

presented by Ord 98-31
6/22/98
7/17/98
AK.

WASILLA CITY COUNCIL INFORMATION MEMORANDUM

IM No. 98-57

SUBJECT: Ordinance 98-31, Nature Conservancy Land
REQUESTED BY: Wasilla City Council

PREPARED BY: Tim Krug, City Planner

DATE: June 15, 1998

FOR AGENDA OF: June 22, 1998

SUMMARY:

The appraisal to purchase tax parcel D2, section 7 and a portion of tax parcel B1, section 8 in T17N, R1W, Seward Meridian is attached. The appraised value of D2 is \$146,500.00, portion of B1 is \$21,750.00, and \$7500.00 is proposed as contingency. The contingency is to cover for such items as survey, platting, title insurance, closing and recording costs.

Tax parcel D2 is 126.49 acres, and the southern portion of tax parcel B1 is approximately 30.00 acres. The total acreage is approximately 156 acres.

According to the Matanuska-Susitna Borough, tax parcel B1 will require replatting, since it is a subdivision of land. This may be obtained either through the replat or waiver parcel process. Either method will require that a road be constructed to parcel B1.

Attached is a letter dated May 4, 1998 expressing terms and conditions of the land purchase.

FISCAL IMPACT: No X Yes, amount requested: \$176,000.
Fund: General Fund, Fund Balance

RECOMMENDED ACTION: Introduce and schedule for Public Hearing.

MAYOR REVIEW/COMMENT: Final approval by Council


Reviewed by: SARAH PALIN, Mayor

Attachments:
Appraisal – Affiliated Appraisers of Alaska
5/4/98 Letter from The Nature Conservancy
Resolution Serial No. 98-13

CITY OF WASILLA
RESOLUTION SERIAL NO. 98-13

A RESOLUTION OF THE WASILLA CITY COUNCIL AUTHORIZING THE MAYOR TO NEGOTIATE FOR PURCHASE, REAL PROPERTY NEAR THE WASILLA AIRPORT AND OFFERING THE STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES UP TO TEN ACRES OF LAND TO LOCATE A YOUTH DETENTION FACILITY IN AN INDUSTRIAL ZONED AREA, WITHIN THE CITY LIMITS OF WASILLA.

WHEREAS, the valley has matured to the point where we need to be responsible for the troubled youth in our community;

WHEREAS, it is recognized by the state, borough, and city of Wasilla that a Youth Detention Facility is needed to relieve overcrowding at the McLaughlin Youth Center;

WHEREAS, locating a Youth Detention Facility in the City of Wasilla would significantly minimize transportation costs incurred by the Wasilla Police Department, Palmer Police Department and Alaska State Troopers;

WHEREAS, land acquisition would facilitate this project, and other future needs of our community;

WHEREAS, a majority of city residents support such a facility being located in an industrial zoned area of the city;

WHEREAS, the Wasilla City Council is willing to make land available to the State of Alaska for a Youth Detention Facility within the Wasilla city limits;

WHEREAS, the property near the Wasilla Airport is currently zoned industrial and a rezone is not needed to place a Youth Detention Facility;

WHEREAS, the council has directed administration to negotiate a purchase of land near the Wasilla Airport;

NOW THEREFORE BE IT RESOLVED that the Wasilla City Council authorize the mayor to negotiate specific terms and conditions of the purchase of real property in the location of the Wasilla Airport;

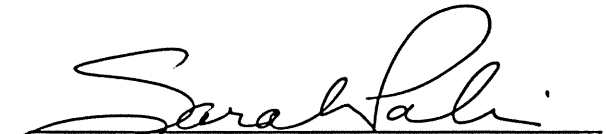
BE IT FURTHER RESOLVED upon finalization of the purchase the mayor shall present the purchase to the council for final approval;

BE IT FURTHER RESOLVED that upon final approval of the purchase of property, up to ten acres of the industrial zoned property shall be offered to the State of Alaska Department of Health and Social Services for the purposes of locating a Youth Detention Facility;

BE IT FURTHER RESOLVED that upon the State of Alaska Department of Health and Social Services acceptance of the property the state shall have a two year time period to construct a Youth Detention Facility on the property offered by the City of Wasilla;

BE IT FURTHER RESOLVED that the Wasilla City Council encourages the State of Alaska Department of Health and Social Services to place a Youth Detention Facility in the area located in the city of Wasilla's industrial zone within the Wasilla City Limits.

ADOPTED, by the Wasilla City Council this 27th day of April, 1998.


SARAH PALIN, Mayor

ATTEST:


KRISITE L. VANGORDER, CMC/AE
City Clerk

(SEAL)



421 West First Avenue,
Suite 200
Anchorage, Alaska 99501
TEL (907) 276-3133
FAX (907) 276-2584

International Headquarters
Arlington, Virginia
TEL 703 841-5300

4 May, 1998

Mayor Sarah Palin
City of Wasilla
290 E. Herning Avenue
Wasilla, AK 99654-7091

Dear Mayor Palin:

This letter is a follow-up to our meeting on April 24, 1998 to capture the key points of our discussion. This is not a formal agreement but an effort to articulate the points that will be incorporated into a binding agreement. The key points to work into an agreement include:

1. The City of Wasilla is interested in purchasing a portion of the property owned by The Nature Conservancy in Wasilla to meet a variety of municipal purposes. Specifically, the City is interested in purchasing parcel D2 and potentially those portions of parcel B1 to the south of the railroad.
2. The Conservancy recognizes that subdivision of parcel B1 would be required if the City purchased a portion of the parcel.
3. The Conservancy also recognizes that the re-zoning resolution passed by the City Council recently requires a waiver parcel action on parcels A2 and B1 to complete the re-zone action.
4. The City and the Conservancy agree to a purchase for fair market value as determined by a certified appraisal. The City and the Conservancy will prepare mutually agreeable instructions to the appraiser and will use a mutually agreed-upon appraisal firm. As a starting point, we discussed using Affiliated Appraisers of Alaska. We agreed to appraise both parcel D2 and the portion of parcel B1 south of the railroad, with separate values to be provided for each parcel.
5. We also agreed to split costs associated with the transaction (including but not limited to the appraisal, title policy, closing and recording costs) evenly between the City and the Conservancy.
6. Both the Conservancy and the City agree that a short timeframe makes the most sense. I recommend a 60 day period from signing a purchase agreement to closing. Please let me know if that timeframe is too quick given the potential need for a public process and city council decision making.

7. We discussed the community benefit in ensuring the protection of the pond and associated wetland in parcel B1 and the interest of the Trails Advisory Committee in ensuring long-term use of the existing trail on the southern boundary of parcel D2. The Conservancy supports and endorses the City's efforts to meet diverse community needs by protecting the wetlands and trail corridor on the property.

In addition to those items to be included in a binding agreement, there are also a number of issues associated with the remainder of the Conservancy property that we may want to work into a second agreement.

The planned Church Road South extension still crosses a portion of Conservancy land between the Parks Highway and the railroad. This is in the same area of an abandoned homestead dump that I have discussed with Tim Krug as well as with the previous City administration. The Church Road extension cuts across this dump area. A Level I Environmental Assessment of the site did not indicate a high likelihood of a contaminant problem. I would like to recommend an exchange of a right-of-way across the property for the City's commitment to bury or remove the dumped material when the Church Road construction takes place.

I would also like to have further discussion about placing deed restrictions on the parts of our property that face the Parks Highway to ensure maintenance of a treed buffer. Is this something that the City would be able to help enforce?

Please contact me to discuss any of the items I have outlined above or any other concerns you have. I will prepare a draft agreement for your staff to review as soon as possible.

Sincerely,



Randall H. Hagenstein
Conservation Program Director

cc: Susan Ruddy, TNC State Director
Ben Barrera, TNC Board of Trustees
Patrick Ramos, TNC Regional Counsel
Brad Holbrook, TNC Trideland Dispositions
Tim Krug, City of Wasilla
John Cramer, City of Wasilla
Cindy Roberts, City of Wasilla

SUMMARY OF SALIENT FACTS

LOCATION AND LEGAL DESCRIPTION : Tract D2 is located in Section 7 immediately east of the new Wasilla Airport and several 100 feet south of the Parks Highway within the city limits of Wasilla.

No formal description was supplied. Tract D2 is located in Section 7, Township 17 North, Range 1 West, Seward Meridian.

The portion of B1 appraised is immediately east of Tract D2 and south of the Alaska Railroad. A formal legal description was supplied. It is that portion of Tax Parcel B1, located south of the Alaska Railroad in Section 8, Township 17 North, Range 1 West, Seward Meridian.

OSTENSIBLE OWNER: The Nature Conservancy of Alaska

LAND AREA:

Parcel D2 - 126.49 Acres
Parcel B1 - 30 Acres

ZONING:

Parcel D2 - Industrial
Parcel B1 - Rural Residential

DATE OF APPRAISAL: June 8, 1998

PROPERTY RIGHTS APPRAISED: Fee simple interests

HIGHEST AND BEST USE:

Parcel D2 - Industrial

Parcel B1 - Rural Residential

FINAL VALUE ESTIMATE:

Parcel D2 - \$146,500

Parcel B1 - \$ 21,750

Affiliated Appraisers of Alaska

501 W. Northern Lights Blvd., Suite 201
Anchorage, Alaska 99503
(907) 274-1949 / Fax (907) 277-2304

June 13, 1998

Mr. Tim Krug
Planning Director
City of Wasilla
209 East Heming Avenue
Wasilla, Alaska 99654-7091

Mr. Randall H. Hagenstein
Conservation Program Director
The Nature Conservancy of Alaska
421 West Fifth Avenue
Suite 200
Anchorage, Alaska 99501

RE: An Appraisal of Tax Parcels D2, Section 7 and B1, Section 8, Wasilla, Alaska
Our File No. TRD-98-84

Dear Sirs:

As requested, I have inspected the above referenced properties for the purpose of estimating the market value of their fee simple interests. They are appraised on a cash or cash equivalent basis.

Located within this report are descriptive information, valuation data, analyses and conclusions used in valuing the property. Values are based on current market conditions and surveys. The values found herein are subject to the Contingent and Limiting Conditions found in the report. Specifically, land areas valued are approximated, net of Alaska Railroad right of way. Exact areas should be determined by surveys. Wetland areas are approximated. Only the Army Corp of Engineers, through a jurisdictional determination, can give legally delineate wetland areas. I have assumed the subject wetlands to have low to moderate habitat value and may possibly be developable, with compensatory mitigation. This may not be correct as that drainage in both parcels is to Lucille Creek, which may have higher habitat values.

This appraisal conforms to Volume 12, code of Federal Regulations, Part 34, Subpart C (FIRREA) and is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

June 13, 1998
Mr. Tim Krug
Mr. Randall H. Hagenstein
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As a result of my investigation and analyses, it is my opinion the market value of the subjects' fee simple interests, as of June 8, 1998, are:

Tax Parcel D2 - Approximate Size 126.49 Acres:

ONE HUNDRED FORTY-SIX THOUSAND DOLLARS
(\$146,000)

Tax Parcel B1 - Approximate Size 30 Acres:

TWENTY-ONE THOUSAND SEVEN HUNDRED FIFTY DOLLARS
(\$21,750)

I hope you find the details of this appraisal relevant to your decisions regarding the subject properties. If you have any questions, please call.

Sincerely,

AFFILIATED APPRAISERS OF ALASKA

Thomas R. Dunagan, MAI
Real Estate Appraiser

TRD/tdm