hereof; and within each management district, to prescribe proper and improper water and land uses and activities and policies which shall apply,
- ii. Hear and decide upon those applications which involve uses or activities that are permissible only upon a showing of certain specified conditions; said conditions being a part of the ordinance codified in this section. When such decisions are to be heard, they shall be conducted in a manner as that prescribed in [Chapter 18.60](#),
- iii. Provide for a manner in which the requirements of the coastal management program may be amended including revisions to the size and areal extent of the coastal zone and extent and classification of the management districts, and the determination of proper and improper uses and policies pertaining thereto; provided such modifications shall be subject to approval by the city council and the state of Alaska,
- iv. Hear and decide upon appeals pertaining to decisions by the planning director regarding the coastal management program. Such appeals shall be conducted in the manner set forth in [Chapter 18.64](#).

## **Exhibit 6**

### **Chapter 5.22 - DISPOSAL OF REAL PROPERTY**

5.22.010 - Disposal authority.

5.22.020 - Documentation of conveyance.

[5.22.030 - Reserved.]

5.22.040 - Letter of interest to lease or purchase.

5.22.050 - Letter of interest to lease or purchase school building property.

5.22.060 - Methods of disposal.

5.22.070 - Disposal for less than fair market value.

5.22.090 - Disposal by lease.

5.22.100 - Deposit—Disposal costs.

5.22.110 - Valuation—Consideration.

5.22.120 - Effect of city actions.

### **Chapter 5.22 - DISPOSAL OF REAL PROPERTY<sup>[4]</sup>**

Sections:

#### **5.22.010 - Disposal authority.**

Except where state statute, the Charter or this code establishes a specific mandatory procedure for disposing of city real property, the city may dispose of city real property by resolution of the council.

#### **5.22.020 - Documentation of conveyance.**

Every document conveying an interest in city real property under this chapter shall include the terms that are required by this chapter and any additional terms that the council or city manager requires, and shall be executed by the city manager, attested by the clerk, and approved as to form by the city attorney.

[5.22.030 - Reserved.]

#### **5.22.040 - Letter of interest to lease or purchase.**

A. A person may submit a letter of interest to the city raising an interest in the purchase or lease of city property. Except as otherwise provided in this chapter, a letter of interest shall be submitted to the city manager and must include the following information:

1. The name of the interested party and any other names under which the party does business;
2. The interested party's mailing address and the address of the interested party's registered office in the state, if applicable;
3. The use or purpose for which the interested party proposes to lease or purchase the property, and any additional information required by the city manager, school board, city planner or the planning commission.

B. The city manager shall refer a letter of interest from a qualified interested party to the city planner. If the city planner finds that the real property is available for lease or purchase, the city planner shall schedule the letter of interest for review by the planning commission.

C. The planning commission shall review the letter of interest and recommend to the city council whether to offer the real property interest for disposal by one of the methods as described in [Section 5.22.060\(B\)](#).

D. The city council shall review the letter of interest and the planning commission's recommendation, and determine, in the city council's sole discretion, whether to offer the real property interest for disposal by one of the methods as described in [Section 5.22.060\(B\)](#).

#### **5.22.050 - Letter of interest to lease or purchase school building property.**

A. A letter of interest to lease or purchase an interest in a school building shall be submitted directly to the school board and shall include all the information required in [Section 5.22.040](#).

B. Upon receipt of a letter of interest, the school board shall have authority to draft a resolution recommending action on the letter of interest and including recommended terms and conditions for any sale or lease of city owned real property with a school located on it.



## **Exhibit 6**

C. The city council shall review the letter of interest and school board's recommendation, and determine, in the city council's sole discretion, whether to offer the real property interest for disposal by one of the methods described in [Section 5.22.060\(B\)](#).

### **5.22.060 - Methods of disposal.**

A. Except as this chapter provides otherwise, all disposals of interests in city real property shall be for no less than fair market value. The city may accept in exchange for an interest in city real property any consideration of sufficient value not prohibited by law.

B. In approving a disposal of an interest in city real property, the city council shall select the method by which the city manager will conduct the disposal from among the following:

1. Negotiate an agreement with the party who submitted a letter of interest to lease or purchase the property;
2. Invite sealed bids to lease or purchase the property;
3. Offer the property for lease or purchase at public auction;
4. Request sealed proposals to lease or purchase the property.

C. If the city elects to dispose of an interest in city real property under one of the competitive methods described in subsections (B)(2) through (B)(4), notice of the disposal shall be published in the manner which the city manager deems most likely to inform the public of the proposed disposal for a period of at least thirty days. At a minimum, the notice shall describe the interest in city real property to be disposed of, the method of disposal, and the time and place for submitting bids or proposals.

D. An invitation for bids to lease or purchase city real property shall specify any minimum price requirement and any required terms.

E. A request for proposals to lease or purchase city real property shall specify the criteria upon which proposals will be evaluated and the minimum rent or purchase price. All proposals submitted in response to a request for proposals shall be reviewed by the planning commission, which shall make a recommendation to the city council to accept or decline any or all of the proposals. The city council shall review the proposals and the planning commission's recommendation and accept or decline any of the proposals.

### **5.22.070 - Disposal for less than fair market value.**

A. The city may dispose of an interest in city real property for less than fair market value to the United States, the state of Alaska or any political subdivision thereof, or a nonprofit or tribal corporation or association, upon a finding by the council that the disposal will allow the use of the real property for a purpose beneficial to the city.

B. The city may lease city real property for less than fair market value where a commercial or industrial facility or use will be established and maintained on a continuous, year-round basis under the lease, if the council finds each of the following:

1. The reduction in rent below fair market value substantially increases the likelihood that the facility or use will be located in Cordova; and
2. The operation of the facility or use in the city will confer an economic benefit on the city and no equivalent benefit could be obtained by leasing the real property at its fair market value.

C. The city shall publish notice of a proposed disposal of an interest in city real property for less than fair market value at least one week before the date on which the council will consider the agreement for the disposal. At a minimum, the notice shall describe the real property, summarize the terms on which it may be disposed of, identify the proposed lessee or purchaser, and state the date and time of the meeting at which the council will consider the proposal.

### **5.22.090 - Disposal by lease.**

In addition to the other requirements in this chapter, a lease of city real property shall conform to the following requirements:

- A. The lease may not be assigned without the approval of the city, which may be granted at the sole discretion of the city council.

### **Exhibit 6**

- B. The term of the lease may not exceed thirty years, including renewals, unless the city council approves a longer term upon finding that the longer term will be beneficial to the city or the citizens of Cordova in light of the purpose of the lease, the use of the premises and the nature of any improvements to be constructed thereon.
- C. A lease having a term longer than two years may be subject to a rental adjustment at intervals no less frequent than every two years, but no such adjustment shall cause a reduction in the rent under the lease.
- D. A lease may grant the lessee one or more options to renew, provided that:
  - 1. The term, including all available renewal terms, does not exceed the term permitted under subsection (B); and
  - 2. Upon each renewal, the lease shall be subject to all provisions of this code in effect at the time of the renewal.
- E. The lease shall reserve to the city the right to designate or grant rights-of-way or utility easements across the leased premises without compensation; provided, that the lessee shall be compensated for any resulting, taking or destruction of improvements owned by the lessee, and provided further that the rent shall be adjusted to reflect any resulting reduction in the fair market value of the leased premises.
- F. The lessee's performance under a lease shall be secured in the manner that the city council may require, including without limitation, a security deposit, surety bond or guaranty.
- G. Unless the council provides otherwise in authorizing the lease, the lessee shall pay rent to the city on an annual basis, in advance, with payments due upon commencement of the term and on each anniversary thereof during the term.
- H. The lease shall provide for payment of interest or a late fee for rent past due, and provide for recovery by the city of attorneys' fees and costs to the maximum extent allowed by law in the event the city is required to enforce the lease in court, and such additional provisions pertaining to defaults and remedies as the city manager may determine to be in the city's interest.
- I. A lease of space within a city school building shall provide that payments received for rent shall be made payable to the school district and assigned to a special revenue fund designated by the city council in consultation with the school board.

#### **5.22.100 - Deposit—Disposal costs.**

- A. When disposal of an interest in city real property is by the method in [Section 5.22.060\(B\)\(1\)](#), the interested party shall deposit the sum of one thousand dollars, and shall deposit such additional sums as the city manager may from time to time require to cover ongoing expenses incurred by the city in connection with the transaction, including without limitation staff time, appraisal costs, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees. The interested party shall reimburse the city in full at or before the closing of a sale or exchange, or the execution by the city of the lease or other document conveying the property interest, for all fees and costs the city incurred to third-parties in the transaction. Any unexpended deposit shall be applied to this reimbursement obligation. If negotiations with the interested party are terminated by either the city or the interested party and the disposal is not executed the city will keep the deposit to cover expenses incurred by the city in connection with the negotiation. The city will refund any unexpended part of the deposit to the interested party no later than ten days after consummation or termination of the transaction.
- B. Proposals and bids submitted to the city for disposal of city real property under [Section 5.22.060\(B\)\(2\)](#) or [5.22.060\(B\)\(4\)](#) shall include a deposit less than or equal to ten percent of the minimum purchase price to cover costs associated with the disposal process. The amount of the required deposit shall be indicated in the bidding or proposal documents. The deposit will be put toward the fees and costs the city incurs, including without limitation city staff time, appraisal costs, attorney's fees and costs, and platting fees. In the event that the city notifies an interested party that its proposal or bid has been selected and the interested party subsequently withdraws its proposal or bid, the city will retain the interested party's entire deposit. The city will refund in full an interested party's deposit if the interested party's proposal or bid is not selected by the city or the city withdraws the invitation or request for proposal after selection. Any unexpended portion of a winning bidder's deposit shall be applied toward the property's purchase price or rental rate.

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### **5.22.110 - Valuation—Consideration.**

Prior to the disposal of any interest in city real property, the city will determine the fair market value of the interest by using a qualified appraisal, tax assessment values, comparable property values or any other method the city determines, in its sole discretion, calculates the fair market value of the interest.

- A. Where the disposal is by lease at fair market value, the minimum annual rent shall be the fair market value as determined by the city.
- B. Where the disposal is by sale or other disposition at fair market value, the minimum purchase price shall be the fair market value of the city's interest.
- C. Where the disposal is to accommodate a structure that encroaches on city property or fails to conform to code requirements in [Title 18](#), the purchase price of the property shall be three times the property's fair market value, which value is determined by the city according to this section.
- D. Where the disposal is for less than fair market value, the city council will determine the rent, purchase price or other consideration owed to the city for the property interest.

### **5.22.120 - Effect of city actions.**

No action or inaction by the city council, city manager or any other officer, agent or employee of the city relating to or in furtherance of the development, preparation for disposal or disposal of city real property or any interest therein shall be deemed to constitute an express or implied representation or warranty that such real property, or any interest therein, is suitable or usable for any specific purpose whatsoever. Any such action or inaction shall be deemed to be and constitute performance of a discretionary policy and planning function only and shall be immune and give no right of action as provided in AS [Section] 9.65.070, or any amendment thereto.