

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 597-2013

Meeting Date: October 22, 2013

From: MAYOR

Subject: AN ORDINANCE APPROVING A NON-COMPETITIVE DISPOSAL BY LEASE OF HLB PARCELS #6-048, 6-049 AND 6-050 (TAX IDS 075-152-38, 39 AND 53) LOCATED IN THE OLD GIRDWOOD TOWNSITE, FOR FAIR MARKET VALUE TO AT&T ALASCOM.

The proposed action is a non-competitive lease to Alascom, Inc., of Heritage Land Band parcels #6-048, 049 and 050, located in the Old Girdwood Townsite (see Location Map, Appendix A), and legally described as Lots 12 and 13 and a portion of Lot 14, Girdwood Townsite, USS 1177.

The three HLB Parcels have been under lease to Alascom, Inc., dba AT&T Alascom for 20 years, with the current lease expiring December 31, 2013. The site was developed in 1973 as part of a microwave radio route between Anchorage and Seward. The microwave radio route was discontinued in 1989, with fiber optic cable taking over the route. The site is currently used for cellular service. The current improvements include a 65 foot self-supporting tower, equipment shelter and perimeter chain link fence. The tower is maintained by Alascom.

Alascom has two cellular customers collocated on the tower: Alaska Digitel (GCI), at a rental rate of \$972.21/month, and ACS Wireless, at \$1,449.90/month. The lease will allow for subleasing, with payment to the MOA of a percentage of the rents received by Alascom.

Alascom has expressed a desire to enter into another lease for a minimum five year term. An appraisal of the parcel, paid for by the Lessee, will be obtained to provide a market lease rent for the next five year period.

A portion of the parcel is used by Anchorage Water and Wastewater Utility for a valve vault, wet well and generator. The AWWU facility was originally contained within the lease area; the lease will now only contain lands outside the AWWU site.

In accordance with public noticing requirements under Anchorage Municipal Code section 25.40.025, a review of this disposal was distributed July 26, 2013 to all relevant Municipal agencies and was completed August 23, 2013; there were no objections. Public notice of a hearing in September by the HLB Advisory Commission was posted August 7th on the Municipality's public notice website, paper notices were mailed to surrounding property owners on or before August 9th,

1 and the property was physically posted on August 13, 2013. On September 12,
2 2013 the Heritage Land Bank Advisory Commission held a public hearing on the
3 proposed disposal. No negative comments were received and a resolution was
4 passed recommending Assembly approval (See Appendix B).

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6 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

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8 Prepared by: Alison L. Smith, Land Manager, Real Estate Dept.
9 Approved by: Tammy R. Oswald, Director, Real Estate Dept.
10 Concur: Dennis Wheeler, Municipal Attorney
11 Concur: George J. Vakalis, Municipal Manager
12 Respectfully submitted: Daniel A. Sullivan, Mayor

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14 Appendices:

15 Appendix A: Area Map

16 Appendix B: HLBAC Resolution #2013-05