

NONCODE ORDINANCE

Sponsored By: Borough Manager
Introduced: 01/15/19
Public Hearing: 02/05/19
Adopted: 02/05/19

**MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 19-009**

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 NO. 3390B00L006B; and MSB001533, Tax ID NO. 6285000T00D).

WHEREAS, the Land and Resource Management Division has received two individual applications requesting to extinguish their current leases and purchase the fee simple estate at fair market value; and

WHEREAS, 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; and

WHEREAS, adopted policy and procedures for the ADL leases allows the lessee to purchase the fee simple estate; and

WHEREAS, the current policy and procedure for ADL Lessee Purchase of the Fee Simple Estate for Lands 10 Acres in Size or Smaller, Part 60-10, Sub-part 2.2(B), the applicant is responsible for a survey and properly locating improvements on the leasehold estate; and

WHEREAS, both applicants' improvements do not meet the current setback requirements of Title 17 and have requested to be

relieved of the survey requirements in order to complete the purchase of the properties; and

WHEREAS, these ADL leases produce minimal lease and tax revenue to the Borough; they are not cost effective to retain or manage, and can present the Borough with unexpected liabilities if retained upon expiration of the leases, as substantial improvements exist on the property; and

WHEREAS, conveyance of the fee simple interest in the land will generate income and tax revenue, and reduce the Borough's costs and liability; and

WHEREAS, the sale of the properties does not alleviate the applicants from any setback requirements in Borough code and remains their responsibility to remedy any violations that exist.

BE IT ENACTED:

Section 1. Classification. This Ordinance is a noncode ordinance.

Section 2. Policy and Procedure Manual, Part 60-10, Subpart 2.2(B). Notwithstanding the requirements of Part 60-10, Subpart 2.2(B), all other parts of the policy will apply.

Section 3. The best interest of the Borough. 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 and liability.

Section 4. Authorization to extinguish the lease hold interest and purchase the fee simple estate. The Assembly does hereby approve the sale the fee simple estate, at fair market value, of the two Boroughowned parcels.

Section 5. Condition of Sale. The sale will be cash at closing with the applicants bearing all costs associated with the transactions.

Section 6. Effective Date. This ordinance shall take effect upon adoption.

ADOPTED by the Matanuska-Susitna Borough Assembly this 5 day of February, 2019.


VERN HALTER, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Sykes, McKee, Leonard, Mayfield, Sumner, and Boeve