

Submitted by: Chair of the Assembly at the
Request of the Acting Mayor
Prepared by: Heritage Land Bank,
Real Estate Services Division
For reading: April 28, 2009

CLERK'S OFFICE

APPROVED

Date:

5/12/09

ANCHORAGE, ALASKA
AO No. 2009-58

1 **AN ORDINANCE AUTHORIZING A LAND EXCHANGE WITH THE ALASKA**
2 **RAILROAD CORPORATION (ARRC), TRANSFERRING LOT 7A, BLOCK 21,**
3 **ORIGINAL TOWNSITE TO ARRC, AND TRANSFERRING ARRC PARCEL 9131**
4 **AND BLOCK P, NORTH ADDITION NO. 7, ORIGINAL TOWNSITE, TO THE**
5 **MUNICIPALITY, AND TRANSFERRING PARCEL 9131 OWNERSHIP TO**
6 **ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY (ACDA) INVENTORY**
7

8
9 **WHEREAS,** the Municipality of Anchorage (MOA) owns Lot 7A, Block 21, Original
10 Townsite (20,150 SF), leased to ACDA, formerly the Anchorage Parking Authority, at
11 a nominal fee since October 1, 1984; and
12

13 **WHEREAS,** MOA Lot 7A is surrounded by ARRC land, also leased by ACDA, and
14 operated by ACDA as the A/C Couplet parking lot; and
15

16 **WHEREAS,** ARRC owns two parcels of interest to the MOA, Parcel 9131 consisting
17 of approximately 1.77 acres and platted as part of Northpointe Bluff Subdivision, and
18 Block P, North Addition 7, Original Townsite, a commercial site consisting of
19 approximately 8,188 SF, located in front of Government Hill Elementary School; and
20

21 **WHEREAS,** ARRC is interested in obtaining MOA Lot 7A (appraised at \$645,000)
22 for its purposes, and the MOA and ACDA are interested in obtaining ARRC Parcel
23 9131 (appraised at \$480,000), as part of its project on Government Hill, and Block P,
24 (appraised at \$122,800) as a potential improvement to the Government Hill
25 elementary School entry, and the property valuations provide an opportunity for a
26 land exchange; and
27

28 **WHEREAS,** Anchorage Municipal Code 25.30.040 allows for disposal of municipal
29 land to ARRC, a political subdivision of the state of Alaska, for less than the fair
30 market value of the interest disposed of, upon a finding by the assembly that the
31 disposal will allow the use of the land for a public purpose beneficial to the
32 municipality; Now, therefore,
33

34 **THE ANCHORAGE ASSEMBLY ORDAINS:**
35

36 **Section 1.** The Assembly finds a land exchange between the Municipality of
37 Anchorage and ARRC allows the use of Lot 7A, Parcel 9131, and Block P for public
38 purposes beneficial to the public and the Municipality.
39
40

Section 2. An exchange of ARRC's Parcel 9131 and Block P, together valued at \$602,800 and MOA Lot 7A, valued at \$645,000, is approved.


Section 3. The transfer of ownership of ARRC Parcel 9131 from MOA to ACDA, pursuant to the terms of the Northpointe Bluff Subdivision project, is approved.

Section 4. The ordinance shall be effective immediately upon passage and approval of the Assembly. However, in the event the Alaska Legislature does not approve disposal by ARRC of Parcel 9131 and Block P, North Addition 7, Original Townsite, the land exchange authorized by this ordinance shall automatically expire and terminate on **June 30, 2010.**

PASSED AND APPROVED by the Anchorage Assembly this 12th day of May, 2009.


Chair of the Assembly

ATTEST:



Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2009-58

Title: **AN ORDINANCE AUTHORIZING A LAND EXCHANGE WITH THE ALASKA RAILROAD CORPORATION (ARRC), TRANSFERRING LOT 7A, BLOCK 21, ORIGINAL TOWNSITE TO ARRC, AND TRANSFERRING ARRC PARCEL 9131 AND BLOCK P, NORTH ADDITION NO. 7, ORIGINAL TOWNSITE, TO THE MUNICIPALITY, AND TRANSFERRING PARCEL 9131 OWNERSHIP TO ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY INVENTORY.**

Sponsor: ACTING MAYOR
 Preparing Agency: Heritage Land Bank, Real Estate Services Division
 Others Impacted: Anchorage Community Development Authority

CHANGES IN EXPENDITURES AND REVENUES:		(In Thousands of Dollars)				
	FY09	FY10	FY11	FY12	FY13	
Operating Expenditures	0	0	0	0	0	0
1000 Personal Services						
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -	-
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -	-
REVENUES:	\$ -	\$ -	\$ -	\$ -	\$ -	-
CAPITAL:	<42>	\$ -	\$ -	\$ -	\$ -	-
POSITIONS: FT/PT and Temp						

PUBLIC SECTOR ECONOMIC EFFECTS:

There is little public sector economic effect, as the MOA lot may continue being used as a parking lot by the ARRC for the foreseeable future.

The lease between MOA and ACDA, to be terminated when the exchange is finalized, is paid in full through 2019, so this lot does not generate income for the Municipality. (Revenue loss to ACDA after the exchange is not quantifiable.)

The ARRC parcel in Northpointe Bluff Subdivision will be added to ACDA's on-going development project, and the Block P lot will be retained by the MOA to enhance right-of-way access.

PRIVATE SECTOR ECONOMIC EFFECTS:

No private sector economic effects.

Prepared by: HLB, Real Estate Services Division

Telephone: 343-4337

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 256-2009

Meeting Date: April 28, 2009

From: ACTING MAYOR

Subject: AN ORDINANCE AUTHORIZING A LAND EXCHANGE WITH THE ALASKA RAILROAD CORPORATION (ARRC), TRANSFERRING LOT 7A, BLOCK 21, ORIGINAL TOWNSITE TO ARRC, AND TRANSFERRING ARRC PARCEL 9131 AND BLOCK P, NORTH ADDITION NO. 7, ORIGINAL TOWNSITE, TO THE MUNICIPALITY, AND TRANSFERRING PARCEL 9131 OWNERSHIP TO ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY (ACDA) INVENTORY

Historical Background

Municipality Property

The Municipality of Anchorage (MOA) owns Lot 7A, Block 21, Original Townsite of Anchorage, Alaska, an approximately 20,150 SF located between A and C Streets, on the north side of 3rd Avenue (hereinafter 'A/C Lot'). The A/C Lot is situated within a larger parcel owned by the ARRC. Both the A/C Lot and the larger ARRC parcel are leased to ACDA for use as an off-street parking lot.

Alaska Railroad Property

ARRC owns an approximately 1.77acre parcel, the subject of a long term Lease, located within the Northpointe Bluff Subdivision on Government Hill (hereinafter 'Northpointe Lot').¹ In addition, ARRC owns an approximately 8,188 SF commercial site in front of the Government Hill Elementary School (hereinafter "Gov't. Hill Lot"). In 2007, the ACDA removed a detail shop from the Gov't. Hill Lot. ACDA's subsequent environmental clean-up resulted in this previously contaminated site receiving a closure letter from Alaska Department of Environmental Conservation.

¹ The legal description of the property, located in Section 8, Township 13 North, Range 3 West, Seward Meridian, is more specifically described as follows:

Commencing at the quarter section corner between said Section 8 and Section 7 adjoining; thence S 73° 39' 30" W, a distance of 529.95 feet to a point which is also referred to as Corner No. 1 of U.S. Survey 3061A and B, North Addition No. 5, Townsite of Anchorage; thence S 74° 24' E, a distance of 1,140 feet to Corner No. 2 of said Survey; thence S 15° 36' W, a distance of 335 feet to a point on the northerly boundary of Hollywood Drive; thence N 74° 24' W, a distance of 29.32 feet along the northerly boundary of Hollywood Drive; thence S 15° 36' W, a distance of 60 feet to a point where the easterly boundary of Elm Street intersects with the southerly boundary of Hollywood Drive; thence S 74° 24' E, a distance of 150 feet along the southerly boundary of Hollywood Drive to the True Point of Beginning of this lease parcel description; thence continuing S 74° 24' E, a distance of 549.32 feet along the southerly boundary of Hollywood Drive to a point where it intersects with the westerly boundary of Gum Street; thence S 15° 36' W, a distance of 140 feet along the westerly boundary of Gum Street; thence N 74° 24' W, a distance of 549.32 feet; thence N 15° 36' E, a distance of 140 feet to a point on the southerly boundary of Hollywood Drive and the True Point of Beginning of this lease parcel description, containing a total of 76,905 square feet, more or less.

Valuation of Parcels for the Exchange

All the parcels in this exchange were appraised in the latter half of 2007.

For ARRC, the leasehold value of the Northpointe Lot and the fee simple value of the Gov't. Hill Lot were appraised at \$602,800.

For MOA, the fee simple value of the A/C Lot is appraised at \$645,000.

Community Support for Exchange

The Government Hill Community Council, the Government Hill Elementary School PTA, and the Anchorage School District all support the exchange. The Alaska Railroad Board of Directors approved the exchange.

Purpose for Land Exchange

With ownership of the lot within the Northpointe Bluff Subdivision in the hands of ACDA, the individually platted lots can be sold and houses built as planned. If MOA owns the parcel in front of the Government Hill Elementary School, it can be used to improve the access to the school. If the lot within the A/C couplet parking lot is transferred to the ARRC, it will own the whole contiguous parcel.

Contingencies

The Alaska Railroad must receive legislative approval to dispose of real property. This land exchange is contingent upon the approval by the Alaska State Legislature of legislation introduced by ARRC, and expected to pass this session. However, this ordinance shall remain in effect until June 30, 2010. See draft Senate Bill 165 (**Appendix A**) and letters of support from the Anchorage School District, Government Hill PTA and Government Hill Community Council (**Appendix B**), attached hereto.

THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE AUTHORIZING A LAND EXCHANGE WITH THE ARRC, TRANSFERRING LOT 7A, BLOCK 21, ORIGINAL TOWNSITE TO ARRC, AND TRANSFERRING ARRC PARCEL 9131 AND BLOCK P, NORTH ADDITION NO. 7, TOWNSITE OF ANCHORAGE, TO THE MUNICIPALITY, AND TRANSFERRING PARCEL 9131 OWNERSHIP TO ACDA INVENTORY.

Prepared by: Anchorage Community Development Authority

Approved by: Ron Pollock, Executive Director

Anchorage Community Development Authority

Concur: William Mehner, Director

Heritage Land Bank, Real Estate Services Division

Concur: Mary Jane Michael, Executive Director

Office of Economic & Community Development

Concur: James N. Reeves, Municipal Attorney

Concur: Michael K. Abbott, Municipal Manager

Respectfully submitted: Matt Claman, Acting Mayor

Appendix A

26-LS0784\A

SENATE BILL NO. 165

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY SENATOR ELLIS

REPRESENTATIVE Dahlstrom

Introduced: 3/25/09

Referred: Community and Regional Affairs

A BILL

FOR AN ACT ENTITLED

"An Act authorizing the transfer of two parcels of land from the Alaska Railroad Corporation to the Municipality of Anchorage; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. The uncodified law of the State of Alaska is amended by adding a new section to read:

APPROVAL OF THE TRANSFER OF REAL PROPERTY TO THE MUNICIPALITY OF ANCHORAGE. (a) The Alaska Railroad Corporation is authorized to convey the corporation's entire interest in approximately 1.93 acres of rail land located in the Alaska Railroad Anchorage Terminal Reserve, within Section 8, Township 13 North, Range 3 West, Seward Meridian, to the Municipality of Anchorage.

(b) The Alaska Railroad Corporation is authorized to convey the corporation's entire interest in approximately 0.18 acres of rail land located in the Alaska Railroad Anchorage Terminal Reserve, within Section 8, Township 13 North, Range 3 West, Seward Meridian, to the Municipality of Anchorage.

(c) This section constitutes legislative approval under AS 42.40.285(1) for the corporation to convey the corporation's entire interest in the land described in (a) and (b) of this section.

* Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to read:

PURPOSE OF TRANSFER. (a) The property described in sec. 1(a) of this Act is surrounded by municipally owned or controlled property that is currently being redeveloped into a residential subdivision, and the transfer of the property will allow the area to be subdivided and more efficiently incorporated into the overall residential redevelopment plan.

(b) The conveyance described in sec. 1(b) of this Act is made for the purpose of enabling the Municipality of Anchorage to develop safe and reasonable physical and legal access to the Government Hill Elementary School.

* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to read:

CONSIDERATION. In consideration for the transfers authorized in sec. 1 of this Act, the Alaska Railroad Corporation may accept fee simple title to land of approximate equivalent fair market value or a combination of land and cash sufficient to equalize the value of assets being transferred. The corporation shall hold and manage any land conveyed to it by the Municipality of Anchorage in accordance with AS 42.40.

* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).



Anchorage School District

5530 E. Northern Lights Blvd.
Anchorage, Alaska 99504-3135
(907) 742-4000

March 10, 2009

The Honorable Nancy Dahlstrom
State of Alaska
House of Representatives

Re: Alaska Railroad/Municipality of Anchorage Land Trade; HB 171

Dear Representative Dahlstrom:

It is my understanding that the above-mentioned bill is being considered at this legislative session.

The land trade proposed between the Alaska Railroad and the Municipality of Anchorage will result in a small parcel of land, directly in front of the entrance to the Government Hill Elementary School, being transferred to the Municipality of Anchorage. Last year the Municipality purchased the business located there, and razed the derelict building. If the parcel is owned by the Municipality it can be used to improve the entrance to the school and enhance student safety there.

The Anchorage School District is in support of this legislation and we urge the legislature to pass the bill in this session.

Thank you for your consideration.

Sincerely yours,

Carol Comeau, Superintendent
Anchorage School District

February 17, 2008

Representative Nancy Dahlstrom
State Capitol, Room 409
Juneau, AK 99801-1182

Re: Alaska Railroad Exchange – Detail Shop

Dear Representative Dahlstrom:

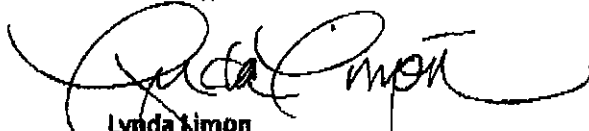
Ron Pollock of the Anchorage Community Development Authority presented information to the Government Hill Elementary PTA on February 12, 2009 regarding the Alaska Railroad Exchange with the Municipality of Anchorage for the following properties:

- 566 E Bluff – AKRR property known as the “Detail Shop”
- 201 W 3rd Avenue - MOA property known as the A/C couplet parking lot
- Northpointe Bluff Property – AKRR property located along Hollywood Wood Drive in Government Hill

We understand that Anchorage Community Development Authority has completed full demolition of the blighted building (formally known as the “detail shop”) in support of the redevelopment of the Government Hill area and in anticipation that a land exchange could occur to make improvements to the entrance/exit to the Government Hill Elementary School.

We fully support the Alaska Railroad exchange with the MOA property as the location of the detail shop/gas station has impeded easy access to the Government Hill Elementary School making it unsafe for drivers and children walking to school.

Sincerely,



Lynda Limon
Government Hill PTA President

cc: Jim Kubitz, Alaska Railroad

February 23, 2009

Representative Nancy Dahlstrom
State of Alaska
House of Representatives

Dear Representative Dahlstrom:

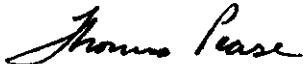
At our February 19th Government Hill Community Council meeting, Ron Pollock, Executive Director and Sue Lukens, Development Director of Anchorage Community Development Authority, asked us to support the bill authorizing the exchange of Alaska Railroad land in Government Hill for Municipality of Anchorage land. Following their presentation and discussion, our council voted to support this legislation.

Two railroad parcels within Government Hill are under consideration for trade. One is a small triangle of land near the entrance to Government Hill Elementary School. Last year, the Municipality of Anchorage purchased a business on this site and razed the derelict building. Mr. Pollock and Ms. Lukens report that this parcel, if owned by the Municipality, will be modified to improve the entrance to the school, which could enhance appearance, traffic flow and student safety.

The second railroad parcel is approximately 1.77 acres located on the south side of Hollywood Drive. Currently, it is leased from the railroad but is included in the Northpointe Bluff Subdivision. If traded to the Municipality, this parcel could be sold to the developer/owner of the subdivision, who, in turn, could sell lots to individual buyers for single family, owner/occupied homes.

Given the future uses of the above two parcels, as stated by the Municipality, Government Hill Community Council supports this land trade. We ask for your support as well.

Sincerely,



Thomas Pease
Acting President
Government Hill Community Council

Content ID: 007645**Type:** Ordinance - AO

AN ORDINANCE AUTHORIZING A LAND EXCHANGE WITH THE ALASKA RAILROAD CORPORATION (ARRC), TRANSFERRING LOT 7A, BLOCK 21, ORIGINAL TOWNSITE TO ARRC, AND TRANSFERRING ARRC PARCEL

Title: 9131 AND BLOCK P, NORTH ADDITION NO. 7, ORIGINAL TOWNSITE, TO THE MUNICIPALITY, AND TRANSFERRING PARCEL 9131 OWNERSHIP TO ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY (ACDA) INVENTORY

Author: maglaquijp

Initiating Dept: HLB

Description: Transfer of lots between ARRC and ACDA

Keywords: Transfer of lots Ak. Railroad Corp. (ARRC) Anch. Community Development Authority (ACDA)

Date Prepared: 4/21/09 9:24 AM

Director Name: Wm. M. Mehner

Assembly Meeting Date: 4/28/09

Public Hearing Date: 5/12/09

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	4/23/09 4:09 PM	Exit	Joy Maglaqui	Public	007645
MuniMgrCoord_SubWorkflow	4/23/09 4:09 PM	Approve	Joy Maglaqui	Public	007645
MuniManager_SubWorkflow	4/23/09 4:09 PM	Approve	Joy Maglaqui	Public	007645
MuniManager_SubWorkflow	4/23/09 4:08 PM	Checkin	Joy Maglaqui	Public	007645
Legal_SubWorkflow	4/23/09 3:27 PM	Approve	Rhonda Westover	Public	007645
Finance_SubWorkflow	4/23/09 2:20 PM	Approve	Sharon Weddleton	Public	007645
Finance_SubWorkflow	4/23/09 10:59 AM	Checkin	Jo Katkus	Public	007645
Finance_SubWorkflow	4/23/09 10:38 AM	Checkin	Jo Katkus	Public	007645
OMB_SubWorkflow	4/22/09 1:18 PM	Approve	Wanda Phillips	Public	007645
ECD_SubWorkflow	4/21/09 11:50 AM	Approve	Tawny Klebesadel	Public	007645
HLB_SubWorkflow	4/21/09 9:33 AM	Approve	William Mehner	Public	007645
AllOrdinanceWorkflow	4/21/09 9:29 AM	Checkin	Lynn Roderick Van Horn	Public	007645



CONSENT AGENDA - INTRODUCTION