

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

Prepared by: Heritage Land Bank

For Reading: September 14, 2010

CLERK'S OFFICE

APPROVED

9-28-10

Date: _____ ANCHORAGE, ALASKA
AR 2010-262

1 **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROVING**
2 **THE PURCHASE OF LOT 32A, BLOCK 10, ALASKA INDUSTRIAL**
3 **SUBDIVISION FROM THE STATE OF ALASKA FOR FOUR HUNDRED**
4 **TWENTY THOUSAND DOLLARS (\$420,000), AND APPROPRIATING FROM**
5 **THE HERITAGE LAND BANK FUND BALANCE (221) TO THE 2010 HLB**
6 **OPERATING BUDGET TWENTY THOUSAND DOLLARS (\$20,000) AS A**
7 **CONTRIBUTION TO THE HLB CAPITAL FUND (421) FOR PURCHASE OF**
8 **THE PROPERTY FROM THE STATE OF ALASKA VIA A FIVE YEAR LAND**
9 **SALE CONTRACT.**

10
11 **WHEREAS**, the Administration desires to acquire property in Anchorage on behalf of
12 the Municipality for future use by Municipal agencies; and

13
14 **WHEREAS**, Anchorage Municipal Code (AMC) sections 25.20.010 and 25.20.020
15 authorize the Municipality to acquire land for any public purpose upon approval by the
16 Assembly; and

17
18 **WHEREAS**, HLB's mission is to acquire property for future municipal uses (AMC
19 section 25.40.010), and with AMC section 25.40.010A., "[T]he acquisition responsibility
20 of the Heritage Land Bank is to apply for and acquire in the name of the municipality, all
21 lands to be transferred to the municipality from the state... as well as other land acquired
22 by the municipality by purchase, donation, exchange or other means which is to be
23 managed by the Land Bank on behalf of the municipality pursuant to Section
24 25.40.015A.. Land acquired under this section shall be added to the Heritage Land Bank
25 inventory"; and

26
27 **WHEREAS**, the administration has an opportunity to purchase Lot 32A, Block 10,
28 Alaska Industrial Subdivision, with the intent to hold the property in Heritage Land Bank
29 (HLB) inventory for future municipal agency use; and

30
31 **WHEREAS**, the Municipality seeks authorization to purchase from the State of Alaska
32 over a five year period a parcel legally described as Lot 32A, Block 10, Alaska Industrial
33 Subdivision, for an amount not to exceed Four Hundred Twenty Thousand Dollars
34 (\$420,000), including interest, and to appropriate funds for the purchase from the HLB
35 Fund (221); and

36
37 **WHEREAS**, the funds to pay the down payment and closing costs (approximately
38 \$20,000) are available from the HLB Fund Balance (221); Now, therefore,

THE ANCHORAGE ASSEMBLY HEREBY RESOLVES:

Section 1. The purchase of Lot 32A, Block 10, Alaska Industrial Subdivision for an amount not to exceed FOUR HUNDRED TWENTY THOUSAND DOLLARS (\$420,000) over a five year period is hereby authorized;

Section 2. The appropriation of TWENTY THOUSAND DOLLARS (\$20,000) from the Heritage Land Bank Fund (221) to the HLB 2010 Operating Budget (221) as a contribution to the Heritage Land Bank Capital Fund (421) is approved.

Section 3. Pursuant to Anchorage Municipal Code section 25.40.015A., the property acquired by this resolution shall be placed in Heritage Land Bank inventory for future municipal use.

Section 4. This resolution shall take effect immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this 28th day of September, 2010.


Chair

ATTEST:


Municipal Clerk

2010 Departmental Appropriations:

Heritage Land Bank Fund Balance (221) \$20,000

Heritage Land Bank Capital Fund (421) \$20,000

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 482-2010

Meeting Date: September 14, 2010

From: MAYOR

Subject: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROVING THE PURCHASE OF LOT 32A, BLOCK 10, ALASKA INDUSTRIAL SUBDIVISION FROM THE STATE OF ALASKA FOR FOUR HUNDRED TWENTY THOUSAND DOLLARS (\$420,000), AND APPROPRIATING FROM THE HERITAGE LAND BANK FUND BALANCE (221) TO THE 2010 HLB OPERATING BUDGET TWENTY THOUSAND DOLLARS (\$20,000) AS A CONTRIBUTION TO THE HLB CAPITAL FUND (421) FOR PURCHASE OF THE PROPERTY FROM THE STATE OF ALASKA VIA A FIVE YEAR LAND SALE CONTRACT

Heritage Land Bank (HLB) seeks appropriation of Twenty Thousand Dollars (\$20,000) as initial payment for the purchase of real property legally described as Lot 32A, Block 10, Alaska Industrial Subdivision, located at 3001 Porcupine Drive in Anchorage (see attached map, Appendix A).

For several years, HLB has worked with the State of Alaska, Department of Natural Resources to complete their administrative process to purchase this parcel sole source under the state's Public and Charitable Use statute, AS 38.05.810(a). The purchase price, set by appraisal at \$345,000, is a very reasonable price for 42,115 square feet of industrial land with a 12,162 square foot building, and is reflective of a deed restriction for perpetual public use. The purchase is being made over a five year period in order to take advantage of the state's very favorable land sale contract terms and spread the expenditure out over the contract period.

This acquisition is consistent with the HLB mission to acquire property for future municipal uses (AMC section 25.40.010), and with AMC section 25.40.010A., "[T]he acquisition responsibility of the Heritage Land Bank is to apply for and acquire in the name of the municipality, all lands to be transferred to the municipality from the state... as well as other land acquired by the municipality by purchase, donation, exchange or other means which is to be managed by the Land Bank on behalf of the municipality pursuant to Section 25.40.015A. Land acquired under this section shall be added to the Heritage Land Bank inventory."

There is a dramatic shortage of industrial land for use by the Municipality, and purchase of this parcel would go far to alleviate the need for space in an appropriate industrial zone. The property, including constructed improvements, will be held in the HLB inventory until a municipal entity needs to utilize the property for a future public purpose.

The initial payment at closing is approximately Twenty Thousand Dollars (\$20,000), and annual payments of Eighty Thousand Dollars (\$80,000) will be appropriated each year over the next five years. Total interest to be paid for the term totals approximately \$75,000 and the contract may be paid off at any time without penalty, potentially reducing interest costs. A

total not to exceed amount of Four Hundred Twenty Thousand Dollars (\$420,000) will be appropriated over a five year period from the HLB Fund balance to the HLB Capital Fund (421) for the purchase of the Porcupine property from the state.

The accompanying resolution appropriates Twenty Thousand Dollars (\$20,000) in 2010 for the down payment and closing costs from the HLB Fund balance to the HLB Capital Fund (421).

The accounting detail for this appropriation is as follows:

REVENUE

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
221-0740	HLB Fund Balance	\$ 20,000
421-1252-9601-HLB10003 BP2010	Contributions from other funds	\$ 20,000

EXPENDITURES

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
221-1221-3901 BP2010	Contributions to other funds	\$ 20,000
421-1252-5101-HLB10003 BP2010	Land	\$ 20,000

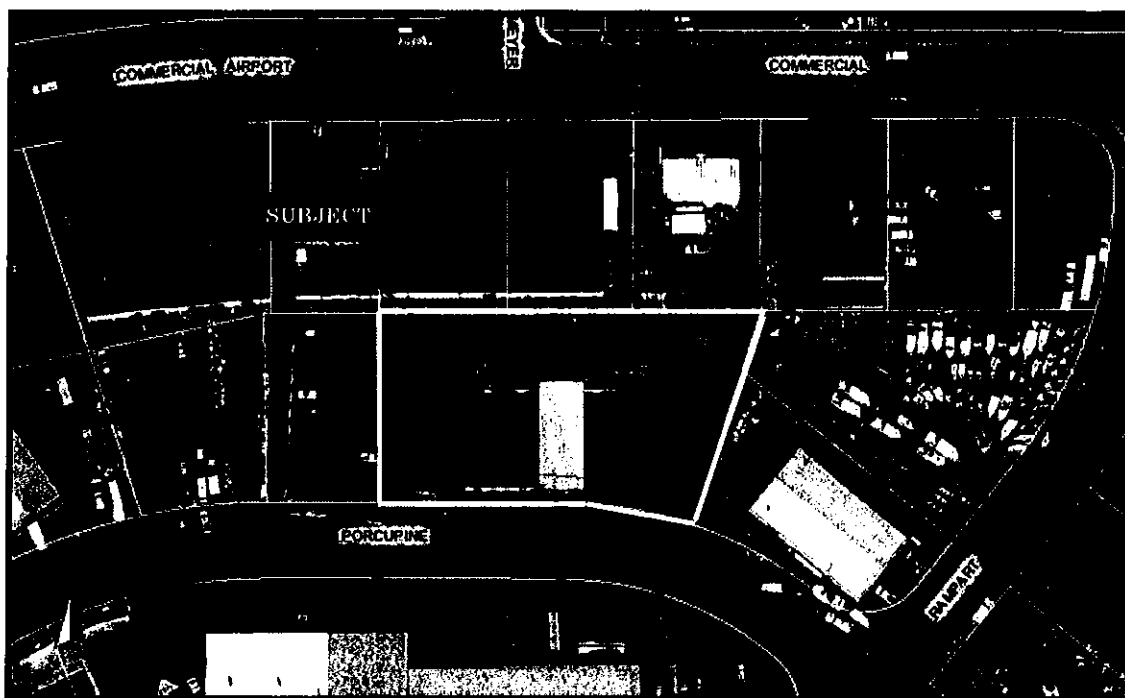
THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION APPROVING THE PURCHASE OF LOT 32A, BLOCK 10, ALASKA INDUSTRIAL SUBDIVISION FROM THE STATE OF ALASKA FOR FOUR HUNDRED TWENTY THOUSAND DOLLARS (\$420,000) AND APPROPRIATING FROM THE HERITAGE LAND BANK FUND BALANCE (221) TO THE 2010 HLB OPERATING BUDGET TWENTY THOUSAND DOLLARS (\$20,000) AS A CONTRIBUTION TO THE HLB CAPITAL FUND (421) FOR PURCHASE OF THE PROPERTY FROM THE STATE OF ALASKA VIA A FIVE YEAR LAND SALE CONTRACT

Prepared by: Alison L. Smith, Land Manager, Heritage Land Bank
 Approved by: William M. Mehner, Executive Director, Heritage Land Bank
 Concur: Greg Jones, Executive Director, Office of Community Planning & Development
 Concur: George J. Vakalis, Municipal Manager
 Fund certification: Lucinda Mahoney, CFO
 \$20,000 221-0740 (HLB Fund Balance)
 \$80,000 221-0740 (HLB Fund Balance)
 (Subject to available fund balance & appropriation in 2011)
 \$80,000 221-0740 (HLB Fund Balance)
 (Subject to available fund balance & appropriation in 2012)
 \$80,000 221-0740 (HLB Fund Balance)
 (Subject to available fund balance & appropriation in 2013)
 \$80,000 221-0740 (HLB Fund Balance)
 (Subject to available fund balance & appropriation in 2014)
 \$80,000 221-0740 (HLB Fund Balance)
 (Subject to available fund balance & appropriation in 2015)
 Concur: George J. Vakalis, Municipal Manager
 Respectfully submitted: Daniel A. Sullivan, Mayor

Appendix A: Parcel Map

APPENDIX A

EXECUTIVE SUMMARY



Location: 3001 Porcupine Drive, Alaska

Legal Description: Lot 32A, Block 10, Alaska Industrial Subdivision, Addition No. 1 (Plat No. 64-141)

Owner of Record: State of Alaska

Land Area: 42,115 SF

Zoning: I1 (Light Industrial)

Improvements: 12,162 SF, one story office structure constructed in 1965 with additions in 1974 and 1979. The building has been vacant since late-2000 and requires significant renovation/rehabilitation for use as a Class C office building.

Date of Inspection and Valuation: July 11, 2008

Date of Report: July 24, 2008

Content ID: 009342**Type:** AR_FundsApprop - Funds Approp Resolution

Title: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROVING THE PURCHASE OF LOT 32A, BLOCK 10, ALASKA INDUSTRIAL SUBDIVISION FROM THE STATE OF ALASKA FOR FOUR HUNDRED TWENTY THOUSAND DOLLARS (\$420,000), AND APPROPRIATING FROM THE HERITAGE LAND BANK FUND BALANCE (221) TO THE 2010 HLB OPERATING BUDGET TWENTY THOUSAND DOLLARS (\$20,000) AS A CONTRIBUTION TO THE HLB CAPITAL FUND (421) FOR PURCHASE OF THE PROPERTY FROM THE STATE OF ALASKA VIA A FIVE YEAR LAND SALE CONTRACT.

Author: maglaquijp**Initiating Dept:** HLB**Description:** \$20,000 contribution from HLB Fund to assist with Purchase of land for \$420,000**Keywords:** Lot 32A Block 10, AK Industrial Subdivision \$20,000 contribution**Date Prepared:** 8/24/10 2:49 PM**Director Name:** Wm. M. Mehner**Assembly Meeting Date:** 8/31/10**Public Hearing Date:** 9/14/10

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
Clerk_Admin_SubWorkflow	9/3/10 9:59 AM	Exit	Joy Maglaqui	Public	009342
MuniManager_SubWorkflow	9/3/10 9:59 AM	Approve	Joy Maglaqui	Public	009342
MuniManager_SubWorkflow	9/3/10 9:13 AM	Checkin	Joy Maglaqui	Public	009342
Finance_SubWorkflow	9/2/10 10:56 AM	Approve	Lucinda Mahoney	Public	009342
OMB_SubWorkflow	9/1/10 10:15 AM	Approve	Cheryl Frasca	Public	009342
OCPD_SubWorkflow	8/31/10 5:47 PM	Approve	Tawny Klebesadel	Public	009342
HLB_SubWorkflow	8/31/10 4:43 PM	Approve	William Mehner	Public	009342
FundsAppropWorkflow	8/31/10 4:43 PM	Checkin	Lynn Roderick Van Horn	Public	009342
Finance_SubWorkflow	8/31/10 2:34 PM	Reject	Dale Peterson	Public	009342
OMB_SubWorkflow	8/31/10 10:57 AM	Approve	Cheryl Frasca	Public	009342
OCPD_SubWorkflow	8/31/10 9:46 AM	Approve	Tawny Klebesadel	Public	009342
HLB_SubWorkflow	8/31/10 9:12 AM	Approve	William Mehner	Public	009342
FundsAppropWorkflow	8/31/10 9:09 AM	Checkin	Lynn Roderick Van Horn	Public	009342
Finance_SubWorkflow	8/30/10 12:09 PM	Reject	Dale Peterson	Public	009342
OMB_SubWorkflow	8/30/10 11:16 AM	Approve	Cheryl Frasca	Public	009342
OCPD_SubWorkflow	8/30/10 10:20 AM	Approve	Tawny Klebesadel	Public	009342
HLB_SubWorkflow	8/30/10 9:58 AM	Approve	William Mehner	Public	009342
FundsAppropWorkflow	8/30/10 9:57 AM	Checkin	Lynn Roderick Van Horn	Public	009342
OMB_SubWorkflow	8/30/10 9:40 AM	Reject	Cheryl Frasca	Public	009342
OCPD_SubWorkflow	8/30/10 9:04 AM	Approve	Tawny Klebesadel	Public	009342
HLB_SubWorkflow	8/30/10 9:00 AM	Approve	William Mehner	Public	009342
FundsAppropWorkflow	8/30/10 8:59 AM	Checkin	Lynn Roderick Van Horn	Public	009342
OMB_SubWorkflow	8/27/10 11:43 AM	Reject	Cheryl Frasca	Public	009342
OCPD_SubWorkflow	8/27/10 10:55 AM	Approve	Tawny Klebesadel	Public	009342
HLB_SubWorkflow	8/24/10 3:02 PM	Approve	William Mehner	Public	009342
FundsAppropWorkflow	8/24/10 2:59 PM	Checkin	Lynn Roderick Van Horn	Public	009342