

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Heritage Land Bank  
For Reading: January 31, 2012

CLERK'S OFFICE

APPROVED

2-14-12

Date:

ANCHORAGE, ALASKA  
AR NO. 2012-30

1 **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE**  
2 **APPROPRIATING EIGHTY THOUSAND DOLLARS (\$80,000) FROM THE 2011**  
3 **HERITAGE LAND BANK OPERATING BUDGET AND EIGHTY THOUSAND**  
4 **DOLLARS (\$80,000) FROM THE 2012 HERITAGE LAND BANK OPERATING**  
5 **BUDGET TO THE HERITAGE LAND BANK CAPITAL FUND (421), REAL**  
6 **ESTATE DEPARTMENT, FOR ANNUAL PAYMENTS TO THE STATE OF**  
7 **ALASKA FOR THE PURCHASE OF REAL PROPERTY VIA A FIVE YEAR**  
8 **LAND SALE CONTRACT.**

9  
10 **WHEREAS**, in 2010, the Assembly approved AR 2010-262/AM 482-2010, acquiring  
11 property legally described as Lot 32A, Block 10, Alaska Industrial Subdivision, in  
12 Anchorage from the State of Alaska (SOA) on behalf of the Municipality (MOA) for  
13 future use by Municipal agencies, which was placed into the Heritage Land Bank (HLB)  
14 inventory; and

15  
16 **WHEREAS**, MOA was authorized to purchase the subject parcel from the State of  
17 Alaska over a five year period a parcel for an amount not to exceed Four Hundred Twenty  
18 Thousand Dollars (\$420,000), including interest, and to appropriate funds for the  
19 purchase from the HLB Fund (221) in Eighty Thousand Dollar (\$80,000) annual  
20 increments; and


21  
22 **WHEREAS**, the funds to pay the down payment and closing costs (approximately  
23 \$20,000) were approved in 2010 and paid in April 2011 from the HLB Fund Balance  
24 (221), with Eighty Thousand Dollars (\$80,000) in subsequent payments to be paid  
25 annually for five years; Now, therefore,

26  
27 **THE ANCHORAGE ASSEMBLY HEREBY RESOLVES:**

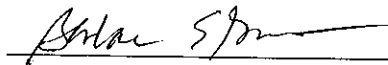
28  
29 **Section 1.** The appropriation of ONE HUNDRED SIXTY THOUSAND DOLLARS  
30 (\$160,000), comprised of Eighty Thousand Dollars (\$80,000) from the 2011 Heritage  
31 Land Bank Fund Operating Budget and Eighty Thousand Dollars (\$80,000) from the  
32 HLB 2012 Operating Budget as a contribution to the Heritage Land Bank Capital Fund  
33 (421) is approved.

1  
2 **Section 2.** This resolution shall take effect immediately upon passage and approval.  
3

4 PASSED AND APPROVED by the Anchorage Assembly this 14<sup>th</sup> day of  
5 February, 2012.

6  
7   
8 Chair

9 ATTEST:

10  
11   
12 Municipal Clerk

13  
14 Departmental Appropriation:

15 Heritage Land Bank Capital Fund (421) \$160,000



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 93-2012

Meeting Date: January 31, 2012

1 **From:** MAYOR

2  
3 **Subject:** A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE  
4 APPROPRIATING EIGHTY THOUSAND DOLLARS (\$80,000) FROM  
5 THE 2011 HERITAGE LAND BANK OPERATING BUDGET AND  
6 EIGHTY THOUSAND DOLLARS (\$80,000) FROM THE 2012  
7 HERITAGE LAND BANK DIVISION OPERATING BUDGET TO THE  
8 HERITAGE LAND BANK CAPITAL FUND (421), REAL ESTATE  
9 DEPARTMENT, FOR ANNUAL PAYMENTS TO THE STATE OF  
10 ALASKA FOR THE PURCHASE OF REAL PROPERTY VIA A FIVE  
11 YEAR LAND SALE CONTRACT.  
12

13 The purpose of this Assembly Resolution is to authorize the annual appropriations  
14 from the Heritage Land Bank (HLB) 2011 and 2012 Operating Budgets as a  
15 contribution to the HLB Capital Fund (421) for the purchase of real property located  
16 at 3001 Porcupine Drive, in Anchorage.  
17

18 On September 28, 2010, the Anchorage Assembly approved AR 2010-262/AM 482-  
19 2010, authorizing the annual appropriation of funds from the HLB Fund Balance to  
20 the HLB Operating Budget as a contribution to the HLB Capital Budget for the  
21 purchase of real property from the State of Alaska (SOA) over a five year period  
22 (Appendix A).  
23

24 Contributions to the HLB Capital Fund (421) for the initial down payment and  
25 closing costs were approved in AR 2010-262, and the sale closed in April 2011. In  
26 accordance with the AR, five subsequent annual payments of Eighty Thousand  
27 Dollars (\$80,000) are authorized for payment beginning April 2012 from HLB to  
28 complete the purchase of the subject parcel now in the HLB inventory.  
29

30 The accounting detail is as follows:  
31

### 32 REVENUES:

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
33 421-1252-9601-HLB10003-BP2010	34 Contrib. from Other Fund	\$160,000

### 36 EXPENDITURES:

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
37 421-1252-5101-HLB1003-BP2010	38 Contrib. to Other Fund	\$160,000

39

1 **THE ADMINISTRATION RECOMMENDS THE APPROPRIATION OF EIGHTY**  
2 **THOUSAND DOLLARS (\$80,000) FROM THE 2011 HERITAGE LAND BANK**  
3 **OPERATING BUDGET AND EIGHTY THOUSAND DOLLARS (\$80,000) FROM**  
4 **THE 2012 HERITAGE LAND BANK DIVISION OPERATING BUDGET TO THE**  
5 **HERITAGE LAND BANK CAPITAL FUND (421), REAL ESTATE DEPARTMENT,**  
6 **FOR ANNUAL PAYMENTS TO THE STATE OF ALASKA FOR THE PURCHASE**  
7 **OF REAL PROPERTY VIA A FIVE YEAR LAND SALE CONTRACT.**

8  
9 Prepared by: Real Estate Department (RED)

10 Recommended by: Tammy R. Oswald, Director

11 Fund Certification: Lucinda Mahoney, CFO

12 421-1252-9601-HLB10003-BP2010 \$80,000

13 (HLB Capital Improvement Program Fund)

14 221-1221-3901-122100-BP2012 \$80,000

15 (2012 HLB Operating Fund)

16 Concur: George J. Vakalis, Municipal Manager

17 Respectfully submitted: Daniel A. Sullivan, Mayor

APPENDIX A

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,

1  
2 THE ANCHORAGE ASSEMBLY HEREBY RESOLVES:  
3

4 **Section 1.** The purchase of Lot 32A, Block 10, Alaska Industrial Subdivision for an  
5 amount not to exceed FOUR HUNDRED TWENTY THOUSAND DOLLARS  
6 (\$420,000) over a five year period is hereby authorized;  
7

8 **Section 2.** The appropriation of TWENTY THOUSAND DOLLARS (\$20,000) from  
9 the Heritage Land Bank Fund (221) to the HLB 2010 Operating Budget (221) as a  
10 contribution to the Heritage Land Bank Capital Fund (421) is approved.  
11

12 **Section 3.** Pursuant to Anchorage Municipal Code section 25.40.015A., the property  
13 acquired by this resolution shall be placed in Heritage Land Bank inventory for future  
14 municipal use.  
15

16 **Section 4.** This resolution shall take effect immediately upon passage and approval.  
17

18 PASSED AND APPROVED by the Anchorage Assembly this 28<sup>th</sup> day of  
19 September, 2010.  
20

21  
22   
23 \_\_\_\_\_  
24 Chair

24 ATTEST:

25  
26   
27 \_\_\_\_\_  
28 Municipal Clerk

29 2010 Departmental Appropriations:  
30 Heritage Land Bank Fund Balance (221) \$20,000  
31 Heritage Land Bank Capital Fund (421) \$20,000

APPENDIX A  
**MUNICIPALITY OF ANCHORAGE**  
**ASSEMBLY MEMORANDUM**

No. AM 482-2010

Meeting Date: September 14, 2010

1 **From:**       **MAYOR**  
2

3 **Subject:**    A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE  
4                   APPROVING THE PURCHASE OF LOT 32A, BLOCK 10, ALASKA  
5                   INDUSTRIAL SUBDIVISION FROM THE STATE OF ALASKA FOR  
6                   FOUR HUNDRED TWENTY THOUSAND DOLLARS (\$420,000), AND  
7                   APPROPRIATING FROM THE HERITAGE LAND BANK FUND  
8                   BALANCE (221) TO THE 2010 HLB OPERATING BUDGET TWENTY  
9                   THOUSAND DOLLARS (\$20,000) AS A CONTRIBUTION TO THE HLB  
10                  CAPITAL FUND (421) FOR PURCHASE OF THE PROPERTY FROM  
11                  THE STATE OF ALASKA VIA A FIVE YEAR LAND SALE CONTRACT  
12

13 Heritage Land Bank (HLB) seeks appropriation of Twenty Thousand Dollars (\$20,000) as  
14 initial payment for the purchase of real property legally described as Lot 32A, Block 10,  
15 Alaska Industrial Subdivision, located at 3001 Porcupine Drive in Anchorage (see attached  
16 map, Appendix A).  
17

18 For several years, HLB has worked with the State of Alaska, Department of Natural  
19 Resources to complete their administrative process to purchase this parcel sole source under  
20 the state's Public and Charitable Use statute, AS 38.05.810(a). The purchase price, set by  
21 appraisal at \$345,000, is a very reasonable price for 42,115 square feet of industrial land with  
22 a 12,162 square foot building, and is reflective of a deed restriction for perpetual public use.  
23 The purchase is being made over a five year period in order to take advantage of the state's  
24 very favorable land sale contract terms and spread the expenditure out over the contract  
25 period.  
26

27 This acquisition is consistent with the HLB mission to acquire property for future municipal  
28 uses (AMC section 25.40.010), and with AMC section 25.40.010A., "[T]he acquisition  
29 responsibility of the Heritage Land Bank is to apply for and acquire in the name of the  
30 municipality, all lands to be transferred to the municipality from the state... as well as other  
31 land acquired by the municipality by purchase, donation, exchange or other means which is to  
32 be managed by the Land Bank on behalf of the municipality pursuant to Section 25.40.015A.  
33 Land acquired under this section shall be added to the Heritage Land Bank inventory."  
34

35 There is a dramatic shortage of industrial land for use by the Municipality, and purchase of  
36 this parcel would go far to alleviate the need for space in an appropriate industrial zone. The  
37 property, including constructed improvements, will be held in the HLB inventory until a  
38 municipal entity needs to utilize the property for a future public purpose.  
39

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

APPENDIX 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)

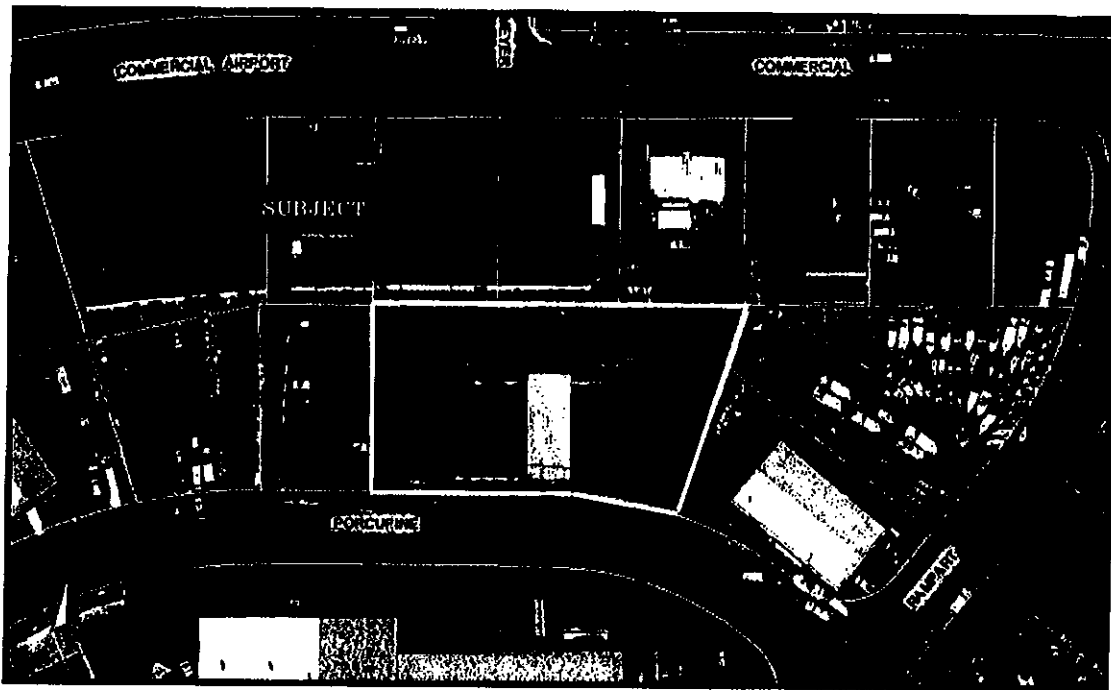
(Subject to available fund balance & appropriation in 2015)

Concur: George J. Vakalis, Municipal Manager

Respectfully submitted: Daniel A. Sullivan, Mayor



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