

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2015-04

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA APPROVING THE SALE OF BLOCK 4, LOT 17 BUILDING AND PROPERTY AT GARY PAXTON INDUSTRIAL PARK TO ED & CLARA GRAY D.B.A. MONARCH TANNERY, AND AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO SIGN THE AGREEMENT

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 GPIP 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 an offer to purchase Block 4, Lot 17 building and property from Monarch Tannery; and

WHEREAS, the Board reviewed and evaluated the submitted proposal and determined that the proposal was acceptable and in the best interest of GPIP; and

WHEREAS, the Board recommends to the Assembly to accept the proposal submitted by Monarch Tannery for the sale of Block 4, Lot 17 and building; and

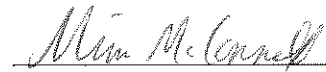
WHEREAS, the attached Purchase And Sales Contract Between City And Borough Of Sitka And Monarch Tannery (“Agreement”) has been modeled after other GPIP purchase agreements; and

WHEREAS, Monarch Tannery is offering to pay \$110,000 for the property which is good and fair value for the property.

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

- 1) CBS will sell to Monarch Tannery, Block 4, Lot 17 building and property, subject to reservations, exceptions, easements, covenants, conditions and restrictions of record as set forth in the attached Agreement;
- 2) Monarch Tannery will pay CBS the sum of One Hundred Ten Thousand Dollars (\$110,000.00) at the time of Closing;
- 3) GPIP property sales are not required to be by competitive bid;
- 4) This sale is consistent with GPIP goals as set out in the Sitka General Code at 28.38. *et seq.*, including creating jobs; and
- 5) CBS authorizes the Municipal Administrator to sign the attached Agreement or a substantially similar version.

PASSED, APPROVED AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, on this 27th day of January, 2015.



Mim McConnell

Mayor

ATTEST:



Sara Peterson, CMC

Acting Municipal Clerk