



CODE REVIEW COMMITTEE MEETING

Thursday, February 12, 2026 at 5:30 PM

AGENDA

Our Vision. To have an infrastructure and city workforce that supports a sustainable, diversified and growing economy. We will partner with others to achieve economic development and other common goals that assure a high quality of living, and excellence in education.

MEETING INFORMATION

CODE REVIEW COMMITTEE MEETING

CITY HALL COUNCIL CHAMBERS

141 Main Street, Dillingham, AK 99576 (907) 842-5212

This meeting will also be available at the following online location: Zoom

Meeting ID: 920 483 0473; passcode: 99576

Or dial: 1(719)359-4580 or 1(253)205-0468

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

1. Code Committee Minutes from 12/17/2025

APPROVAL OF AGENDA

UNFINISHED BUSINESS

2. Tribal Fee Simple Update - non-actionable
3. Draft Ordinance to Define "Newspaper"

NEW BUSINESS

4. Draft Ordinance DMC 3.10.130 Preservation of Election Materials
5. Draft Ordinance for Decisions by Unanimous Consent
6. Draft Ordinance Chapter 5.30 Disposal of Municipal Property to Promote Housing Development
7. Next Meeting Date- may need to change due to council meeting change

PUBLIC COMMENT/COMMITTEE COMMENTS

ADJOURNMENT



CODE REVIEW COMMITTEE MEETING

Wednesday, December 17, 2025 at 5:30 PM

MINUTES

Our Vision. To have an infrastructure and city workforce that supports a sustainable, diversified and growing economy. We will partner with others to achieve economic development and other common goals that assure a high quality of living, and excellence in education.

MEETING INFORMATION

CODE REVIEW COMMITTEE MEETING

CITY HALL COUNCIL CHAMBERS / 5:30 p.m.

141 Main Street, Dillingham, AK 99576 (907) 842-5212

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Or dial: 1(719)359-4580 or 1(253)205-0468

CALL TO ORDER

The meeting was called to order by Chair Steve Carreire at **5:30 p.m.**

ROLL CALL

Members present: Triston Chaney, Alice Ruby, Kaleb Westfall, Jack Savo, Steve Carreire (Chair),
Abigail Flynn

Member present via Zoom: Kevin McCambly

Quorum established.

APPROVAL OF MINUTES

1. Minutes from 11/13/2025 Code Meeting

Motion to approve the minutes.

Moved by: Alice Ruby

Seconded by: Triston Chaney

Vote: Motion carried unanimously.

APPROVAL OF AGENDA

Motion to approve the agenda.

- **Moved by:** Alice Ruby
- **Seconded by:** Triston Chaney
- **Vote:** Motion carried unanimously.

UNFINISHED BUSINESS

2. Discussion- Tribal Fee Simple Exemption

Discussion – Tribal Fee Simple Exemption

- Staff reported no draft language was ready for presentation; staff is actively working on proposed language.
- Discussion focused on:
 - Providing a property tax exemption for federally recognized tribal governments consistent with federal law.
 - Avoiding overly broad exemptions that could unintentionally exempt for-profit or commercial activities.
 - Distinguishing between federally recognized tribal governments and Alaska Native corporations.
 - Emphasizing exemptions based on **use and ownership**, not blanket exemptions.
 - Acknowledging and respecting tribal sovereignty while protecting the City's tax base.
- Committee discussed historical examples of split taxation (land vs. improvements) and the complexity of developed versus undeveloped land.
- Consensus that multiple meetings may be required to refine language.
- Staff indicated a recommendation with draft language is anticipated for the **January meeting**.

NEW BUSINESS

3. Discussion- Definition of Newspaper in DMC

Sample of proposed code update from another 1st Class City and memo

Draft of Ordinance to define newspaper in DMC

Staff presented:

- Sample code language from another first-class city (Wasilla).
- A draft ordinance expanding the definition of "newspaper."

Discussion points included:

- Modernizing public notice requirements to include digital, social media, and broadcast outlets.
- Ongoing challenges with print newspaper publication timelines and proof of publication.
- Benefits of improved timeliness and broader public access to notices.
- Potential inclusion of outlets such as social media platforms, City website, and local radio (KDLG).
- Ensuring legal sufficiency for notices related to property, foreclosures, and court matters.

Committee agreed to:

- Review the draft language individually.
- Provide comments and suggested revisions to staff prior to the January meeting.
- Refer revised language to legal counsel for review before advancing.

PUBLIC COMMENT/COMMITTEE COMMENTS

- **Dan Boyd** spoke in support of expanding public notice methods to include social media.
- Finance Committee requested review and potential update of the definition of “**major equipment**,” noting the State threshold has increased from \$5,000 to \$10,000. Committee agreed additional research is needed, including review of existing purchasing and capital definitions in City Code.

Next Meeting

- The next Code Review Committee meeting is scheduled for **January 15, 2026**.

ADJOURNMENT

- The meeting was adjourned at **6:14 p.m.**

ATTEST

Abigail Flynn, City Clerk

Approval Date

CODE ORDINANCE

Introduced: _____
Public Hearing: _____
Adopted: _____

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2026-XX

AN ORDINANCE OF THE CITY OF DILLINGHAM, ALASKA, AMENDING DILLINGHAM MUNICIPAL CODE SECTION 1.16.010, DEFINITIONS, TO ADD A DEFINITION FOR "NEWSPAPER OF GENERAL CIRCULATION".

WHEREAS, The Dillingham Municipal Code requires publication of certain notices in a "newspaper of general circulation"; and

WHEREAS, State law does not define the term "newspaper of general circulation"; and

WHEREAS, The City Council finds it appropriate to clarify and define the term consistent with modern publication practices and other Alaska municipalities, including the City of Wasilla;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DILLINGHAM, ALASKA:

Section 1. Classification. This is a code ordinance.

Section 2. Amendment to Section 1.16.010, Definitions,
is hereby amended to read as follows [new language **underlined and emboldened** and deleted text displayed in **strike out font**]:

4.15.125 Definitions

...

Except as otherwise specifically defined in this code or indicated by the context, words used in the code or ordinances of the city shall have their ordinary dictionary meanings.

"By law"

denotes applicable federal law, the Constitution of the United States of America, the constitution of the state of Alaska, statutes and regulations of the state of Alaska, applicable common law and the Dillingham Municipal Code;

"City"

means the city of Dillingham, Alaska;

"Code"

means the Dillingham Municipal Code;

"Majority"

means a simple majority;

"Newspaper of general circulation"

for purposes of this Code includes any publication that distributes news to the general public that is not primarily intended for a specific professional or occupational group or distinct group of the population and which is accessible by the public in hard copy or via the internet at the public library, the Post Office, and City Hall. A newspaper of general

circulation includes, but is not limited to, the Bristol Bay Times, Anchorage Daily News, KDLG, the City website, and the City social media page.

"Person"

includes corporations, companies, partnerships, firms, associations, organizations, business trusts and societies, and natural persons;

"Personal property"

means tangible property other than real property, such as goods and stock in trade, machinery and equipment, furniture and fixtures, motor vehicles, boats, vessels and aircraft;

"Property"

means real and personal property;

"Real property"

means land and improvements and all possessory rights and privileges appurtenant to the property, and includes personal property affixed to the land or improvements; and

"State"

means the state of Alaska.

(Ord. 86-7 § 1, 1986; Ord. 84-8, 1984; Ord. 77-5 § 2 (part), 1977)

...

Section 3. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance shall not be affected.

Section 4. Effective Date. This ordinance is effective upon adoption.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on
_____, 2026.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Abigail Flynn, City Clerk

CODE ORDINANCE

Introduced: _____
Public Hearing: _____
Adopted: _____

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2026-XX

AN ORDINANCE AMENDING DMC 3.10.130 TO CLARIFY RETENTION OF ELECTION MATERIALS BY REFERENCE TO THE CITY'S ADOPTED RECORDS RETENTION SCHEDULE.

WHEREAS, Alaska Statute 40.21 and DMC 2.01.100 require municipalities to adopt a records retention and disposal schedule; and

WHEREAS, The Dillingham City Council adopted the State of Alaska Local Government Model General Administrative Records Retention Schedule by Resolution No. 2018-02, directing the City Clerk to manage City records in accordance with that schedule; and

WHEREAS, DMC 3.10.130 currently requires voted ballots to be retained for one year after an election, which predates adoption of the State of Alaska records retention schedule and conflicts with the retention periods set out in the adopted schedule; and

WHEREAS, The Dillingham City Council may in the future elect to adopt an updated State of Alaska records retention schedule or to adopt a City-specific records retention schedule by resolution; and

WHEREAS, It is in the best interest of the City to ensure flexibility while maintaining consistency between the Dillingham Municipal Code and the records retention schedule formally adopted by the City Council;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DILLINGHAM, ALASKA:

Section 1. Classification. This is a code ordinance.

Section 2. Amendment to Section 3.10.130, Preservation of Election Materials.
is hereby amended to read as follows [new language underlined and emboldened and deleted text displayed in ~~strike-out font~~]:

3.10.130 Preservation of election materials.

The clerk shall preserve all precinct election certificates, petitions, and registers, all voted ballots filed for ~~one year after the election~~ the period required under the records retention schedule adopted by the Dillingham City Council by resolution.

All declarations of candidacy shall be preserved until ~~the term for which declarations were filed~~ ~~expires~~ the retention period specified in the adopted records retention schedule.

These election materials may be destroyed after their retention period has lapsed unless an application for a recount has been filed and not completed, or unless their destruction is stayed by an order of the court.

Certificates of the canvass committee are to be preserved as permanent records (Ord. 86-__, § __, 1986.) unless otherwise provided in the adopted records retention schedule.

Section 3. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance shall not be affected.

Section 4. Effective Date. This ordinance is effective upon adoption.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on
_____, 2026.

Alice Ruby, Mayor

ATTEST:

Abigail Flynn, City Clerk

[SEAL]

CODE ORDINANCE

Introduced: _____
Public Hearing: _____
Adopted: _____

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2026-XX

AN ORDINANCE OF THE CITY OF DILLINGHAM, ALASKA, AMENDING DILLINGHAM MUNICIPAL CODE CHAPTER 2.09, CITY COUNCIL MEETINGS, AND APPLICABLE PROVISIONS GOVERNING ALL CITY BOARDS AND COMMISSIONS, TO AUTHORIZE THE USE OF UNANIMOUS CONSENT FOR ACTIONS OF THE CITY COUNCIL, BOARDS, AND COMMISSIONS, WITH A RECORDED ROLL CALL VOTE REQUIRED WHEN UNANIMOUS CONSENT IS NOT ACHIEVED, INCLUDING WHEN MEMBERS PARTICIPATE TELEPHONICALLY OR BY VIDEOCONFERENCE.

WHEREAS, Dillingham Municipal Code Chapter 2.09 governs the conduct of City Council meetings and voting procedures, including the manner in which actions are taken and recorded; and

WHEREAS, DMC § 2.09.160 requires ordinances, resolutions, and substantive motions to be decided by recorded roll call vote when a vote is taken; and

WHEREAS, the City Council desires to promote efficient, collaborative, and orderly meetings by authorizing the use of unanimous consent, at the discretion of the presiding officer or the body, on actions of the council, including ordinances, resolutions, motions, appropriations, contracts, and other matters within the council's authority, including when one or more members participate remotely by telephone or videoconference; and

WHEREAS, unanimous consent is a recognized parliamentary procedure that permits action to be taken without a roll call vote when no member objects, while preserving the requirement for a recorded roll call vote whenever unanimous consent is not achieved; and

WHEREAS, for purposes of this ordinance, substantive actions are those actions that establish policy, adopt ordinances or resolutions, appropriate or expend funds, approve contracts, or otherwise take final action affecting the legal rights, duties, or obligations of the City, a board, a commission, or the public; and

WHEREAS, the City Council finds it appropriate to authorize the use of unanimous consent equally by the City Council and all city boards and commissions, including when one or more members participate remotely by telephone or videoconference, unless otherwise expressly provided by law or ordinance; and

WHEREAS, the City Council further finds that this ordinance does not conflict with DMC § 2.76.060 or other provisions governing boards and commissions that require roll call votes for substantive actions, as those requirements remain in full force and effect

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DILLINGHAM, ALASKA:

Section 1. Classification. This is a code ordinance.

Section 2. Amendment to DMC Chapter 2.09, City Council Meetings.

DMC 2.09.160, Voting, is hereby amended to read as follows [new language underlined and emboldened and deleted text displayed in strikeout font]:

...

2.09.160 Voting.

A. Except as otherwise provided in this section, every ordinance, resolution, or substantive motion of the council shall be decided by a recorded roll call vote.

B. Every member who is present and eligible to vote shall vote unless the member states a conflict of interest or other legal basis for abstention as required by law.

C. Unanimous consent authorized. Except as otherwise required by law, the presiding officer or the council may seek unanimous consent for any action of the council, including ordinances, resolutions, motions, appropriations, contracts, and other matters within the council's authority. The presiding officer shall clearly state the proposed action and ask whether there is any objection. If no objection is stated by any member participating, whether in person or remotely, the action is approved by unanimous consent and shall be recorded in the minutes as approved by unanimous consent. If any objection is stated, or if a member participating remotely is unable to hear the proceedings or be heard when recognized, the council shall proceed by motion and a recorded roll call vote in accordance with this section.

D. Boards and commissions. Unless otherwise expressly provided in this code or required by law, boards and commissions of the City of Dillingham may use the unanimous consent procedure described in subsection C of this section when conducting meetings, including when one or more members participate by telephone or videoconference.

...

Section 3. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance shall not be affected.

Section 4. Effective Date. This ordinance is effective upon adoption.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on _____, 2026.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Abigail Flynn, City Clerk

CODE ORDINANCE

Introduced: _____
 Public Hearing: _____
 Adopted: _____

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2026-XX

AN ORDINANCE OF THE CITY OF DILLINGHAM, ALASKA, AMENDING CHAPTER 5.30 OF THE DILLINGHAM MUNICIPAL CODE RELATING TO DISPOSAL OF MUNICIPAL PROPERTY TO PROMOTE HOUSING DEVELOPMENT.

WHEREAS, the City of Dillingham faces a critical housing shortage that impacts economic development, workforce recruitment, and the overall quality of life for residents; and

WHEREAS, land acquisition costs represent the single largest barrier to residential development in Dillingham, Alaska; and

WHEREAS, the availability of developable land in Dillingham is severely constrained due to extensive native allotments and Alaska Native Claims Settlement Act (ANCSA) lands covering substantial portions of the area, with few new subdivisions available; and

WHEREAS, the City of Dillingham possesses certain municipal properties suitable for residential development that could help address the housing shortage; and

WHEREAS, the City Council finds that strategic disposal of municipal property for housing development serves a compelling public purpose and will benefit the community; and

WHEREAS, the City Council desires to establish clear procedures and requirements for the disposal of municipal property specifically for housing development purposes while ensuring accountability and successful project completion.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DILLINGHAM DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Amendment of Section 5.30.020 - Terms and Conditions of Sale

Section 5.30.020(A) of the Dillingham Municipal Code is hereby amended to add the following subsection:

8. Development Requirements for Housing Projects.

For disposals of municipal property intended for housing development, the city council shall establish specific requirements in the disposal documents, including but not limited to:

a. Number of Housing Units. The minimum number of residential housing units to be constructed on the property, which may vary based on property size, zoning, and development capacity;

b. Development Timeline. A binding timeline establishing clear milestones including:

- Submission of final development plans and building permits
- Commencement of construction

- Substantial completion of infrastructure
- Completion of housing units
- Certificate of occupancy for completed units

c. Design Standards and Requirements. Standards addressing:

- Architectural compatibility with surrounding neighborhoods
- Energy efficiency requirements
- Building materials suitable for local climate conditions
- Minimum square footage requirements
- Accessibility standards
- Snow load and foundation requirements appropriate for Dillingham conditions

d. Infrastructure Requirements. Developer obligations for:

- Road construction and paving to city standards
- Water and sewer line extensions
- Storm drainage facilities
- Street lighting
- Sidewalks or pedestrian pathways where appropriate
- Coordination with existing municipal infrastructure systems

Section 2. Amendment of Section 5.30.020 - Below-Market Pricing for Housing Development

Section 5.30.020 of the Dillingham Municipal Code is hereby amended to add the following subsection:

C. Adjusted Pricing for Housing Development Disposals.

For disposals of municipal property whose primary purpose is promoting housing development, the city council may, after considering the public benefit, authorize the sale of property at a price below the appraised fair market value. The city council shall consider the following factors in determining any price adjustment:

1. Number and Type of Housing Units. The quantity and variety of housing units to be developed, with consideration given to:

- Total number of residential units
- Mix of unit types (single-family, duplex, multi-family)
- Unit sizes and bedroom counts

- Projects providing diverse housing options for different family sizes and demographics

2. Infrastructure Investment. The infrastructure costs to be borne by the developer, including:

- Extension of utilities beyond the immediate property boundaries
- Road construction or improvements benefiting the broader community
- Drainage improvements
- Any off-site improvements required to support the development
- Connection fees and utility capacity costs

3. Affordable Housing Component. Projects that include affordable housing units meeting the following criteria:

- Units designated for households at or below 80% of Area Median Income (AMI)
- Duration of affordability restrictions (minimum 15 years recommended)
- Number and percentage of total units designated as affordable
- Deed restrictions or covenants ensuring long-term affordability
- Priority consideration for projects with 20% or more affordable units

4. Economic Benefit to the Community. The expected economic impact, including:

- Job creation during construction and operation
- Property tax revenue generation
- Commercial development potential
- Workforce housing for local businesses and industries
- Population stabilization and growth
- Enhanced community services viability

5. Development Risk and Market Conditions. Recognition of financial risks including:

- Remote location construction cost premiums
- Limited contractor availability
- Material transportation costs
- Short construction season
- Market absorption rates
- Financing challenges in rural Alaska communities

The city council may reduce the purchase price by up to seventy-five percent (75%) of the appraised value for projects demonstrating exceptional public benefit through the factors listed above. Any reduction exceeding fifty percent (50%) shall require specific findings by the city council

documenting the public benefit justification.

Section 3. Amendment of Section 5.30.040 - Methods of Disposal

Section 5.30.040 of the Dillingham Municipal Code is hereby amended to add the following subsection:

E. Request for Proposals (RFP) Process for Housing Development.

When the city council determines that the primary purpose of a disposal is housing development, the city may solicit proposals from qualified developers through a competitive Request for Proposals (RFP) process as an alternative to public auction or sealed bid procedures. The RFP process shall include the following elements:

1. RFP Publication and Distribution. The city shall publish the RFP and make it available to interested parties for a minimum of forty-five (45) days. Publication shall include:

- Local newspaper advertisement
- Posting on the city's official website
- Notice to the Alaska Housing Finance Corporation
- Notice to regional development organizations
- Distribution to known housing developers and contractors operating in rural Alaska

2. Minimum Requirements. The RFP shall specify mandatory minimum requirements including:

- Minimum number of housing units to be constructed
- Unit type requirements or preferences
- Percentage of affordable housing units, if any
- Construction quality standards
- Energy efficiency standards

3. Development Timeline Requirements. Clear timeline expectations including:

- Maximum time for plan submission and permitting
- Required construction commencement date
- Phase completion schedules for multi-phase projects
- Final completion deadline
- Penalty provisions for delays not attributable to force majeure

4. Design Standards. Specifications addressing:

- Architectural design expectations
- Building materials and methods appropriate for Dillingham's climate

- Lot layouts and density requirements
- Open space or common area provisions
- Parking requirements
- Landscaping expectations

5. Infrastructure Requirements. Detailed requirements for:

- Utility installation and connections
- Road construction specifications
- Drainage and stormwater management
- Street lighting and signage
- Snow storage areas
- Compliance with all applicable city codes and standards

6. Proposal Content Requirements. Mandatory elements of responsive proposals including:

- Developer qualifications and experience
- Project concept and unit mix
- Site plans and preliminary architectural renderings
- Development timeline with specific milestones
- Project budget and pro forma
- Evidence of financial capacity or commitment letters
- Proposed purchase price
- Identification of all team members (contractors, architects, engineers)
- References from previous projects

7. Evaluation Criteria. The RFP shall establish weighted evaluation criteria, which may include:

- Developer qualifications and experience (15-20%)
- Project design quality and appropriateness (15-20%)
- Number and type of housing units proposed (20-25%)
- Inclusion of affordable housing (10-15%)
- Development timeline and feasibility (15-20%)
- Financial capacity and project financing (15-20%)
- Proposed purchase price (5-15%)

- Community benefit and economic impact (10-15%)

8. Selection Process.

- An evaluation committee appointed by the city manager shall review and score all responsive proposals
- The committee may conduct interviews with top-ranked proposers
- The committee shall make a recommendation to the city council
- The city council shall make the final selection decision through resolution
- The city council may reject all proposals if none adequately serve the public interest

9. Negotiation Authority. Following selection, the city manager is authorized to negotiate final terms and conditions with the selected developer, provided that any material changes from the accepted proposal must be approved by the city council.

Section 4. Amendment of Section 5.30.070 - Post-Award Requirements

Section 5.30.070 of the Dillingham Municipal Code is hereby amended to add the following subsection:

B. Additional Requirements for Housing Development Disposals.

For all disposals of municipal property for housing development purposes, whether through auction, sealed bid, or RFP process, the successful bidder or selected developer must submit the following within sixty (60) days of the city council's approval of the disposal:

1. Detailed Development Plans, including:

- Final site plan prepared by a licensed engineer or surveyor
- Preliminary architectural plans for all housing units
- Civil engineering plans for infrastructure improvements
- Utility connection plans coordinated with city departments
- Grading and drainage plans
- Erosion and sediment control plans
- Environmental assessment or mitigation plans if required

2. Comprehensive Project Timeline, containing:

- Gantt chart or similar scheduling document showing all major activities
- Specific dates for key milestones including:
 - Completion of final engineering
 - Building permit applications

- Infrastructure construction start and completion
- Building construction start for each phase
- Substantial completion of each phase
- Final completion and certificate of occupancy
- Identification of critical path items
- Contingency plans for weather delays or other foreseeable obstacles

3. Evidence of Financing Capability, such as:

- Commitment letters from financial institutions
- Proof of equity investment or down payment
- Personal financial statements (for individual developers)
- Corporate financial statements (for entity developers)
- Evidence of insurance coverage or ability to obtain coverage
- For projects over \$2 million, a third-party financial feasibility analysis

4. Performance Security, in one of the following forms:

- Performance bond issued by a surety company licensed to do business in Alaska
- Irrevocable letter of credit from a financial institution
- Cash escrow deposit
- Other security acceptable to the city attorney

The amount of performance security shall equal at minimum twenty-five percent (25%) of the total estimated development cost, including land acquisition, infrastructure, and construction costs. The city council may require higher security amounts for larger or higher-risk projects.

5. Insurance Requirements, including:

- Commercial general liability insurance with minimum limits of \$2,000,000 per occurrence
- Builder's risk insurance during construction
- Workers' compensation insurance as required by Alaska law
- Professional liability insurance for architects and engineers
- Proof that the City of Dillingham is named as additional insured

6. Contractor and Professional Team Information, including:

- Executed contracts or letters of intent with general contractors
- Licensing verification for all contractors (Alaska Business License, appropriate contractor licenses)

- Qualifications of architects, engineers, and other professionals
- Safety records and past performance documentation

Failure to Submit Required Documentation. If the successful bidder or selected developer fails to submit all required documentation within the sixty (60) day period, or within such extension as may be granted by the city manager for good cause, the city council may:

- Declare the bidder/developer in default
- Retain any earnest money or deposits
- Offer the property to the next qualified bidder/proposer
- Re-advertise the property for disposal

Section 5. Amendment of Section 5.30.080 - Specific Disposal Provisions

Section 5.30.080 of the Dillingham Municipal Code is hereby amended to add the following subsection:

E. Disposal for Housing Development - Special Provisions.

The city council may dispose of municipal real property specifically to promote housing development under the following conditions and requirements:

1. Housing Development Finding. The city council must make a specific finding that:

- The disposal will result in the development of residential housing units within a reasonable and specified timeframe
- The housing development serves a compelling public purpose
- The benefits to the community outweigh the value of retaining the property in municipal ownership
- The proposed development is consistent with the city's comprehensive plan and zoning regulations
- The developer has demonstrated capability to complete the project

2. Minimum Unit Requirements. The disposal agreement shall specify:

- The minimum number of housing units to be constructed
- Any requirements for unit types or mix (single-family, multi-family, etc.)
- Minimum habitable square footage standards for units
- Any requirements for affordable housing units with specific income restrictions
- Occupancy restrictions, if any (e.g., primary residences only, no short-term rentals)

3. Binding Development Timeline with Milestones. The agreement shall include a detailed timeline with specific, enforceable milestones such as:

Phase 1 - Planning and Permitting (Months 0-6)

- Submission of final development plans
- Completion of all required surveys and studies
- Application for and receipt of all necessary permits
- Execution of utility service agreements

Phase 2 - Infrastructure Development (Months 6-12)

- Commencement of site work
- Installation of utilities
- Construction of roads and drainage
- Completion of all infrastructure to city standards

Phase 3 - Vertical Construction (Months 12-24)

- Commencement of building construction
- Substantial completion of structures
- Inspection and approval of all work

Phase 4 - Final Completion (Months 24-30)

- Final grading and landscaping
- Utility connections and service activation
- Certificate of occupancy for all units
- Transfer of infrastructure to city ownership (if applicable)

The city council may establish different timelines based on project size, complexity, and market conditions, but the total time from disposal to final completion shall not exceed five (5) years without specific council authorization.

4. Reversionary Clause - Mandatory Inclusion. Every disposal for housing development shall include a reversionary clause providing that:

- Title to the property shall revert to the City of Dillingham if the developer fails to meet specified development milestones
- The city may enforce the reversion through a recorded deed restriction or covenant
- Upon reversion, the developer shall be entitled to reimbursement only for documented infrastructure improvements that benefit the city, at a value determined by independent appraisal, less any damages or costs incurred by the city
- Any structures or improvements not meeting building code standards shall be removed by the developer at developer's expense prior to reversion

- The reversionary right shall remain in effect until all development milestones are completed and accepted by the city

5. Extension Provisions. The development agreement shall specify that:

- Extensions of milestone deadlines may be granted by the city council for good cause shown
- "Good cause" includes force majeure events such as:
 - Natural disasters or extreme weather beyond normal seasonal expectations
 - Unforeseeable changes in federal, state, or local regulations
 - Documented nationwide or regional shortage of critical building materials
 - Documented unavailability of contractors or skilled labor despite good faith efforts
 - Delays in utility connections caused by utility providers
- Requests for extensions must be submitted in writing at least thirty (30) days before a milestone deadline
- Extensions shall be granted for reasonable periods related to the cause of delay
- Extensions due to developer's financial difficulties or poor planning shall not constitute good cause

6. Priority for Affordable Housing. When evaluating competing proposals or applications for housing development disposals, the city council shall give priority consideration to projects that:

- Include at least twenty percent (20%) of units as affordable housing for households at or below 80% AMI
- Provide longer-term affordability commitments (20+ years preferred)
- Include workforce housing for essential community occupations (teachers, healthcare workers, public safety personnel)
- Demonstrate partnerships with Alaska Housing Finance Corporation or other housing assistance programs

7. Development Agreement Required. All housing development disposals shall be memorialized in a comprehensive development agreement approved by the city council that includes:

- All terms and conditions of the disposal
- Development requirements and timelines
- Performance security provisions
- Reversionary clauses
- Inspection and enforcement provisions
- Default and remedy provisions
- Insurance and indemnification requirements

- Dispute resolution procedures

8. Progress Reporting. The developer shall provide quarterly written progress reports to the city manager documenting:

- Work completed during the period
- Milestones achieved
- Any challenges or delays encountered
- Projected schedule for upcoming work
- Current photographs of the development

9. City Inspection Rights. The city reserves the right to inspect the property and all work in progress at reasonable times to verify compliance with the development agreement. The developer shall provide access and cooperate with city inspectors.

10. Assignment Restrictions. The developer may not assign or transfer its rights under the development agreement without prior written consent of the city council, which consent may be granted if the proposed assignee demonstrates equivalent or superior financial capacity and development experience.

Section 6. Amendment of Section 5.30.090 - Reversionary Clauses

Section 5.30.090 of the Dillingham Municipal Code is hereby amended to add the following subsection:

B. Reversionary Clauses for Housing Development Disposals.

For all disposals of municipal property for housing development purposes, the deed and development agreement shall include a reversionary clause containing the following provisions:

1. Specific Milestone Triggers. The reversionary clause shall specify each development milestone and the corresponding deadline. Failure to achieve any milestone by its deadline, absent an approved extension, shall constitute grounds for reversion.

2. Notice and Cure Period. Before exercising its right of reversion, the city shall:

- Provide written notice to the developer specifying the milestone(s) not achieved
- Allow a cure period of ninety (90) days for the developer to remedy the default
- If the default cannot reasonably be cured within ninety (90) days, allow a reasonable cure period if the developer commences cure within the initial ninety (90) days and diligently pursues completion

3. City Council Determination. After expiration of the cure period, the city manager shall report to the city council regarding the status of the development. The city council may:

- Determine that reversion is appropriate and direct the city attorney to initiate reversion proceedings
- Grant an additional extension for good cause shown

- Modify the development agreement to address changed circumstances
- Negotiate a settlement with the developer

4. Good Cause Extensions. The city council may grant extensions of milestone deadlines upon finding of good cause, which includes but is not limited to:

- **Force Majeure Events:** Acts of God, natural disasters, pandemics, civil unrest, or other events beyond the developer's reasonable control
- **Regulatory Delays:** Delays in obtaining permits or approvals from federal, state, or local agencies despite developer's diligent efforts
- **Documented Material Shortages:** Nationwide or regional shortages of essential building materials that prevent construction progress
- **Market Disruption:** Extraordinary economic conditions that make project financing temporarily unavailable despite developer's good faith efforts
- **Utility Provider Delays:** Delays in utility connections or capacity caused by utility providers beyond developer's control

Good cause shall not include:

- Developer's financial difficulties due to poor planning or inadequate capitalization
- Developer's failure to secure contractors or labor due to inadequate effort
- Developer's decision to pursue other projects
- General market conditions that were foreseeable at the time of property acquisition

5. Extension Request Procedures.

- Extension requests must be submitted in writing at least thirty (30) days prior to a milestone deadline
- Requests must include detailed documentation of the circumstances justifying the extension
- Requests must include a revised timeline showing when the milestone will be achieved
- The city manager may grant extensions of up to ninety (90) days; longer extensions require city council approval
- The city council shall act on extension requests within sixty (60) days of submission

6. Compensation Upon Reversion. In the event of reversion:

- The developer shall receive compensation only for infrastructure improvements that:
 - Were completed to city standards and accepted by the city
 - Provide benefit to the city for future use or development
 - Are documented with receipts and invoices

- Compensation shall be based on independent appraisal of the value of the improvements to the city
- No compensation shall be provided for planning costs, permit fees, incomplete work, or non-conforming improvements
- The city may offset compensation with:
 - Costs incurred by the city in re-marketing the property
 - Property taxes, assessments, or fees owed to the city
 - Costs of removing non-conforming structures or correcting code violations
 - Damages to the property or surrounding area caused by developer

7. Removal of Non-Conforming Improvements. If the developer has constructed improvements that do not meet building codes or development agreement standards:

- The developer shall remove such improvements and restore the property to a safe condition
- Removal shall be completed within ninety (90) days of notice
- If the developer fails to remove improvements, the city may remove them and charge the developer for costs incurred
- The city may draw upon performance security to cover removal costs

8. No Penalty for Early Completion. If the developer completes all development milestones ahead of schedule, the city shall promptly release all performance security and remove the reversionary clause from the property title upon final inspection and acceptance.

9. Partial Reversion for Phased Development. For multi-phase developments:

- The property may be subdivided by phase with separate reversionary provisions for each phase
- Successful completion of one phase does not cure default on another phase
- The city may exercise reversion rights on defaulted phases while allowing completed phases to stand
- Performance security may be released proportionally as phases are completed

10. Recording and Notice. The reversionary clause shall be:

- Recorded with the deed in the appropriate recording district
- Referenced in the development agreement
- Included in any financing documents to ensure lenders have notice
- Binding upon successors and assigns

Section 7. New Section - Performance Security

The Dillingham Municipal Code Chapter 5.30 is hereby amended to add a new section:

5.30.095 Performance Security for Housing Development

A. Required Security. For all disposals of municipal property for housing development, the developer shall provide performance security to guarantee completion of the development in accordance with the development agreement.

B. Amount. The performance security shall equal no less than:

- Twenty-five percent (25%) of total estimated project costs for projects under \$1,000,000
- Thirty percent (30%) of total estimated project costs for projects between \$1,000,000 and \$3,000,000
- Thirty-five percent (40%) of total estimated project costs for projects over \$3,000,000

The city council may require higher security amounts based on project risk factors.

C. Acceptable Forms. Performance security may be provided as:

- Performance bond from a surety company rated A- or better by A.M. Best and licensed in Alaska
- Irrevocable letter of credit from a financial institution insured by FDIC or NCUA
- Cash deposit or cash escrow with a financial institution approved by the city
- A combination of the above forms totaling the required amount

D. Maintenance. The developer shall maintain the performance security in full force and effect until:

- All development milestones are completed
- Final inspection is passed
- Certificates of occupancy are issued for all units
- All infrastructure is completed and accepted by the city
- All applicable warranty periods have expired

E. Draw Provisions. The city may draw upon the performance security to:

- Complete development work if the developer defaults
- Remedy code violations or safety hazards
- Remove non-conforming structures
- Cover unpaid city fees, taxes, or assessments
- Compensate for documented damages to city property or infrastructure

F. Release. Security shall be released:

- Proportionally as phases are completed for multi-phase developments

- In full upon final completion and acceptance of all work
- Within thirty (30) days of the city's determination that all obligations are satisfied

Section 8. New Section - Monitoring and Compliance

The Dillingham Municipal Code Chapter 5.30 is hereby amended to add a new section:

5.30.096 Monitoring and Compliance for Housing Developments

A. City Manager Authority. The city manager or designee shall monitor all housing development projects to ensure compliance with development agreements and timelines.

B. Inspection Schedule. The city shall conduct inspections:

- Within thirty (30) days of each milestone deadline
- At any time upon reasonable notice to verify progress
- Upon complaint or concern about non-compliance
- Prior to release of performance security
- As otherwise deemed necessary

C. Developer Cooperation. The developer shall:

- Provide access to the property for inspections
- Respond to city information requests within fifteen (15) business days
- Attend progress meetings as requested by the city
- Provide quarterly progress reports including photographs and documentation

D. Non-Compliance Procedures. If the city determines the developer is not in compliance:

- Written notice shall be provided specifying deficiencies
- A cure period shall be established (typically 30-90 days depending on the deficiency)
- A follow-up inspection shall be conducted after the cure period
- Continued non-compliance may result in:
 - Additional cure periods with penalties
 - Draw on performance security
 - Initiation of reversion proceedings
 - Legal action to enforce the development agreement

E. Penalty Provisions. Development agreements may include:

- Liquidated damages for missed milestones

- Additional performance security requirements for repeated delays
- Increased city oversight and inspection frequency at developer expense
- Other remedies deemed appropriate by the city council

F. Annual Reporting. The city manager shall provide an annual report to the city council on the status of all active housing development projects, including:

- Projects in compliance with timelines
- Projects experiencing delays and reasons
- Extension requests granted
- Enforcement actions taken
- Completed projects and outcomes

Section 9. New Section - Affordable Housing Definitions and Standards

The Dillingham Municipal Code Chapter 5.30 is hereby amended to add a new section:

5.30.097 Affordable Housing Standards

A. Definitions. For purposes of housing development disposals under this chapter:

"Affordable Housing" means housing for which the occupant household is paying no more than thirty percent (30%) of its gross income for housing costs, including utilities.

"Area Median Income (AMI)" means the median family income for the Bristol Bay Borough or Dillingham Census Area as determined annually by the U.S. Department of Housing and Urban Development (HUD), adjusted for family size.

"Affordable Housing Unit" means a dwelling unit that is:

- Sold or rented at a price affordable to households at or below eighty percent (80%) of AMI
- Subject to deed restrictions or covenants ensuring affordability for a minimum period
- Comparable in quality, design, and amenities to market-rate units in the same development

B. Income Qualification. Households shall qualify for affordable housing units if their gross annual income does not exceed:

- Eighty percent (80%) of AMI for rental units
- One hundred percent (100%) of AMI for owner-occupied units

Income shall be verified through:

- Federal tax returns for the previous year
- Employment verification and pay stubs
- Social Security or pension statements

- Other documentation acceptable to the city or its designee

C. Deed Restrictions for Affordable Units. Affordable housing units sold to qualified purchasers shall be subject to deed restrictions providing:

- Resale price limitations based on income qualification formulas
- Owner-occupancy requirements
- Right of first refusal for the city or qualified buyers if owner desires to sell
- Minimum affordability period of fifteen (15) years (twenty (20) years preferred)
- Recapture provisions if units are sold before the end of the affordability period
- Prohibition on short-term rental or vacation use

D. Rental Affordable Housing Requirements. Affordable rental units shall be subject to:

- Rent restrictions based on household income and bedroom count
- Tenant income verification at initial lease and annually
- Lease terms and tenant protections meeting applicable landlord-tenant laws
- Professional property management standards
- Compliance monitoring by the city or designated housing authority

E. Affordability Period. The minimum period of affordability for units included in housing development disposals shall be:

- Fifteen (15) years for rental units
- Fifteen (15) years for owner-occupied units
- Twenty (20) years or more for projects receiving substantial public subsidy (greater than 30% reduction in land price)

F. Incentives for Affordable Housing. Projects including affordable housing units may receive:

- Land price reductions of up to seventy-five percent (75%) based on the percentage and number of affordable units
- Priority in proposal evaluation and selection
- Expedited permit review
- Fee waivers or reductions for city permit and impact fees
- Favorable payment terms for land purchase
- Technical assistance from city staff

G. City Monitoring. The city shall monitor compliance with affordable housing requirements through:

- Annual reporting from developers/owners

- Periodic inspection of units and review of rent rolls or sales records
- Verification of tenant/owner income qualification
- Enforcement of deed restrictions and covenants

Section 10. Severability

If any provision of this ordinance or any application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, the remainder of this ordinance and the application of such provision to other persons or circumstances shall not be affected thereby and shall remain in full force and effect. To this end, the provisions of this ordinance are declared to be severable.

Section 11. Codification

The City Clerk is directed to codify the amendments set forth in this ordinance by incorporating them into the Dillingham Municipal Code. The codified version shall include appropriate section numbering and formatting consistent with the existing code structure.

Section 12. Effective Date

This ordinance shall become effective immediately upon passage by the City Council and publication as required by law. The City Clerk shall publish this ordinance in a newspaper of general circulation within the City of Dillingham within ten (10) days of passage.

Section 13. Implementation

The City Manager is hereby authorized and directed to:

- Develop necessary forms, applications, and procedures to implement this ordinance
- Create RFP templates and evaluation criteria matrices for housing development disposals
- Establish inspection protocols and compliance monitoring procedures
- Prepare standard development agreement templates incorporating the requirements of this ordinance
- Coordinate with the City Attorney to ensure all legal documents are properly drafted
- Report to the City Council within ninety (90) days on implementation progress and any recommended refinements

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on
_____, 2026.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Abigail Flynn, City Clerk

DRAFT