

CLERK'S OFFICE
AMENDED AND APPROVED
Date: 1-14-03
IMMEDIATE RECONSIDERATION
FAILED 1-14-03

Submitted by: Chairman of the Assembly at the
Request of the Mayor
Prepared by: Department of Law
For reading: January 14, 2003

ANCHORAGE, ALASKA
AR NO. 2003- 28

A RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT FOR THE ACQUISITION OF THE ASSEMBLY-APPROVED MULDOON MIDDLE SCHOOL SITE; APPROPRIATING FUNDS TO REIMBURSE THE MUNICIPAL SCHOOL DISTRICT FOR PRORATION OF TAXES AT CLOSING; AMENDING THE SITE APPROVAL CONDITIONS CONTAINED IN ASSEMBLY RESOLUTION 2001-366(S); AND AUTHORIZING THE EXPENDITURE OF GENERAL GOVERNMENT FUNDS AS A CONTRIBUTION TO PAYMENT OF THE PURCHASE PRICE.

WHEREAS, by Assembly Resolution No. 2001-366(S) the Assembly approved a site for a joint middle school, community center, and library complex in Muldoon on land formerly known as the Alaskan Village Subdivision described in said resolution; and

WHEREAS, the land owner, Muldoon Community Improvement, LLC and the Municipality have negotiated a purchase and sale agreement; and

WHEREAS, the Assembly has approved assistance by general government aggregating \$1,143,000 consisting of \$800,000 of a State grant and \$343,000 from the HLB capital fund as a contribution to the purchase price; and

WHEREAS, the Municipal School Board has approved the terms and conditions of the purchase and sale agreement for acquisition of the Site; now therefore, to approve the purchase and sale agreement and implement closing of the purchase and sale agreement,

THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The purchase and sale agreement for acquisition of the below-described real property on the following terms and conditions is hereby approved:

Site: 30.508 acres of the land previously authorized by AR No. 2001-366(S) and newly described as Tract Three (3), of The Alaska Village Subdivision, according to Plat 2002-179, filed in the Anchorage Recording District, Third Judicial District, State of Alaska (the "Site").

Purchase Price: \$7,440,000

Payable: \$6,950,000 cash at closing plus delivery of gravel by the School District contractor equivalent to a value of \$490,000 from the Site.

Site**Remediation:**

Seller shall remediate existing Site environmental contamination and migration thereof post-closing as follows:

(a) Comply with and implement the terms of ADEC-approved and seller-submitted work plans, "No Further Remedial Action Status" (NFRAP) letters, "Records of Decision" (ROD) for on-Site soils and groundwater contamination of property and migration thereof off-Site in effect at Closing and as thereafter modified by ADEC;

(b) Remediate in accordance with ADEC-approved work-plans pre-existing contamination discovered on-Site during construction of the Municipal facilities and removal of gravel;

(c) Decommission all on-Site monitoring wells i/a/c with ADEC-approved and industry standard methods;

(d) Remove and/or demolish existing trailers, utility pedestals, underground heating oil distribution lines, storage tanks, well houses, buildings, sheds, and shops on the Site;

(e) Remediate underground water and sewer lines and vertical risers thereto by removing the first 4 feet of risers, all pipe presently exposed and as exposed during construction and filling the remaining pipes with a slurry per ADEC-approved and industry standard methods; and

(f) Decommission the drinking water wells according to applicable state and/or local regulatory requirements, as requested by Anchorage School District..

Security for**Seller's Performance:**

In order to insure performance of Seller's contractual obligations under the Agreement, Seller shall, at Seller's option, either:

(a) Deposit \$500,000 into an escrow account for the benefit of the Municipality; or

(b) Submit an irrevocable letter of credit approved by the Municipality in the amount of \$500,000; or

(c) Provide an environmental pollution insurance policy, with a "Delay of Project" endorsement and minimum policy limits of \$500,000; or

(d) Provide a performance bond from a Buyer-accepted surety in the amount of \$500,000.

Future**Liabilities:**

Each party will remain solely liable for its existing and future liabilities in accordance with existing law and Seller will be responsible for third-party claims based on Site conditions and activities existing prior to closing.

Section 2. The Mayor or his designee is hereby authorized to take such actions, make such further and additional agreements, terms and conditions and execute such documents and conveyances as may be reasonably necessary and appropriate to effectuate the purposes and objects of this Resolution as the Mayor may determine appropriate.

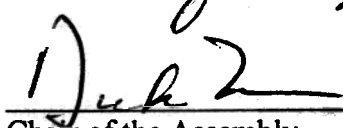
Section 3. Assembly Resolution No. 2001-366(S) is hereby amended to conform to the terms, conditions and recitations of this Resolution and this Resolution shall govern Site approval and acquisition.

Section 4. There is hereby appropriated the sum of \$60,000 from Areawide Fund Balance (Fund 101-0740) to the Municipal School District to reimburse the School District for taxes paid by the School District at closing as a result of prorating taxes between the Seller and the Municipality for fiscal year 2003. To the extent that the amount appropriated by this section shall exceed the amount of taxes actually prorated at closing to the obligation of the School District, the excess of this appropriation over said amount of prorated taxes shall lapse to the fund from which appropriated.


Section 5. Payment of \$800,000 from a State grant through the Department Cultural and Recreational Services and an additional sum of \$343,000 from the Heritage Land Bank Capital Fund, previously appropriated, are hereby authorized for use as part payment of the cash purchase price for the Site.

Section 6. This resolution shall become effective immediately upon its passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 14th day of January, 2003


Chair of the Assembly

ATTEST:


Municipal
Clerk

Fund Certification: Kate Giard, Chief Fiscal Officer
461-5426-5101-1999 State Grant per SB32 - ~~\$800,000~~ \$784,000
421-1252-3101-2002 HLB Capital Fund - \$343,000
101-0740 Areawide Fund Balance - ~~\$60,000~~ \$76,000