

CLERK'S OFFICE

APPROVED

Date: 6-26-07

Submitted by: Chair of the Assembly at the  
Request of the Mayor

Prepared by: Merrill Field Airport

For Reading: June 12, 2007

ANCHORAGE, ALASKA

AO 2007- 85

1 A ORDINANCE AUTHORIZING THE ACQUISITION OF THE SOUTH 150 FEET  
2 OF BLOCK 1, THIRD ADDITION TO THE TOWNSITE OF ANCHORAGE AND  
3 ACCEPTING WHEN TENDERED ONE MILLION FIVE HUNDRED TWENTY  
4 THOUSAND DOLLARS (\$1,520,000) FROM THE FEDERAL AVIATION  
5 ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM GRANT AND  
6 FORTY THOUSAND DOLLARS (\$40,000) FROM THE STATE OF ALASKA  
7 DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES GRANT  
8 AND APPROPRIATING SAID GRANTS AND FORTY THOUSAND DOLLARS  
9 (\$40,000) FROM AIRPORT UNRESTRICTED NET ASSETS TO MERRILL  
10 FIELD'S CAPITAL IMPROVEMENT FUND FOR THE ACQUISITION OF THIS  
11 PARCEL.

12  
13  
14 **WHEREAS**, the Merrill Field Airport Master Plan, adopted by Assembly Resolution AR  
15 2000-138, identifies the need to acquire certain lands adjacent to Merrill Field for the  
16 purpose of ensuring compatible land use and to make available new property for  
17 aviation development; and

18  
19 **WHEREAS**, the Federal Aviation Administration grant agreements encourage and  
20 require the Municipality of Anchorage ensure compatible land use around Merrill Field  
21 Airport; and

22  
23 **WHEREAS**, the Federal Aviation Administration has approved the administrative  
24 process used to determine the market value of the subject property; and

25  
26 **WHEREAS**, the current property owner has expressed an interest in selling their  
27 property to the Municipality of Anchorage, and

28  
29 **WHEREAS**, in anticipation of the Federal Aviation Administration offering the  
30 Municipality of Anchorage a grant of funds in the amount of One Million Five Hundred  
31 Twenty Thousand Dollars (\$1,520,000); and

32  
33 **WHEREAS**, in anticipation of the State of Alaska offering the Municipality of Anchorage  
34 a grant of funds in the amount of Forty Thousand Dollars (\$40,000); and

35  
36 **WHEREAS**, the grant amounts will be adjusted by the granting agencies to actual  
37 expenditures at time of closing; now therefore

**THE ANCHORAGE MUNICIPAL ASSEMBLY ORDAINS:**

**Section 1.** The acquisition of the following described real property by the Municipality of Anchorage is approved:

The South 150 feet of Block 1, Third Addition to Townsite of Anchorage, located in U.S.S. 408, Anchorage Recording District, Third Judicial District, State of Alaska and also shown of record as The South 150 feet of Block One (1), Third Addition to the Townsite of Anchorage, an unsubdivided portion of Block One (1), on the official plat filed October 7, 1948 under Plat Number P-164, Anchorage Recording District, Third Judicial District, State of Alaska.

**Section 2.** The acceptance and appropriation, when tendered, of the Federal Aviation Administration (FAA) grant of One Million Five Hundred Twenty Thousand Dollars (\$1,520,000) is approved for the acquisition of the South 150 feet of Block 1, Third Addition to the Townsite of Anchorage.

**Section 3.** The acceptance and appropriation, when tendered, of the State of Alaska Department of Transportation and Public Facilities (SOA DOT&PF) grant of Forty Thousand Dollars (\$40,000) is approved.

**Section 4.** The appropriation of the sum of Forty Thousand Dollars (\$40,000) from airport unrestricted net assets to Merrill Field's Capital Improvement Fund is approved.

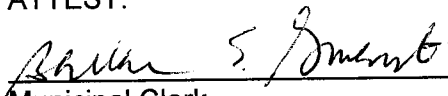
**Section 5.** The Mayor, or his designee, is authorized to enter into an agreement with the FAA and with the SOA DOT&PF and provide information as may be required of the Municipality of Anchorage for the acquisition of the real property described in Section 1 above.

**Section 6.** This Ordinance shall take effect immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 26<sup>th</sup> day of June, 2007.

  
Chair

ATTEST:

  
Municipal Clerk

Departmental Appropriation:  
Merrill Field Airport \$1,600,000

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- Utilities**

AO Number: **2007 -85**

Title: **AN ORDINANCE AUTHORIZING THE ACQUISITION OF THE SOUTH 150 FEET OF BLOCK 1, THIRD ADDITION TO THE TOWNSITE OF ANCHORAGE AND ACCEPTING WHEN TENDERED FEDERAL AND STATE GRANTS AND APPROPRIATING SAID GRANTS AND FORTY THOUSAND DOLLARS FROM AIRPORT UNRESTRICTED NET ASSETS TO MERRILL FIELD'S CAPITAL IMPROVEMENT FUND FOR THE**

Sponsor: **David A. Lundeby**  
Preparing Agency: **Merrill Field Airport**  
Others Impacted: **None**

<b>CHANGES IN REVENUES AND EXPENSES:</b>		<b>(In Thousands of Dollars)</b>				
	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	
<b>Operating Revenues:</b>						
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 90</b>	<b>\$ 180</b>	<b>\$ 180</b>	<b>\$ 180</b>	<b>\$ 180</b>	
<b>Operating Expenses:</b>						
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 30</b>	<b>\$ 60</b>	<b>\$ 60</b>	<b>\$ 60</b>	<b>\$ 60</b>	
<b>Non-Operating Revenues:</b>						
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Non-Operating Expenses:</b>						
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>NET INCOME (REGULATED)</b>	<b>\$ 60</b>	<b>\$ 120</b>	<b>\$ 120</b>	<b>\$ 120</b>	<b>\$ 120</b>	
<b>POSITIONS: FT/PT and Temp</b>						

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Merrill Field Airport will have management authority for this commercial property and will continue to rent the facility to the private sector during the transition period from non-aviation to aviation activities (convert to aircraft hangars in approximately 5 years).

This property acquisition will reduction tax revenue by approximately \$20,000.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Make available new property for aviation development.

Prepared by: **David A. Lundeby, Manager, Merrill Field Airport**

Telephone: **343-6305**

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

NO. AM 386-2007

Meeting Date: June 12, 2007

From: Mayor

Subject: AN ORDINANCE AUTHORIZING THE ACQUISITION OF THE SOUTH 150 FEET OF BLOCK 1, THIRD ADDITION TO THE TOWNSITE OF ANCHORAGE AND ACCEPTING WHEN TENDERED ONE MILLION FIVE HUNDRED TWENTY THOUSAND DOLLARS (\$1,520,000) FROM THE FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM GRANT AND FORTY THOUSAND DOLLARS (\$40,000) FROM THE STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES GRANT AND APPROPRIATING SAID GRANTS AND FORTY THOUSAND DOLLARS (\$40,000) FROM AIRPORT UNRESTRICTED NET ASSETS TO MERRILL FIELD'S CAPITAL IMPROVEMENT FUND FOR THE ACQUISITION OF THIS PARCEL.

The Merrill Field Airport Master Plan, adopted by Assembly Resolution AR 2000-138, identifies the need to acquire certain lands along the west side of Merrill Field. The primary purpose of this land acquisition program is to eliminate deviations from Airport design standards within Runway and Taxiway Object Free Areas and Runway Protection Zones, to ensure airport compatible land use and make available new property for aviation development.

The FAA and the State of Alaska have consistently supported these land purchases to provide the airport the authority to remove existing obstructions and to make available new property for aviation development.

Over the past 20 years, Merrill Field has had a Land Acquisition Program in place to prioritize land acquisitions as identified on the FAA approved Airport Layout Plan. The Land Acquisition Program has been very successful, there has been 36 grant funded property acquisitions and 16 grant funded building demolitions which has resulted in a safer environment for the aviation community and the general public. Currently, there are four remaining parcels recommended for acquisition along the west side of Merrill Field, which includes the subject parcel. All of these land acquisitions have been completed under a willing seller willing buyer arrangement.

The current property owners, Lester A. Klatt and Dora Klatt, have expressed an interest in selling their property to the Municipality of Anchorage. The property owners and the Municipality of Anchorage have executed a "Purchase and Sale Agreement" whereby agreeing to sell their property to the Municipality of Anchorage at the established fair market value. The obligation of the Municipality to close on this agreement is expressly contingent on Assembly approval to accept grant funding and authority to acquire land. A recent appraisal and review appraisal have established the fair market value of the

property to be \$1,550,000. The appropriation includes \$50,000 for closing and administrative cost.

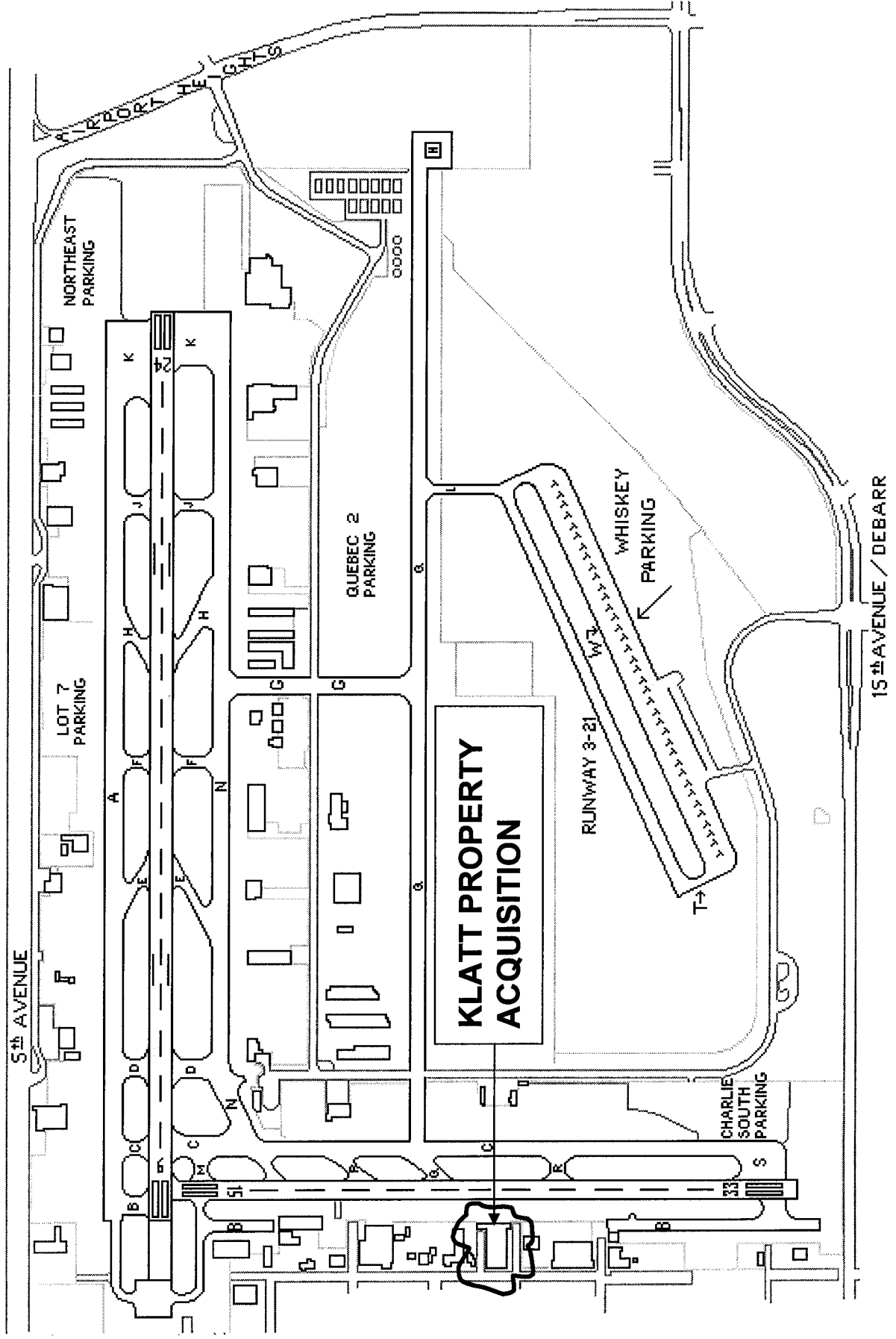
Merrill Field Airport anticipates receiving a grant of \$1,520,000 for the acquisition of the subject parcel from the United States Department of Transportation, Federal Aviation Administration. Merrill Field Airport also anticipates receiving \$40,000 in grant matching funds from the State of Alaska for these improvements. The Municipality of Anchorage's matching share of \$40,000 comes from Merrill Field Unrestricted Net Assets. Appropriation is contingent upon receipt of the FAA grant.

U.S. DOT, FAA Grant Offer	\$1,520,000
SOA/DOT&PF Grant Offer	\$40,000
MOA Match	<u>\$40,000</u>
TOTAL	\$1,600,000

**THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE AUTHORIZING THE ACQUISITION OF THE SOUTH 150 FEET OF BLOCK 1, THIRD ADDITION TO THE TOWNSITE OF ANCHORAGE AND ACCEPTING WHEN TENDERED ONE MILLION FIVE HUNDRED TWENTY THOUSAND DOLLARS (\$1,520,000) FROM THE FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM GRANT AND FORTY THOUSAND DOLLARS (\$40,000) FROM THE STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES GRANT AND APPROPRIATING SAID GRANTS AND FORTY THOUSAND DOLLARS (\$40,000) FROM AIRPORT UNRESTRICTED NET ASSETS TO MERRILL FIELD'S CAPITAL IMPROVEMENT FUND FOR THE ACQUISITION OF THIS PARCEL.**

Prepared by: Merrill Field Airport  
Approved by: David A. Lundebly, Manager, Merrill Field Airport  
Fund Certification: Jeffrey E. Sinz, Chief Fiscal Officer  
\* 581-8982-9331-890607 \$1,520,000 (BY2006)  
(Designated Federal Grant)  
\* 581-8982-9825-890607 \$40,000 (BY2006)  
(Designated State Grant)  
580-0770 \$40,000 (BY2007)  
(Airport Net Assets)  
\* Subject to receipt of approved grant agreements  
Concur: James N. Reeves, Municipal Attorney  
Concur: Denis C. LeBlanc, Municipal Manager  
Respectfully submitted: Mark Begich, Mayor

# MERRILL FIELD AIRPORT



**Content Information****Content ID :** 005104**Type:** Ordinance-InvolvingFunds - AOAO AUTHORIZING ACQUISITION OF S. 150' OF BLK 1. ACCEPTING  
\$1,520,00 FROM FAA AIP GRANT, \$40,000 FROM SOA DOTPF**Title:** GRANT AND APPROPRIATING GRANTS AND \$40,000 FROM  
AIRPORT UNRESTRICTED NET ASSETS TO MERRILL FIELD'S CIP  
FUND FOR ACQUISITION OF PARCEL.**Author:** luebkela**Initiating  
Dept:** MerrillAO AUTHORIZING ACQUISITION OF S. 150' OF BLK 1. ACCEPTING  
\$1,520,00 FROM FAA AIP GRANT, \$40,000 FROM SOA DOTPF**Description:** GRANT AND APPROPRIATING GRANTS AND \$40,000 FROM  
AIRPORT UNRESTRICTED NET ASSETS TO MERRILL FIELD'S CIP  
FUND FOR ACQUISITION OF PARCEL.**Date  
Prepared:** 5/15/07 2:47 PM**Director  
Name:** David A. Lundebly**Mayor  
Review?:** No**Assembly  
Meeting Date:** 6/12/07**Public  
Hearing Date:** 6/26/07

CLEMS OFFICE

2007 JUN -1 PM 1:02

M.O.A.

**Workflow History**

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllFundOrdinanceWorkflow	5/15/07 3:21 PM	Checkin	luebkela	Public	005104
Merrill_SubWorkflow	5/15/07 4:00 PM	Approve	lundeblyda	Public	005104
OMB_SubWorkflow	5/16/07 1:51 PM	Approve	mitsonjl	Public	005104
CFO_SubWorkflow	5/29/07 3:17 PM	Approve	sinzje	Public	005104
Legal_SubWorkflow	5/29/07 5:59 PM	Approve	fehlenrl	Public	005104
MuniManager_SubWorkflow	6/1/07 9:40 AM	Approve	leblancdc	Public	005104
MuniMgrCoord_SubWorkflow	6/1/07 11:31 AM	Approve	abbottmk	Public	005104