

RESOLUTION NO. 4732

**A RESOLUTION AUTHORIZING PURCHASE OF AN OPTION ON THE
FIRST DEED OF TRUST AGAINST THE POLARIS HOTEL IN THE
AMOUNT OF \$130,000.00**

WHEREAS, the Polaris Hotel has been vacant and depreciating for over fourteen years and has become a blight on the Fairbanks downtown area; and

WHEREAS, to date, efforts by the owner to rehabilitate the structure have failed;
and

WHEREAS, the building was condemned by Notice and Order to Abate issued by the Building Official in August 2012, but the owner has not responded; and

WHEREAS, absent rehabilitation by the owner, the City will endeavor to demolish the structure but will need to seek funding to do so; and

WHEREAS, City ownership of the first deed of trust and note against the property may become necessary as a condition of demolition funding; and

WHEREAS, for a price of \$15,000, the holder of the first deed of trust and note has agreed to grant an option to the City to purchase that first deed of trust and note at a discounted price of \$130,000.00; and

WHEREAS, funding for the option price of \$15,000.00 was approved by budget amendment under Ordinance 6008, as Amended, which option price will serve as a credit against purchase of the deed of trust and note in the event the option is exercised; and


WHEREAS, future exercise of the option by the City must first be approved by the City Council, together with a budget amendment for \$115,000.00, the remainder of the note price.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairbanks,

SECTION 1. That the Option to Purchase Deed of Trust and Promissory Note, attached as Exhibit "A," is hereby approved for the purposes mentioned above.

SECTION 2. That the Mayor is hereby authorized to execute the option agreement and such other documents as may be necessary to procure the option.

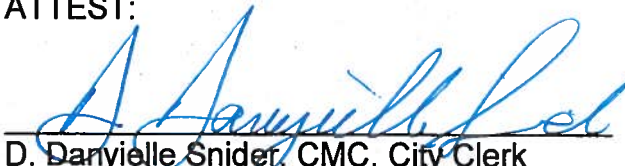
PASSED, APPROVED and EFFECTIVE this 9th day of May 2016.



John Eberhart, City Mayor

AYES: Matherly, Gatewood, Pruhs, Cleworth, Huntington
NAYS: None
ABSENT: Vacant Seat B
APPROVED: May 9, 2016

ATTEST:



D. Danyielle Snider, CMC, City Clerk

APPROVED AS TO FORM:



Paul J. Ewers, City Attorney