

**SUBJECT:** INFORMING THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY OF ENACTING A BOROUGH LAND EXCHANGE AUTHORIZED IN ACCORDANCE WITH MATANUSKA-SUSITNA BOROUGH ORDINANCE SERIAL NO. 17-109 AND CITY OF PALMER RESOLUTION NO. 18-025 (MSB007453).

**AGENDA OF:** May 7, 2019

**ASSEMBLY ACTION:**

IM 19-066 presented w/o objection @  
5/7/19 RM

**MANAGER RECOMMENDATION:** For information only.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:**

Route To:	Department/Individual	Initials	Remarks
	Originator	MSC	
	Community Development Director	EQ	
	Finance Director	CA	
	Borough Attorney	NS	
	Borough Clerk	JRM	4/29/19

**ATTACHMENT(S):** Vicinity Map (1 pp)  
City of Palmer Resolution No. 18-025 (1 pp)  
Matanuska-Susitna Borough Ordinance  
Serial No. 17-109(5 pp)

**SUMMARY STATEMENT:** The Matanuska Susitna Borough Assembly adopted Ordinance Serial No. 17-109 authorizing the purchase of land next to Mat-River Park in Palmer for purpose of open space and trail connectivity. The City of Palmer tried to obtain a grant for the acquisition, but was unable to secure the funding needed. Through negotiations with the landowner, and collaboration with the borough, an agreement was reached between all parties and the borough acquired the property.

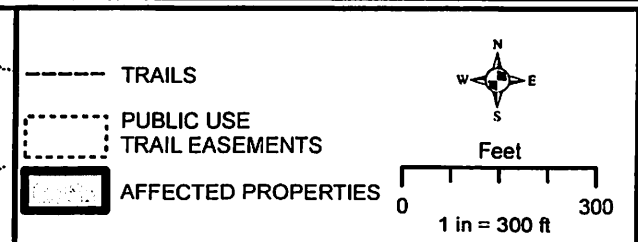
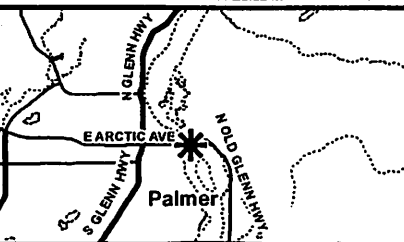
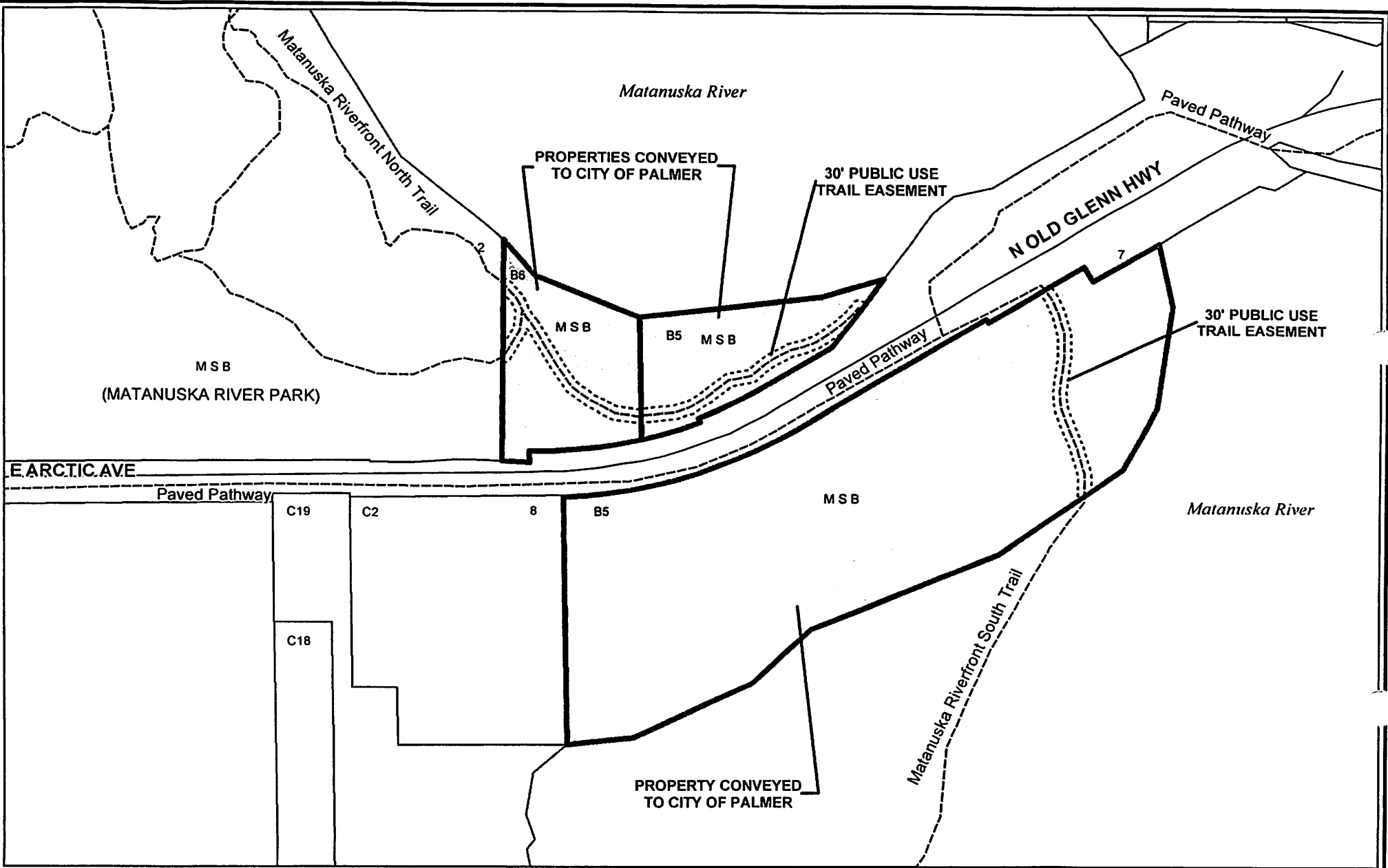
An agreement between the borough and the city included conveying the property to the city after the borough constructed and dedicated a trail through the property to provide connectivity to the North and South Riverfront Trails along the river. A 30' wide

trail easement will be recorded over that portion lying within the land to be conveyed, as shown on the attached vicinity map. The borough will maintain the trail within it as part of the borough-wide trail systems.

As part of the agreement, the city will release their leasehold interest on the old Alaska Division of Lands lease (ADL 229118) granted to the City of Palmer in 1971 on land commonly called the "France Road" property. The borough inherited the lease when the property was patented to the borough by the state. The Valley Pathways School is located on a portion of the borough property and there is potential for trail expansion on the remainder. The city does not need this "France Road" property, but sees the need for additional parks within the city limits. The City adopted Resolution No. 18-025 on November 27, 2018 authorizing the exchange of land that would release the leasehold interest in "France Road" for title to the parcels acquired by the borough.

A simultaneous Termination of Lease shall be recorded for the France Road property and the borough will record a deed for the properties next to Mat River Park being conveyed to Palmer. The borough will retain a reversionary right and perpetual requirement the property being conveyed to the city be used for public purpose. No money shall be exchanged between the City of Palmer and the Mat-Su Borough for conveying the borough property to the city, or for the city's release of their leasehold interest on the France Road parcel.

Finalization of the agreement and transfer is expected to be concluded within thirty days or less.



<p align="center"><b>MATANUSKA-SUSITNA BOROUGH COMMUNITY DEVELOPMENT DEPARTMENT PROPERTY CONVEYED TO CITY OF PALMER &amp; MATANUSKA RIVERFRONT TRAIL - 30' PUBLIC USE TRAIL EASEMENT</b></p>	
<p>LOCATED WITHIN SECTION 34, T18N, R2E, S.M., PALMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA</p>	<p>DATE: 3/27/2019</p>

1m 19-066

**LEGISLATIVE HISTORY**

Introduced by: City Manager  
Public Hearing: November 27, 2018  
Action: Approved  
Vote: Unanimous

Yes: \_\_\_\_\_ No: \_\_\_\_\_

Berberich  
Carrington  
L. Combs  
S. Combs  
DeVries  
Fuller  
LaFrance

CITY OF PALMER, ALASKA

**Resolution No. 18-025**

**A Resolution of the Palmer City Council Authorizing the City Manager to Negotiate a Real Property Exchange Agreement with the Matanuska-Susitna Borough for the City of Palmer Release of ADL Lease 229118, Referred to as "France Road" Property; the Transfer of Title to the City of Palmer of Tax Parcels 18N02E34B005 and 18N02E34B006; and Authorizing the Mayor to Execute the Agreement**

WHEREAS, the City of Palmer, Alaska ("City") is a home rule city and, under Section 11 of Article X of the Alaska Constitution, may exercise all legislative power not prohibited by law or the Charter of the City, and the City has determined that the matter set forth in this resolution is not prohibited by law or the Charter; and

WHEREAS, the City of Palmer accepted delegation of parks and recreation powers from the Matanuska-Susitna Borough by ordinance in 2002; and

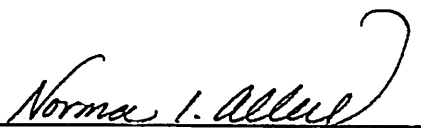
WHEREAS, there is a need for additional parks within the City of Palmer; and

WHEREAS, an inspection of the property indicates it would be suitable for a park with improvements and that the Matanuska-Susitna Borough has improved trail access through the property; and

WHEREAS, the "France Road" property is no longer of use to the City of Palmer and has not had any city improvements added since the lease was established in 1971.

NOW THEREFORE, BE IT RESOLVED, by the Palmer City Council to authorize the City Manager to negotiate a real property exchange agreement with the Matanuska-Susitna Borough for the City of Palmer release of ADL Lease 229118, referred to as "France Road" property; the transfer of title to the City of Palmer of Tax Parcels 18N02E34B005 and 18N02E34B006; and authorize the Mayor to execute the agreement.

**Approved** by the Palmer City Council this 27<sup>th</sup> day of November, 2018.

  
Norma I. Alley, MMC, City Clerk

  
Edna B. DeVries, Mayor

1m 19-066

NON-CODE ORDINANCE

Sponsored By: Borough Manager  
Introduced: 09/05/17  
Public Hearing: 09/19/17  
Adopted: 09/19/17

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 17-109**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE ACQUISITION OF REAL PROPERTY (MSB TAX PARCELS 18N02E34B005 AND 18N02E34B006) FOR THE AMOUNT OF \$250,000; AND ACCEPTANCE OF \$223,000 IN CHARITABLE LAND DONATIONS FROM THE SELLER TO THE BOROUGH FOR THE PURPOSE OF PUBLIC OPEN SPACE AND MATANUSKA RIVERFRONT TRAILS CONNECTIVITY (MSB007276).

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WHEREAS, the 2016 Recreation Facilities Bond package was approved by voters in October 2016, identifying nine trail improvement projects, to include Matanuska Riverfront Trail South and Matanuska Riverfront Trail North; and

WHEREAS, Ordinance Serial No. 17-036 was adopted on April 4, 2017, appropriating \$22,160,000 to fund 440, parks and recreation projects, culture and recreation capital projects, for the acquisition, construction, and installation of parks and recreation related capital improvements within the Borough; and

WHEREAS, funding for the Matanuska Riverfront South and Matanuska Riverfront North Trail construction project includes a total of \$250,000; and

WHEREAS, the Land and Resource Management Division proposes to use funds from, the Land Management permanent fund 203 and Parks and Recreation projects fund 440, to pay for the land acquisition and trail construction for the two riverfront trails; and

WHEREAS, legal access, trail connectivity and public open space along the Matanuska Riverfront would be greatly enhanced through property acquisition of adjacent private parcels; and

WHEREAS, the public has historically used the proposed acquisition parcels for physical access to the riverfront without legal easement or dedication from the private property owner; and

WHEREAS, if the parcels were sold to another individual or entity unwilling to allow similar public use of the private parcels, public access and connectivity of the trail system could cease forever; and

WHEREAS, the Borough recognizes the vast public benefit of acquiring these private parcels for public recreational purposes; and

WHEREAS, the Borough and city of Palmer collaborated and determined the best way to gain legal access and trail connectivity was through negotiations with the owner of the parcels to be acquired; and

WHEREAS, the City obtained a third party appraisal which determined the fair market value of the acquisition parcels to be \$473,000; and

WHEREAS, the owner has agreed to accept \$250,000 in cash for the 2 parcels and gift \$223,000 in charitable land donation to the Borough representing the total of the \$473,000 fair market value; and

WHEREAS, the \$250,000 cash amount for acquisition will comprise an amount of \$150,000 from Land Management Permanent fund 203 and \$100,000 from project no. 15043, fund 440, Culture and Recreation Capital Projects; and

WHEREAS, the remaining balance of \$150,000 from the Matanuska Riverfront South and Matanuska Riverfront North Trails portion of the project funds will adequately cover cost of construction for both trails; and

WHEREAS, acquisition of the real property ensures that legal access and trail connectivity is maintained in perpetuity through a dedicated public corridor where none currently exists; and

WHEREAS, the city of Palmer was granted parks and recreation powers in 2002 for park and recreation facilities within their boundaries, except Matanuska River Park; and

WHEREAS, upon completion of trail improvements and dedication of a public use easement over the trails, the acquired property will be conveyed in fee to the city of Palmer to manage as they already do with all parks within city limits; and

WHEREAS, development of the property will be used for trail purposes with minimal surface disturbance to the ground and in accordance with MSB 23.10.275 and the policy and procedures adopted by Assembly resolution; and

WHEREAS, an investigative environmental assessment was conducted through the Alaska State Department of Environmental

Conservation records, which revealed no past or present contamination sites on either of the properties to be acquired; and

WHEREAS, public notice was conducted pursuant to MSB 23.05.025; and

WHEREAS, in accordance with MSB 23.10.275 and the policy and procedures adopted by Assembly resolution, the Manager may through solicitation or negotiation acquire land or interest when it is for public purpose; acquisition of parcels B005 and B006 comports with Borough code, policy, and procedures.

BE IT ENACTED:

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

Section 2. Authorization. The Borough Assembly authorizes the Manager to acquire tax parcels 18N02E34B005 and 18N02E34B006, located within Section 34, Township 18 North, Range 2 East, Seward Meridian, Alaska, in the amount of \$250,000 for purposes of trail connectivity and public open space.

Section 3. Acceptance of Donation. The Assembly accepts the \$223,000 donation of land value as a charitable gift from the seller.

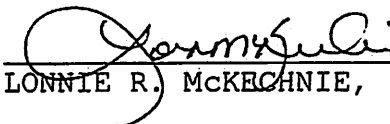
Section 4. Effective Date. This ordinance shall take effect upon adoption.



ADOPTED by the Matanuska-Susitna Borough Assembly this 19 day  
of September, 2017.

  
VERN HALTER, Borough Mayor

ATTEST:

  
LONNIE R. McKECHNIE, CMC, Borough Clerk  
(SEAL)

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