

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE REMOVAL OF DEED RESTRICTIONS INVOKED UNDER MATANUSKA-SUSITNA BOROUGH ORDINANCE SERIAL NO. 15-133 IN ORDER TO ALLOW THE VETERAN'S WALL OF HONOR MEMORIAL TO BE MOVED FROM TRACT B, BEST VIEW SUBDIVISION, AND TO ALLOW THE OWNER OF TRACT B, VALLEY HOSPITAL ASSOCIATION, INC. D/B/A MAT-SU HEALTH FOUNDATION, THE ABILITY TO DETERMINE THE HIGHEST AND BEST USE FOR TRACT B (MSB007064).

AGENDA OF: June 5, 2018

ASSEMBLY ACTION:

Adopted with Assembly member
Kowalke opposed 6-19-18 

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: 

Route To:	Department/Individual	Initials	Remarks
	Originator	NSC	
	Community Development Director	EP	
	Finance Director	CX	
	Borough Attorney	NS	
	Borough Clerk	BBA for IKM	

ATTACHMENT(S): Fiscal Note: YES ____ NO X
Ordinance Serial No. 15-133 (6 pp)
Ordinance Serial No. 18-063 (2 pp)

SUMMARY STATEMENT:

Valley Hospital Association, Inc. d/b/a Mat-Su Health Foundation is requesting release of the restrictions bound to the 2016 sale of Tract B, Best View Subdivision. Ordinance Serial No. 15-133 approved the sale with two specific conditions of transfer:

- 1) The Veteran's Memorial is to remain upon Tract B and relocation would only be allowed with assembly approval to remove this specific condition of the sale; and
- 2) Tract B shall be used as an elder care facility and associated services.

The Valley Hospital Association, Inc. d/b/a Mat-Su Health Foundation became the current owner of Tract B in 2017 and has yet to determine final plans for the property in whole, but they have partnered with the Veterans and City of Wasilla to assist in relocating the Wall of Honor Memorial to city-owned property. The memorial's new location off Wasilla-Fishhook Road (old Iditarod Elementary School site) will provide better parking and accessibility, security, and ease of visitation.

Plans are moving forward to complete the new memorial in time for the 2018 Veteran's Day honor celebration. The Veterans, Valley Hospital Association, Inc. d/b/a Mat-Su Health Foundation, City of Wasilla, and the Borough, have worked together to achieve this desired end result.

Tract B was sold for the fair market value of \$1.2 million dollars. While the condition to restrict use of the property for elder care facility and associated services was not required by MSB code, the restriction was invoked to assure use of the property would be consistent with the medical district it lies adjacent to. The Mat-Su Health Foundation's mission is "To Improve the Health and Wellness of Alaskans Living in the Mat-Su" which aligns with the intent of using the parcel for health associated services. Removal of the restriction allows the Foundation to determine the highest and best use of the property which is in the best interest of the public.

RECOMMENDATION OF ADMINISTRATION:

Approval by the Borough Assembly for the removal of deed restrictions invoked under Matanuska-Susitna Borough Ordinance Serial No. 15-133 in order to allow the Veteran's Wall of Honor memorial to be moved from Tract B, Best View Subdivision, and to allow the owner of Tract B, Valley Hospital Association, Inc. d/b/a Mat-Su Health Foundation, the ability to determine the highest and best use for Tract B.

NON-CODE ORDINANCE

Sponsored By: Borough Manager
Introduced: 10/20/15
Public Hearing: 11/03/15
Amended: 11/03/15
Adopted: 11/03/15

**MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 15-133**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING A SALE BY APPLICATION OF TRACT B, BEST VIEW SUBDIVISION AND THE IMPROVEMENTS THEREON FOR \$1,215,000; AUTHORIZATION FOR THE MANAGER TO NEGOTIATE THE SALE; AND APPROPRIATION OF \$50,000 FROM SALE PROCEEDS TO THE PARKS SHOP BUILDING, FUND 440, PROJECT NO. 15039, WITH THE REMAINDER OF SALE PROCEEDS TO BE DEPOSITED TO LAND MANAGEMENT FUND AND APPROPRIATED AT A LATER TIME BY THE BOROUGH ASSEMBLY (MSB007064).

WHEREAS, the Matanuska-Susitna Borough Land and Resource Management Division received a request by application to purchase Tract B, Best View Subdivision, and all the improvements thereon; and

WHEREAS, a Borough contracted third party appraisal determined the fair market value to be \$1,215,000 which shall constitute the sale price of the property; and

WHEREAS, Tract B is located adjacent to Mat-Su Regional Hospital property and is where the current Mat-Su Convention and Visitors Bureau and Veteran's Memorial Wall of Honor are located; and

WHEREAS, the applicant, Spring Creek Enterprise, LLC. proposes to construct an elder care facility on the property; and

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WHEREAS, the elder care facility may provide transitional care for patients released from the hospital, or longer care for other clients in need of such care as hospice or other formal long-term care; and

WHEREAS, the deed conveying the property will contain a restriction that the land be used for such a purpose, which may include additional use for a Veterans Memorial site; and

WHEREAS, pursuant to MSB 23.10.230, agreements by application, the Manager may with the approval of the Assembly by ordinance, approve a sale of Borough-owned real property where the Assembly has determined it is in the best interest of the Borough to process the application based on economic development; and

WHEREAS, the elder care facility will provide economic value to the Borough by freeing up hospital beds for those truly in need, while helping those during the hospital-to-home transition who need short-term aftercare, or for other clients with longer term care needs, offering encouragement and independence for our valued elder population, and spurring partnership with local health leaders; and

WHEREAS, the current Management Agreement between the Borough and Mat-Su Visitor and Convention Bureau will be terminated concurrent to the sale; however, visitor center staff will remain onsite until the new owner begins construction of

the elder care facility, and upon vacating the existing log building, staff will assume off-site office space until such time the new visitor center is constructed; and

WHEREAS, moving the old visitor center log building will be very expensive and the building cannot be utilized by the buyer, and is not desired by the Mat-Su Visitor and Convention Bureau board or executive director at its new site; and

WHEREAS, the Veteran's Memorial Wall of Honor and associated memorial improvements now located on Tract B are planned to stay in place at this time and the current management agreement between the Borough and the Areawide Community Service Council, who oversees management of the memorial site, will either be terminated or assigned as a condition of the sale of the property; and

WHEREAS, the lot to be sold (Tract B) is oddly shaped and has some topographic constraints and the memorial sits within the prime building area of the lot so reconfiguring the memorial to a more suitable location will be required; and

WHEREAS, the new owner will work closely with local veterans, and specifically with those individuals who have time and family invested in the memorial site, as to the memorial's future location and management; and

WHEREAS, the Veteran's Memorial site may be relocated to another location on the parcel, but as a condition of this sale, OR 18-063

the Veteran's Memorial site must remain on the parcel and not be relocated elsewhere. The current management agreement with the Areawide Community Service Council is conveyed rather than terminated as a condition of the sale; and

WHEREAS, in accordance with Mat-Su Borough Ordinance Serial No. 13-012, proceeds from the sale of Tract B are to be dedicated to the development of the new South Gateway Visitors Center with proceeds from the sale to be dispersed pursuant to Borough code into the Land and Resource Management fund; and,

WHEREAS, when the new visitor center property was purchased last year for \$1,000,000, a Borough administrative fee of \$50,000 was deducted from Land and Resource Management fund 203, and it is the intent of this legislation to recoup and appropriate \$50,000 from the sale proceeds of Tract B to the Parks and Recreation Division shop building, fund 440, project no. 15039, with the remainder of the sale proceeds to be appropriated at a later date by the Assembly; and

WHEREAS, the parks shop building is currently located within the city limits of Palmer and is zoned for residential use and because of the zoning, the shop is operating under a city conditional use permit for a greenhouse which was taken down due to its deteriorated state and inability to meet Occupational Safety and Health Administration standards without significant cost; and

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WHEREAS, the city of Palmer would like to see the shop removed from its current location at the soonest possible time; and

WHEREAS, the zoning issue is compounded by the difficulty to secure and adequately store expensive equipment for which heated storage is required to protect the Borough's large and expensive equipment from environmental damages and potential vandalism it could otherwise incur if stored outside; and

WHEREAS, lacking this type of required storage at the current location the Community Development Department has been compelled to rent additional month-to-month heated storage space for \$2,080 per month for equipment overflow due to the inadequate storage space at the parks shop; and

WHEREAS, the new parks shop building is to be located on Borough land next to Teeland Middle School with access onto Seldon Road; and

WHEREAS, money appropriated through Ordinance Serial No. 15-089 (\$280,181) to help fund the new shop was directly due to the significant issues with the current location and adding the \$50,000 to money already appropriated by the Assembly for the new shop site carries huge public benefit through annual cost-savings of \$24,960, in addition to providing an efficient secure building with adequate storage and office space at a central location.

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BE IT ENACTED:

Section 1. Classification. This Ordinance is a non-code ordinance.

Section 2. Authorization. The Assembly approves a sale by application of Tract B, Best View Subdivision, according to Plat No. 88-24, Palmer Recording District, and the improvements thereon and authorizes the Manager to negotiate the sale.

Section 3. Appropriation. Appropriation of \$50,000 from sale proceeds to the parks shop building, fund 440, project no. 15039 with the remainder of the sale proceeds to be deposited to Land Management fund and appropriated at a later time by the Borough Assembly.

Section 4. Effective Date. This ordinance shall take effect upon adoption.

ADOPTED by the Matanuska-Susitna Borough Assembly this 3 day of November, 2015.


VERN HALTER, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Sykes, Beck, McKee, Colligan, Mayfield, Doty, and Kowalke