

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2015-05

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA APPROVING THE SALE OF BLOCK 4, LOT 12A, LOT 13, LOT 9C and BLOCK 4, LOT 11 BUILDING AND PROPERTY CONTAINING THE FORMER WATER TREATMENT PLANT AT GARY PAXTON INDUSTRIAL PARK TO SILVER BAY SEAFOODS, LLC, AND AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO SIGN THE AGREEMENTS

WHEREAS, the Assembly established Gary Paxton Industrial Park (“GPIP”) in Sitka General Code (“SGC”) 2.38 by Ordinance 00-1568; and

WHEREAS, Ordinance 00-1568 states: “PURPOSE. Unlike other property owned by the municipality, the former Alaska Pulp Corporation mill site was acquired not for governmental purposes from the state or federal government, but for economic development and disposal. In general the property will not be used for public improvements. It will be leased or sold to individuals and corporations to develop business opportunities and provide jobs. For that reason, it is important to enact a procedure for property management and disposal at the site which more closely corresponds to private sector disposals;” and

WHEREAS, SGC 2.38.020 established the GPIP Board of Directors (“Board”) which “. . . shall generally exercise all powers necessary and incidental to operation of all GPIP facilities in the public interest and in a sound business manner . . . .;” and

WHEREAS, SGC 2.38.080A.7 provides that the Board shall “. . .dispose of tideland, submerged land and all other land . . . subject to Gary Paxton Industrial Park administration. . .,” and in SGC 2.38.080A.7.a states that “any sale . . . shall be subject to approval of the Assembly by resolution;” and

WHEREAS, the Board received a property purchase proposal from Silver Bay Seafood regarding the above described property; and

WHEREAS, the Board reviewed and evaluated the submitted proposal and determined that the proposal was acceptable; and

WHEREAS, the Board recommends to the Assembly to sell BLOCK 4, LOT 12A, LOT 13, LOT 9C and BLOCK 4, LOT 11 BUILDING AND PROPERTY, and accept the proposal submitted by SBS; and

WHEREAS, the attached Purchase And Sales Contract Between City And Borough Of Sitka And Silver Bay Seafoods, LLC (“Agreement”) has been modeled after other GPIP purchase agreements; and

WHEREAS, SBS is offering to pay \$825,000 for BLOCK 4, LOT 12A, LOT 13, LOT 9C; and

50 **WHEREAS**, SBS is offering to pay \$319,000 for BLOCK 4, LOT 11 BUILDING AND  
51 PROPERTY; and

52  
53 **NOW, THEREFORE, BE IT RESOLVED** that the Assembly for the City and Borough of  
54 Sitka approves the sale, and authorizes the Municipal Administrator to execute the Purchase  
55 Agreement in substantially the same form as attached, which contains in part the following key  
56 provisions:

- 57
- 58 1) CBS will sell to SBS property BLOCK 4, LOT 12A, LOT 13, LOT 9C and  
59 BLOCK 4, LOT 11 BUILDING AND PROPERTY, subject to reservations,  
60 exceptions, easements, covenants, conditions and restrictions of record as set forth  
61 in the attached Agreement;
  - 62
  - 63 2) SBS will pay CBS the sum of Eight Hundred Twenty-Five Thousand Dollars  
64 (\$825,000) for BLOCK 4, LOT 12A, LOT 13, LOT 9C and Three Hundred  
65 Nineteen Thousand Dollars (\$319,000) for BLOCK 4, LOT 11 BUILDING AND  
66 PROPERTY at the time of Closing;
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  - 68 3) GPIP property sales are not required to be by competitive bid;
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  - 70 4) This sale is consistent with GPIP goals as set out in the Sitka General Code at  
71 28.38. *et seq.*, including creating jobs; and
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  - 73 5) CBS authorizes the Municipal Administrator to sign the attached Agreement or a  
74 substantially similar version.
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76 **PASSED, APPROVED AND ADOPTED** by the Assembly of the City and Borough of Sitka,  
77 Alaska, on this 27<sup>th</sup> day of January, 2015.

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Mim McConnell  
81 Mayor

82 ATTEST:  
83 \_\_\_\_\_  
84 Sara Peterson, CMC  
85 Acting Municipal Clerk