

CITY OF CRAIG

ORDINANCE 354

AN ORDINANCE AUTHORIZING THE NEGOTIATED SALE
OF CITY PROPERTY TO JOHN PATTERSON

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG, ALASKA,
as follows:

Section 1. Classification. This is a non-code ordinance.

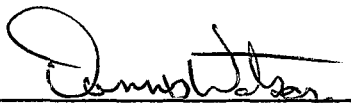
Section 2. Severability. If any provision of this ordinance
or its application to any person or circumstance is held invalid,
the remainder of this ordinance and the application to other
persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall be effective
immediately upon adoption.


Section 4. Determination. The Craig city council has
determined that the sale and subsequent use of the property
identified in this ordinance is in the city's best interest.

Section 5. Action. This ordinance authorizes the City
Administrator to negotiate a sale of the property highlighted in
Attachment A of this ordinance provided that the minimum terms of
the sale as set out in Attachment B and Attachment C of this
ordinance are met. The final sale agreement is subject to approval
by the Craig city council.

APPROVED: 2-18-93
(Date)



Mayor Dennis Watson

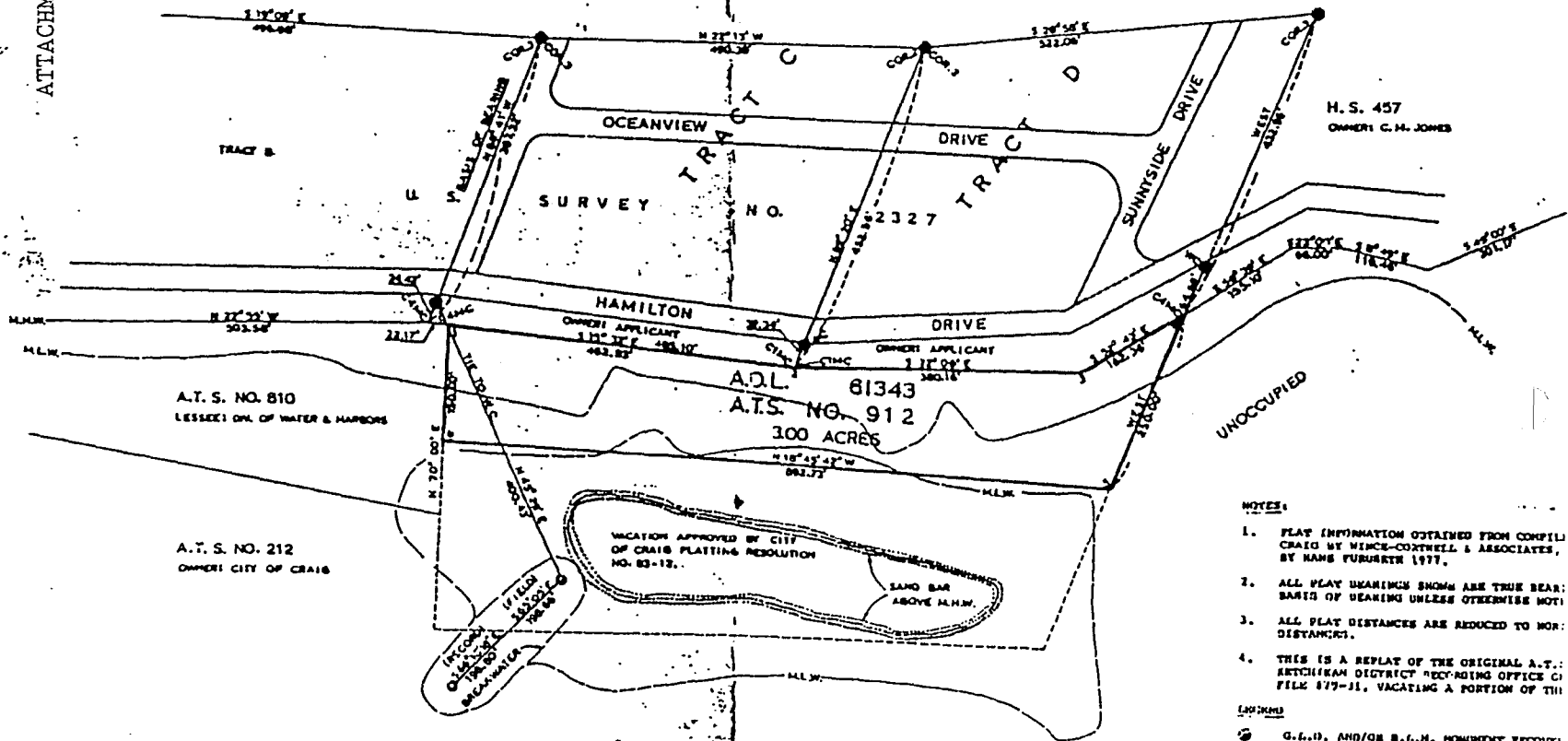


ATTEST: Helen Gray, City Clerk

PRINCE OF WALES ISLAND

U.S. SURVEY NO. 2811

ATTACHMENT "A"



H. S. 457
OWNER: C.M. JONES

A.T.S. NO. 810
LESSEE: CN. OF WATER & HARBORS

A.T.S. NO. 212
OWNER: CITY OF CRAIG

A.D.L. 61343
A.T.S. NO. 912
300 ACRES

UNOCCUPIED

VACATION APPROVED BY CITY OF CRAIG PLATTING RESOLUTION NO. 83-12.

SAND BAR ABOVE M.H.W.

- NOTES:
1. PLAT INFORMATION OBTAINED FROM COMPILATION BY WILCOX-CORTWELL & ASSOCIATES, BY NAME FURNISHED 1977.
 2. ALL PLAT BEARINGS SHOWN ARE TRUE BEARINGS BASIS OF BEARING UNLESS OTHERWISE NOTED.
 3. ALL PLAT DISTANCES ARE REDUCED TO HORIZONTAL DISTANCES.
 4. THIS IS A REPLAT OF THE ORIGINAL A.T.S. SKETCHBOOK DISTRICT RECORDING OFFICE CASE FILE 877-11, VACATING A PORTION OF THE

- LEGEND:
- ⊙ G.L.D. AND/OR B.L.M. MONUMENT RECOVERED
 - ⊙ U.S.G.S. MONUMENT RECOVERED
 - PORTION OF ORIGINAL A.T.S. NO. 212 VACATED.

SHELTER COVE

ORDINANCE 354

ATTACHMENT B

Minimum Terms

Following are the minimum terms that must be met prior to the execution of any sale authorized by this ordinance.

1. The property eligible for disposal under this ordinance shall be limited to 1) that area of tideland known as ATS 912 as identified on plat 84-20, filed at the Ketchikan Recording Office on May 24, 1984, and 2) those tidelands 75 feet seaward of ATS 912, said tidelands beginning at Corner 5 as defined on Plat 84-20, thence N 18 degrees 45'42" W a distance of 450 feet to the north. The area eligible for disposal is shown on Attachment A.
2. The City of Craig shall receive fair market value compensation for the property being considered here for disposal. Fair market value will be based on the attached appraisal provided by Horan, Corak & Company and as referenced below.
3. In the event that private real property is to be included as full or partial compensation, the exchange must be in the City's interest and agreed upon by the City Council. If the privately owned real property is of a lower appraised value than the city owned property, the difference in value shall be made up in cash or additional real property of equivalent value.
4. Any cash compensation for the city owned property in question shall be paid in one of two ways: 1) in one lump sum, or; 2) installment payments of twelve or fewer equal payments made to the city once a month beginning on the first day of the month following the execution of this disposal. For the 75'x450' tideland parcel beyon ATS 912, the applicant has requested extended installment payments for up to 10 years. Installment payments shall accrue interest at the rate of 10% per annum on the unpaid balance.
5. The property in question will be developed in accordance with the attached development plan (Attachment C). The development plan shall serve as the restrictive covenant for this disposal and should the plan be abandoned by the applicant, the City shall have first rights of refusal for buying back ATS 912 for \$62,000 and the 75'x450' tideland parcel shall be purchased at the amount of principle paid by the applicant. Failure to complete the development plan as currently submitted or amended within 10 years of the agreement date shall constitute abandonment for purposes of this terms of agreement. The time table for the attached development will be as follows:
 - a. The fishing lodge building will be constructed and operated as a lodge by May 1, 1995. The number of rooms and size of the lodge will be dependent on the results of the business plan and economic analysis. Preliminary estimates justify 22 rooms.

- b. The initial float construction will provide no fewer than 12 moorage spaces and will also be completed by May 1, 1995.
- c. Sufficient parking will be provided as required by the Craig Land Use Development Code and ready for use by May 1, 1995.
- d. All future construction (expansion) such as (1) additional moorage spaces, (2) small boat fueling station and (3) fish processing station will be completed when the primary business generated sufficient income to allow the expansion. It is expected that these items will be completed by May 1, 1996.
- e. The expansion of the above facilities will be permitted within the limits allowed by the laws of the City of Craig and the State of Alaska.

The above time table is thought to be realistic and every effort will be made by the applicant to adhere to the schedule.

There may be no alteration of this development plan without prior consent of the council by ordinance. This stipulation will be included as a restrictive covenant in the subsequent deed.

- 6. The applicant desires to secure fee simple title to the tidelands mentioned above from the City of Craig. The applicant is offering to trade a 7' x 1,000' strip of land on the west side of Hamilton Drive that passes through Lots C1 & D1 of the Windansea Subdivision, valued at \$35,000 (see attached appraisal) for the tidelands known as ATS 912 valued at \$118,000 (also included in the attached appraisal) with a net cash payment of at least \$27,000 to the City. This amount has been determined in the attached appraisal as the net value to the City for the trade after considering the contract leasehold interest (value) that the applicant has in the long-term tideland lease. The applicant is also requesting to purchase a 75'x450' tideland parcel adjacent and to the west of ATS 912 at the average square footage cost of ATS 912, or \$.90 per square foot. This amount is \$30,375.00.
- 7. The applicant shall pay all costs attendant to the sale. These costs include but are not limited to the costs of appraisal, survey, administrative and closing costs.
- 8. In addition to the above minimum terms, the requirements of 16.03 of the Craig Municipal Code shall be met.

ATTACHMENT "C"

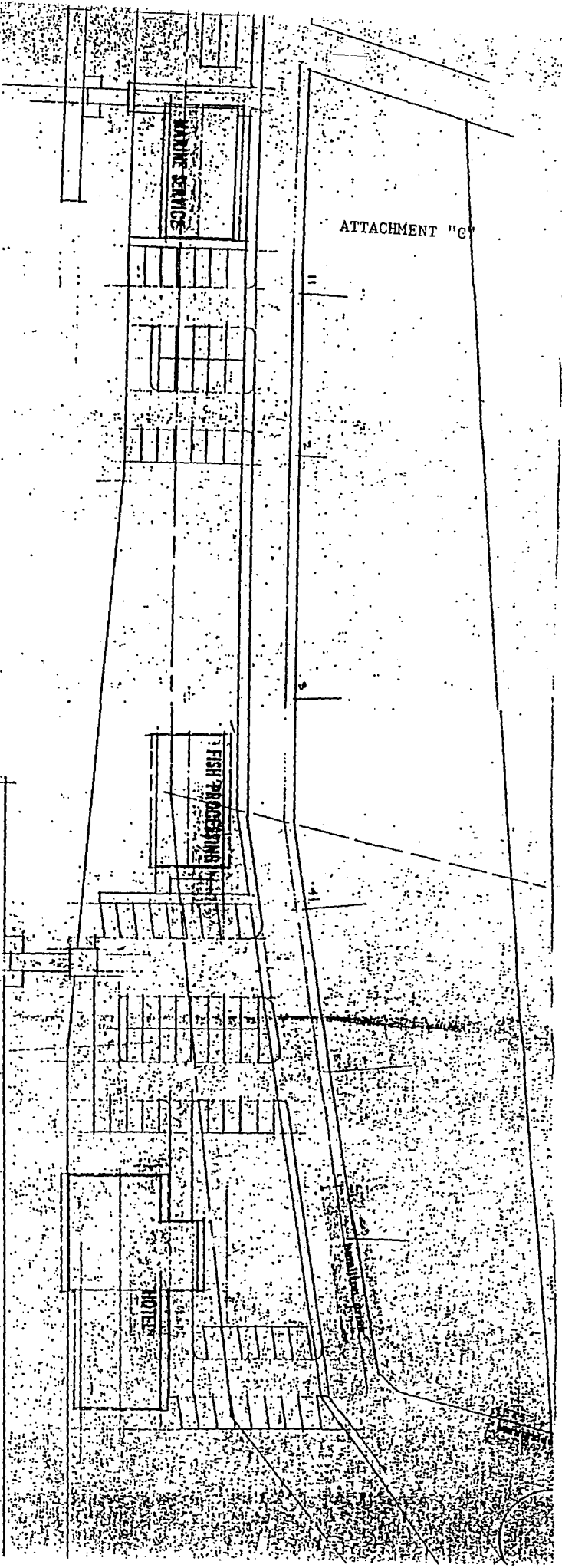
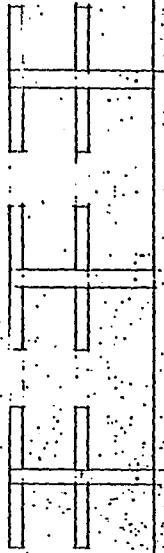
MAIN SERVICES

FISH PROCESSING

HOTEL

July 1972
John Ratterson
Proposed Marine

Hotel - Gas Station



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