

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE SALE OF THE FEE SIMPLE ESTATE FOR TWO ALASKA DIVISION OF LANDS (ADL) LEASES WHERE THE LESSEE WISHES TO EXTINGUISH THE LEASE AND PURCHASE AT FAIR MARKET VALUE (MSB999364, Tax ID: 3390B00L006B and MSB001533, Tax ID: 6285000T00D).

AGENDA OF: January 15, 2019

ASSEMBLY ACTION:

Adopted without objection 2-5-19

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>HM</i>	
	Community Development Director	<i>EP</i>	
	Planning Director	<i>EP</i>	
	Finance Director	<i>Bl</i>	<i>acting Brad Pickett</i>
	Borough Attorney	<i>JS</i>	
	Borough Clerk	<i>JMM</i>	<i>1/7/19</i>

ATTACHMENT(S) : Fiscal Note: YES ☒ NO ☐
 Vicinity Maps (2 pp)
 Ordinance Serial No. 19-009 (3 pp)

SUMMARY STATEMENT:

The Land and Resource Management Division has received two (2) individual applications requesting to extinguish their current leases and purchase the fee simple estate at fair market value. Certain borough selected lands received patent from the state of Alaska through the Municipal Entitlement Land program that were subject to pre-existing 55-year Alaska Division of Lands (ADL) leases.

Adopted Land Management Policy and Procedures, ADL Lessee Purchase of the Fee Simple Estate for Lands 10 Acres in Size or Smaller, Part 60-10, allows the Lessee to purchase the fee simple estate. Sub-part 2.2(B) states the applicant (Lessee) is responsible for properly locating improvements on the leasehold wherein a survey is required showing all improvements on the property and their distances from lot lines and waterbodies. Improvements may include, but are not limited to, structures, wells, septic systems, fences, and driveways. Applicants shall bear the expense of survey and costs required to remedy any violations of Title 17 Zoning, and meet Title 43 Platting requirements.

Both applicants' improvements do not meet the setback requirements of Title 17 and have requested to be relieved of the survey requirements in order to complete the purchase of the properties. Notwithstanding Part 60-10, Sub-part 2.2(B), surveying and setback requirements, staff is recommending assembly approval to sell the parcels to the applicants. The sale of the parcels does not alleviate the applicants from any setback requirements in borough code and remains their responsibility to remedy any violations that exist.

These ADL leases produce minimal lease and tax revenue to the borough. They are not cost effective to manage, and present the borough with unexpected liabilities if retained upon expiration of the leases, as substantial improvements exist on the properties. Therefore, it is in the best interest of the borough to convey its interest in the land, which in turn will generate income and tax revenue, and reduce the borough's costs of management and liability.

PARCEL INFORMATION:

APPLICANT 1

Barbara Anderson-Holbrook, Lessee

ADL 00016 / MSB001533 / Tax ID: 6285000T00D

LEGAL: Tract D, South Big Lake Alaska Subdivision, Plat No. 66-4, Palmer Recording District, approximately .62 acre.

Annual Lease Amount: \$2,591.19

The applicant submitted a Land Appraisal Report with a market value of the subject property on August 30, 2017, for \$69,900.

APPLICANT 2

Clifton Tweedy, Lessee

ADL 63858 / MSB999364 / Tax ID: 3390B01L006B

LEGAL: Lot 6B, Block 1, Subdivision of Lot 6 - Block No. 1 in the South Big Lake Alaska Subdivision, Plat No. 66-24, Palmer Recording District, approximately .25 acre.

ADDRESS: 9230 S. Big Lake Road.

Annual Lease Amount: \$1,048.41

Adjacent land tax assessed value with adjustment for the size of the subject property, gives an approximate value of \$58,000. The required Land Appraisal Report shall be submitted by the applicant prior to sale to establish the fair market value of the property.

PUBLIC NOTICE:

In accordance with Title 23 procedures, public notice was conducted, which included advertisement in the Frontiersman, on the borough's web site, mailings to private property owners, Big Lake Community Council, Assembly Member Mayfield, Big Lake Road Service Area Board, West Lakes Fire Service Area Board, and the Alaska Department of Fish and Game.

Resulting from the public notice, one comment supported both sales and had no objection. The Big Lake Community Council commented, "[T]here is no comment regarding this issue."

RECOMMENDATION OF ADMINISTRATION:

Notwithstanding Part 60-10, Sub-part 2.2(B), surveying and setback requirements, staff is recommending assembly approval to sell the parcels to the applicants/lessees at fair market value determined by a third party appraisal.

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: January 15, 2019

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ORIGINATOR:

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <u>(YES)</u> NO
AMOUNT REQUESTED *	FUNDING SOURCE <u>Land Sales</u>
FROM ACCOUNT #	PROJECT #
TO ACCOUNT: <u>203.000.000 3XX.XXX</u>	PROJECT #
VERIFIED BY: <u>Barbara Baunyn</u>	CERTIFIED BY:
DATE: <u>12/27/18</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)						
OPERATING	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE *						
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FUNDING: (Thousands of Dollars)						
General Grant Funds						
State/Federal Funds						
Other *						
TOTAL *						

POSITIONS:						
Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) * Land Sales will generate tax revenue. To be determined on the actual sale price

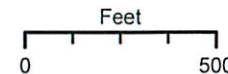
PREPARED BY: _____ PHONE: _____

DEPARTMENT: _____ DATE: _____

APPROVED BY: Bruce Lutetia acting DATE: 12/27/18

Q92 19-009
TM 19-010

S T17N R04W Sec. 36
MSB Tax Map LS 16
MSB/LRMD September 2018

[illegible]

S BIG LAKE

(6285)

TR "C"

APPLICANT 2

BIG LAKE

HOYT-WOLF IS.

(6150)

Big Lake

S BIG LAKE AK

SECOND ADD

LOTS
15A-22A

22A

24

25

(3390)

6A-1

6A-2

6B

(6363)

5

4

3

2

1

PUBLIC
USE ESMT

60' ROW ESMT

PUBLIC
USE ESMT

S-BIG-LAKE-RD

(1)

10

11

12

13

MARSHALL
2ND ADD

41 42 43 44 45 46 47 48

W GESSN LN

53 52 51 50

10' ROW ESMTS

W MARION DR

W-SUSITNA-PKY

33' SL ESMT

W CALM
COVE
CIR

LOTS 2A & 5A BLK 2
& 4A & 5A BLK 3

(4413)

5A

(3)

4A

3

(3)

2A

MSB #999364

**Tweedy
Lease Purchase of the
Fee Simple Estate**

S T17N R04W Sec. 36 Tax Map LS 16

MSB/LRMD September 2018



Feet

0 200

