

CLERK'S OFFICE

APPROVED

Date: _____

2-1-11

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

Prepared by: Anchorage School District

For reading: January 11, 2011

ANCHORAGE, ALASKA

AO No. 2011-6

1 **AN ORDINANCE AUTHORIZING THE TERMS OF ACQUISITION FOR AN**
2 **APPROXIMATE 15-ACRE PARCEL WITHIN POWDER RIDGE SUBDIVISION,**
3 **TRACT 40-A, GENERALLY LOCATED WEST OF THE GLENN HIGHWAY AND**
4 **TERRACE LANE, FUNDED BY THE ANCHORAGE SCHOOL DISTRICT, FOR**
5 **APPROXIMATELY SEVEN HUNDRED SEVENTY-FIVE THOUSAND DOLLARS**
6 **(\$775,000), INCLUDING OPTIONS TO ACQUIRE ALTERNATE PARCELS AND A**
7 **RIGHT TO REPURCHASE, DESIGNATING THE ACQUIRED SITE AS A SCHOOL**
8 **SITE, AND WAIVING CERTAIN REQUIREMENTS REGARDING PLACEMENT IN OR**
9 **DISPOSAL FROM THE HERITAGE LAND BANK.**

10
11 **WHEREAS**, Assembly Resolution (AR) 2010-328 approved the site selection of an
12 approximate 15-acre parcel within Powder Ridge Subdivision, Tract 40-A, generally
13 located west of the Glenn Highway and Terrace Lane, for a future elementary school
14 for the Chugiak-Eagle River area; and

15
16 **WHEREAS**, AR 2010-328 authorized the purchase of the Powder Ridge site; and

17
18 **WHEREAS**, the seller of the Powder Ridge site is willing to sell the site to the
19 Municipality for appraised fair market value and to grant the Municipality options to
20 acquire one of two other parcels of real property owned by the seller in the Chugiak-
21 Eagle River area for appraised fair market value in the event the Municipality and the
22 seller are unable to complete the sale of the Powder Ridge site; and

23
24 **WHEREAS**, the seller is willing to sell the Powder Ridge site and to grant the options
25 to the Municipality only upon the condition that if the acquired site is later declared to
26 be excess to school needs the seller will have a right to repurchase the site; and

27
28 **WHEREAS**, Anchorage Municipal Code (AMC) 25.40 generally requires land for
29 proposed schools be held in Heritage Land Bank (HLB) inventory until formerly
30 designated as a school site and be returned to HLB inventory if declared excess to
31 school needs for use for other municipal purposes or disposal in accordance with
32 HLB municipal land management and disposal procedures; and

33
34 **WHEREAS**, the Municipality is authorized under AMC 25.40.015 D.3.b. to utilize any
35 method set out in AMC 25.20 to acquire property for potential school sites, is
36 authorized under AMC 25.20.030 to acquire land by conveyance and is authorized
37 under AMC 25.30 to dispose of municipal land by direct negotiated conveyance; and

38
39 **WHEREAS**, the Anchorage School District has funds available for the acquisition of a
40 school site in the Chugiak-Eagle River area; now, therefore,

41 //

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43 //

1 **THE ANCHORAGE ASSEMBLY ORDAINS:**

2
3 **Section 1.** The purchase of a school site in the Chugiak-Eagle River area upon the
4 described material terms is approved.

5
6 **Section 2.** The Municipality is authorized to purchase the school site subject to a
7 right of repurchase in favor of the seller.

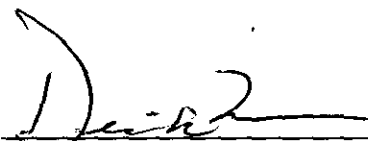
8
9 **Section 3.** The site, upon acquisition by the Municipality and the payment of any
10 compensation to the HLB pursuant to AMC 25.40.015 D., shall be designated as
11 school land and management authority shall be delegated to the Anchorage School
12 District, pursuant to AMC 25.40.015 D., for management as a future school site.

13
14 **Section 4.** The disposal of the site, in the event the site is declared to be in excess
15 to school needs and the seller of the site exercises its right to repurchase the site, is
16 approved and authorized.

17
18 **Section 5.** Provisions set forth in AMC 25.40 requiring school land be returned to
19 HLB inventory upon declaration the land is in excess to school needs and providing
20 procedures for use or disposal of municipal land in HLB inventory are waived with
21 respect to the acquired site, except that, if the site is declared in excess to school
22 needs and the seller does not exercise its right to repurchase the site, then the site
23 shall be returned to HLB inventory and shall be subject to all provisions applicable to
24 municipal land in HLB inventory.

25
26 **Section 6.** This ordinance shall be effective immediately upon passage and
27 approval by the Assembly.

28
29 PASSED AND APPROVED by the Anchorage Assembly this 15th day of
30 February, 2011.

31
32
33
34 
35 _____
36 Chair of the Assembly

37
38 ATTEST:

39
40 
41 _____
42 Municipal Clerk
43

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2011-6

Title: [AN ORDINANCE TO AUTHORIZE THE TERMS OF ACQUISITION FOR AN APPROXIMATE 15-ACRE PARCEL WITHIN POWDER RIDGE SUBDIVISION, TRACT 40-A, GENERALLY LOCATED WEST OF THE GLENN HIGHWAY AND TERRACE LANE, FUNDED BY THE ANCHORAGE SCHOOL DISTRICT, FOR APPROXIMATELY \$775,000, INCLUDING OPTIONS TO ACQUIRE ALTERNATE PARCELS AND A RIGHT TO REPURCHASE, DESIGNATING THE ACQUIRED SITE AS A SCHOOL SITE, AND WAIVING CERTAIN REQUIREMENTS REGARDING PLACEMENT IN OR DISPOSAL FROM THE HERITAGE LAND BANK.

Sponsor: **MAYOR**
 Preparing Agency: Anchorage School District
 Others Impacted: Real Estate Department

CHANGES IN EXPENDITURES AND REVENUES:						(In Thousands of Dollars)
	FY11	FY11	FY13	FY14	FY15	
Operating Expenditures						
1000 Personal Services						
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -	
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -	
REVENUES:						
CAPITAL:						
POSITIONS: FT/PT and Temp						

PUBLIC SECTOR ECONOMIC EFFECTS:

ASD 2006 bond proceeds and interest on those proceeds will be used to acquire school site.

PRIVATE SECTOR ECONOMIC EFFECTS:

Prepared by:

Telephone:

**MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM**

No. AM 40-2011

Meeting Date: January 11, 2011

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE AUTHORIZING THE TERMS OF ACQUISITION**
4 **FOR AN APPROXIMATE 15-ACRE PARCEL WITHIN POWDER**
5 **RIDGE SUBDIVISION, TRACT 40-A, GENERALLY LOCATED**
6 **WEST OF THE GLENN HIGHWAY AND TERRACE LANE,**
7 **FUNDED BY THE ANCHORAGE SCHOOL DISTRICT, FOR**
8 **APPROXIMATELY \$775,000, INCLUDING OPTIONS TO**
9 **ACQUIRE ALTERNATE PARCELS AND A RIGHT TO**
10 **REPURCHASE, DESIGNATING THE ACQUIRED SITE AS A**
11 **SCHOOL SITE, AND WAIVING CERTAIN REQUIREMENTS**
12 **REGARDING PLACEMENT IN OR DISPOSAL FROM THE**
13 **HERITAGE LAND BANK.**

14
15 Assembly Resolution (AR) 2010-328 approved the site selection of an
16 approximate 15-acre parcel within Powder Ridge Subdivision, Tract 40-A, for a
17 future elementary school for the Chugiak-Eagle River area. The parcel is located
18 west of the Glenn Highway and Terrace Lane. Prior to the approval of AR 2010-
19 328, the Anchorage School District (ASD) and the Municipality of Anchorage
20 (Municipality) jointly participated in the school site selection process required
21 under Anchorage Municipal Code (AMC) 21.15.015.

22
23 The Chugiak-Eagle River Comprehensive Plan Update identifies a need for a
24 new elementary school in the next 15 to 20 years in the area of Chugiak-Eagle
25 River that is north of downtown Eagle River and south of Peters Creek. The
26 school district hired CRW Engineering Group, LLC, to produce a site selection
27 study.

28
29 The study examined five sites that were of suitable size and location. After initial
30 analysis, two sites were rejected and three sites were analyzed further. The
31 analysis considered location, size, accessibility, physical suitability, availability,
32 development and acquisition costs, and other factors. Based on the selection
33 criteria and the available information, the Powder Ridge site was recommended
34 for acquisition. The site selection study was presented to the Birchwood,
35 Chugiak, and Eagle River Community Councils in August 2010. All three
36 community councils supported the recommended site.

37
38 The Anchorage School Board and the Planning and Zoning Commission held a
39 joint public hearing on October 4, 2010. Both bodies voted to recommend
40 acquisition of the Powder Ridge site for a future elementary school. AR 2010-
41 328 approved the site selection and authorized the purchase of the Powder
42 Ridge site.

1
2 The ASD proposes completing the purchase of the Powder Ridge site for its
3 appraised value of \$51,666.67 per acre. The total purchase price for the
4 approximately 15-acre site will be based on the actual acreage acquired as
5 determined in connection with the subdivision of the site from the larger Powder
6 Ridge Subdivision parcel. If the total acreage of the site is exactly 15 acres, the
7 purchase price would be \$775,000. The purchase price may be somewhat more
8 or less depending on the actual acreage. The ASD has allocated funds from
9 prior year bond proceeds and interest for this acquisition.

10
11 As part of the proposed transaction, Eklutna, Inc., the seller, tentatively has
12 agreed to grant the Municipality options to acquire one of two other large parcels
13 of land also owned by Eklutna in the Chugiak-Eagle River Area for appraised
14 value. The two alternate sites are the second and third ranked sites identified
15 through the school site selection process described in AM 593-2010. The
16 Municipality would have the right to exercise the options if the Municipality and
17 Eklutna are unable to complete the Powder Ridge acquisition as a result of
18 certain events. While the agreement with Eklutna will grant the options to the
19 Municipality, exercise of the options would be subject to the ASD and
20 Municipality completing the school site selection process and the Assembly
21 approving selection of an alternate school site.

22
23 Eklutna is willing to sell the Powder Ridge site and grant the options for the
24 alternate sites only on the condition that it retain a right to repurchase the
25 acquired site if it is determined in the future to be in excess to school needs.
26 Eklutna has indicated that it wants to support the location of an elementary
27 school in the Chugiak-Eagle River Area but that it is not willing to sell the
28 identified sites for other purposes. The price paid by Eklutna for the repurchase
29 would be the greater of: (a) the amount paid by the Municipality to purchase the
30 property; or (b) the appraised value of the site at the time. Thus, at minimum, the
31 Municipality would receive appraised value for the repurchase.

32
33 AMC 25.40.015 D. generally requires land for proposed schools be held in HLB
34 inventory and managed by HLB until formerly designated as school land. In
35 addition, school land determined by the Anchorage School Board to be excess to
36 school needs generally is to be returned to HLB inventory, subject to Assembly
37 approval and payment of compensation to the ASD. If school land is returned to
38 HLB inventory, AMC 25.40 provides procedures for the management of the land
39 and potential disposal of the land.

40
41 In the future, if the Anchorage School Board determined the acquired site to be
42 excess to school needs and Eklutna exercised its right to repurchase the site, the
43 site would not be available for return to HLB inventory. Therefore, the proposed
44 AO would authorize the acquisition subject to the repurchase right. In addition,
45 the proposed AO would authorize the disposal of the site pursuant to the
46 repurchase right. The proposed AO also would expressly waive provisions in
47 AMC 25.40 that might otherwise require the site be returned to HLB inventory for
48 management and disposal in accordance with HLB procedures. If the acquired

1 site is declared to be excess to school needs but Eklutna does not repurchase
2 the property, the site would, upon Assembly approval and compensation to the
3 ASD, be returned to the Heritage Land Bank inventory, pursuant to AMC
4 25.40.015 D.5., for management and disposal in accordance with all HLB
5 procedures.
6

7 The Municipality is authorized pursuant to AMC 25.40.015 D.3.b. to utilize any
8 method set out in AMC 25.20 to acquire property for potential school sites. AMC
9 25.20.030 authorizes the Municipality to acquire land by conveyance and
10 AMC 25.30 authorizes the Municipality to dispose of municipal land for appraised
11 fair market value by direct negotiation.
12

13 The ASD has no reason to believe the school site will ever be excess to school
14 needs. Nonetheless, Eklutna's desire to have an opportunity to repurchase the
15 site if it is no longer needed for school purposes is reasonable. The acquisition
16 of the school site will use available funds to acquire land for a future elementary
17 school site for the Chugiak-Eagle River area. It is advantageous to the ASD and
18 Municipality to acquire future school sites when sufficiently large parcels remain
19 available. The Powder Ridge Subdivision school site was selected and approved
20 after the school site selection process identified it as the preferred future school
21 site out of all sites identified and reviewed.
22

23 Pursuant to the proposed AO, upon acquisition of the school site and payment of
24 any compensation by ASD to HLB required by AMC 25.40.015 D., the site would
25 be designated as school land and management authority would be delegated to
26 the Anchorage School District, pursuant to AMC 25.40.015 D.
27

28 THE ANCHORAGE SCHOOL DISTRICT AND THE ADMINISTRATION
29 RECOMMEND APPROVAL OF AN ORDINANCE TO AUTHORIZE THE TERMS
30 OF ACQUISITION FOR AN APPROXIMATE 15-ACRE PARCEL WITHIN
31 POWDER RIDGE SUBDIVISION, TRACT 40-A, GENERALLY LOCATED WEST
32 OF THE GLENN HIGHWAY AND TERRACE LANE, FUNDED BY THE
33 ANCHORAGE SCHOOL DISTRICT, FOR APPROXIMATELY \$775,000,
34 INCLUDING OPTIONS TO ACQUIRE ALTERNATE PARCELS AND A RIGHT TO
35 REPURCHASE, DESIGNATING THE ACQUIRED SITE AS A SCHOOL SITE,
36 AND WAIVING CERTAIN REQUIREMENTS REGARDING PLACEMENT IN OR
37 DISPOSAL FROM THE HERITAGE LAND BANK.
38

39 Prepared by: Anchorage School District
40 Approved by: Carol Comeau, ASD Superintendent
41 Concur: Dennis A. Wheeler, Municipal Attorney
42 Concur: George J. Vakalis, Municipal Manager
43 Respectfully submitted: Daniel A. Sullivan, Mayor

Content ID: 009785

Type: Ordinance - AO

AN ORDINANCE AUTHORIZING THE TERMS OF ACQUISITION FOR AN APPROXIMATE 15-ACRE PARCEL WITHIN POWDER RIDGE SUBDIVISION, TRACT 40-A, GENERALLY LOCATED WEST OF THE GLENN HIGHWAY AND TERRACE LANE, FUNDED BY THE ANCHORAGE SCHOOL DISTRICT, FOR

Title: APPROXIMATELY SEVEN HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$775,000), INCLUDING OPTIONS TO ACQUIRE ALTERNATE PARCELS AND A RIGHT TO REPURCHASE, DESIGNATING THE ACQUIRED SITE AS A SCHOOL SITE, AND WAIVING CERTAIN REQUIREMENTS REGARDING PLACEMENT IN OR DISPOSAL FROM THE HERITAGE LAND BANK.

Author: pruittns

Initiating Dept: Legal

Review Depts: Finance, MuniManager

Description: AO TO ACQUIRE 15-ACRE PARCEL W/ POWDER RIDGE SD, TR40-A BY ASD FOR \$775K INCLUDING OPTIONS & RT TO REPURCHASE, DESIGNATION AS SCHOOL SITE & WAIVING AMC RQMTS RE HLB

Keywords: Anchorage School District, school site selection, Heritage Land Bank, Powder Ridge Subdivision

Date Prepared: 1/10/11 12:42 PM

Director Name: Dennis A. Wheeler

Assembly Meeting Date: 1/11/11

Public Hearing Date: 2/1/11

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/11/11 8:44 AM	Exit	Joy Maglaqui	Public	009785
MuniManager_SubWorkflow	1/11/11 8:44 AM	Approve	Joy Maglaqui	Public	009785
Finance_SubWorkflow	1/10/11 4:39 PM	Approve	Lucinda Mahoney	Public	009785
Finance_SubWorkflow	1/10/11 3:42 PM	Checkin	Nina Pruitt	Public	009785
Legal_SubWorkflow	1/10/11 1:00 PM	Approve	Rhonda Westover	Public	009785
AllOrdinanceWorkflow	1/10/11 12:59 PM	Checkin	Rhonda Westover	Public	009785

D. A. Wheeler