



RESOLUTION 2020-07

Pursuant to Delta Junction Code of Ordinances, Chapter V, Section 5.20, this Resolution Sets the Terms of the Sale of Lots in Block 3 of Delta Junction Airport Subdivision Phase II

- 1) Lots 1-10 of Block 3 in Delta Junction Airport Subdivision Phase II were to be offered for sale at a public outcry auction to the highest bidder on April 3, 2020.
- 2) Due to the nationwide coronavirus pandemic (COVID-19), the auction was postponed to 12 noon on June 19, 2020 at City Hall (2288 Deborah Street), Delta Junction, Alaska. The auctioneer shall be Randy Peterson of Peterson's Auctions & Appraisal Services.
- 3) Individuals not able to physically attend the auction may phone in a bid to (907) 895-5210. The City is not responsible for telecommunication malfunctions and does not guarantee this method of bidding.
- 4) The minimum bid on each Lot is the appraised value of \$13,000.00.
- 5) Possession of the Lot may not pass to the purchaser until purchaser has paid the full price of the Lot to the City, **AND** purchaser has received a title report, **AND** purchaser accepts a deed from the City.
- 6) Only title will be warranted, the City makes no representation of condition or fitness for any particular use.

- 7) The deed will contain significant use restrictions and covenants, including restriction to aviation related uses only, for a 25-year period, with automatic extension for successive periods of ten years unless proper actions are taken to change them.
- 8) Within 20 days of the auction, or within 20 days of an over the counter sale, the City shall provide, at City expense, a commercial title report on the Lot. If the title report does not disclose good merchantable title vested in the City of Delta Junction, **purchaser's sole remedy, in full settlement of any and all claims of damages, both equitable or legal, shall be to choose between:**
- a. Withdrawal from the purchase with full refund of any purchase deposit made by purchaser **or**
 - b. To pay the full remainder of the bid purchase price and accept a deed subject to such title deficiencies, liens and encumbrances as are disclosed on the title report.
- 9) **Adjacent Bidding:**
- a. The high bidder on Lot 1 has the immediate option to purchase adjoining Lot 2 at the same price and same conditions. If the high bidder of Lot 1 declines to immediately purchase Lot 2 and make an immediate 10% deposit, Lot 2 will be auctioned.
 - b. The high bidder on Lot 2 has the immediate option to purchase adjoining Lot 3 at the same price, deposit and conditions.
 - c. This process of adjoining option continues through Lot 9.
 - d. The intent is not to make these options cumulative past the first immediately adjoining lot. Thus, the high bidder on Lot 1 would have the option to purchase Lot 2, and if purchasing Lot 2, would not have the immediate option to purchase Lot 3.
 - e. If a person having the option to purchase a lot declines to exercise such option, they are not precluded from bidding on such lot or any other lot.

10) **Payment:**

Payment of ten percent (10%) of bid price is required immediately upon successful bid; the remaining (90%) is due in full within 30 days. If the 10% deposit is not made within 30 minutes, the Lot will be rebid or if the auction is closed, the Lot will be available over the counter at such terms as the City Council may set. If full payment is not received within 30 days the deposit is forfeited and the Lot will be available over the counter at such terms as the City Council may set. Payments may be made by credit card (to include a 2% convenience fee), cash, check or money order.

11) General Information:

- a. Lot 1, Block 3 shall be offered for sale first, the remaining lots in Block 3 will be sold sequentially in numerical order: Lot 2 through Lot 10. Any unsold Lots will be available over the counter at such terms as the City Council may set.
- b. City has provided electrical service access and taxiway/roadway/runway access to all lots in Block 3.
- c. All lots are 1.39 acres or greater, with adequate sizing for well and septic on each lot. During Lot development, well and septic requirements of Alaska Department of Environmental Conservation must be met for sizing and spacing.
- d. During Lot development by the owner, all clearing slash and overburden shall be promptly removed by the owner from the Lot. If slash and overburden is not removed by the owner within six (6) months of generation, the City may enter onto the property and remove such debris at the expense of the owner and file a lien against the property to recover such costs.

Now, therefore be it resolved by the City Council of the City of Delta Junction, Alaska that the City Council:

- 1. Authorizes and approves Resolution 2020-07 according the terms set herein for the sale of Lots 1-10, Block 3 of Delta Junction Airport Subdivision Phase II.
- 2. Resolution 2020-07 replaces Resolution 2020-03, which was dated the 21st day of January 2020.

Passed and approved by a duly constituted quorum of the City Council of Delta Junction, Alaska this 2nd day of June 2020.

ROLL CALL	YES	NO	EXCUSED	ABSTAIN
Seat A: Heinbockel				
Seat B: Musgrove				
Seat C: Brown				
Seat D: Degnan				
Seat E: Lester				
Seat F: Hallgren				
Seat G: Levinson				

CITY OF DELTA JUNCTION

ATTEST

Pat White
City Clerk

JW Musgrove
Mayor