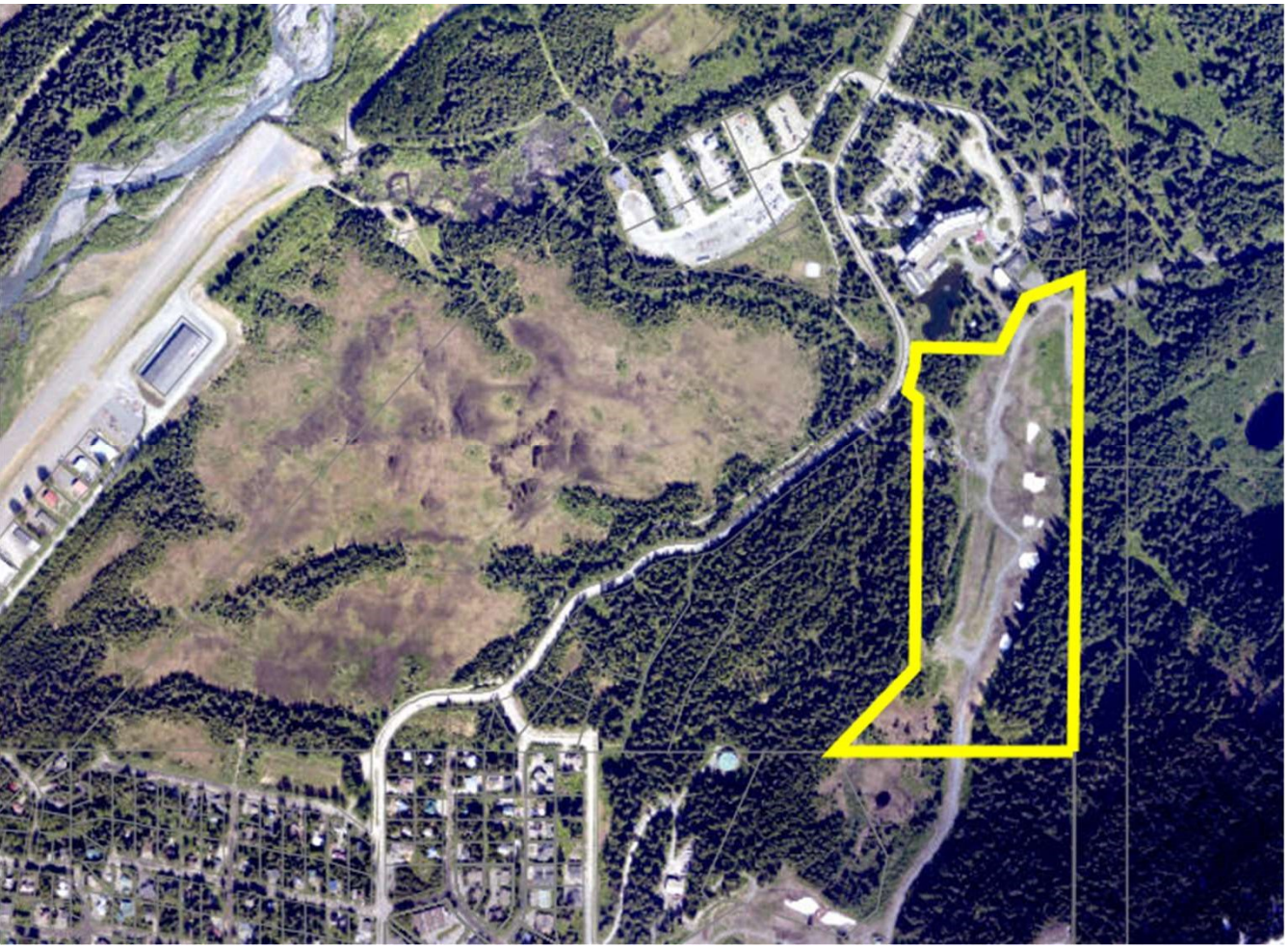
HLB Parcel 6-014

Work Session to discuss potential disposal of

Tract E Prince Addition Alyeska Subdivision

Parcel Details



- Acreage:
  31.5 acres (1,373,087 sqft)
- Zoning: Commercial
- Plat Implications (Plat 87-131)
  Portion is within avalanche zone
- Existing Lease Agreement
  Ground Lease expires 2042
- Sublease Agreement
  Sublease Expires 2028
- Appraisal Amount
  $390,000
  Obtained Oct. 2021

Current and Projected Revenue

Continuing with Existing Ground Lease (HLB 87-002)

Rental fee is paid monthly in arrears based on percentage of fees paid to the USFS

Year	Annual Revenue
2017	$19,919.95
2018	$22,073.23
2019	$21,134.47
2020	$14,679.07
2021	$34,851.99
Average	**$22,531.74**

With **the current agreement** going through 2042 the revenue HLB is projected to receive over the next 20 years is approximately

$450,000

**assumption that the average revenue of $22,531 continued and rates established by the USFS remained the same*

Letter of Intent

- The current owner of Alyeska Resort submitted a Letter of Intent.
- They proposed **owner financing** over 25 years
  - **20% down** payment ($78,000)
  - + $**12,480 annually for 25 years**
- **$390,000 Total** (equal to 2021 Appraisal)
- HLB has not formally responded at this point.

Code Considerations

HLB Code requires disposals by sale to be done through a **competitive bid**.

Option to **waive code** and recommend a **"Notwithstanding" clause** that would waive the competitive disposal process.

If a competitive bid occurs and it fails, HLB can then enter into **direct negotiation** with interested parties. (T25.40.025.D.1)

If this route is taken, it will be challenging to establish that waiving code is in the MOA's best interest. ***How would this non-competitive disposal meet the mission of the HLB?***

HLBAC Direction

Staff is requesting a recommendation on a path forward.

Options:

1. Consider the Letter of Intent and seek Assembly approval **waiving code**.
2. Complete a **competitive bid** for HLB Parcel 6-014
3. Not accept the Letter of Intent and **not pursue disposal** of HLB Parcel 6-014
4. **Other options** not previously considered.