

Submitted by: Chairman of the Assembly at
The Request of the Mayor
Prepared by: Heritage Land Bank
For reading: December 13, 2005

CLERK'S OFFICE
APPROVED
Date: 1-10-06

ANCHORAGE, ALASKA
AR NO. 2005- 323

A RESOLUTION APPROVING THE PURCHASE AND ACQUISITION OF REAL PROPERTY LEGALLY DESCRIBED AS TRACT B, FOREST HEIGHTS SUBDIVISION, THROUGH AN APPROPRIATION OF EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$850,000) FROM THE HERITAGE LAND BANK OPERATING FUND (221) BALANCE TO THE HERITAGE LAND BANK CAPITAL FUND (421) AND REAPPROPRIATION OF PREVIOUSLY APPROPRIATED FUNDS WITHIN THE HERITAGE LAND BANK CAPITAL FUND (421) OF TWO MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$2,150,000) FOR AN AMOUNT NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000).

WHEREAS, Tract B, Forest Heights Subdivision, is an approximately 13.22-acre parcel zoned PLI located in the hillside area of south Anchorage, situated northwest of Paradise Valley Subdivision; and

WHEREAS, the Municipality of Anchorage and Anchorage School District have been attempting to acquire needed future school sites in south Anchorage in accordance with recommendations from the Anchorage 2020 Comprehensive Plan and based on projected school enrollment in the area; and

WHEREAS, pursuant to Anchorage Municipal Code (AMC) section 25.40.035D., revenue in the Heritage Land Bank operating fund may be appropriated by the mayor for acquisition of land for municipal use; and

WHEREAS, acquisition of the property shall be for municipal use, providing the Municipality with an opportunity to hold land in the Heritage Land Bank inventory for future use in an area that is experiencing considerable population growth and increases in land values; and

WHEREAS, the funds to acquire the property are available from the Heritage Land Bank Fund (221) Balance; and

WHEREAS, if funds become available to the Municipality for purchase of this property through other fund appropriation efforts, the Heritage Land Bank Fund will be reimbursed for the purchase of the property; now therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. To approve the acquisition of Tract B, Forest Heights Subdivision as more fully described in the accompanying Assembly Memorandum.

Section 2. Appropriation from the Heritage Land Bank Fund Balance (221) is approved in an

amount of Eight Hundred Fifty Thousand Dollars (\$850,000) to partially fund acquisition of the subject property.

Section 3. Reappropriation of Two Million One Hundred Fifty Thousand Dollars (\$2,150,000) in funds previously appropriated but currently available from Heritage Land Bank CIP funds is approved to partially fund acquisition of the subject property.

Section 4. In the event state, federal, future general obligation bond proceeds and/or other funds become available for purchase of the property, the Heritage Land Bank Fund Balance (221) shall be reimbursed to the extent those monies are designated for acquisition costs.

PASSED AND APPROVED by the Anchorage Assembly this 10th day of January, 2006.

ATTEST:

Anna L. Fairclough
Chair of the Assembly

Barbara S. Gundersen

Municipal Clerk

Departmental Appropriation:

Heritage Land Bank CIP \$3,000,000
421-1252-125244-5101



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 901-2005

Meeting Date: December 13, 2005

From: Mayor

Subject: A Resolution Approving the Purchase and Acquisition of Real Property Legally Described as Tract B, Forest Heights Subdivision Through an Appropriation from the Heritage Land Bank Operating Fund (221) Balance to the Heritage Land Bank Capital Fund (421) and Reappropriation of Funds Previously Appropriated within Fund (421) for an Amount Not to Exceed Three Million Dollars (\$3,000,000).

Over the past year, the Administration and Anchorage School District have been meeting to determine general locations of future school sites that may be needed in the next twenty years as based on the Anchorage 2020 Comprehensive Plan and projected school enrollment numbers. The Administration has committed to work with land developers prior to platting subdivisions in those locations to propose purchasing parcels to hold within the Heritage Land Bank Inventory for future municipal uses such as school sites, water reservoir locations, fire stations, etc.

In many instances, areas like Sand Lake and the hillside have large tracts that, once platted into subdivisions, become more expensive to purchase as undeveloped tracts, and the platted lots sell quickly, effectively eliminating the opportunity for purchase as school sites. These large tracts become the very subdivisions that may require additional municipal services.

The Mayor's Office and Real Estate Services have been working with two hillside landowners in south Anchorage to obtain two adjoining parcels of land on Goldenview Drive. The larger parcel is currently zoned PLI, previously owned by the Mental Health Trust, is approximately 13.22 acres in size and is currently owned by Forest Heights, LLC (see map, Appendix A). The smaller parcel to the south is being platted and should contain approximately 1.7 acres. After the preliminary plat has been submitted, an appraisal of that site will be ordered and a purchase price negotiated.

Two appraisals have been received on the larger property: on September 27, 2005, Richter & Stone Appraisers evaluated the property at \$3,214,000, and on October 25, 2005, MacSwain Associates appraised the property at \$2,750,000 (see Appendix B). The purchase price of \$3,000,000.00 has been negotiated with the Seller as an amount equidistant in value between the two appraisals, and a contract has been signed, contingent upon Assembly approval.

Funding for the \$850,000 shall come from the Heritage Land Bank Fund Balance (221), and \$2,150,000 shall be provided through reappropriation of funds within the Heritage Land Bank CIP (421) for other purposes.

The accounting detail is as follows:

REVENUE	NAME		AMOUNT
221-0740	HLB Fund Balance	\$	(850,000)
421-1252-125244-9601	Contributions from other Funds	\$	850,000

EXPENDITURES	NAME		AMOUNT
221-1221-3901	Contribution to other Funds	\$	(850,000)
421-1252-125244-5101	Land	\$	3,000,000
421-1252-125232-5101	Land	\$	(2,150,000)

THE ADMINISTRATION RECOMMENDS ASSEMBLY APPROVAL OF THE APPROPRIATION OF EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$850,000) FROM THE HERITAGE LAND BANK FUND BALANCE (221) TO THE HLB CAPITAL FUND (421) AND THE REAPPROPRIATION OF TWO MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$2,150,000) WITHIN THE HLB CAPITAL FUND FOR THE PURCHASE AND ACQUISITION OF TRACT B, FOREST HEIGHTS SUBDIVISION.

Prepared by: Robin E. Ward, Executive Director of Heritage Land Bank and
Real Estate Services

Concur: Mary Jane Michael, Executive Director, Economic & Community Development

Fund Certification: Jeffrey E. Sinz, Chief Fiscal Officer

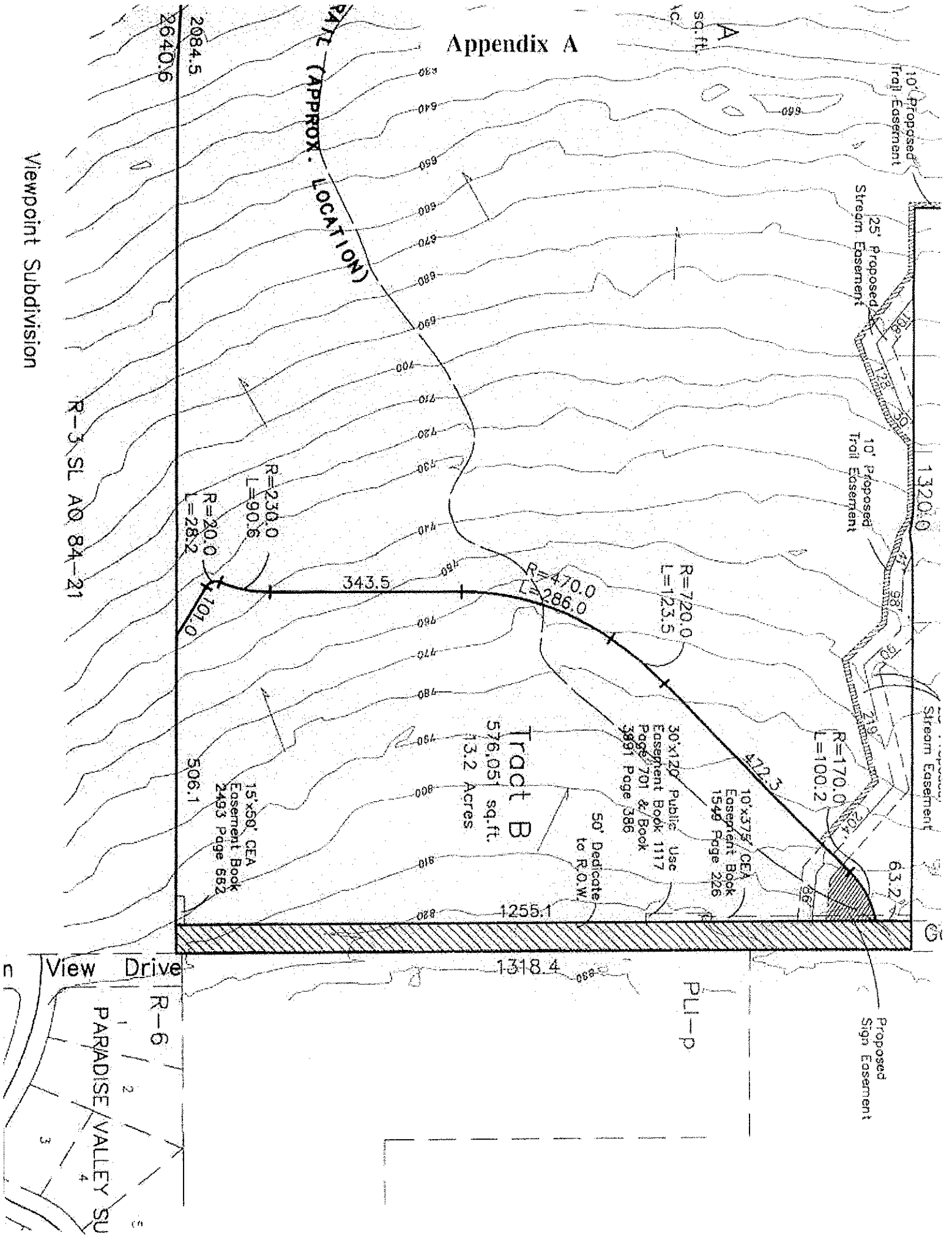
221-0740 \$850,000
(Heritage Land Bank Fund Balance)

421-1252-125232 \$2,150,000
(Heritage Land Bank CIB)

Concur: Denis C. LeBlanc, Municipal Manager

Respectfully submitted: Mark Begich, Mayor

Appendix A



Appendix B-1

**Richter
&
Stone**

3040 Lakeshore Drive, Suite 200 Anchorage, AK 99517 Phone (907) 248-1499 Fax (907) 248-3310

September 27, 2005

Ms. Tabitha Scott
NorthStar Mortgage
3333 Denali Street, Suite 150
Anchorage, Alaska 99503

RE: Report Number: 1355-04
Proposed School Site Tract B
in Forest Heights Subdivision, Anchorage, Alaska

Dear Ms. Scott:

As requested, we have completed a market value appraisal of the referenced property located south of East 172nd Avenue, west of Golden View Drive, and east of the Seward Highway in Anchorage, Alaska. This is a complete appraisal presented as a self-contained report made according to the standards as outlined by the Appraisal Institute and in compliance with Uniformed Standard of Professional Appraisal Practice.

The purpose of this appraisal report is to estimate the current "As Is" market value of the fee simple interest in the Subject property as of September 25, 2005, in accordance with the instructions provided by NorthStar Mortgage.

We have gathered the necessary data, conducted the required investigation, and have made the analyses that have enabled us to form an opinion as to the market value of the Subject property.

\$3,214,000

The accompanying report sets forth the most pertinent data gathered, the techniques used, and the reasons leading to the opinion of value. Based on our investigation and analyses, we have developed the following opinion of value for the Subject as of September 25, 2005:

We have personally inspected the property, and to the best of our knowledge and belief, all information and estimates of value contained in this report are true and correct. No pertinent information is knowingly or willfully withheld. The certification and limiting conditions and assumptions contained herein are an integral part of this report. The retention or use of this appraisal signifies acceptance of all limiting conditions and assumptions as specified herein.

We wish to thank you for the opportunity to be of service.

Respectfully submitted

RICHTER & STONE



Rick D. Richter, MAI

Richter & Stone

MacSwain Associates

4401 Business Park Blvd., Suite 22
Anchorage, Alaska 99503
Phone: 907-561-1965
Fax: 907-561-1955
s.macswain@macswain.com

Appendix B-2

October 25, 2005

Robin Ward, Director
Municipality of Anchorage
Heritage Land Bank
632 West 6th Avenue, Room 640
P.O. Box 196650
Anchorage, Alaska 99519-6650

Re: 13.2 Acres of Residential Land
Tract B, Forest Heights Subdivision
Anchorage, Alaska

Dear Ms. Ward:

We have prepared a **Summary** appraisal of the above-referenced property. The appraised property is a 13.2-acre residential parcel being evaluated by the Municipality of Anchorage as a potential school site. The purpose of the appraisal is to estimate the "As Is" *fee simple* market value. The lack of land sales limits the reliability of the sales comparison approach. Moreover, considering highest and best use, preliminary subdivision development plan, and available market data, our analysis and valuation relies upon a subdivision development approach (discounted cash flow). We prepare a **Complete** appraisal report in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

As of the effective date of value, the appraised land is in the process of being rezoned and replatted from a larger parcel.

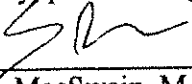
Hypothetical Conditions of the report are that the Municipality of Anchorage (MOA) approves the preliminary plat and rezone of the appraised land to R7, Intermediate Rural Residential district.

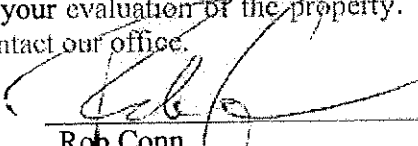
Based on the result of our investigation and analyses, we are of the opinion the market value of the appraised property as of October 5, 2005 is follows.

"As Is" Market Value

\$2,750,000

Your attention is directed to the Assumptions, Limiting, and Hypothetical Conditions of this report. We hope the appraisal report assists your evaluation of the property. If you have any questions regarding this report, please contact our office.


Steve MacSwain, MAI
State of Alaska Certificate No. 42


Rob Conn
State of Alaska Certificate No. 334



MUNICIPALITY OF ANCHORAGE
ASSEMBLY INFORMATION MEMORANDUM

No. AIM 1-2006

MEETING DATE: January 10, 2006

FROM: Municipal Clerk

SUBJECT: **Heritage Land Bank Advisory Commission Resolution 2005-23**

Attached, for your consideration, is the Heritage Land Bank Advisory Commission Resolution 2005-23 regarding the purchase and acquisition of real property legally described as Tract B, Forest Heights Subdivision.

Respectfully submitted: *BEG*
Barbara E. Gruenstein, Municipal Clerk

M.O.A.
MUNICIPALITY OF ANCHORAGE
HERITAGE LAND BANK ADVISORY COMMISSION

2005 DEC 15 AM 9:21
CLERKS OFFICE

RESOLUTION 2005-23

A RESOLUTION RECOMMENDING ASSEMBLY APPROVAL FOR THE PURCHASE AND ACQUISITION OF REAL PROPERTY LEGALLY DESCRIBED AS TRACT B, FOREST HEIGHTS SUBDIVISION, THROUGH AN APPROPRIATION OF EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$850,000) FROM THE HERITAGE LAND BANK OPERATING FUND (221) BALANCE AND TWO MILLION, ONE HUNDRED FIFTY THOUSAND DOLLARS (\$2,150,000) REMAINING IN THE LAKE OTIS & TUDOR CAPITAL PROJECT CAPITAL FUND (421) FOR A TOTAL AMOUNT NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000).

WHEREAS, Tract B, Forest Heights Subdivision, is an approximately 13.22-acre parcel zoned PLI located in the hillside area of south Anchorage, situated northwest of Paradise Valley Subdivision; and

WHEREAS, the Municipality of Anchorage and Anchorage School District have been attempting to acquire needed future school sites in south Anchorage in accordance with recommendations from the Anchorage 2020 Comprehensive Plan and based on projected school enrollment in the area; and

WHEREAS, pursuant to Anchorage Municipal Code (AMC) section 25.40.035D., revenue in the Heritage Land Bank Fund may be appropriated by the mayor for acquisition of land for municipal use; and

WHEREAS, acquisition of the property shall be for municipal use, providing the Municipality with an opportunity to hold land in the Heritage Land Bank inventory for future use in an area that is experiencing considerable population growth and increases in land values; and

WHEREAS, funds to acquire the property are available from the Heritage Land Bank Fund (221) Balance and the remainder of funds set aside for the Lake Otis & Tudor Capital Fund Project; and

WHEREAS, if funds become available to the Municipality for purchase of this property through other fund appropriation efforts, the Heritage Land Bank Fund will be reimbursed for the purchase of the property; now therefore,

THE HERITAGE LAND BANK ADVISORY COMMISSION RESOLVES:

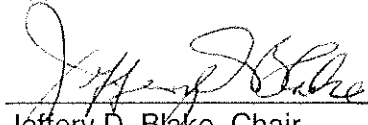
Section 1. To approve the acquisition of Tract B, Forest Heights Subdivision as more fully described in the attached memorandum.

Section 2. Appropriation of \$850,000 from the Heritage Land Bank Fund Balance (221) and \$2,150,000 from the Lake Otis & Tudor Capital Project is approved for a total appropriation amount not to exceed Three Million Dollars (\$3,000,000) for acquisition of the subject property.

Section 3. In the event state, federal and/or other funds become available for purchase of the property, the Heritage Land Bank Fund Balance (221) shall be reimbursed to the extent those monies are designated for acquisition costs.

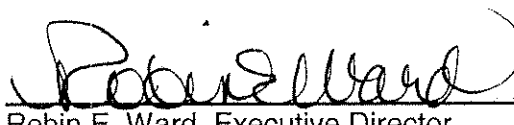
PASSED AND APPROVED on this, the 13th day of December 2005.

Approved:



Jeffery D. Blake, Chair
Heritage Land Bank Advisory Commission

Attest:



Robin E. Ward, Executive Director
Heritage Land Bank

Content Information**Content ID :** 003526**Type:** AR_FundsApprop - Funds Approp Resolution**Title:** Tract B Forest Heights Purchase**Author:** curtiscr2**Initiating Dept:** HLB**Description:** Purchase of Tract B, Forest Hts. Subdivision with HLB Funds**Keywords:** HLB Forest Heights Tract B**Date Prepared:** 11/30/05 5:30 PM**Director Name:** Robin Ward**Assembly Meeting Date**
MM/DD/YY: 12/13/05**Public Hearing Date MM/DD/YY:** 1/10/06**Workflow History**

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
FundsAppropWorkflow	11/30/05 5:33 PM	Checkin	vanhornlr	Public	003526
HLB_SubWorkflow	11/30/05 5:36 PM	Approve	wardre	Public	003526
ECD_SubWorkflow	12/1/05 9:25 AM	Approve	thomasm	Public	003526
FundsAppropWorkflow	12/1/05 2:52 PM	Reject	mitsonjl	Public	003526
FundsAppropWorkflow	12/1/05 4:42 PM	Checkin	vanhornlr	Public	003526
HLB_SubWorkflow	12/1/05 4:53 PM	Approve	wardre	Public	003526
ECD_SubWorkflow	12/2/05 9:25 AM	Approve	thomasm	Public	003526
OMB_SubWorkflow	12/2/05 12:37 PM	Approve	mitsonjl	Public	003526
Finance_SubWorkflow	12/2/05 12:56 PM	Approve	sinzje	Public	003526
MuniManager_SubWorkflow	12/2/05 1:13 PM	Checkin	curtiscr2	Public	003526
MuniManager_SubWorkflow	12/2/05 1:37 PM	Approve	leblancdc	Public	003526
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MuniMgrCoord_SubWorkflow	12/2/05 6:07 PM	Approve	curtiscr2	Public	003526

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