

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Heritage Land Bank  
For Reading: November 13, 2007

CLERK'S OFFICE

**APPROVED** ANCHORAGE, ALASKA  
Date: 12-11-07 AO No. 2007- 158

1 AN ORDINANCE AUTHORIZING DISPOSAL OF HERITAGE LAND BANK  
2 PARCEL 3-004, LOCATED ON REEVE BOULEVARD, BY COMPETITIVE BID SALE  
3 TO THE HIGHEST QUALIFYING BIDDER.

4  
5 **WHEREAS**, the Heritage Land Bank (HLB) was established to...“manage uncommitted  
6 municipal land and the Heritage Land Bank Fund in a manner designed to benefit the  
7 present and future citizens of Anchorage, promote orderly development, and achieve the  
8 goals of the Comprehensive Plan. The Heritage Land Bank shall acquire, inventory,  
9 manage, withdraw, transfer and dispose of municipal land which has not been dedicated or  
10 transferred to a specific municipal agency for one or more municipal uses.” (AMC  
11 section 25.40.010); and

12  
13 **WHEREAS**, “The disposal responsibility of the Heritage Land Bank is, at the direction of  
14 the mayor and Assembly, to convey from municipal ownership Heritage Land Bank land or  
15 interests in land which is not needed for specific public facilities or purposes. Each  
16 disposal shall be in the municipal interest, and based at or above appraised fair market  
17 value or for other equivalent municipal values or objectives, under the procedures specified  
18 in section 25.40.025.” (AMC section 25.40.010E.); and

19  
20 **WHEREAS**, the proposed sale to the private sector has generated public interest and will  
21 add the subject parcel to the tax rolls and create revenue for the Municipality; and

22  
23 **WHEREAS**, an appraisal of the subject property conducted in June, 2007 by King  
24 Valuation Company estimated fair market value at \$1,000,000.00; a minimum bid amount  
25 of \$1,000,000.00 plus appraisal and closing costs is required, payable upon closing by the  
26 highest qualifying bidder; and

27  
28 **WHEREAS**, HLB posted the properties and conducted an agency review by all potentially  
29 interested Municipal agencies to establish the subject parcels are surplus to municipal  
30 needs and therefore eligible for the proposed sale; and

31  
32 **WHEREAS**, the Heritage Land Bank Advisory Commission authorized sale of the subject  
33 property following a public hearing held on September 13, 2007; now, therefore,  
34

**THE ANCHORAGE ASSEMBLY ORDAINS:**

**Section 1.** Heritage Land Bank (HLB) Parcel 3-004, legally described as:

Tract B, Municipal Industrial Subdivision (TID #004-062-05-000)

shall be sold to the highest qualifying bidder for at least the established fair market value of \$1,000,000 plus appraisal and closing costs.

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

PASSED AND APPROVED by the Anchorage Assembly this 11<sup>th</sup> day of December, 2007.

  
Chair

ATTEST:

  
Municipal Clerk

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects - General Government**

AO Number: 2007-158 Title: AN ORDINANCE AUTHORIZING THE SALE OF HERITAGE LAND BANK PARCEL 3-004, LOCATED ON REEVE BOULEVARD IN ANCHORAGE, BY COMPETITIVE BID TO THE HIGHEST QUALIFYING BIDDER FOR AT LEAST FAIR MARKET VALUE PLUS COSTS.

Sponsor: MAYOR  
Preparing Agency: Heritage Land Bank  
Others Impacted:

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**CHANGES IN EXPENDITURES AND REVENUES:** (Thousands of Dollars)

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	FY07	FY08	FY09	FY10	FY11
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					
TOTAL DIRECT COSTS:	0	0	0	0	0
6000 IGCs	0	0	0	0	0
FUNCTION COST:	0	0	0	0	0
REVENUES:	0	1,000	0	0	
CAPITAL:	0	0	0	0	0
POSITIONS: FT/PT and Temp.	0	0	0	0	0

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**PUBLIC SECTOR ECONOMIC EFFECTS:**

Competitive sale of property to public; revenue generated from the purchase shall go to the Heritage Land Bank Fund (221).

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**PRIVATE SECTOR ECONOMIC EFFECTS:**

Property available for future industrial area development.

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Prepared by: William M. Mehner  
Heritage Land Bank Director

Telephone: 343-4337



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 698-2007

MEETING DATE: November 13, 2007

1 **FROM:** MAYOR

2  
3 **SUBJECT:** AN ORDINANCE AUTHORIZING THE SALE OF HERITAGE LAND  
4 BANK PARCEL 3-004, LOCATED ON REEVE BOULEVARD IN  
5 ANCHORAGE, BY COMPETITIVE BID TO THE HIGHEST  
6 QUALIFYING BIDDER FOR AT LEAST FAIR MARKET VALUE PLUS  
7 COSTS.  
8

9 This ordinance authorizes Heritage Land Bank (HLB) to sell a 5.77 acre parcel of land in  
10 the Mountain View area in a competitive bid sale.  
11

12 HLB Parcel No. 3-004 is a vacant industrial parcel zoned I-1, legally described as:

13  
14 Tract B, Municipal Industrial Subdivision, (Plat No. 80-  
15 191) Anchorage Recording District, Third Judicial District,  
16 State of Alaska, TID 004-062-05-000.  
17

18 The parcel is physically located in Mountain View. (See **Appendix A: Site Map.**) The  
19 property is located between Reeve Boulevard and Commercial Drive.  
20

21 Although not discussed in the 2007 Annual Work Program, HLB analysis of the property  
22 has determined that sale of the property in late 2007 or early 2008 will further the  
23 Mountain View redevelopment initiative. The parcel is in a strategic industrial location  
24 and several parties have expressed interest in purchase of the property.  
25

26 An appraisal dated June 8, 2007 by King Valuation Company estimated the value of this  
27 parcel at \$1,000,000 (**Appendix B**), based on the highest and best use assumption that the  
28 property is capable of being legally subdivided into two separate industrial lots. HLB  
29 decided to sell the property as is rather than spend approximately \$30,000 and dedicating  
30 staff time required to subdivide the property, with no guarantee that selling two lots would  
31 net a higher sale price.  
32

33 **Public Process.** The HLB conducted an agency review and found no municipal use for the  
34 property and received no objection from other municipal agencies for disposal of the  
35 subject property. The HLB posted the property on June 8, 2007 and mailed a notice of  
36 public meeting to surrounding property owners and local community councils.  
37

38 A notice of public meeting was also advertised in the Anchorage Daily News August 28,  
39 September 4 and September 11, 2007. The HLB Advisory Commission held the public  
40 meeting on September 13, 2007 and HLBAC Resolution No. 2007-14 was approved  
41 (**Appendix C**).

1  
2 **Recommendation.** At its September 13, 2007 meeting, the HLB Advisory Commission  
3 found that the sale is in the best interest of the Municipality of Anchorage. The HLB  
4 Advisory Commission therefore recommends Assembly approval of sale of the subject  
5 parcel. A minimum bid of \$1,000,000 reflects appraised value; all other costs, including  
6 but not limited to appraisal and closing, shall be paid by the successful bidder.  
7

8 THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE  
9 AUTHORIZING THE SALE OF HERITAGE LAND BANK PARCEL 3-004, LOCATED  
10 ON REEVE BOULEVARD IN MOUNTAIN VIEW, BY COMPETITIVE BID TO THE  
11 HIGHEST QUALIFYING BIDDER FOR AT LEAST FAIR MARKET VALUE PLUS  
12 COSTS.  
13

14 Prepared by: Heritage Land Bank  
15 Approved by: William M. Mehner, Director  
16 Heritage Land Bank  
17 Concur: Mary Jane Michael, Executive Director  
18 Department of Economic and Community Development  
19 Concur: James N. Reeves, Municipal Attorney  
20 Concur: Denis C. LeBlanc, Municipal Manager  
21 Respectfully submitted, Mark Begich, Mayor  
22

23 Appendices:

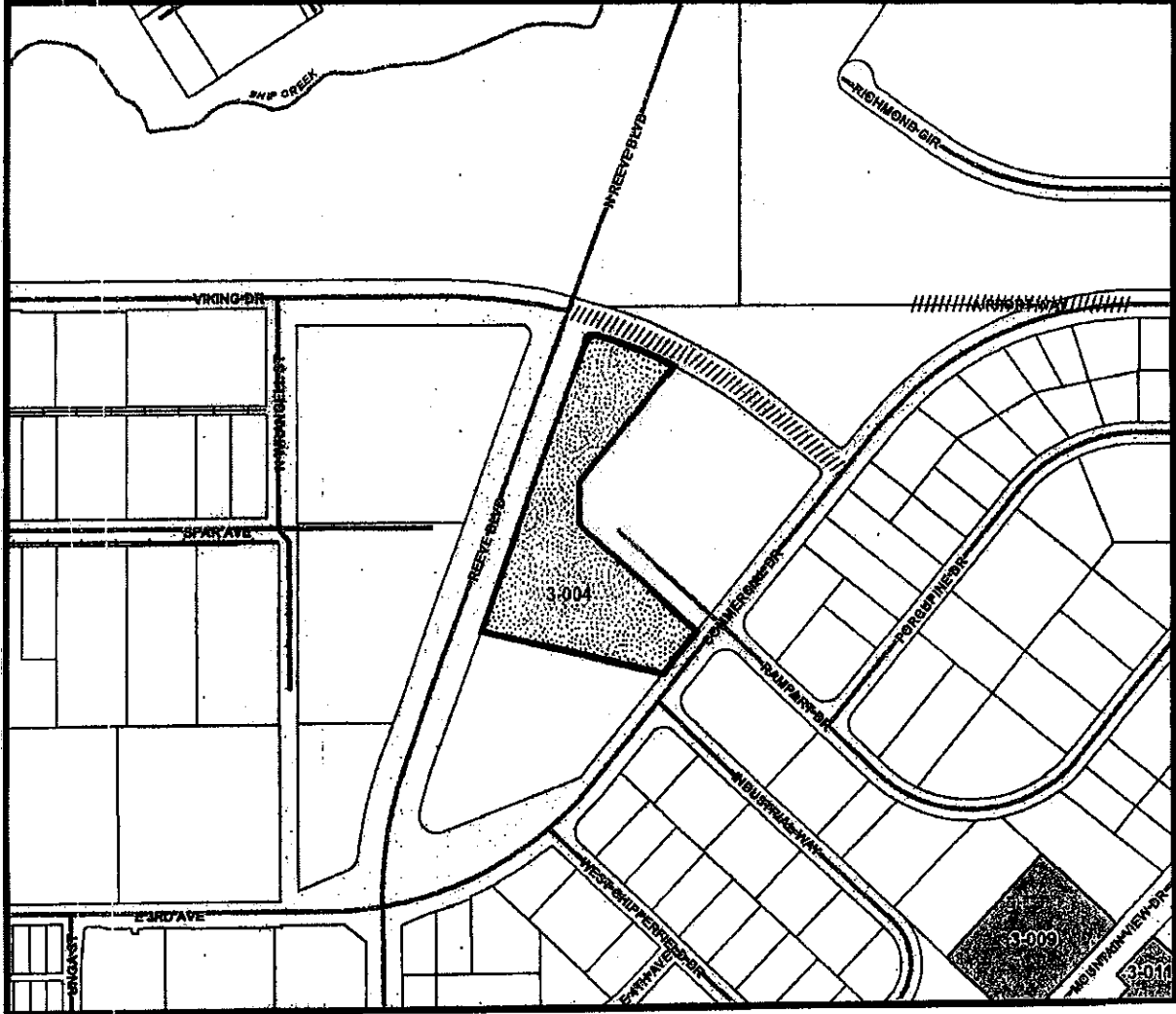
24 Appendix A—Site Map  
25 Appendix B—Appraisal Excerpt  
26 Appendix C—HLB Advisory Commission Resolution 2007-14  
27  
28

# Appendix A



## Municipality of Anchorage Heritage Land Bank

HLB: 3-004



Foot 475

Tax ID: 004-062-05-000

Managed by:

Zoning: I1

Legal: MUNICIPAL INDUSTRIAL  
TR B

Acres: 5.77

Sq. Ft.: 251341

Wetlands:

Community Council: NORTH MT. VIEW

Notes:

Deed Restrictions:

### Legend

- Streams
- ▨ Military
- Water Bodies
- ▤ Subject HLB Property
- ▥ HLB Properties
- Parcels
- Parks
- Roads
- //// Platted Not Built Roads
- Railroad



Disclaimer:  
This map is derived from Geographic Information Systems data developed and maintained by the Municipality of Anchorage (VOA). This map is not the official representation of any of the information included and is made available to the public solely for informational purposes. This map may be outdated, inaccurate and may omit important information. Do not rely on this information. The Municipality of Anchorage will not be liable for losses arising from errors, inaccuracies or omissions in the map.

May 09, 2006

## Appendix B

### KING VALUATION COMPANY

An Affiliation of Independent State Certified Real Estate Appraisers & Consultants

6542 Lakeway Drive

Anchorage, Alaska 99502-1949

Telephone: (907) 274-7636 — Fax phone: (907) 274-7639

June 11, 2007

Municipality of Anchorage  
Heritage Land Bank  
P.O. Box 196650  
Anchorage, Alaska 99519-6650

Attn: Mr. Art Eash  
Land Management Officer

Re: 5.77-Acre, I-1 Zoned Tract Between Commercial Drive and Reeve  
Boulevard, Anchorage, Alaska; Heritage Land Bank Parcel 3-004;  
(Our File #07-027)

Dear Mr. Eash:

As requested, I have conducted an appraisal of the above-referenced tract of land for the purpose of estimating the current market value of the fee simple interest, less mineral rights. As a result, my opinion of value, as of June 8, 2007 is as follows:

**ONE MILLION DOLLARS**

\*\*\* \$1,000,000 \*\*\*

The value estimate is allocated to two usable portions of the property as follows:

2-Acre± Usable Area on Commercial Drive:	\$ 870,000
1-Acre± Northern Usable Area:	<u>130,000</u>
Total Property Value:	<b>\$1,000,000</b>

The value opinion is based on several general assumptions and limiting conditions set forth at the end of the attached report. In addition, the following extraordinary assumptions are a critical component of the appraisal:

The appraisal is based on the assumption that the property is not environmentally contaminated (see page 12).

- The areas of usable land were roughly estimated based on my field inspections and review of a 2006 aerial photo. I recommend a survey be made to accurately determine the actual area of the usable portions of the tract and reserve the right to change this appraisal accordingly.

It is assumed that unlimited vehicular ingress and egress would be allowed via the northern usable area's frontage on the paved extension of Viking Drive. It is also assumed that a purchaser or lessee of this area would not be legally required to provide any street upgrades (see page 16).

## Appendix C

### MUNICIPALITY OF ANCHORAGE HERITAGE LAND BANK ADVISORY COMMISSION

#### RESOLUTION No. 2007-14

A RESOLUTION OF THE HERITAGE LAND BANK ADVISORY COMMISSION (HLBAC) RECOMMENDING ASSEMBLY APPROVAL FOR SEALED BID SALE OF HLB PARCEL 3-004, AS ONE PARCEL OR AS SUBDIVIDED LOCATED BETWEEN COMMERCIAL DRIVE AND REEVE BOULEVARD, TRACT D, MUNICIPAL INDUSTRIAL SUBDIVISION, TID 004-062-05-000, AT A MINIMUM OF FAIR MARKET VALUE PLUS COSTS.

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WHEREAS, the Heritage Land Bank (HLB) was established to..."Manage uncommitted municipal land and the Heritage Land Bank Fund in a manner designed to benefit the present and future citizens of Anchorage, promote orderly development, and achieve the goals of the Comprehensive Plan" (AMC 25.40.010); and

WHEREAS, AMC 25.40.025.A states, "The Heritage Land Bank Advisory Commission shall hold a public hearing, with public notice as specified in this chapter, prior to making a recommendation to the Mayor and Assembly regarding the disposal of Heritage Land Bank land or an interest in land."; and

WHEREAS, the subject parcel is a vacant industrial parcel legally described as Tract B, Municipal Industrial Subdivision, TID 004-062-05-000; and

WHEREAS, the disposal of this parcel is in the best interest of the Municipality and furthers the Mayor's Mountain View redevelopment initiative; and

WHEREAS, HLB posted the property and conducted public notice and an agency review by all potentially interested Municipal agencies to establish that the subject property is surplus to municipal needs and is therefore eligible for inclusion in this proposed sale; and

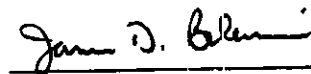
WHEREAS, the proposed sale to the private sector will add the subject parcel to the tax rolls and create revenue for the Heritage Land Bank Fund,

NOW, THEREFORE, THE HERITAGE LAND BANK ADVISORY COMMISSION RECOMMENDS ASSEMBLY APPROVAL FOR SEALED BID SALE OF HLB PARCEL 3-004 (TRACT D, MUNICIPAL INDUSTRIAL SUBDIVISION, TID 004-062-05-000), AS ONE PARCEL OR AS SUBDIVIDED AT MINIMUM FAIR MARKET VALUE PLUS COSTS.

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PASSED AND APPROVED the 13<sup>TH</sup> day of September 2007.

Approved:



JAMES BALAMACI, VICE CHAIR  
Heritage Land Bank Advisory Commission

Attest:



William M. Mehner, Executive Director  
Heritage Land Bank



**Content Information****Content ID :** 005662**Type:** Ordinance-InvolvingFunds - AO**Title:** Competitive Bid Sale of HLB Parcel #3-004**Author:** maglaquijp**Initiating Dept:** HLB**Description:** Disposal via sealed bid sale of HLB Parcel #3-004, located at Reeve Blvd.**Keywords:** HLB Parcel #3-004 sealed bid sale Disposal**Date Prepared:** 10/30/07 10:27 AM**Director Name:** Bill Mehner**Assembly Meeting  
Date:** 11/13/07**Public Hearing Date:** 11/27/07

M.O.A.  
 2007 NOV - 5 AM 10:53  
 CLERK'S OFFICE

**Workflow History**

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
AllFundOrdinanceWorkflow	10/30/07 10:29 AM	Checkin	vanhornlr	Public	005662
HLB_SubWorkflow	10/30/07 6:59 PM	Approve	mehnerwm	Public	005662
ECD_SubWorkflow	11/1/07 11:24 AM	Approve	thomasm	Public	005662
OMB_SubWorkflow	11/2/07 7:47 AM	Approve	mitsonjl	Public	005662
CFO_SubWorkflow	11/2/07 3:41 PM	Approve	weddletonsb	Public	005662
Legal_SubWorkflow	11/2/07 3:45 PM	Approve	fehlenrl	Public	005662
MuniManager_SubWorkflow	11/2/07 3:52 PM	Approve	leblancdc	Public	005662
MuniMgrCoord_SubWorkflow	11/2/07 4:23 PM	Checkin	maglaquijp	Public	005662
MuniMgrCoord_SubWorkflow	11/2/07 4:48 PM	Approve	maglaquijp	Public	005662