

RESOLUTION NO. 4791, AS AMENDED

**A RESOLUTION APPROVING THE SALE OF CITY PROPERTY TO
TANANA CHIEFS CONFERENCE IN THE AMOUNT OF \$1,000,000.00.**

WHEREAS, Ordinance No. 6028, as Amended, authorized sale of 3.5 acres of City land, being a portion of the Arctic Park Snow Storage Site to Tanana Chiefs Conference for future expansion of the Chief Andrew Isaac Health Center; and

WHEREAS, under Ordinance No. 6028, as Amended, the tentative sales price was set at \$1,052,000.00, subject to independent appraisal; and

WHEREAS, the City commissioned Northern Appraisers for this purpose, who valued the property at \$725,000.00; and

WHEREAS, the appraiser's estimate of value is subject to approval by the City Council; and

WHEREAS, the appraised value does not adequately compensate the City for loss of critical snow storage; and

WHEREAS, TCC has agreed to increase the sales price to \$1,000,000.00; and

WHEREAS, it is the intent of the Council that the TCC funds be used to acquire replacement snow storage properties in a land exchange transaction; and

WHEREAS, use of the sale proceeds for acquisition of replacement properties will require a land exchange, as provided for under FGC Section 70-45; and

WHEREAS, the City Property and Development Manager has identified potential replacement snow storage sites for use by Public Works, for which TCC will be the purchaser and exchanger; and

WHEREAS, TCC, in return for increasing the sales price, has requested a first right of refusal in the event that the City offers a portion of its adjoining property for sale; and

WHEREAS, the right of first refusal will be offered to TCC at the same price and terms approved by Council for offer to other potential purchasers; and


WHEREAS, the Real Estate Purchase and Sale Agreement approved under Ordinance No. 6028, as Amended, will be revised to incorporate the new sales price and land exchange requirements.

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

SECTION 1. That the revised sales price of \$1,000,000.00 is hereby approved as the final sales price to Tanana Chiefs Conference.

SECTION 2. That the Mayor is hereby authorized to execute such documents in a form approved by the City Attorney as may be necessary to finalize this transaction.

PASSED, APPROVED and EFFECTIVE this 5th day of June 2017.

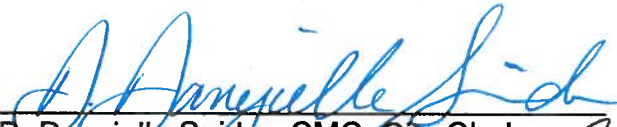


Jim Matherly, City Mayor

AYES: Norum, Cleworth, Rogers, Huntington, Therrien, Pruhs
NAYS: None
ABSENT: None
APPROVED: June 5, 2017

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, CMC, City Clerk



Paul J. Ewers, City Attorney

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FISCAL NOTE**

As per section 8.8 of the Municipal Code, the Permanent Fund was created from the sales of municipal real property and utility assets.

Fairbanks General Code Section 70-45 states that the City Council may approve after public notice the conveyance and exchange of a parcel of city property for an equivalent parcel of property owned by another person subject to such conditions as the City Council may impose on the exchange, whenever in the judgment of the City Council it is advantageous to the City to make the property exchange.

Per Ordinance 4791, the City will exchange 3.5 acres in the Arctic Park Snow Storage site with Tanana Chiefs Conference for comparable snow storage sites in the City. The exchange transaction value is shown below:

<u>Land Exchange</u>	
Sale Price	\$1,000,000
Appraiser Fee	(3,000)
Rezoning Fee	(500)
Re-Platting Fee	<u>(250)</u>
Estimated exchange value	\$ 996,625

If net cash proceeds result after the exchange transactions they will be deposited into the Permanent Fund.