

CLERK'S OFFICE
AMENDED AND APPROVED
Date: 10-29-02

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Department of Law
For reading: September 24, 2002

Anchorage, Alaska
AO 2002-135(S)

AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION 25.40.025 REGARDING HERITAGE LAND BANK PROPERTY DISPOSALS, TO CLARIFY LEASE REQUIREMENTS, ALLOW FOR FLEXIBILITY IN METHODS OF DETERMINING PROPERTY VALUES, AND TO ALLOW FOR DISPOSITION OF PROPERTY FOR LESS THAN FAIR MARKET VALUE IN CONNECTION WITH SPECIFIC PROJECTS BENEFITING THE PUBLIC

THE ANCHORAGE ASSEMBLY ORDAINS

Section 1. Anchorage Municipal Code section 25.40.025 is hereby amended to read as follows: *(the remainder of the section is not affected and therefore is not set out.)*

25.40.025 Heritage Land Bank disposals.

D. Except as otherwise provided in this section, a[A]ll proposed Heritage Land Bank land sales shall occur by an open competitive bid process for at least the appraised fair market value of the land, as determined by a certified real estate appraiser designated by, and given appropriate written instructions from, the Heritage Land Bank. An application to purchase Heritage Land Bank land shall grant the applicant no right of preference or priority.

F. The Heritage Land Bank may lease Heritage Land Bank land.

1 The leases shall be awarded by open competitive bid process in one of the following ways:

a. for at least appraised fair market rental rates, as determined by a certified real estate appraiser designated by, and given appropriate written instructions from, the Heritage Land Bank; [,]

b. [OR] percentage of [THE GROSS] receipts; [,]or

c. user fee equivalent.

2 Where leases are based on appraised fair market rental rates under
3 subsection F.1.a above, t[T]he lease rates shall be adjusted at intervals of
4 no more than five years to reflect current market conditions. An
5 application to lease shall grant the applicant no right of preference or
6 priority. Heritage Land Bank land may be leased non-competitively to a
7 non-profit agency for less than its appraised fair market value if the
8 municipal benefits which are projected to accrue are found by the mayor
9 and the assembly to be in the best interest of the municipality.

10 G. "Appraised fair market value," for purposes of this chapter with respect to
11 land sales or exchanges but not leases, means the most probable price in cash,
12 terms equivalent to cash, or in other precisely revealed terms, for which the
13 appraised property will sell in a competitive market under all conditions
14 requisite to fair sale, with the buyer and seller each acting prudently,
15 knowledgeably, and for self-interest, and assuming that neither is under undue
16 duress. [WHERE REQUIRED, THE APPRAISED FAIR MARKET VALUE
17 OF HERITAGE LAND BANK LAND FOR DISPOSAL SHALL BE
18 DETERMINED BY A CERTIFIED REAL ESTATE APPRAISER
19 DESIGNATED BY, AND GIVEN APPROPRIATE WRITTEN
20 INSTRUCTIONS FROM, THE HERITAGE LAND BANK.] If the appraised
21 fair market value would be increased by a rezoning of a parcel of land prior to
22 its disposal, the Heritage Land Bank may seek a rezoning under applicable
23 municipal procedures, taking into account the compatibility with the
24 surrounding neighborhood.

25
26 H. In order to assist development that will provide public benefits and
27 notwithstanding any other provision of this section, Heritage Land Bank land
28 may be disposed of by lease, sale or other disposition, for the purpose of
29 facilitating a specific project. The project shall provide public benefits. In
30 addition to and consistent with the applicable requirements of titles 21, 23 and
31 24 of this code, the disposition shall include additional requirements and
32 conditions to insure the proper development and completion of the project in
33 the public interest. Disposals pursuant to this subsection shall be through
34 requests for proposals or through invitations to bid. The disposition of
35 property pursuant to this subsection may be for less than fair market value or
36 less than fair market rental rate. However, the Heritage Land Bank shall, for
37 informational purposes only:

38
39 1. provide a descriptive summary of the public benefits expected from
40 the project; and

41
42 2. obtain an appraisal of the value of the property, determined by a
43 certified real estate appraiser, if it were disposed of without the
44 development requirements imposed pursuant to this subsection.

Assembly approval of a disposition under this subsection shall include a finding that the disposition provides public benefits.

(AO No. 95-198(S-3), § 2, 12-5-95)

Section 2. This ordinance shall be effective immediately upon passage and approval by the Anchorage Assembly.

PASSED, AND APPROVED by the Anchorage Assembly this 29th day of October, 2002.


Chair

ATTEST:


Municipal Clerk

G:\MATVOPEN MATTERS\HLB Rename to Real Estate Dept. - AO\Girdwood revision AO to Ass'y.DOC

- 3 A summary listing and description of estimated economic and non-economic benefits and costs associated with the project. This summary should be succinct, concise, and quantified where appropriate, and should not exceed two pages in length.