

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

Prepared by: Merrill Field Airport

For Reading: June 8, 2010

CLERK'S OFFICE

APPROVED

ANCHORAGE, ALASKA

Date: _____

6-22-10

AO No. 2010-49

1 AN ORDINANCE AUTHORIZING DISPOSAL OF MUNICIPAL LAND TO THE
2 STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC
3 FACILITIES (ADOT&PF); TRANSFER OF ADOT&PF LANDS TO MERRILL
4 FIELD AIRPORT; AND APPROPRIATING TWO MILLION TWO HUNDRED
5 EIGHTY-TWO THOUSAND THREE HUNDRED DOLLARS (\$2,282,300) TO THE
6 ANCHORAGE FIRE DEPARTMENT CAPITAL IMPROVEMENT FUND (431),
7 SEVEN HUNDRED SEVENTY THOUSAND DOLLARS (\$770,000) TO THE
8 PARKS AND RECREATION DEPARTMENT CAPITAL IMPROVEMENT FUND
9 (461), AND FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS
10 (\$4,500,000) TO MERRILL FIELD AIRPORT CAPITAL IMPROVEMENT FUND
11 (581) FROM ADOT&PF TO PROVIDE RIGHT OF WAY FOR THE GLENN
12 HIGHWAY RECONSTRUCTION PROJECT.
13

14
15 **WHEREAS**, the Municipality and the ADOT&PF executed a Land Exchange
16 Agreement to provide access and right of way for the reconstruction of East 5th
17 and 6th Avenues as generally described in the ADOT&PF design plans for the
18 Glenn Highway: Gambell Street to Airport Heights Reconstruction Project IM-OA1-
19 6(35)/58800 (hereinafter the "Project"); and
20

21 **WHEREAS**, the Municipality is the owner of several parcels of real property
22 containing an aggregate total of 220,538 square feet, required for the construction
23 of the Project; and
24

25 **WHEREAS**, the municipal land ADOT&PF seeks to acquire is managed by either
26 Parks and Recreation Department or Merrill Field Airport; and
27

28 **WHEREAS**, the Municipality has federal grant obligations with the Federal
29 Aviation Administration (FAA) requiring no net loss of Airport property and FAA
30 approval of the disposal of real property acquired with federal assistance; and
31

32 **WHEREAS**, the disposal of municipal land and transfer of ADOT&PF land meets
33 Merrill Field's obligation of no net loss of land within the Airport, in accordance
34 with 23 CFR 710.509 and Section 6.13 of the State of Alaska Right of Way
35 Manual, by functional replacement of the acquired Airport lands for 198,469
36 square feet of adjacent Municipal land from the Anchorage Fire Department to
37 Merrill Field Airport; and
38

1 **WHEREAS**, the ADOT&PF is providing fair and equitable consideration for
2 municipal lands and rights to be acquired and/or transferred for the Project; and
3

4 **WHEREAS**, the consideration for the acquired lands includes transfer of 17,523
5 square feet of ADOT&PF lands to Merrill Field Airport, cost-to-cure and functional
6 replacement of airport lands, and payment for the municipal land currently utilized
7 by Parks and Recreation and Anchorage Fire Department described herein; and
8

9 **WHEREAS**, the Municipality and the ADOT&PF agreed to jointly work to obtain
10 the necessary Assembly and FAA approvals for the transfer and conveyance of
11 land for the Project; and
12

13 **WHEREAS**, Assembly Ordinance (AO) No. 2007-98 and AO No. 2008-101
14 authorized new long term airport leases to accommodate right of way takes and
15 replatting to reconfigure existing lease lots for new airport access points off of the
16 Glenn Highway; and
17

18 **WHEREAS**, Anchorage Municipal Code section 25.30.020 requires disposal of
19 Municipal land shall be by ordinance only; now therefore,
20

21 **THE ANCHORAGE ASSEMBLY ORDAINS:**
22

23 **Section 1.** The Municipality of Anchorage is authorized to dispose 73,947
24 square feet of Municipal land to ADOT&PF; consideration for this disposal is cash
25 for loss of land.
26

27 **Section 2.** In consideration of the disposal in Section 1, SEVEN HUNDRED
28 SEVENTY THOUSAND DOLLARS (\$770,000) is hereby appropriated from
29 ADOT&PF to the Parks and Recreation Department Capital Improvement Fund
30 (461).
31

32 **Section 3.** The Municipality of Anchorage is authorized to dispose 146,591
33 square feet of Municipal land at Merrill Field Airport to ADOT&PF. Consideration
34 for the disposal is ADOT&PF's functional replacement of the acquired Airport
35 lands (198,469 square feet of Municipal land from the Anchorage Fire Department
36 to Merrill Field Airport).
37

38 **Section 4.** In consideration of the disposal in Section 3, FOUR MILLION FIVE
39 HUNDRED THOUSAND DOLLARS (\$4,500,000) is hereby appropriated from
40 ADOT&PF to Merrill Field Airport Capital Improvement Fund (581) for cost-to-cure
41 the transferred land.
42

43 **Section 5.** In consideration of the agreement of the Municipality of Anchorage
44 to transfer 198,469 square feet of municipal land currently utilized and managed
45 by the Anchorage Fire Department, to Merrill Field Airport, TWO MILLION TWO

1 HUNDRED EIGHTY-TWO THOUSAND THREE HUNDRED DOLLARS
2 (\$2,282,300) is hereby appropriated from ADOT&PF to the Anchorage Fire
3 Department Capital Improvement Fund (431).

4
5 **Section 6.** The Municipality of Anchorage is authorized to accept 17,523 square
6 feet of ADOT&PF land for utilization and management by Merrill Field Airport.

7
8 **Section 7.** The Municipality of Anchorage is authorized to proceed with the
9 disposal and cost-to-cure of the Municipal lands and the acceptance of ADOT&PF
10 lands, upon the terms and conditions summarized in the Assembly Memorandum.

11
12 **Section 8.** The Mayor, or his designee, is authorized to execute agreements
13 with the FAA and the ADOT&PF, and provide information as may be required of
14 the Municipality of Anchorage for the disposal, cost-to-cure and functional
15 replacement of the Municipal lands and the receipt of the ADOT&PF funds.

16
17 **Section 9.** This Ordinance shall take effect upon State of Alaska Legislative
18 appropriation for funding, subject to FAA approval of the disposal and functional
19 replacement of the acquired Airport lands.

20
21 PASSED AND APPROVED by the Assembly this 22nd day of
22 June, 2010.

23
24
25 
26 _____
27 Chair of the Assembly

28 ATTEST:

29
30
31 
32 _____
33 Municipal Clerk

34
35
36 **Departmental Appropriation:**
37 Merrill Field Airport \$4,500,000
38 Parks and Recreation \$770,000
39 Anchorage Fire Department \$2,282,300
40
41

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government and Utilities

AO Number: 2010-49

Title: **AN ORDINANCE AUTHORIZING DISPOSAL OF MUNICIPAL LAND TO THE STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES (ADOT&PF); TRANSFER OF ADOT&PF LANDS TO MERRILL FIELD AIRPORT; AND APPROPRIATING TWO MILLION TWO HUNDRED EIGHTY-TWO THOUSAND THREE HUNDRED DOLLARS (\$2,282,300) TO THE ANCHORAGE FIRE DEPARTMENT CAPITAL IMPROVEMENT FUND (431), SEVEN HUNDRED SEVENTY THOUSAND DOLLARS (\$770,000) TO THE PARKS AND RECREATION DEPARTMENT CAPITAL IMPROVEMENT FUND (461), AND FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000) TO MERRILL FIELD AIRPORT CAPITAL IMPROVEMENT FUND (581) FROM ADOT&PF TO PROVIDE RIGHT OF WAY FOR THE GLENN HIGHWAY RECONSTRUCTION PROJECT**

Sponsor: **MAYOR**
 Preparing Agency: Merrill Field
 Others Impacted: Merrill Field, Anchorage Fire Department and Parks & Recreation Department

CHANGES IN EXPENDITURES AND REVENUES:		(In Thousands of Dollars)				
	FY10	FY11	FY12	FY13	FY14	
Operating Expenditures						
1000 Personal Services						
2000 Non-Labor (<i>Parks & Rec</i>)	\$ 770					
2000 Non-Labor (<i>Fire Dept</i>)	\$ 2,282					
3900 Contributions						
4000 Debt Service						
TOTAL DIRECT COSTS:	\$ 3,052	\$ -	\$ -	\$ -	\$ -	
Add: 6000 Charges from Others						
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -	
REVENUES: (Utility) - Merrill Field	\$ 4,500					
REVENUES: (GG) - Fire Dept	\$ 2,282					
REVENUES: (GG) - Parks & Rec	\$ 770					
CAPITAL: (Utility) - Merrill Field		\$ 4,500				
POSITIONS: FT/PT and Temp						

PUBLIC SECTOR ECONOMIC EFFECTS:

The Municipality has federal grant obligations with the FAA that require no net loss of airport property. The ADOT&PF intends to meet the federal grant obligations for the functional replacement of airport property by the transfer of management authority of 198,469 square feet of adjacent Municipal land from the AFD to Merrill Field Airport. The AFD property being transferred is located over the closed Municipal landfill. Considerable subgrade and utility improvements are required to make this property comparable to the property taken from Merrill Field Airport. The cost-to-cure the transferred land is \$4,500,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

The construction improvements will provide business and employment opportunities to the local community.

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 351-2010

Meeting Date: June 8, 2010

1 **From:** MAYOR

2
3 **Subject:** AN ORDINANCE AUTHORIZING DISPOSAL OF MUNICIPAL LAND
4 TO THE STATE OF ALASKA, DEPARTMENT OF
5 TRANSPORTATION & PUBLIC FACILITIES (ADOT&PF);
6 TRANSFER OF ADOT&PF LANDS TO MERRILL FIELD AIRPORT;
7 AND APPROPRIATING TWO MILLION TWO HUNDRED EIGHTY-
8 TWO THOUSAND THREE HUNDRED DOLLARS (\$2,282,300) TO
9 THE ANCHORAGE FIRE DEPARTMENT CAPITAL IMPROVEMENT
10 FUND (431), SEVEN HUNDRED SEVENTY THOUSAND DOLLARS
11 (\$770,000) TO THE PARKS AND RECREATION DEPARTMENT
12 CAPITAL IMPROVEMENT FUND (461), AND FOUR MILLION FIVE
13 HUNDRED THOUSAND DOLLARS (\$4,500,000) TO MERRILL
14 FIELD AIRPORT CAPITAL IMPROVEMENT FUND (581) FROM
15 ADOT&PF TO PROVIDE RIGHT OF WAY FOR THE GLENN
16 HIGHWAY RECONSTRUCTION PROJECT.
17

18 The Municipality and the ADOT&PF executed a Land Exchange Agreement to
19 provide access and right of way for the reconstruction of East 5th and 6th Avenues
20 as generally described in the ADOT&PF design plans for the Glenn Highway:
21 Gambell Street to Airport Heights Reconstruction Project IM-OA1-6(35)/58800
22 (hereinafter the "Project").
23

24 The Municipal properties included within the Land Exchange Agreement for the
25 Project are described below. Each Project parcel has been appraised by a local,
26 independent professional appraiser. The parcel appraisals have also been
27 reviewed and approved by both the Municipality and the ADOT&PF.
28

29 Parks and Recreation Managed Lands

- 30 • Portions of Lots 2 and 3, Block 28D of the East Addition to the Anchorage
31 Townsite, Anchorage Recording District, also known as Parcel Nos. 2 and 3
32 of the Project
- 33 • Lots 2 through 7 of Block 29D, Lots 2 through 7 of Block 29C, and Lot 7A of
34 Block 30B of the East Addition to the Anchorage Townsite, Anchorage
35 Recording District, also known as Parcel Nos. 5 through 17 of the Project
36

37 Parcel Nos. 2, 3, and 5 through 17 contain an aggregate total of 73,947 square
38 feet or 1.70 acres. The appraised value of these parcels as of June 10, 2008
39 was \$718,100. During the review process, the appraised value was adjusted
40 upwards to \$770,000 to reflect changes in market conditions through March
41 2009 and include the underlying fee interest of that 9,299 square foot portion of
42 the lands already encumbered with an existing public use easement.

1
2 *Merrill Field Airport Managed Lands*

- 3 • A portion of Tract C-1 of the Merrill Field Replat Addition No. 4, according to
4 plat 97-26, Anchorage Recording District, also known as Parcel No. 19 of the
5 Project
6 • The northerly most 255.36 feet of Tract 1A1 of the Merrill Field Replat
7 Addition No. 4, according to plat 97-42, Anchorage Recording District, also
8 known as Parcel No. 20 of the Project
9 • A portion of Lot 1, Block 2 of the Merrill Field Replat, according to plat 85-23,
10 Anchorage Recording District, also known as Parcel No. 21 of the Project
11 • A portion of Tract 5 of the Merrill Field Replat, according to plat 85-23,
12 Anchorage Recording District, also known as Parcel No. 22 of the Project
13

14 Parcel Nos. 19 through 22 contain an aggregate total of 146,591 square feet or
15 3.37 acres. The appraised value of these lands as of June 10, 2008 was
16 \$2,547,500. Adjusting the appraised value upwards to reflect changes in market
17 conditions through March 2009 results in an approved value of \$2,662,300.
18

19 The Municipality has federal grant obligations with the Federal Aviation
20 Administration (FAA) that require no net loss of airport property and FAA approval
21 of the disposal of real property that was acquired with federal assistance. The
22 ADOT&PF intends to meet the federal grant obligations for the functional
23 replacement of airport property by the transfer of management authority of
24 198,469 square feet of adjacent Municipal land from the Anchorage Fire
25 Department to Merrill Field Airport.
26

27 The Anchorage Fire Department property being transferred to Merrill Field Airport
28 is located over the closed Municipal landfill. Considerable subgrade and utility
29 improvements are required to make this property comparable to the property
30 taken from Merrill Field Airport. The Land Exchange Agreement includes a cost-
31 to-cure the transferred land in the amount of \$4,500,000.
32

33 *Anchorage Fire Department Managed Lands*

- 34 • Tract 2 and portions of Tracts 3 and 5 of the Regional Fire Training Station
35 Subdivision, according to Plat 2008-116, Anchorage Recording District, also
36 known as the Anchorage Fire Department Parcel of the Project
37

38 The Anchorage Fire Department Parcel contains an aggregate total of 198,469
39 square feet or 4.56 acres. The appraised value of these lands as of June 10,
40 2008 was \$2,184,000. Adjusting the appraised value upwards to reflect
41 changes in market conditions through March 2009 results in an approved value
42 of \$2,282,300.
43

44 Anchorage Fire Department funding to be used to renovate and address safety
45 concerns at the 25 year old Anchorage Fire Department fire apparatus
46 maintenance shop.

In addition, ADOT&PF properties included within the Land Exchange Agreement for the Project are briefly described below:

ADOT&PF properties transferred to Merrill Field Airport

- A portion of the Glenn Highway right of way located adjacent to the existing Airport lease lot described as Lot 17, Block 2, Merrill Field Replat, according to Plat No. 85-23, records of the Anchorage Recording District, containing 2,815 square feet or 0.06 acres
- A portion of the Glenn Highway right of way located within Lot 3A, Block 30B, Anchorage Townsite East Addition, according to Plat C-186, records of the Anchorage Recording District, containing 14,708 square feet or 0.34 acres

ADOT&PF funds for the acquisition of Parks and Recreation managed lands, the functional replacement of Merrill Field Airport managed lands to be accomplished by compensating the Anchorage Fire Department for the transfer of management authority from Anchorage Fire Department to Merrill Field Airport, and the cost-to-cure to make the transferred property comparable to the property taken from Merrill Field are summarized below:

Purchase of Parks and Recreation Department	\$ 770,000
Anchorage Fire Department	2,282,300
<u>Merrill Field Airport Cost-to-Cure</u>	<u>4,500,000</u>
Total Appropriation	\$7,552,300

The following budget is presented for Assembly information:

PARKS AND RECREATION DEPARTMENT:

Revenue

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
461-5496-9741 BP2010	State Land Block	\$770,000

Expenditures

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
461-5496-5301 BP2010	Land Improvements	<u>\$770,000</u>
	Total Expenditures	\$770,000

ANCHORAGE FIRE DEPARTMENT:

Revenue

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
431-3569-9741 BP2010	State Land Block	\$2,282,300

Expenditures

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
431-3569-5202 BP2010	Bldg Improvements > \$49,999	<u>\$2,282,300</u>
	Total Expenditures	\$2,282,300

MERRILL FIELD AIRPORT:

Revenue

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
581-8982-9671-890705 BP2007	Other Cost Recoveries	\$4,500,000

Expenditures

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
581-8982-5301-890705 BP2011	Land Improvements	<u>\$4,500,000</u>
	Total Expenditures	\$4,500,000

This Ordinance shall take effect upon obtaining State of Alaska Legislative appropriation for funding, subject to FAA approval of the disposal and functional replacement of the acquired Airport lands.

THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE AUTHORIZING DISPOSAL OF MUNICIPAL LAND TO THE STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES (ADOT&PF); TRANSFER OF ADOT&PF LANDS TO MERRILL FIELD AIRPORT; AND APPROPRIATING TWO MILLION TWO HUNDRED EIGHTY-TWO THOUSAND THREE HUNDRED DOLLARS (\$2,282,300) TO THE ANCHORAGE FIRE DEPARTMENT CAPITAL IMPROVEMENT FUND (431), SEVEN HUNDRED SEVENTY THOUSAND DOLLARS (\$770,000) TO THE PARKS AND RECREATION DEPARTMENT CAPITAL IMPROVEMENT FUND (461), AND FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000) TO MERRILL FIELD AIRPORT CAPITAL IMPROVEMENT FUND (581) FROM ADOT&PF TO PROVIDE RIGHT OF WAY FOR THE GLENN HIGHWAY RECONSTRUCTION PROJECT.

Prepared by: Merrill Field Airport

Approved by: David A. Lundeby, Manager, Merrill Field Airport
Mark S. Hall, Fire Chief, Anchorage Fire Department
John H. Rodda, Director, Parks & Recreation Department

Fund Certification: Lucinda Mahoney, CFO

* 461-5496-9741 BP2010	\$ 770,000
(State Land Block)	
* 431-3569-9741 BP2010	\$2,282,300
(State Land Block)	
* 581-8982-9671-890705 BP2007	\$4,500,000
(Other Cost Recoveries)	

* Subject to receipt of approved State of Alaska Legislative appropriation

Concur: Dennis A. Wheeler, Municipal Attorney

Concur: George J. Vakalis, Municipal Manager

Respectfully submitted: Daniel A Sullivan, Mayor

Content ID: 009073

Revision: 1

Type: Ordinance - AO

AN ORDINANCE AUTHORIZING DISPOSAL OF MUNICIPAL LAND TO THE STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES (ADOT&PF); TRANSFER OF ADOT&PF LANDS TO MERRILL FIELD AIRPORT; AND APPROPRIATING TWO MILLION TWO HUNDRED EIGHTY-TWO THOUSAND THREE HUNDRED DOLLARS (\$2,282,300) TO THE ANCHORAGE FIRE DEPARTMENT CAPITAL

Title: IMPROVEMENT FUND (431), SEVEN HUNDRED SEVENTY THOUSAND DOLLARS (\$770,000) TO THE PARKS AND RECREATION DEPARTMENT CAPITAL IMPROVEMENT FUND (461), AND FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000) TO MERRILL FIELD AIRPORT CAPITAL IMPROVEMENT FUND (581) FROM ADOT&PF TO PROVIDE RIGHT OF WAY FOR THE GLENN HIGHWAY RECONSTRUCTION PROJECT.

Author: pruittns

Initiating Dept: Merrill

Review Depts: AFD, ParksRec, OMB

Date Prepared: 5/24/10 9:35 AM

Director Name: David A. Lundeby

Addnl Review Depts: Finance, Legal

Assembly Meeting Date: 6/8/10

Public Hearing Date: 6/22/10

<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	6/4/10 12:58 PM	Exit	Nina Pruitt	Public	009073
MuniManager_SubWorkflow	6/4/10 12:58 PM	Approve	Nina Pruitt	Public	009073
Legal_SubWorkflow	6/4/10 12:28 PM	Approve	Dennis Wheeler	Public	009073
Finance_SubWorkflow	6/4/10 10:59 AM	Approve	Lucinda Mahoney	Public	009073
OMB_SubWorkflow	6/2/10 3:16 PM	Approve	Cheryl Frasca	Public	009073
ParksRec_SubWorkflow	6/2/10 10:35 AM	Approve	John Rodda	Public	009073
AFD_SubWorkflow	6/2/10 9:45 AM	Approve	Mark Hall	Public	009073
Merrill_SubWorkflow	6/1/10 3:17 PM	Approve	David Lundeby	Public	009073
AllOrdinanceWorkflow	6/1/10 2:57 PM	Checkin	Nina Pruitt	Public	009073
Clerk_Admin_SubWorkflow	6/1/10 2:33 PM	Exit	Nina Pruitt	Public	009073
MuniManager_SubWorkflow	6/1/10 2:33 PM	Checkin	Nina Pruitt	Public	009073
MuniManager_SubWorkflow	6/1/10 2:29 PM	Checkin	Nina Pruitt	Public	009073
Finance_SubWorkflow	6/1/10 9:34 AM	Reject	Nina Pruitt	Public	009073
MuniManager_SubWorkflow	5/27/10 10:46 AM	Checkin	Nina Pruitt	Public	009073
OMB_SubWorkflow	5/26/10 8:52 AM	Reject	Cheryl Frasca	Public	009073
ParksRec_SubWorkflow	5/24/10 2:27 PM	Approve	Elizabeth Stanley	Public	009073
AFD_SubWorkflow	5/24/10 10:55 AM	Approve	Michelle Weston	Public	009073
Merrill_SubWorkflow	5/24/10 9:50 AM	Approve	David Lundeby	Public	009073
AllOrdinanceWorkflow	5/24/10 9:47 AM	Checkin	David Lundeby	Public	009073

Ad. Lundeby -