

Introduced By: Mayor Jerry Cleworth
Date: December 6, 2011

ORDINANCE NO. 5870

**AN ORDINANCE AUTHORIZING SALE OF SURPLUS PROPERTY TO
THE KOREAN COMMUNITY OF FAIRBANKS, INC.**

WHEREAS, the City of Fairbanks is the owner of Lots 13, 14, 15, & 16, Block 31, Bjerremark Subdivision (the "Property"), located at 24th Avenue and Rickert Street, as shown on attached "Exhibit A"; and

WHEREAS, the Korean Community of Fairbanks, Inc, an Alaska non-profit corporation, has respectfully requested permission to purchase the Property at less than full value, with tender offer of \$30,000 by letter of October 28, 2011, attached as "Exhibit B", including a cash down payment of \$10,000; and

WHEREAS, Fairbanks General Code of Ordinances Section 70-44 provides that the City may sell to a non-profit organization without public sale and for less than market value, whenever in the judgment of the City Council it is advantageous to do so; and

WHEREAS, the Korean Community of Fairbanks intends to construct an English language learning center for students and seniors on the Property, a non-profit purpose beneficial to the community; and

WHEREAS, the City administration has reviewed said Property and determined that same is not required for municipal purposes and can be sold to others; and

WHEREAS, it is the sense of the City Council that sale of the Property described above for the purposes stated is in the best interest of the community.

NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. DETERMINATION: That the terms and conditions expressed in the Korean Community of Fairbanks offer letter of October 28, 2011 are hereby agreed to and accepted, provided that 6% interest compounded monthly apply to the remaining balance, secured by Deed of Trust and Promissory Note, and that all associated costs be paid by purchaser.

SECTION 2. PURCHASE AGREEMENT: That a Real Estate Purchase Agreement as approved by the City Attorney be prepared and executed for the purposes herein.

SECTION 3. RESCISSION: Any and all prior acts by the City Council which may affect sale of this property are hereby rescinded.

SECTION 4. PERMISSIVE REFERENDUM: This conveyance of real property is subject to the right of the voters, within thirty-days of sale, to reject a sale by permissive referendum under FGC Sec. 70-42, and the City Charter.

SECTION 5. FORM OF CONVEYANCE: That said property shall be conveyed by Statutory Quit Claim Deed.

SECTION 6. CONDITIONS OF CONVEYANCE: That said Deed shall contain a condition limiting the Property to non-profit use, and that the construction of the proposed facility on the Property be commenced within five years of years of conveyance.

SECTION 7. PENALTY FOR DEFAULT: If construction of the facility is not commenced within five years of conveyance, title to the property shall revert to the City. In such event, monies paid to the City shall be returned to purchasers, except that the City shall be entitled to retain interest paid as penalty for default.

SECTION 8. MAYOR'S AUTHORIZATION: That the Mayor is hereby authorized and empowered to execute such agreements, deeds and instruments as necessary to complete sale of said property after Council approval.

SECTION 9. That the effective date of this ordinance shall be the 17th day of December 2011.

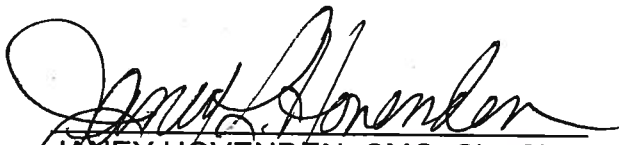


JERRY CLEWORTH, Mayor


AYES: Hilling, Eberhart, Roberts, Stiver, Matherly, Gatewood
NAYS: None
ABSENT: None
ADOPTED: December 12, 2011

ATTEST:

APPROVED AS TO FORM:



JANEY HOVENDEN, CMC, City Clerk



PAUL EWERS, City Attorney