



CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 96-18

From: Mayor Stein
Date: February 21, 1996
Subject: M.A.T.I. Land Purchase

On February 12, 1996, Council acted by motion to require that if City grant funds were used to purchase Lot 4 for the Museum of Alaska Transportation and Industry then title must vest in the City. Council also required that an appraisal be done to substantiate the purchase price of \$30,000.


I have spoken with Museum Director Pat Durand and the seller, Kurt Newcomb. Mr. Newcomb has reduced his asking price and believes that he can receive tax advantage only if he sells to the museum and insists that the agreement of sale be made on or before February 29.

I asked Mr. Durand if M.A.T.I. made the purchase as it planned then would M.A.T.I. be willing to place a clause in the deed to automatically convey the land to the City if the museum ceases to occupy the land for museum purposes. He was very agreeable and believed that his board of directors would have no objections.

I have engaged the services of Bob Ameen of Valley Appraisal and Analysis, Inc. to do a "form" appraisal to estimate the value of the lot. That appraisal is to be complete before the meeting of February 26.

Administration respectfully requests that Council approve an alternative plan for purchase of the M.A.T.I. lot as follows:

- (1) Council authorize by motion the use of capital construction funds previously granted by the City to M.A.T.I. for purchase of Lot 4, NE1/4, Sec.12, T17 R2W SM comprising 4.54 acres net area conditioned on an
- (2) independent appraisal substantiating that the \$30,000 purchase price is reasonable and that
- (3) a clause be placed in the deed by M.A.T.I. that would automatically convey the property to the City of Wasilla should M.A.T.I. cease to occupy the land for museum purposes and Council agrees to accept the land should that event occur.
- (4) The Mayor with advice of the City Attorney is authorized to take necessary actions to accomplish the above.


John C. Stein, Mayor

APPROVED

DATE: 2-26-96
BY: [Signature]