

Submitted by: Assembly Chair at the request of
the Mayor

Prepared by: Heritage Land Bank

For Reading: October 1, 1996

CLERK'S OFFICE

APPROVED

Date: 10-08-96 ANCHORAGE, ALASKA

AR NO. 96-262

A RESOLUTION OF THE ANCHORAGE ASSEMBLY APPROPRIATING SEVEN-HUNDRED AND TWENTY-SEVEN THOUSAND DOLLARS (\$727,000) FROM THE HERITAGE LAND BANK OPERATING FUND (0221) FOR THE DESIGN, DEMOLITION, AND SITE REHABILITATION OF THE HOLLYWOOD VISTA APARTMENTS ON GOVERNMENT HILL, LEGALLY DESCRIBED AS TRACTS 1 AND 2, U.S. SURVEY 3026, TOWNSHIP 13 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA.

WHEREAS, the Municipality of Anchorage acquired the 17.49 acre Hollywood Vista Apartment Complex from the federal Department of Housing and Urban Development (HUD) in 1988 for \$1; and

WHEREAS, by the time the Municipality acquired the land and improvements, the condition of the Hollywood Vista Apartment Complex had deteriorated and the buildings were declared unsafe for human habitation; and

WHEREAS, the Hollywood Vista Apartments have long been an eyesore for the community and in their present state constitute a significant potential liability for the Municipality; and

WHEREAS, the Municipality has attempted without success for years to demolish these apartments and redevelop the land for productive use; and

WHEREAS, the 1988 transfer of title to this land from HUD to the Municipality included a condition that the apartments be demolished within two years (by August 31, 1990); and

WHEREAS, the Municipality has annually obtained one-year extensions to this demolition condition from HUD based largely upon representations that the apartments would be demolished; and

WHEREAS, the land and buildings known as the Hollywood Vista Apartment Complex was transferred into the Heritage Land Bank (HLB) Inventory in 1995 (AM No. 553-95); and

WHEREAS, on May 16, 1995 the Assembly passed a Resolution (AR No. 95-146) recommending that the Mayor establish a Hollywood Vista Advisory Task Force to advise on the disposal of the land underlying the Hollywood Vista Apartments; and

WHEREAS, the Mayor subsequently appointed a Hollywood Vista Advisory Task Force which met through the balance of 1995 and then provided final recommendations to the Mayor and Assembly regarding the demolition and redevelopment of this property. These recommendations included the release of a Request for Proposals (RFP) to demolish the existing improvements on the site; and

1 WHEREAS. in June, 1996 the Municipality released an RFP for the design, demolition and site
2 rehabilitation of the Hollywood Vista Apartments and has recommended the award of the contract to
3 Alcan Environmental, Inc. for \$930,000 to complete work on Tract 1 of the project; and
4

5 WHEREAS, the \$930,000 allocated to the Tract 1 work (above) was obtained from state and federal
6 grant funds and is insufficient to allow Alcan Environmental to also complete work on Tract 2 of this
7 property. Alcan has specified that it will also complete Tract 2 work for another \$844,000, or a total of
8 \$1,774,000 for the entire project; and
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10 WHEREAS, this land is included within the HLB Inventory thereby making improvements to this land
11 eligible for the appropriation of HLB Funds. Furthermore, the HLB Operating Fund currently includes
12 \$2,832,132 of unreserved and undesignated funds which are available and eligible for this use, and
13 from which \$727,000 could be appropriated to assist in the demolition of Tract 2; and
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15 WHEREAS, there are considerable cost efficiencies and reductions in possible adverse community
16 impacts to be gained if the entire demolition is performed at one time; and
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18 WHEREAS, an MAI appraiser, Eric Follett and Associates, has estimated the current market value of
19 Tracts 1 and 2 at Hollywood Vista to be \$981,000, assuming that the existing buildings have been
20 removed.
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23 NOW, THEREFORE, THE ANCHORAGE ASSEMBLY RESOLVES:
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25 Section 1. The design, demolition. and site rehabilitation of the Hollywood Vista Apartments located
26 on HLB land on Government Hill is in the best interest of the Municipality of Anchorage and is
27 consistent with the mission and purpose of the HLB. These apartments have long been an eyesore for
28 the Municipality, constitute a potential liability, and preclude this land from being properly used.
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30 Section 2. The demolition of the entire apartment complex at one time would result in overall cost
31 savings and a reduction in possible adverse impacts to the Government Hill community.
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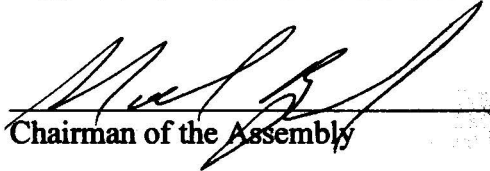
33 Section 3. The amount of money available to date for this demolition project is \$947,000, which is
34 substantially less than the \$1,774,000 proposed by the contractor to complete the entire project. The
35 \$947,000 will cover only the cost of having the contractor demolish Tract 1 (\$930,000). Therefore,
36 another \$827,000 is needed to complete the entire project at this time. It is also understood that
37 \$100,000 of additional Community Development Block Grant Funds are now available, thereby
38 leaving \$727,000 to complete the entire project..
39

40 Section 4. Because this property is in the HLB Inventory and because the demolition of the
41 apartments is considered an improvement to HLB land as defined by AMC 25.40.035.E., it is
42 appropriate to use HLB funds for this purpose. Furthermore, the HLB Operating Fund currently
43 contains a sufficient amount of undesignated moneys from which to make a \$727,000 appropriation.
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45 Section 5. That Seven-hundred and Twenty-seven Thousand Dollars (\$727,000) is appropriated from
46 the Heritage Land Bank Operating Fund (0221) for the design, demolition, and site rehabilitation of
47 Tract 2 of the Hollywood Vista Apartments on Government Hill, such land being within the Heritage
48 Land Bank Inventory.

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2 Section 6. This Resolution is effective immediately upon passage and approval.
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6 PASSED AND APPROVED by the Municipal Assembly this 8th day of October, 1996.
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11 Chairman of the Assembly

12 ATTEST:
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16 Municipal Clerk
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19 Departmental Appropriation:
20 Municipal Manager/Heritage Land Bank \$727,000
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22 assembly/template