

Submitted by: Chair of the Assembly At
the Request of the Mayor
Prepared by: Heritage Land Bank &
Real Estate Services
For Reading: November 22, 2005

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ORDINANCE
APPROVED
Date: 1-18-06

ANCHORAGE, ALASKA
AO NO. 2005-174

AN ORDINANCE AUTHORIZING THE SALE OF LOTS 9 AND 10, RIDGEVIEW
SUBDIVISION, LOCATED AT THE INTERSECTION OF OLD SEWARD AND EAST 70TH
AVENUE, IN ANCHORAGE (PARCEL ID NOS. 014-111-19 AND 014-111-20).

WHEREAS, Lots 9 and 10, Ridgeview Subdivision were acquired in 1991 by the Municipality of Anchorage through tax foreclosure; and

WHEREAS, both parcels were determined to contain higher than acceptable levels of petroleum hydrocarbons and are also restricted for use by an adjacent parcel (Lot 15A, Ridgeview Subdivision) as a parking lot; and

WHEREAS, Lots 9 and 10 have been determined to have negligible intrinsic value except to the adjacent property owner for parking purposes, and therefore placing Lots 9 and 10 under the same ownership with Lot 15A would increase their collective assessed value as noted in the attached memorandum from Property Appraisal; and

WHEREAS, per the terms outlined in AR 2001-147 addressing outstanding Road Improvement District (RID) special assessments on the subject properties, if the properties are sold, proceeds currently estimated at \$16,763.81 are to be first applied to payment of the assessments and placed in the Areawide Fund (101); and

WHEREAS, the administration desires to sell the properties on behalf of the Municipality and return them to the tax roll at a collectively higher assessed value,

NOW THEREFORE, THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. The sale of Lots 9 and 10, Ridgeview Subdivision, for the special assessment (RID) value of Sixteen Thousand, Seven Hundred Sixty-Four Dollars (\$16,764.00), and is hereby authorized.

Section 2. This ordinance shall take effect immediately upon passage and approval.

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

Anna J. Fausclough
Chairman of the Assembly

ATTEST:

Shirley S. J. J. J.
Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2005- 174 Title: **Sale of Lots 9 & 10, Ridgeview** (Old Seward Hwy)
Sponsor: Real Estate Services
Preparing Agency: HLB
Others Affected:

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY05	FY06	FY07	FY08
Operating Expenditures				
1000 Personal Services				
2000 Supplies				
3000 Other Services				
4000 Debt Service				
5000 Capital Outlay				

TOTAL DIRECT COSTS: **\$0.00** All transaction costs are the responsibility of purchaser.

6000 IGCs 0

FUNCTION COST: 0

REVENUES: 0

CAPITAL: 0

POSITIONS: FT/PT and Temp. 0

PUBLIC SECTOR ECONOMIC EFFECTS:

Proceeds from sale will go toward prior billed MOA assessments for road improvements, with no net revenue to MOA. The parcels will acquire value once associated with adjoining property, will be added to the municipal tax base, and increase the overall value of the properties.

PRIVATE SECTOR ECONOMIC EFFECTS:

Sale of these parcels to the private sector (to adjacent property owner) will add value to all three properties by providing parking area for adjacent property owner's building.

Prepared by: **Tammy Oswald**, RES Manager

Telephone: **343-7986**

Validated by OMB: _____

Date: _____

Approved by: Robin E. Ward, HLB Director
(Director, Preparing Agency)

Date: _____



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 844-2005

MEETING DATE: November 22, 2005

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2
3 FROM: MAYOR

4
5
6 SUBJECT: AN ORDINANCE AUTHORIZING THE SALE OF LOTS 9 AND 10,
7 RIDGEVIEW SUBDIVISION, LOCATED AT THE INTERSECTION OF OLD
8 SEWARD AND EAST 70TH AVENUE IN ANCHORAGE (PARCEL ID NOS. 014-
9 111-19 AND 014-111-20).

10
11 Lots 9 and 10, Ridgeview Subdivision, measuring 7,375SF and 7,061SF respectively, are located on
12 the southeast corner of the Old Seward Highway and East 70th Avenue, in Anchorage (see map,
13 Appendix A). The Municipality acquired the lots through a tax foreclosure in 1991, and attempts to
14 attract buyers to date have been unsuccessful.

15
16 On September 26, 1995, the Assembly approved AR 95-229, levying special assessments for street
17 improvements in the area, which included the two subject parcels (Appendix B). In 1998, the State
18 of Alaska, Department of Transportation (DOT) acquired right of way (ROW) from both of these
19 lots, in connection with the project to widen the Old Seward Highway. Site work confirmed the
20 presence of petroleum hydrocarbons in quantities exceeding acceptable levels. The DOT installed a
21 barrier to prevent contamination from migrating from the larger parcel into the ROW, and DOT then
22 cleaned the ROW. The remaining contamination is capped by a fully paved surface. The cost of
23 contamination clean up appears to prohibit any use of the lot as a building site.

24
25 Both lots are restricted with a parking covenant granting surface use as parking for the adjacent
26 dominant parcel 15A, tax id no. 014-111-57. The lots have no value to anyone other than the
27 adjacent property owner. The adjacent property is improved in a manner requiring use of Lots 9 &
28 10 for parking; without the parking covenant, the building does not comply with code requirements
29 for parking.

30
31 If all three parcels are under single ownership, the parcels can be coupled to reflect the full value as
32 a single tax parcel and future property taxes can be collected. Property Appraisal reviewed the total
33 value of the assembled property, including the two lots used for parking (Appendix C). Perfecting
34 the ownership of the two lots adds approximately \$20,000 to the current assessed value of Lot 15A.

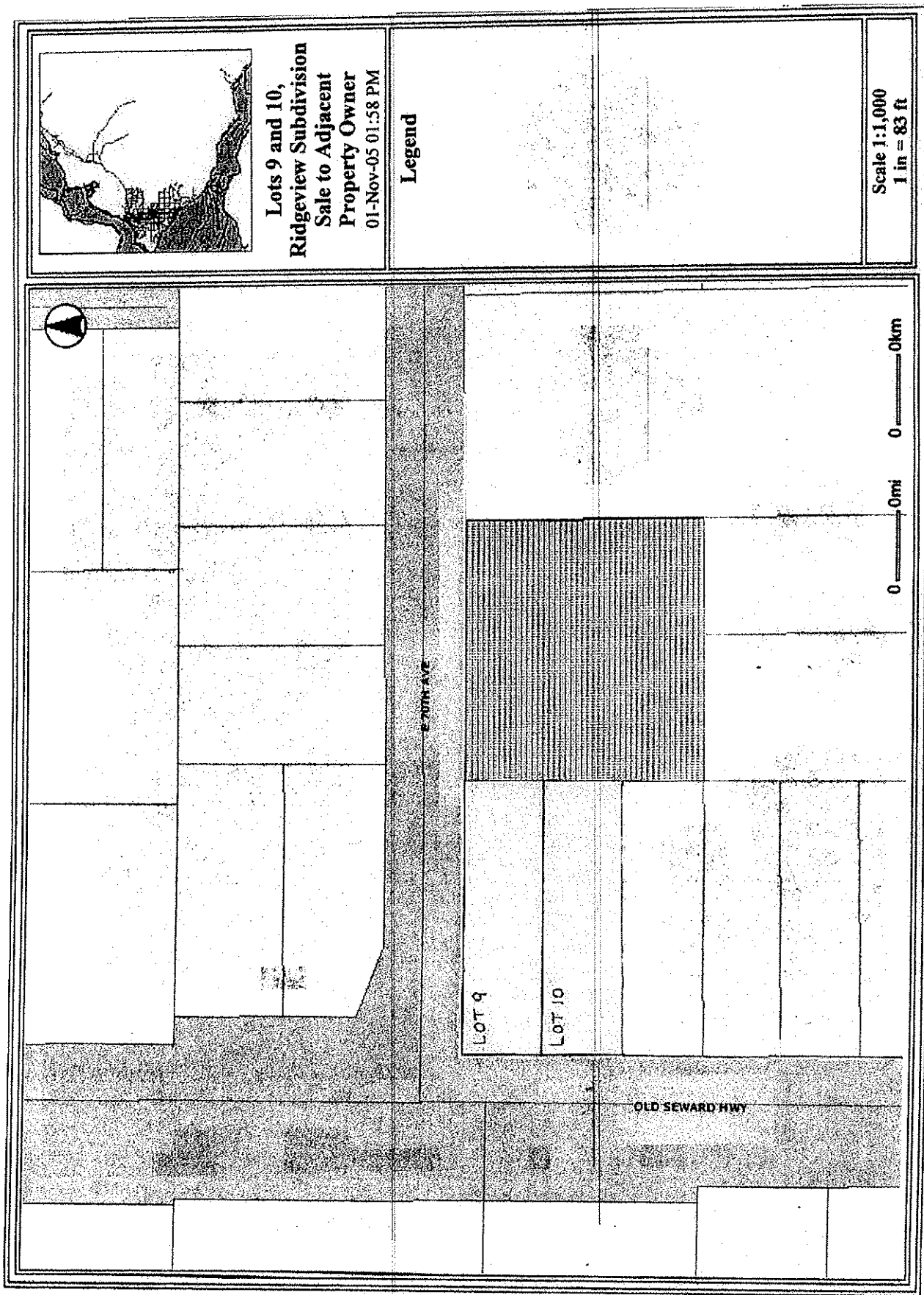
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36 On May 8, 2001, the Assembly passed AR No 2001-147 (Appendix D), extinguishing all unpaid
37 tax, penalty, interest, and administrative debt against the parcels. AR 2001-147 further required
38 proceeds, upon sale to be first applied to special assessments, with any residual placed in Area Wide
39 Fund 101.

1 The Special Assessments due on the two parcels are for Road Improvement District (RID)
2 assessments, with total water and sewer costs amounting to \$16,763.81 (through November 30,
3 2005). The owner of Lot 15A, the Kathleen Haslett Revocable Trust, offered the Municipality
4 \$16,763.81 cash for the lots "as is". The proceeds from sale will be distributed per AR 2001-147.

5
6 THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE
7 AUTHORIZING THE SALE OF LOTS 9 AND 10, RIDGEVIEW SUBDIVISION, LOCATED
8 NEAR THE INTERSECTION OF OLD SEWARD HIGHWAY AND EAST 70th AVENUE IN
9 ANCHORAGE (PARCEL ID NOS. 014-111-19 AND 014-111-20).

10
11 Prepared by: Tammy R. Oswald, Manager, Real Estate Services
12 Recommended by: Robin E. Ward, Executive Director,
13 Heritage Land Bank, Real Estate Services Division
14 Concur: Mary Jane Michael, Executive Director
15 Economic & Community Development
16 Concur: Denis C. LeBlanc, Municipal Manager
17 Respectfully submitted: Mark Begich, Mayor
18
19
20

Appendix A



Appendix B

Submitted by: Chairman of the Assembly
at the request of the Mayor
Prepared by: Public Works
For Reading: August 22, 1995

CLERK'S OFFICE

APPROVED

Date: 9-26-95

ANCHORAGE, ALASKA
AR NO. 95-229

1 A RESOLUTION CONFIRMING AND LEVYING SPECIAL ASSESSMENTS FOR STREET
2 IMPROVEMENTS ON PROPERTY SPECIALLY BENEFITTED IN PAVING SPECIAL
3 ASSESSMENT DISTRICT NO. 2P90 - EAST SEVENTIETH AVENUE AND EAST
4 SEVENTY-FIRST AVENUE AREA STREET PAVING AND STREET LIGHTING AND
5 SETTING THE DATE OF ASSESSMENT INSTALLMENT PAYMENTS, INTEREST ON
6 UNPAID ASSESSMENTS, AND PROVIDING FOR PENALTIES AND INTEREST IN THE
7 EVENT OF DELINQUENCY.
8

9
10 THE ANCHORAGE ASSEMBLY RESOLVES:
11

12
13 Section 1. The improvements authorized in Anchorage
14 Ordinance 92-73 are hereby deemed completed. Special assessments are
15 hereby levied against the lots and tracts specially benefitted by the
16 said improvements as set forth in the attached assessment roll
17 prepared for the district.
18

19
20 Section 2. Timely notice was sent to each property owner
21 whose property was specially benefitted by the improvements as
22 indicated on the assessment roll, and each property owner was given
23 notice of a public hearing before the Assembly for the purpose of
24 giving the property owners an opportunity to present objections to the
25 roll by showing errors and inequalities and by submitting any reason
26 for amending or correcting the assessment roll for the Paving Special
27 Assessment District No. 2P90 - East Seventieth Avenue and East
28 Seventy-First Avenue area street paving and street lighting.
29

30 Section 3. In conformance with the notice to the property
31 owners, the Assembly held a hearing on _____, to hear
32 objections to the roll by property owners. At said hearing, all
33 errors and inequalities to which valid objections were raised, if any,
34 were corrected and the amount now indicated on said special assessment
35 roll are the amount finally determined to be the amounts to be
36 assessed and which are equal to or less than the special benefit to
37 each property accruing from the improvements constructed in said
38 special assessment district. The assessment roll has been duly
39 certified by the clerk. Special assessments are hereby levied against
40 the lots and tracts specially benefitted by the said improvements as
41 set forth in the attached assessment roll for the district.
42

43 Section 4. All assessments and installment interest
44 thereon, may be paid in approximately equal annual installments
45 according to the schedule specified in Anchorage Ordinance No. 92-73.
46 Annual installments are due and payable on or before the 1st day of
47 July of each year, with the first such installment
48 coming due and being payable on July 1, 1996.
49

50 Section 5. Interest on the unpaid assessment shall be at
51 the rate equal to the effective interest rate on the last bonds sold
52 to finance similar improvements.

AM 873-95/AIM 176-95

2 Section 6. Assessment installments not paid when due and
3 payable are delinquent beginning on the day following the date when
4 due and payable. A penalty of eight percent (8%) shall be added to
5 any assessment installment not paid before the date of delinquency and
6 both the penalty and the delinquent amount shall draw interest at the
7 rate of eight percent (8%) per anum until paid.

8 Section 7. Within thirty (30) days from the passage of this
9 resolution, the Municipal Treasurer shall mail, postage prepaid, a
10 notice to any owner of property whose assessment, schedule of
11 payments, delinquencies, or amount of penalty and interest has been
12 changed as a result of the hearing on the assessment roll. Not more
13 than sixty (60), or less than thirty (30) days before the date said
14 assessment or the first installment thereof shall become delinquent,
15 the Municipal Treasurer shall mail a payment notice to each property
16 owner, but failure to mail such notice shall in no way affect any
17 liability for assessment levied by this resolution.

18 PASSED AND APPROVED by the Anchorage Municipal Assembly this 26th day
19 of September, 1995.

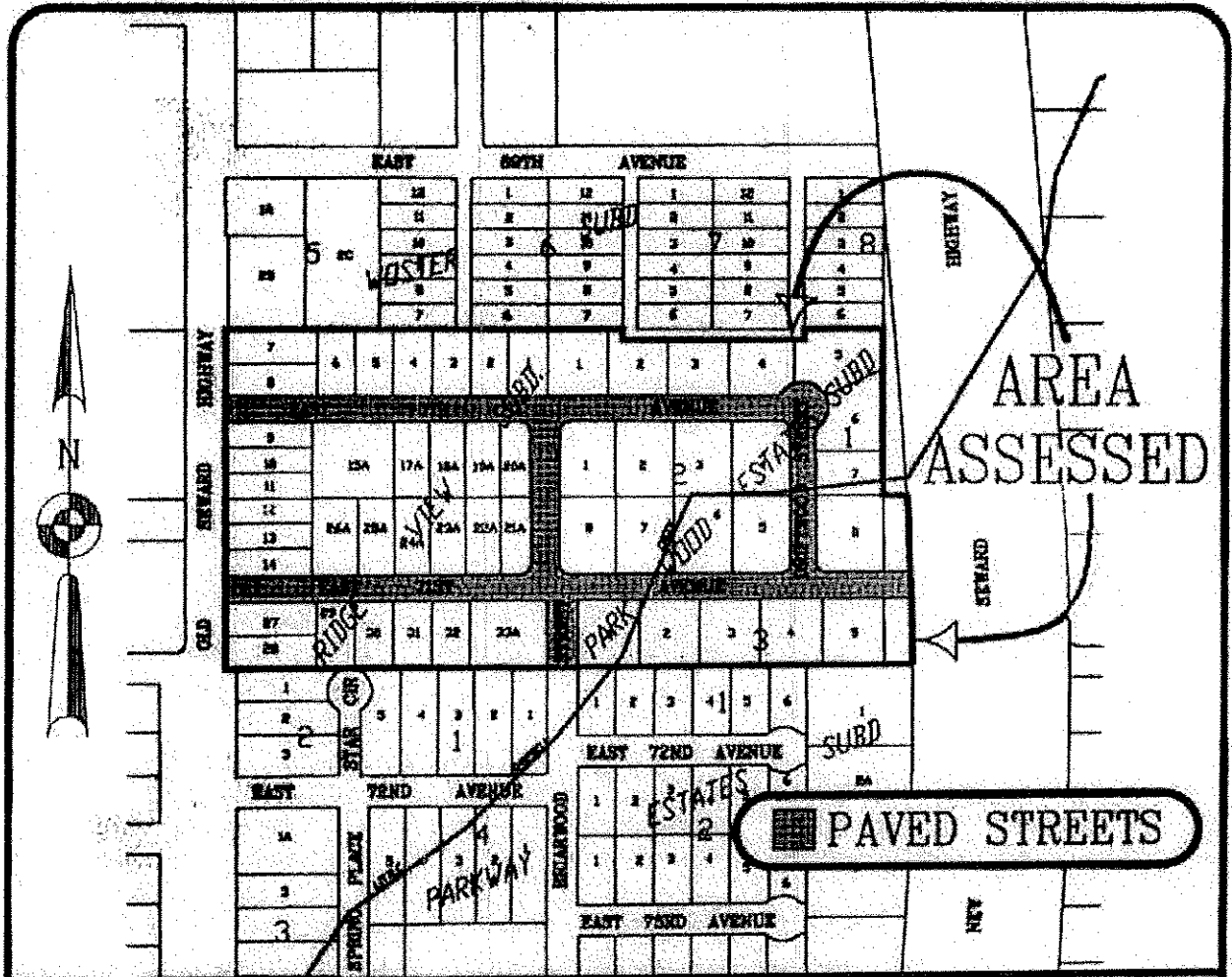
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Chair

ATTEST:


Municipal Clerk

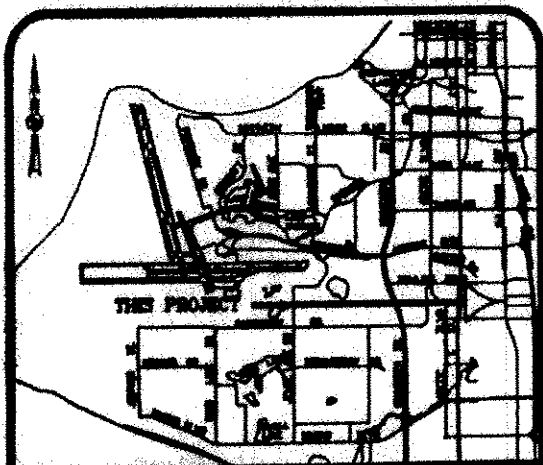
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E70TH

PROJECT MAP

MARK
03-13-95



MUNICIPALITY OF ANCHORAGE
VICINITY MAP

ROAD IMPROVEMENT DISTRICT 2P90

PAVING AND LIGHTING IMPROVEMENTS

E 70TH AVE, E 71ST AVE, DRIFTWOOD

ST AND BRIARWOOD ST RID

DEPARTMENT OF PUBLIC WORKS
OFFICE OF THE MUNICIPAL ENGINEER

Appendix C

From: McGee, Marty
Sent: Friday, October 07, 2005 4:07 PM
To: Oswald, Tammy R.
Cc: Schlosstein, Brent H.; Woodke, John W.
Subject: Value of lots Old

014-111-19, 20

These two lots are subject to a restrictive covenant granting surface use as parking to the adjacent dominant estate. The two lots also appear to be contaminated which is contained by asphalt paving. The cost of clean up of contamination appears to prohibit any use of the lot as a building site.

The restrictive covenant appears to run with the land and provides beneficial use of the lots only to the adjacent dominant estate.

According to a legal review by Dennis Wheeler of the Municipal Attorneys office 6/10/98 It appears that the lots have no value to anyone other than the adjacent property owner. The adjacent property 014-111-57 is improved in such a manner that use of these two lots is required and the building would not function without the parking. Our review indicates that the owner of the two subject lots would not be able to charge a rent for the lots to the owner of 014-111-57. Since the owner of 014-111-57 appears to have the right to use the lots whomever owns them there does not appear to be a great incentive to own the lots outright.

There may be some risk to the owner of 014-111-57 that their use of the lots for parking could be disrupted or challenged so long as the lots are in separate ownership. A cost to cure in the nature of settlement of a nuances law suit would appear to be the value to the adjacent property owner. This would place the value between \$10,000 and \$20,000.

The assessed value of property is not reduced by the amount of pending special assessments against the property. That amount is in effect a loan against the property for improvements which are owned by the property owner and taxable.

We have reviewed the total value of the assembled property including the two lots used for parking. We feel that perfecting the ownership of those two lots would add approximately \$20,000 to the current assessed value of lot 014-111-57.

Appendix D

CLERK'S OFFICE
APPROVED
Date: 5-8-01

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Real Estate Services
For Reading: MAY 8, 2001

ANCHORAGE, ALASKA
AR NO. 2001-147

A RESOLUTION AUTHORIZING THE MUNICIPALITY OF ANCHORAGE TO EXTINGUISH ALL UNPAID TAX, PENALTY, INTEREST, AND ADMINISTRATIVE DEBT ON THE PROPERTIES LISTED IN EXHIBIT A.

WHEREAS, all of the properties in Exhibit A are tax foreclosed parcels which the Municipality has held under a clerk's deed for more than ten years, and

WHEREAS, all re-purchase rights have been extinguished by operation of AS 29.45.460(d).


NOW THEREFORE, the Anchorage Assembly resolves:

Section 1. The Municipality of Anchorage is authorized to extinguish the tax, interest, penalty, and administrative debt against the parcels in Exhibit A.

Section 2. Upon sale of the parcels in Exhibit A, proceeds shall first be applied to Special Assessments, and any residual proceeds shall be placed in Area Wide Fund 101.

Section 3. This resolution shall take effect immediately upon passage and approval by the Anchorage Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 8th day of May, 2001


Chairman of the Assembly

ATTEST:


Municipal

EXHIBIT A TO AR 2001-147

004-035-47 E2E3N2 Lot 4, Block 16 Mountain View
3320 Thompson Avenue

014-111-19 Lot 10, Ridge View
Old Seward Highway

014-111-20 Lot 9, Ridge View
Old Seward Highway

Content Information

Content ID : 003462

Type: Ordinance - AO

Title: Sale of Lots 9 & 10, Ridgeview Subdivision

Author: vanhornlr

Initiating Dept: HLB

Description: Sale of two properties that have no intrinsic value for special assessments owed.

Keywords: Ridgeview Sale of Lots 9 & 10 Road Assessments

Date Prepared: 11/1/05 3:41 PM

Director Name: Robin Ward

Assembly Meeting Date
MM/DD/YY: 11/22/05

Public Hearing Date
MM/DD/YY: 12/13/05

M.O.A.
 2005 NOV 14 AM 10:28
 CLERKS OFFICE

Workflow History

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllOrdinanceWorkflow	11/1/05 3:54 PM	Checkin	vanhornlr	Public	003462
HLB_SubWorkflow	11/1/05 5:24 PM	Approve	wardre	Public	003462
ECD_SubWorkflow	11/2/05 2:08 PM	Approve	thomasm	Public	003462
AllOrdinanceWorkflow	11/2/05 4:14 PM	Reject	mitsonjl	Public	003462
AllOrdinanceWorkflow	11/2/05 5:00 PM	Checkin	vanhornlr	Public	003462
ECD_SubWorkflow	11/2/05 5:06 PM	Approve	thomasm	Public	003462
AllOrdinanceWorkflow	11/3/05 7:38 AM	Reject	mitsonjl	Public	003462
AllOrdinanceWorkflow	11/3/05 9:32 AM	Checkin	vanhornlr	Public	003462
ECD_SubWorkflow	11/3/05 9:58 AM	Approve	thomasm	Public	003462
OMB_SubWorkflow	11/7/05 7:58 AM	Approve	mitsonjl	Public	003462
Legal_SubWorkflow	11/7/05 5:23 PM	Approve	fehlenrl	Public	003462
MuniManager_SubWorkflow	11/11/05 7:54 AM	Approve	leblancdc	Public	003462
MuniMgrCoord_SubWorkflow	11/13/05 6:16 PM	Approve	abbottmk	Public	003462