Sponsored By: Borough Manager

Introduced: 04/16/19

Public Hearing: 05/07/19

Amended: 05/07/19 Adopted: 05/07/19

MATANUSKA-SUSITNA BOROUGH ORDINANCE SERIAL NO. 19-052

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY FOR THE RECLASSIFICATION OF GENERAL PURPOSE AND AGRICULTURAL LANDS AND THE GREAT LAND CHRISTIAN CHURCH TO TERMINATE THEIR LESS THAN FAIR MARKET VALUE GROUND LEASE AND PURCHASE BY APPLICATION THE FEE SIMPLE ESTATE OF THE LAND ONLY, AT LESS THAN FAIR MARKET VALUE (MSB006744).

WHEREAS, the Great Land Christian Church, a 501(c)3 recognized organization, has a less than fair market value leasehold interest for an Agricultural Rights Lease for lots 5 and 6, and the E1/2 SW1/4, Section 19, Township 24 North, Range 4 West, Talkeetna Recording District, Seward Meridian, Alaska; and

WHEREAS, the Great Land Christian Church, who operates the parcel as the Gateway to the Arctic Camp, which is a youth camp-based, agricultural program that provides educational opportunities for the production of agricultural crops and raising of animals for youth and special needs persons; and

WHEREAS, the Great Land Christian Church partnered with Nadon Family Home, an Anchorage based for-profit group home, to provide a sustainable source of income for the camp programs; and

WHEREAS, the Great Land Christian Church has applied to the Borough to extinguish the leasehold interest and purchase the parcels at less than fair market value to expand its services and programs; and

WHEREAS, the parcels are currently classified Agricultural Land by Ordinance No. 00-161 and the proposed classification will be dual classification to include Agricultural and General Purpose lands; and

WHEREAS, Ordinance No. 00-161 imposed on the parcels a scenic buffer 150 feet in width along the Parks Highway Corridor, and such buffer is not contiguous with the adjoining properties to the north or south of the parcels, and reduces the usable area for agricultural production; and

WHEREAS, the appraised market value of the subject parcels (101+/- acres) for fee simple estate is valued at \$193,000 (\$1,910 an acre) and the fee simple estate with agricultural covenants is valued at \$90,000 (\$891 an acre); and

WHEREAS, the value for Lot 5, fee simple estate is \$56,393.61 (29.51 acres) and the value for Lot 6 and the E1/2 SW1/4, fee simple title with agricultural covenants, conditions and restrictions is \$63,563.94 (71.34 acres) for a total market value of \$119,960 (rounded).

BE IT ENACTED:

Section 1. <u>Classification</u>. This Ordinance is a non-code ordinance.

Section 2. <u>Acceptance and Authorization</u>. The Matanuska-Susitna Borough Assembly authorizes the classification of Lot 5 as General Purpose lands, and Lot 6 and the E1/2 SW1/4 as Agricultural

lands with covenants, conditions and restrictions; repeal of the 150 feet scenic highway buffer for the parcel as set forth under MSB Ordinance Serial No. 00-161; and authorizes the Manager to negotiate the purchase of Lots 5, 6 and E1/2 SW1/4 by Great Land Christian Church based on the less than fair market value appraisal of \$119,960.

Section 3. Conditions.

- 1) Cash purchase price is \$59,980.
- 2) Buyer to pay all costs associated with transfer of title through a title company.
- 3) Buyer will be responsible for all taxes levied on the property (no tax proration at closing).
- 4) MSB will pay for the title policy insuring marketable title.
- 5) The \$5,000 lease security deposit shall be used as the earnest money deposit to be credited to Buyer at closing.
- Any prepayment, annual lease amount shall be credited to Buyer at closing.
- 7) There will be a revisionary clause requiring the buyer to maintain ownership of the property for 15 years.

Section 4. <u>Effective Date</u>. This ordinance shall take effect upon adoption.

ADOPTED by the Matanuska-Susitna Borough Assembly this 7 day of May, 2019.

VERN HALTER, Borough Mayor

ATTEST:

LONNIE R. MCKECHNIE, CMC, Borough Clerk

(SEAL)

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