

CITY OF PALMER
ACTION MEMORANDUM NO. 14-011

Subject: Council to give direction to City Manager regarding the University of Alaska Fairbanks (UAF) proposed property sale of 1.45 acres at the intersection of East Fireweed Lane and South Gulkana Streets.

Postponed to November 4, 2014

Agenda of: October 28, 2014

Council Action: Postponed to November 4, 2014 _____

Approved for presentation by:

City Manager	<u>Joseph A. Hansen</u>	
City Attorney	<u>[Signature]</u>	Council Decision
City Clerk	<u>[Signature]</u>	

Certification of Funds:

Total amount of funds listed in legislation:	\$ _____
This legislation (√):	
<input type="checkbox"/> Has no fiscal impact	
Creates:	
<input checked="" type="checkbox"/> A negative fiscal impact in the amount of:	\$ _____ To be determined
<input type="checkbox"/> A positive fiscal impact in the amount of:	\$ _____
<input type="checkbox"/> Funds are budgeted.	
Funds are budgeted from this (these) line item(s):	
a) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
b) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
c) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
<input checked="" type="checkbox"/> Funds are not budgeted.	
Budget amendment required in the total amount of:	\$ _____
Affected line item(s):	
<input checked="" type="checkbox"/> General fund unassigned balance (after budget modification)	\$ 1,162,167
<input type="checkbox"/> Enterprise unrestricted net position (after budget modification)	\$ _____
Director of Finance signature certifying funds:	<u>[Signature]</u>

Attachment(s):

- Site Map
- Site photograph
- University of Alaska, Fairbanks Property Sale Notice

Summary statement:

Question: Do the mayor and city council want the city to make an offer for the referenced property?

On October 10, 2014, city staff received notice from UAF that they were offering a 1.45 acre parcel at the intersection of East Fireweed Lane and South Gulkana Streets. There are two buildings on this tract that UAF built in the mid 1950s and used as research facilities.

The property adjoins the city arboretum property and airport aviation areas. The parcel is also attractive for accessibility to downtown and potential to contribute to a walkable vision for downtown Palmer.

In the summer of 2014, an environmental clean-up was conducted by UAF. The buildings are currently vacant. The property is offered as a cash only sale and will be sold as is at or above fair market value. City staff are scheduled to meet with UAF officials for a site inspection.

Several public or nonprofit uses are possible for the site in addition to obvious private development.

- Integration to the city adjoining arboretum project as outdoor classroom space, additional parking or indoor and outdoor interpretive spaces.
- Space could be made available to Extension Service, Master Gardeners or Palmer High School FFA programs who historically help the city maintain the arboretum.
- Buildings may be suitable as additional storage space for the Museum, Visitor Center or historical society. Several Palmer historical artifacts are being stored in private barns due to lack of space to accept, store or display.
- Space could be made available for community programs like Grow Palmer in community gardens, office space or equipment and materials storage.
- Space could be made available (leased or sold) to arts groups for arts studio space (i.e. pottery) or children and adult classes; or potentially provide space for community theater.

The offer came to the city without notice so there has been little outreach to how community groups might partner with the city.

UAF is accepting sealed offers through 5:00 P.M., Wed, November 12, 2014. Offers must include a minimum of five percent (5%) of the offer amount, to be applied towards the purchase. Within fifteen (15) days of the acceptance of an offer, the successful bidder is required to submit another five percent (5%) deposit; a total of a ten percent (10%) deposit.

There are no funds currently budgeted for acquisition. The General Fund Undesignated Fund balance of \$1,162,167 would be the logical source of funding. There is approximately \$60,000 available in the 2015 Capital Budget under Park Projects. If the city decides to sell the Glenn Highway property there could also be funds available for appropriation.

Administration recommendation: To receive direction at the behest of council whether to pursue the opportunity for land purchase.

Mat-Su Ag Buildings

MS.AE.4008

R 2E



T 17N

Legend

Easements

- Palmer Airport Avigation
- E-10-119 Sidewalk
- Enstar Gas



200

Feet

**UA FACILITIES and
LAND MANAGEMENT**
September 2014

Photo Source : Mat-Su Borough
Photo Date : 2011

Meridian Township Range
S 17N 2E

Anchorage C-6 (USGS)

Mat-Su Ag Buildings

MS.AE.4008

R 2E

Gulkana Street

Fireweed Avenue

Cooper Loop

T 17N

Yukon Avenue

Legend

Easements

- Palmer Airport Avigation
- E-10-119 Sidewalk
- - - - Enstar Gas



100

Feet

UA FACILITIES and
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September 2014

Meridian Township Range
S 17N 2E

Anchorage C-6 (USGS)