



CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 92-111

From: Deputy Administrator
Date: September 24, 1992
Subject: Proposal to Use City Land for Senior Citizens Housing Project

On September 23, 1992 we received outlines of two (2) land option agreements from Wasilla Associates. The purpose of both options is to assure the availability of the City's 2.9 acres adjacent to the Senior Center for construction of the senior citizens housing project by Wasilla Associates provided FHA approval is obtained by December 31, 1994.


The first option provides for the City to donate the land to Wasilla Associates. The second option is for Wasilla Associates (Marty D. Frantz, et. al.) to purchase the property provided FHA approves the project. The offered price is \$23,287.18 which represents about \$7,840/acre. 1992 Borough tax appraisal equals \$7,613/acre.

The cost of the land is an eligible cost of FHA funding. The price offered is reasonable. There is no apparent requirement or significant advantage to the City of Wasilla to donate the property as opposed to selling it and recovering our purchasing costs.

The City purchased the property for the purposes in the proposal from Wasilla Associates. The exact wording and details of their proposal need to be modified by our City Attorney but the basic concept to sell the land contingent upon FHA and City project approval is appropriate.

A packet describing the project and providing references and back-up materials is distributed under separate cover.

Recommend that Council approve the Mayor to enter into an agreement essentially as outlined in the land option agreement to sell the 2.97 acre tract for \$23,287.18.



Robert E. Harris
Deputy Administrator

APPROVED
DATE: 9-28-92
BY: [Signature]