

CLERK'S OFFICE

APPROVED

Date: 3-3-09

AM 129-2009 WAS AMENDED
AND APPROVED

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

Prepared by: Heritage Land Bank

For reading: February 17, 2009

**ANCHORAGE, ALASKA
AO No. 2009-30**

1 **AN ORDINANCE APPROVING A LONG-TERM, NON-COMPETITIVE LEASE OF**
2 **HERITAGE LAND BANK PARCELS 3-032B AND 3-060, RESTRICTED BY A**
3 **PUBLIC PURPOSE REVERTER CLAUSE, LOCATED SOUTH OF TUDOR ROAD**
4 **AND EAST OF ELMORE ROAD, TO THE STATE OF ALASKA, DEPARTMENT OF**
5 **PUBLIC SAFETY, FOR A STATEWIDE SERVICES SCIENTIFIC CRIME**
6 **DETECTION LABORATORY.**

7
8
9 **WHEREAS**, the Municipality owns HLB Parcels 3-032B and 3-060 (located south of
10 Tudor Road and east of Elmore Road) consisting of approximately 15.5 acres (the
11 "Premises"), SUBJECT TO patent restrictions limiting use to "public purposes"; and
12

13 **WHEREAS**, the Premises are in the Heritage Land Bank ("HLB") inventory; and
14

15 **WHEREAS**, the HLB desires to lease the Premises to the State of Alaska in
16 accordance with AMC section 25.40.025F.2. for less than market value for use
17 primarily as a statewide scientific crime detection laboratory; and
18

19 **WHEREAS**, the material terms and conditions of the lease are described in Assembly
20 Memorandum accompanying this ordinance; and
21

22 **WHEREAS**, the Mayor determined the benefits accruing to the Municipality from such
23 lease are in the best interests of the Municipality; now, therefore,
24

25 **THE ANCHORAGE ASSEMBLY ORDAINS:**
26

27 **Section 1.** Pursuant to Anchorage Municipal Code section 25.40.025F.2., the
28 Assembly finds a non-competitive lease to the State of Alaska for less than market
29 value for a statewide services scientific crime detection laboratory provides municipal
30 benefits in the best interest of the Municipality. In order to facilitate immediate
31 implementation of this lease, and avoid time delay and unnecessary costs for the
32 Municipality and the State, the Assembly hereby waives any code provision requiring
33 an appraisal for these Premises.
34

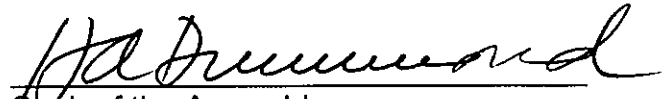
35 **Section 2.** Pursuant to Anchorage Municipal Code section 25.30.050, the
36 Assembly finds the purpose of a long-term lease of 50 years plus an option to extend
37 for an additional 25 years, the use of the premises as a statewide crime laboratory,
38 and the nature of the improvements to be placed thereon, as more particularly
39 described in the Assembly Memorandum, are all beneficial to the Municipality.
40

41 **Section 3.** A long-term, non-competitive lease to the State of Alaska, Department

1 of Public Safety, for 50 years plus an option to extend the lease for an additional 25
2 years, is approved.
3

4 **Section 4.** This ordinance shall be effective immediately upon passage and
5 approval by the Assembly.
6

7 PASSED AND APPROVED by the Anchorage Assembly this 3rd day of March,
8 2009.
9

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11 
12
13 Chair of the Assembly

14 ATTEST:

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16 
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18 Municipal Clerk
19
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MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2009-30 Title: **AN ORDINANCE APPROVING A LONG-TERM, NON-COMPETITIVE LEASE OF HERITAGE LAND BANK PARCELS 3-032B AND 3-060, RESTRICTED BY A PUBLIC PURPOSE REVERTER CLAUSE, LOCATED SOUTH OF TUDOR RD AND EAST OF ELMORE RD, TO THE STATE OF ALASKA, DEPT OF PUBLIC SAFETY, FOR A STATEWIDE SERVICES SCIENTIFIC CRIME DETECTION LABORATORY.**

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

CHANGES IN EXPENDITURES AND REVENUES:	(Thousands of Dollars)				
	FY09	FY10	FY11	FY12	FY13
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					
TOTAL DIRECT COST	0	0	0	0	0
6000 IGCs	0	0	0	0	0
FUNCTION COST:	0	0	0	0	0
REVENUES:	0	0	0	0	0
CAPITAL:	0	0	0	0	0
POSITIONS: FT/PT and Temp.	0	0	0	0	0

PUBLIC SECTOR ECONOMIC EFFECTS: Possible employment of up to 60 personnel.

PRIVATE SECTOR ECONOMIC EFFECTS: None; property remains in municipal inventory, with no impact to HLB as a result of this transaction

Prepared by: **William M. Mehner**
Director, Heritage Land Bank and Real Estate Services

Telephone: **343-4337**



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

CLERK'S OFFICE

No. AM 129-2009

AMENDED AND APPROVED

Date: 3-3-09

MEETING DATE: March 3, 2009

1 FROM: ACTING MAYOR

2
3 SUBJECT: AN ORDINANCE APPROVING A LONG-TERM, NON-
4 COMPETITIVE LEASE OF HERITAGE LAND BANK PARCELS
5 3-032B AND 3-060, RESTRICTED BY A PUBLIC PURPOSE
6 REVERTER CLAUSE, LOCATED SOUTH OF TUDOR ROAD
7 AND EAST OF ELMORE ROAD, TO THE STATE OF ALASKA,
8 DEPARTMENT OF PUBLIC SAFETY, FOR A STATEWIDE
9 SERVICES SCIENTIFIC CRIME DETECTION LABORATORY.

10
11 The State of Alaska Department of Public Safety (DPS) conducted a site
12 selection process evaluating over 25 potential locations for a new Statewide
13 Services Crime Laboratory, and selected Anchorage as its first choice. On
14 July 27, 2007, the state requested a long term lease for portions of HLB Parcels
15 3-032B and 3-060 from Heritage Land Bank for the crime laboratory (see
16 **Appendix A**).

17
18 On January 10, 2008, the Heritage Land Bank Advisory Commission approved
19 HLBAC Resolution 2008-01, recommending the non-competitive lease of the
20 property for the state crime laboratory (see **Appendix B**).

21
22 State planning, platting and design concepts were approved the by HLBAC and
23 the Planning and Zoning Commission, with state and municipal representatives
24 coming to agreement for the long term lease. Material terms and conditions for
25 the lease are summarized below.

- 26
27 1. Initial term: Fifty (50) years commencing March 2009, with an
28 option to extend the term for an additional twenty-
29 five (25) years; the option to extend the term is
30 SUBJECT TO Assembly approval.
- 31 2. Rent: ONE DOLLAR (\$1.00) per year, so long as the State
32 provides scientific crime detection laboratory
33 services to the Anchorage Police Department at no
34 charge. After fifteen (15) years, the State may elect
35 to charge the Municipality; in that event, the State
36 pays rent at fifty percent (50%) of then market rent,
37 adjusted every five (5) years. If the State defaults in
38 any payment, rent increases to one hundred percent
39 (100%) of market rent. Payment of rent is subject to
40 appropriation of funds by the Alaska State
41 Legislature.

- 1 3. Use of Premises: Premises shall be used primarily for scientific crime
2 detection laboratory purposes and such other public
3 safety purposes ancillary or incidental to a scientific
4 crime detection laboratory.
5 4. Sale by MOA: If the Municipality decides to sell or lease the
6 property at the end of the 75-year extended term,
7 the Municipality agrees to give the State of Alaska a
8 first right of refusal to negotiate, in good faith, such
9 sale or lease.
10 5. Lease termination: Absent a sale or lease described above, the
11 Municipality may, upon expiration or earlier
12 termination, require the State to (a) remove the
13 improvements and restore the Premises to their
14 original condition, or (b) purchase the improvements
15 at the then market value to the extent that those
16 improvements increase the value of the property.
17

18 State construction for both expansion capacity and growth potential is likely to
19 ultimately employ 60 full-time staff members. Due to the increase in
20 employment at the new facility, as well as its proximity to the Anchorage Police
21 Department headquarters, the administration considers the project to be in the
22 best interest of the public and the municipality. The projected municipal
23 benefits warrant a non-competitive, long-term lease for less than market value
24 pursuant to AMC section 25.40.025F.
25

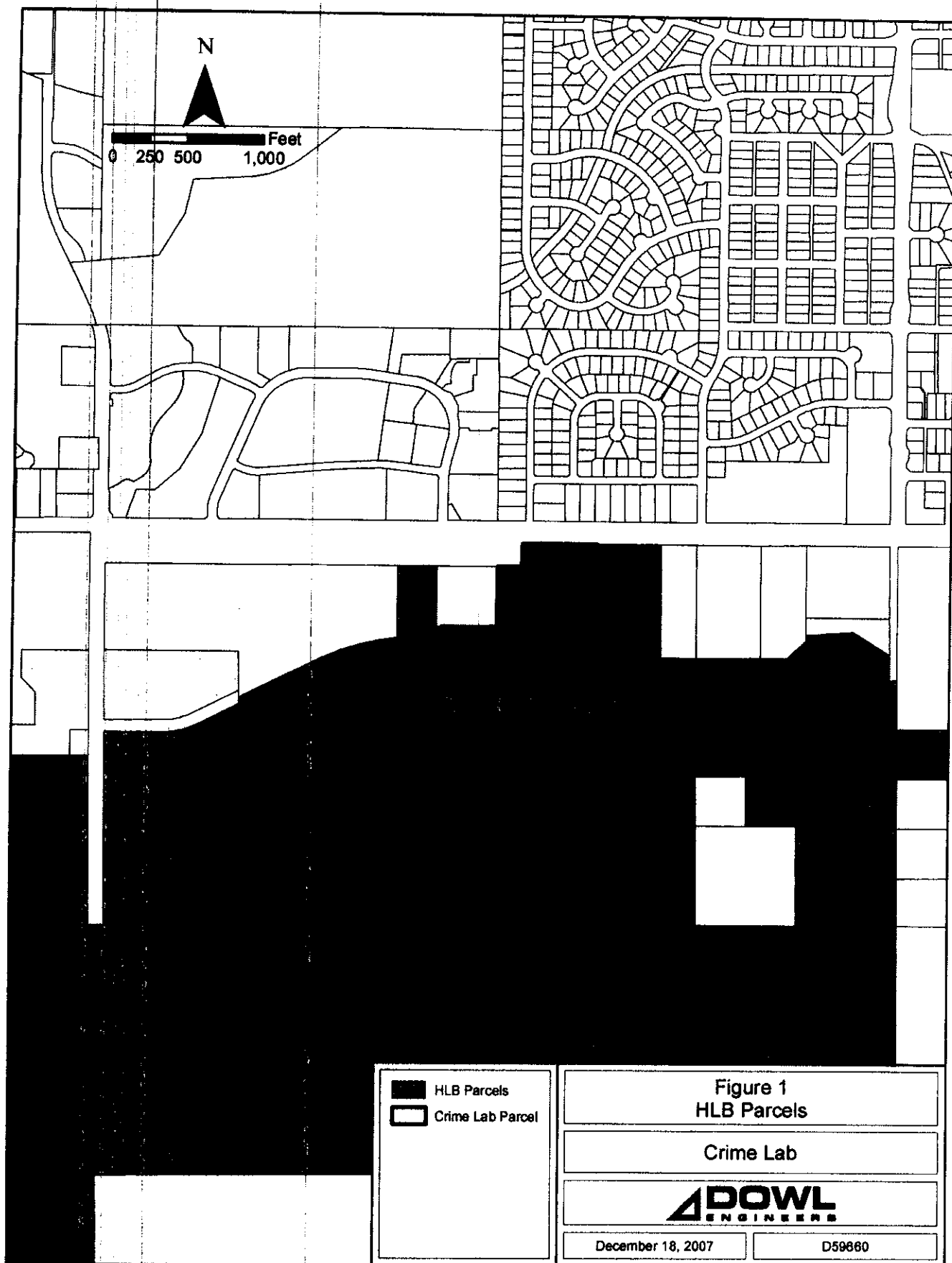
26 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**
27 **APPROVING A LONG-TERM, NON-COMPETITIVE LEASE OF HERITAGE**
28 **LAND BANK PARCELS 3-032B AND 3-060, RESTRICTED BY A PUBLIC**
29 **PURPOSE REVERTER CLAUSE, LOCATED SOUTH OF TUDOR ROAD AND**
30 **EAST OF ELMORE ROAD, TO THE STATE OF ALASKA, DEPARTMENT OF**
31 **PUBLIC SAFETY, FOR A STATEWIDE SERVICES SCIENTIFIC CRIME**
32 **DETECTION LABORATORY.**
33

34 Prepared by: Heritage Land Bank
35 Approved by: William M. Mehner, Executive Director
36 Heritage Land Bank
37 Concur: Mary Jane Michael, Executive Director
38 Office of Economic and Community Development
39 Concur: James N. Reeves, Municipal Attorney
40 Concur: Michael K. Abbott, Municipal Manager
41 Respectfully submitted: Matt Claman, Acting Mayor
42
43

44 Appendix A: Site Map

45 Appendix B: HLBAC Resolution 2008-01

Appendix A



Appendix B

Heritage Land Bank Advisory Commission Resolution 2008-01

A RESOLUTION OF THE HERITAGE LAND BANK ADVISORY COMMISSION RECOMMENDING THE LEASE, AT LESS THAN APPRAISED FAIR MARKET VALUE, OF PORTIONS OF HERITAGE LAND BANK (HLB) HLB PARCELS #3-032B, (TID #008-101-14) AND 3-060 (TID #008-091-08), LOCATED SOUTH OF EAST TUDOR ROAD AND EAST OF ELMORE ROAD, TO STATE OF ALASKA DEPARTMENT OF PUBLIC SAFETY, FOR THE LOCATION OF A STATEWIDE SERVICES CRIME LABORATORY.

WHEREAS, the Heritage Land Bank Inventory contains HLB Parcels #3-032B, and 3-060 located within Section 34, Township 13 North, Range 3 West, Seward Meridian, Alaska; and

WHEREAS, "It is the mission of the Heritage Land Bank to manage uncommitted municipal land ... 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, "Heritage Land Bank land may be leased non-competitively to a non-profit agency for less than its appraised fair market value if the municipal benefits which are projected to accrue are found by the mayor and the assembly to be in the best interest of the municipality." (AMC 25.40.025F); and

WHEREAS, on July 27, 2007, State of Alaska Department of Public Safety (DPS) requested a long term lease of portions of HLB Parcels #3-032B, and 3-060, from the HLB for the location of a Statewide Services Crime Laboratory; and

WHEREAS, due to the increase in employment the facility will provide and its proximity to the Anchorage Police Department, the administration considers the project to be in the best interest of the municipality and the municipal benefits which are projected to accrue warrant a non-competitive lease for less than the land's appraised fair market value, pursuant to AMC 25.40.025F;

NOW THEREFORE BE IT RESOLVED, THAT the Heritage Land Bank Advisory Commission recommends that, after site selection and site plan approval by the Municipal Planning and Zoning Commission, the Municipality of Anchorage approve a lease, at less than its appraised fair market value, of portions of Heritage Land Bank Parcels #3-032B and 3-060 comprising approximately 15.62 acres to State of Alaska Department of Public Safety, for the location of a Statewide Services Crime Laboratory;

Subject to:


1. Concurrence with this action by the Alaska Department of Natural Resources and the U.S. Bureau of Land Management.
2. An amendment to the PLI district for the proposed use.
3. A replat of the lease site.
4. Appropriate U.S. Army Corps of Engineers approval

Approved by the Heritage Land Bank Advisory Commission on this, the 10th day of January, 2008.

APPROVED:


James D. Balamaci, Chair
Heritage Land Bank Advisory Commission

ATTEST:


William M. Mehner, Executive Director
Heritage Land Bank