

By: Administration
Adopted: March 21, 2016
Vote: Burney, Graham, O'Barr, Sullivan-Leonard, and Wilson in favor
Wall absent

**City of Wasilla
Resolution Serial No. 16-05**

A resolution of the Wasilla City Council authorizing the Mayor to purchase Parcel C12, Section 10, T17N R1W Seward Meridian Alaska in the amount of \$3,250,900 for the Main Street Couplet Project.

WHEREAS, the City received a Legislative Grant in 2011 for the Main Street Couplet project in the amount of \$5 million; and

WHEREAS, the primary goal of the grant is for advanced right-of-way acquisition to assist the Alaska Department of Transportation in moving the project forward; and

WHEREAS, the property owner is not in favor of a partial right-of-way acquisition of 3.6 acres for the Centuar Avenue alignment, or a partial acquisition of the Main Street Couplet alignment; and

WHEREAS, the Alaska Department of Transportation supports a full acquisition of the parcel containing 13.57 acres for the Main Street Couplet project.

NOW, THEREFORE, BE IT RESOLVED, that the Wasilla City Council hereby authorizes the Mayor to purchase Parcel C12, Section 10, T17N R1W Seward Meridian, Alaska in the amount of \$3,250,900 for the Main Street Couplet project.

ADOPTED by the Wasilla City Council on March 21, 2016.


BERT L. COTTLE, Mayor

ATTEST:


JAMIE NEWMAN, MMC, City Clerk

[SEAL]

CITY COUNCIL LEGISLATION STAFF REPORT

Resolution Serial No. 16-05: Authorizing the Mayor to purchase Parcel C12, Section 10, T17N R1W Seward Meridian Alaska in the amount of \$3,250,900 for the Main Street Couplet project.

Originator: Mayor Bert L. Cottle

Date: March 2, 2016

Agenda of: March 21, 2016

Route to:	Department Head	Signature	Date
X	Public Works Director		3/10/16
X	Finance Director		3-8-16
X	Deputy Administrator		3/10/16
X	City Clerk		3/10/16

Reviewed by Mayor Bert L. Cottle:  03:10:2016

Fiscal Impact: yes \$3,250,900

Account name/number: Main St. Couplet/160-4320-432.45-61

Attachments: Summary of Property Appraisal (10 pages)
Legislative Grant 12-DC-434 (2 pages)

Summary Statement: The City received a Legislative Grant in 2011 for the Main Street Couplet project in the amount of \$5 million. The primary goal of the grant is for advanced right-of-way acquisition to assist the Alaska Department of Transportation in moving the project forward. The property owner is not in favor of a partial right-of-way acquisition of 3.6 acres for the Centuar Avenue alignment, or a partial acquisition of the Main Street Couplet alignment. The Alaska Department of Transportation supports a full acquisition of the parcel containing 13.57 acres for the Main Street Couplet project.

Staff Recommendation: Adopt Resolution Serial No. 16-05.

APPRAISAL REPORT



**Partial Acquisition
Unimproved Parcel
Located at 801 S. Knik-Goose Bay Road
in Wasilla, Alaska**

Centaur Avenue Extension

Parcel 1

FILE #16-004 (1)

FOR

DATE

**HDR
2525 C Street, Suite 500
Anchorage, AK 99503**

**Report Date
January 12, 2016**

Attn.: Mr. Thomas Kretschmar

**Effective Date of Value
December 11, 2015**

BY

**Brian Bethard, MAI
General Real Estate Appraiser (Cert. #281)
BLACK-SMITH, BETHARD & CARLSON, LLC
1199 E. Dimond Blvd., Ste. 200, Anchorage, Alaska 99515**

PART I – INTRODUCTION

Appraisers
1199 E. Dimond Blvd. Ste. 200
Anchorage, Alaska 99515
Phone: 907-274-4654
Fax: 907-274-0889
E-mail: bsr@ak.net

BLACK-SMITH, BETHARD & CARLSON, LLC

January 12, 2016

Client: HDR
2525 C Street, Suite 500
Anchorage, AK 99503

Attention: Mr. Thomas Kretzschmar

Re: Centaur Avenue Extension
Property Owner: Mark D. Santoro
Property Location: 801 S Knik-Goose Bay Road, in Wasilla, Alaska
Legal Description: Township 17N Range 1W Section 10 Lot C12
Tax ID #: 17N01W10C012

Dear Mr. Kuhn:

We are submitting the attached *appraisal report* that estimates the market value of the proposed acquisition, as of December 11, 2015 at: \$639,200.

The value opinion is stated in terms of cash and is qualified by certain definitions, assumptions, limiting conditions and certifications.

The report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP) and any specific appraisal requirements of the client. The client has requested a summary appraisal as defined by the 2012-13 version of USPAP. As such, it presents summary discussions of the data, reasoning, and analyses that were used to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the client's intended use.

Sincerely,
BLACK-SMITH, BETHARD & CARLSON, LLC



Brian Bethard, MAI
General Real Estate Appraiser (Cert. #281)

January 12, 2016

Date

TABLE OF CONTENTS

Part I – Introduction 2
 Letter of Transmittal..... 3
 Narrative Appraisal Summary..... 5
 Certification 7
 Limiting Conditions..... 8
Part II – Premises of the Appraisal 9
 Identification of the Property 10
 Subject Photos..... 12
 Summary of the appraisal problem..... 13
 Scope of Work 17
Part III – Presentation of Data 18
 Area data 19
 Neighborhood Analysis..... 21
 Site Description 23
 Improvement Description..... 27
 Property Taxes..... 28
 Ten Year Sales History..... 29
 Description of the acquisition and remainder of the property 30
Part IV – Analysis of Data and Conclusions..... 31
 Market analysis 32
 Highest and Best Use 33
 Land value 34
 Final Reconciliation – Value of the whole property..... 38
 Acquisition value 39
 Remainder value after the acquisition..... 40
 Summary – market value of the acquisition..... 41
Addenda 42
 Limiting Conditions and Assumptions..... 69
 Qualifications of Brian Z. Bethard, MAI..... 70

NARRATIVE APPRAISAL SUMMARY

PROJECT INFORMATION

PROJECT NAME:	Centaur Avenue Extension
PROJECT #:	264285
PARCEL #:	1
TCE #:	N/A

OWNER INFORMATION

OWNER:	Mark D. Santoro
ADDRESS:	P. O. Box 4489, San Dimas, CA 91773-4489
TELEPHONE NUMBER:	909-971-3266
PARCEL LOCATION:	801 S. Knik-Goose Bay Road, Wasilla, Alaska
LEGAL DESCRIPTION:	Township 17N Range 1W Section 10 Lot C12
ZONING:	Commercial
CURRENT USE:	Unimproved land
HIGHEST AND BEST USE:	General Commercial Development
As Vacant	As-is, hold for future commercial development
As Improved	
RIGHTS APPRAISED:	Fee Simple
INSPECTION DATE:	December 11, 2015
DATE OF VALUE:	December 11, 2015

PARCEL DESCRIPTION SUMMARY

PARCEL AREA:	Gross: 591,068.85 SF (13.57 AC) Net: 591,068.85 SF (13.57 AC)	EASEMENT ACQUIRED:	0 SF (0.00 AC)
AREA OF ACQUISITION:	Gross: 159,778.1SF (3.668 AC) Net: 159,778.1SF (3.668 AC)	PERMIT ACQUIRED:	0 SF (0.00 AC)
REMAINDER:	431,290.75 SF (9.901 AC)		
AREA OF LARGER PARCEL SUBJECT TO PLO OR SECTION LINE EASEMENT:			0 SF (0.00 AC)

ACQUISITION SUMMARY

<p>MARKET VALUE BEFORE ACQUISITION:</p> <p>1. See Note 1</p>	<p>LAND</p> <p>IMPROVEMENTS</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$2,364,300</td></tr> <tr><td style="text-align: center;">N/A</td></tr> </table>	\$2,364,300	N/A	<p>=</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$2,364,300</td></tr> </table>	\$2,364,300
\$2,364,300							
N/A							
\$2,364,300							
<p>2. LESS ACQUISITION VALUE AS PART OF THE WHOLE:</p>	<p>LAND</p> <p>IMPROVEMENTS</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$639,200</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$639,200	\$0	<p>-</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$639,200</td></tr> </table>	\$639,200
\$639,200							
\$0							
\$639,200							
<p>3. REMAINDER VALUE AS PART OF THE WHOLE:</p>			<p>=</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$1,725,100</td></tr> </table>	\$1,725,100		
\$1,725,100							
<p>4. ESTIMATED MARKET VALUE OF REMAINDER:</p>	<p>LAND</p> <p>IMPROVEMENTS</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$1,725,100</td></tr> <tr><td style="text-align: center;">N/A</td></tr> </table>	\$1,725,100	N/A	<p>=</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$1,725,100</td></tr> </table>	\$1,725,100
\$1,725,100							
N/A							
\$1,725,100							
<p>5. DAMAGES (if any)</p>		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0				
\$0							
<p>6. LESS SPECIAL BENEFITS (if any)</p>		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0	<p>*</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0	
\$0							
\$0							
<p>7. ACQUISITION VALUE as PART of the WHOLE</p>			<p>+</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0		
\$0							
<p>8. NET DAMAGES</p>			<p>+</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0		
\$0							
<p>9. COST-to-CURE</p>			<p>+</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0		
\$0							
<p>10. PERMITS:</p>			<p>+</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0		
\$0							
<p>11. EASEMENTS:</p>			<p>+</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0		
\$0							
<p>12. PLO OR SECTION LINE EASEMENTS:</p>			<p>+</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0		
\$0							
<p>13. OTHER: Temporary Construction Easements (TCEs)</p>			<p>+</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$0</td></tr> </table>	\$0		
\$0							
<p>14. MARKET VALUE OF ACQUISITION:</p>			<p>=</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">\$639,200</td></tr> </table>	\$639,200		
\$639,200							

Note 1: The indicated values of the whole area reflect the fee value – unallocated for rights previously reserved or conveyed, if any (e.g. subsurface rights, utility easements, leaseholds, etc.). The title report indicates partial interests in subsurface rights are conveyed to others. Where there are no documented resources and the potential for discovery is believed to be low, the market does not distinguish between fee simple and fee simple surface. (see title report in addenda)

Date: January 12, 2016

Prepared By: Brian Bethard, MAI

CERTIFICATION

Name of Appraiser: Brian Bethard, MAI

I certify that, to the best of my knowledge and belief...

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the report assumptions and limiting conditions, and our personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, UASFLA and the ADOT/PF Appraisal guidelines.
- This appraisal assignment was not based on a requested minimum valuation or specific valuation or approval of a loan. Our employment was not conditioned upon the appraisal producing a specific value or a value within a given range.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Brian Z. Bethard, MAI has completed the continuing education requirements of the State of Alaska as a General Real Estate Appraiser (Certificate No. 281) and the continuing education requirements of the Appraisal Institute.
- Brian Z. Bethard, MAI made an on-site inspection of the property for this assignment. I also relied on topographic maps, aerial imagery and the Matanuska-Susitna Borough assessor's inventory along with the available market data to help develop an opinion of market value.
- Brian Z. Bethard, MAI has the appropriate knowledge and experience necessary to complete this appraisal assignment competently.
- I have performed no services as an appraiser or in any other capacity regarding the property that is the subject of this report with the three-year period immediately preceding acceptance of this assignment.
- Denver L. Hudson provided professional assistance. He provided significant assistance including data gathering and report preparation.

Dated January 12, 2016

Brian Z. Bethard, MAI
General Real Estate Appraiser (Cert. # 281)



LIMITING CONDITIONS

General assumptions and limiting conditions are summarized in the addenda. *Extraordinary assumptions*,¹ *hypothetical conditions*,² and limiting conditions specific to this appraisal are summarized as follows:

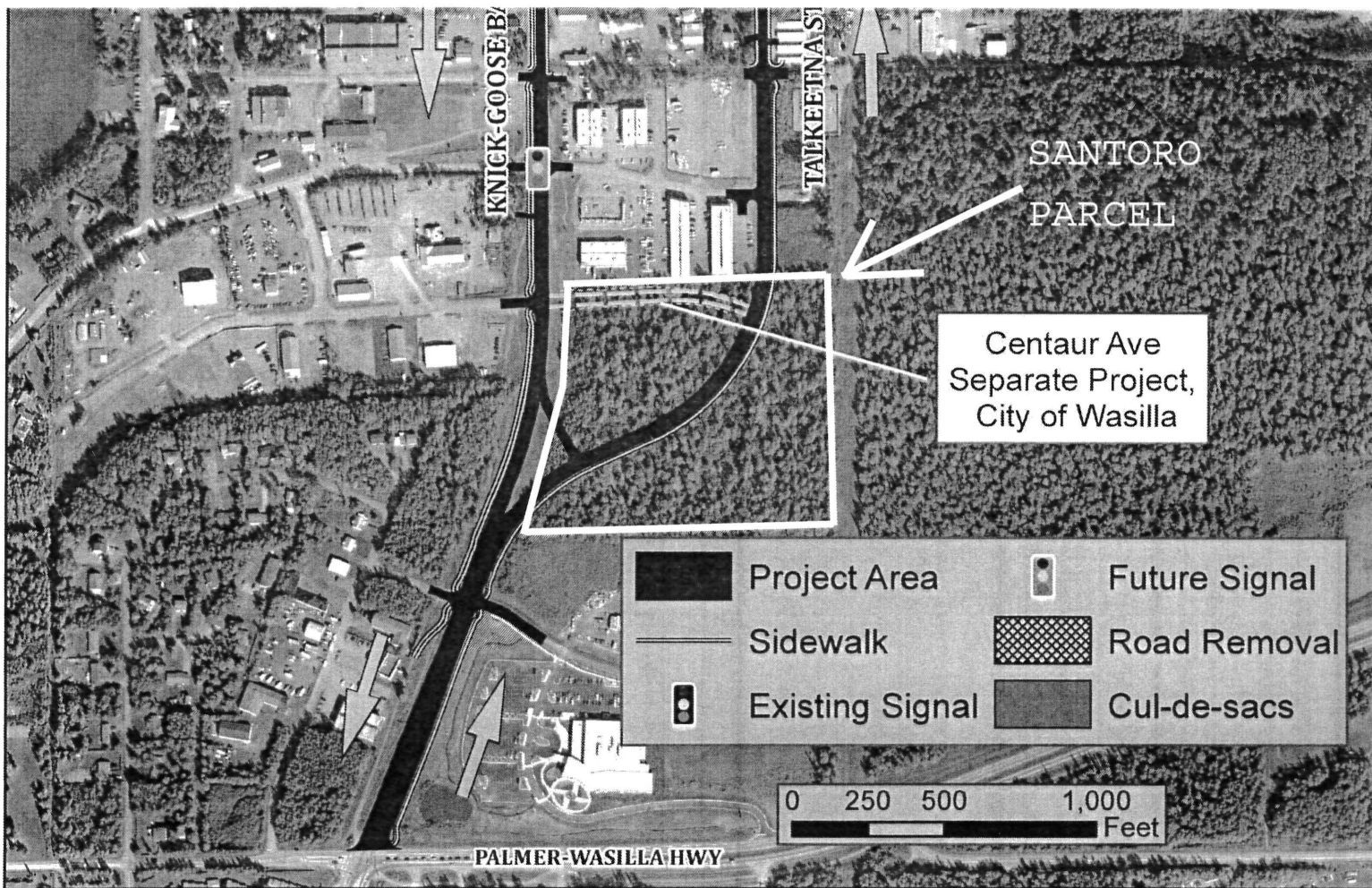
- None noted.

Note: Reliance on *extraordinary assumptions* and/or *hypothetical conditions* could affect the assignment results.

1 "An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions." *Uniform Standards of Professional Practice*

2 "A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis." *Uniform Standards of Professional Practice*

MAIN STREET COUPLET





MATANUSKA-SUSITNA BOROUGH

Real Property Detail for Account: 17N01W10C012

Site Information

Account Number	17N01W10C012	Subdivision	
Parcel ID	57288	City	Wasilla
TRS	S17N01W10	Map WA11	Tax Map
Abbreviated Description (Not for Conveyance)	TOWNSHIP 17N RANGE 1W SECTION 10 LOT C12		

Site Address 801 S KNIK-GOOSE BAY RD
Ownership
Owners SANTORO MARK D
Primary Owner's Address PO BOX 4489 SAN DIMAS CA 91773-4489

Buyers
Primary Buyer's Address

Appraisal Information

Year	Land Appraised	Bldg. Appraised	Total Appraised	Assessment Year	Land Assessed	Bldg. Assessed	Total Assessed*
2016	\$1,372,100.00	\$0.00	\$1,372,100.00	2016	\$1,372,100.00	\$0.00	\$1,372,100.00
2015	\$1,372,100.00	\$0.00	\$1,372,100.00	2015	\$1,372,100.00	\$0.00	\$1,372,100.00
2014	\$1,372,100.00	\$0.00	\$1,372,100.00	2014	\$1,372,100.00	\$0.00	\$1,372,100.00

Building Information

Building Number	Description	Area	Percent Complete				
Tax/Billing Information							
Year	Certified	Zone	Mill	Tax Billed	Recorded Documents Date	Type	Recording Info (offsite link to DNR)
2016	No	0035	Not Yet Set	Tax Not Yet Set	7/11/1990	WARRANTY DEED (ALL TYPES)	Palmer Bk: 623 Pg: 503
2015	Yes	0035	11.974	\$16429.53	12/18/1989	TRUSTEES DEED	Palmer Bk: 605 Pg: 116
2014	Yes	0035	11.652	\$15987.71			

Tax Account Status †

Status	Tax Balance	Farm	Disabled Veteran	Senior	Optional	Total	LID Exists
Current	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	No

Land and Miscellaneous

Gross Acreage	Taxable Acreage	Assembly District	Precinct	Fire Service Area	Road Service Area
14.00	14.00	Assembly District 004	07-120	130 Central Mat-Su	No Borough Road Service see the City of Wasilla Website

* Total Assessed is net of exemptions and deferments, rest, penalties, and other charges posted after Last Update Date are not reflected in balances.

Last Updated: 3/2/2016 4:00:07 AM

† If account is in foreclosure, payment must be in certified funds.



DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

Designated Legislative Grant Program
Grant Agreement

Grant Agreement Number 12-DC-434		Amount of State Funds \$ 5,000,000	
Encumbrance Number/AR/Lapse Date / 8873 / 6/30/2016		Project Title Main Street Couplet	
Grantee		Department Contact Person	
Name City of Wasilla		Name Kimberly Phillips	
Street/PO Box 290 East Herning Avenue		Title Grants Administrator	
City/State/Zip Wasilla, Alaska 99654-7091		Street/PO Box 211 Cushman Street	
Contact Person Archie Giddings, P.E., Public Works Director		City/State/Zip Fairbanks, Alaska 99701	
Phone (907) 373-9010	Fax (907) 373-9011	Phone (907) 451-2718	Fax (907) 451-2742

AGREEMENT

The Alaska Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs (hereinafter 'Department') and City of Wasilla, (hereinafter 'Grantee') agree as set forth herein.

Section I. The Department shall pay the Grantee for the performance of the project work under the terms outlined in this agreement. The amount of the payment is based upon project expenses incurred, which are authorized under this Agreement. In no event shall the payment exceed **\$5,000,000**.

Section II. The Grantee shall perform all of the work required by this Agreement.

Section III. The work to be performed under this agreement begins 6/30/2011 and shall be completed no later than 6/30/2016.

Section IV. The agreement consists of this page and the following:

ATTACHMENTS

- Attachment A: Scope of Work
 1. Project Description
 2. Project Budget
 3. Project Narrative
 4. Project Management/Reporting
 5. Forms Packet
- Attachment B: Payment Method
- Attachment C: Standard Provisions

APPENDICES

- Appendix A: Audit Regulations
- Appendix B: Audit Compliance Supplement
- Appendix B2: Insurance
- Appendix C: State Laws and Regulations
- Appendix D: Special Requirements and Assurances for Federally Funded Projects (if applicable)
- Appendix E: Site Control
- Appendix F: State Fire Marshal Review

AMENDMENTS: Any fully executed amendments to this Agreement

Grantee		Department	
Signature 		Signature 	
Printed Name and Title Verne E. Rupright, Mayor		Printed Name and Title Janet Davis, Grants Administrator III	
Date <u>8/29/11</u>		Date <u>8/31/11</u>	

Reviewed by: _____

GRANTEE COPY

Attachment A Scope of Work

1. Project Description

The purpose of this FY 2012 Designated Legislative Grant in the amount of \$5,000,000.00 [*pursuant to the provisions of AS 37.05.315, SLA 2011, Chapter 5, Section 1, Page 43, Lines 31-32*] is to provide funding to the City of Wasilla for use towards the Main Street Couplet.

This project may include, but is not limited to fund preliminary engineering in coordination with the Alaska Department of Transportation and Public Facilities to establish final alignment and identify right-of-way needed. This grant will fund final design, right-of-way acquisition and initial constructions costs.

No more than five percent (5%) of the total grant award may be reimbursed for Administrative expenses for projects involving equipment purchase or repairs and no more than ten percent (10%) of the total grant award may be reimbursed for Administrative expenses for all other projects. To be reimbursed for eligible administrative costs, expenses must be reported on the Designated Legislative Grant Financial/Progress Report form.

2. Project Budget

Cost Category	Grant Funds	Total Project Cost
Program Funds	\$5,000,000	\$5,000,000

3. Budget Narrative

The Grant Funds identified above will be used to complete the project described in the above Project Description.