<u>Chair</u> Tom McGann

Commissioners Scott Pegau John Baenen Allen Roemhildt Nancy Bird Chris Bolin Trae Lohse

<u>City Planner</u> Leif Stavig

## PLANNING COMMISSION SPECIAL MEETING MARCH 20, 2019 AT 12:00 PM CORDOVA CENTER COMMUNITY ROOMS A & B

## **AGENDA**

## 1. CALL TO ORDER

## 2. ROLL CALL

Chair Tom McGann, Commissioners Scott Pegau, John Baenen, Allen Roemhildt, Nancy Bird, Chris Bolin, and Trae Lohse

## 3. APPROVAL OF AGENDA

## 4. DISCLOSURES OF CONFLICTS OF INTEREST

## 5. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

## a. Guest Speakers

b. Audience comments regarding agenda items (3 minutes per speaker)

## 6. NEW/MISCELLANEOUS BUSINESS

- a. Proposal for Lots 3 & 4, Block 6, Original Townsite (COHO Building and Lots) ......Page 2
- 7. AUDIENCE PARTICIPATION
- 8. COMMISSION COMMENTS
- 9. ADJOURNMENT



## AGENDA ITEM # 6a Planning Commission Meeting Date: 3/20/19

## PLANNING COMMISSION COMMUNICATION FORM

FROM: Planning Staff

DATE: 3/15/19

ITEM: Proposal for Lots 3 & 4, Block 6, Original Townsite (COHO Building and Lots)

NEXT STEP: Review Proposal and Provide Recommendation to City Council

**INFORMATION MOTION** RESOLUTION

## I. <u>REQUEST OR ISSUE:</u>

Requested Actions:	Review proposal and give a recommendation to City Council
Legal Description:	Lots 3 & 4, Block 6, Original Townsite
Property Address:	604 First Street
Area:	5,000 sq. ft.
Zoning:	Central Business District
Attachments:	Proposal Packet (The packet distributed to potential proposers)
	Proposal from Cordova Telecom Cooperative

The request for proposals for this property began February 8<sup>th</sup> and ended March 11<sup>th</sup> at 10 AM. The city received one proposal for the property. Attached is the full proposal packet and the proposal.

In accordance with the Cordova Municipal Code, the Planning Commission will give a recommendation to City Council on the proposal.

Proposal for Lots 3 & 4, Block 6, Original Townsite (COHO Building and Lots) Page  $1 \mbox{ of } 3$ 

## II. <u>RECOMMENDED ACTION / NEXT STEP:</u>

"I move to recommend City Council approve the proposal from Cordova Telecom Cooperative for Lots 3 & 4, Block 6, Original Townsite."

## III. FISCAL IMPACTS:

The purchase price will reimburse the city for expenses of maintaining the building and delinquent property tax.

## IV. BACKGROUND INFORMATION:

12/11/18 – At the Planning Commission Regular Meeting, the commission recommended City Council dispose of the property by requesting sealed proposals. Below is a summary of what occurred:

M/Bolin S/Lohse to recommend to City Council to dispose of Lots 3 & 4, Block 6, Original Townsite as outlined in Cordova Municipal Code 5.22.060 B by requesting sealed proposals to lease or purchase the property.

**Bolin** said that the property was costing city money for insurance, fuel, and manpower. He has heard of interest in the property. **Lohse** agreed that it should be disposed sooner rather than later. **Stavig** said that prior to the property being foreclosed and the determination of council that it did not serve a public purpose there had been interest in the property from multiple parties. **Pegau** said that there was a process that was being circumvented.

**Baenen** said that he wanted to just have it go to sealed bids. He understood that the money from the purchase goes to the original owner. **McGann** said that they have a land disposal criteria that weighs heavily towards the purchase price.

Upon voice vote, motion passed 5-1. Yea: *McGann, Pegau, Bolin, Bird, Lohse* Nay: *Baenen* Absent: *Roemhildt* 

12/19/18 – At the City Council Regular Meeting, the council directed the City Manager to request sealed proposals. Below is a summary of what occurred:

*M/Schaefer S/Guard* to dispose of Lots 3 & 4, Block 6, Original Townsite as outlined in Cordova Municipal Code 5.22.060 B by method 2. requesting sealed proposals to lease or purchase the property.

*Schaefer* said, just like what we said a minute ago - sell it. *Guard* said I am concurring with Planning Commission's recommendation.

Vote on the motion: 7 yeas, 0 nays. Motion was approved.

## Applicable Code:

Section 5.22.060 – REVENUE AND FINANCE – DISPOSAL OF REAL PROPERTY – Methods of disposal.

E. A request for proposals to lease or purchase city real property shall specify the criteria upon

which proposals will be evaluated and the minimum rent or purchase price. All proposals submitted in response to a request for proposals shall be reviewed by the planning commission, which shall make a recommendation to the city council to accept or decline any or all of the proposals. The city council shall review the proposals and the planning commission's recommendation and accept or decline any of the proposals.

<u>Section 18.29.020 – ZONING – CENTRAL BUSINESS DISTRICT – Principal permitted uses.</u> *The following uses are permitted in the CBD zone: All limited uses in the B district, except that offstreet parking shall not be required as specified in Chapter 18.48.* 

Section 18.28.010 – ZONING – B BUSINESS DISTRICT – Permitted uses.

*The following uses are permitted in the B district:* 

- A. All uses permitted in the R districts;
- B. Retail stores and retail service shops of all kinds, banks, offices, hotels and restaurants;
- C. Theaters, bowling alleys, assembly halls, funeral parlors;
- D. Gasoline service stations, automobile repair garages, printing, laundry and dry-cleaning establishments employing not more than ten persons for operations, other than clerical and delivery;
- E. Required off-street parking;
- F. Accessory buildings and uses;
- G. Other buildings, uses or services similar, as determined by the city planning commission, to the uses listed in this chapter in the type of services or goods sold, in the number of persons employed, in the number and types of vehicles attracted to the premises and in the effect upon adjacent areas.

The proposed mixed-use, commercial building is a permitted use in the Central Business District.

## V. <u>LEGAL ISSUES:</u>

This is a foreclosed property that will require legal review.

## VI. <u>CONFLICTS OR ENVIRONMENTAL ISSUES:</u>

N/A

## VII. <u>SUMMARY AND ALTERNATIVES:</u>

The commission can recommend that City Council not dispose the property.



## Request for Proposals (RFP) for Lots 3 & 4, Block 6, Original Townsite (COHO Building and Lots)

The City of Cordova (the "City") is proposing to sell Lots 3 & 4, Block 6, Original Townsite (the "Property"). Each lot is 2,500 square feet, and zoned Central Business District. The City is soliciting proposals for the purchase and development of the Property. **Proposals are due March 11<sup>th</sup>, 2019 at 10 AM**. Proposals received after March 11<sup>th</sup>, 2019 at 10 AM will not be considered.

## **INFORMATION TO PROPOSERS**

The fair market value of the Property is <u>\$52,000.00</u> and will be the **minimum price** that the City will accept for the Property. If the successful proposal amount is greater than the minimum price, the winning proposal amount shall be the amount paid.

The City is disposing of the Property <u>AS-IS</u> and in its present condition by quitclaim deed, without any representations or warranties whatsoever, whether express, implied, or statutory, and subject to any liens and encumbrances of record, including, without limitation, unpaid IRS tax liens. It is the responsibility of the proposer to understand all conditions of the Property. The building on the Property contains personal property left by one or more prior occupants or owners of the Property. The City makes no representations or warranties, whether express, implied, or statutory, with respect to the right, title, or interest in and to any personal property remaining in the building at the time of the disposal, and the winning proposer shall take subject to the rights and equities of the owner of the personal property, if any. The successful proposer shall agree to indemnify and hold the City harmless of any claims relating to, concerning, or arising from the personal property, including any reasonable attorney's fees incurred by the City. Several interested parties have approached the City about the possibility of purchasing some of the personal property in the building. A list of these parties will be provided to the winning proposer.

The proposer shall be responsible for all fees and costs the City incurs in connection with the disposal, including without limitation costs of appraisal, title reports, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per Cordova Municipal Code ("CMC") 5.22.100.

The attached purchase and sale agreement will be negotiated with the proposer that is awarded the Property. The attached agreement is for informational purposes only. The City reserves the right to include new or additional terms, remove terms, or modify any terms contained in the draft agreement.

All proposals shall include a deposit of **<u>\$5,200.00</u>**, or ten percent (10%) of the proposal amount, whichever is greater. In the event that a proposer is not awarded the Property, the City will reimburse the deposit to the proposer. The deposit from the winning proposer will be credited towards the costs associated with the disposal, even if the disposal is not completed. In the event the successful proposer subsequently withdraws or otherwise abandons its proposal, the City will retain the proposer's entire deposit.

Proposers must comply with the provisions of the attached chapter of City Code for the **Central Business District**. Proposer must comply with all applicable zoning requirements.

Main Street is a State-owned road. Proposer must comply with all Alaska Department of Transportation requirements.

The City may issue addenda to this RFP. Addenda will be posted on the City Webpage with this RFP. It is the responsibility of the proposer to ensure receipt of all addenda.

The City will consider all proposals for the property subject to any applicable laws and regulations, including CMC Chapter 5.22.

The Planning Commission will review all submitted proposals. The Planning Commission will then make a recommendation to the City Council. The City Council reserves the right to reject any proposal, part of any proposal, or all proposals. The City Council may accept and negotiate with any proposer deemed most advantageous to the City of Cordova.

For additional information or questions about the land disposal process, contact the City Planning Department at 424-6220, planning2@cityofcordova.net, or stop by in person.

## **ADDITIONAL REQUIRED INFORMATION**

Please include with your proposal information that addresses the following items and any additional information which you wish to provide.

- 1. Describe the proposed development in detail.
- 2. What is the proposed square footage of the development?
- 3. Provide a sketch, to scale, of the proposed development in relationship to the lot. (Attachment C)
- 4. Describe the benefit of the proposed development to the community.
- 5. What is the value of the proposed improvements (in dollars)?
- 6. What is your proposed timeline for development?

## **ATTACHMENTS**

Attachment A: Criteria used when evaluating each submitted proposal.
Attachment B: Location maps showing the subject Property with a scale.
Attachment C: The Property parcels with measurements.
Attachment D: Cordova Municipal Code – Central Business District
Attachment E: Draft Purchase and Sale Agreement

## **SEALED PROPOSAL FORM**

All proposals must be rece	ived by the Planning Departme	nt by <u>March 11<sup>th</sup>, 2019 at 10 AM</u> .
Property: Lots 3 & 4, Block	6, Original Townsite	
Name of Proposer:		
Name of Organization:		
Address:		Phone #:
		Email:
Proposed Price \$	SUBMITTAL OF P	ROPOSAL
<u>Please mail proposals to:</u>	City of Cordova Attn: Planning Department P.O. Box 1210 Cordova, Alaska 99574	
		email subject line shall be "Proposal for Lots 3 be attached to the email as a PDF file.
Or deliver your proposal t	o the front desk at City Hall.	
Proposals received after M	larch 11 <sup>th</sup> , 2019 at 10 AM will n	ot be considered.

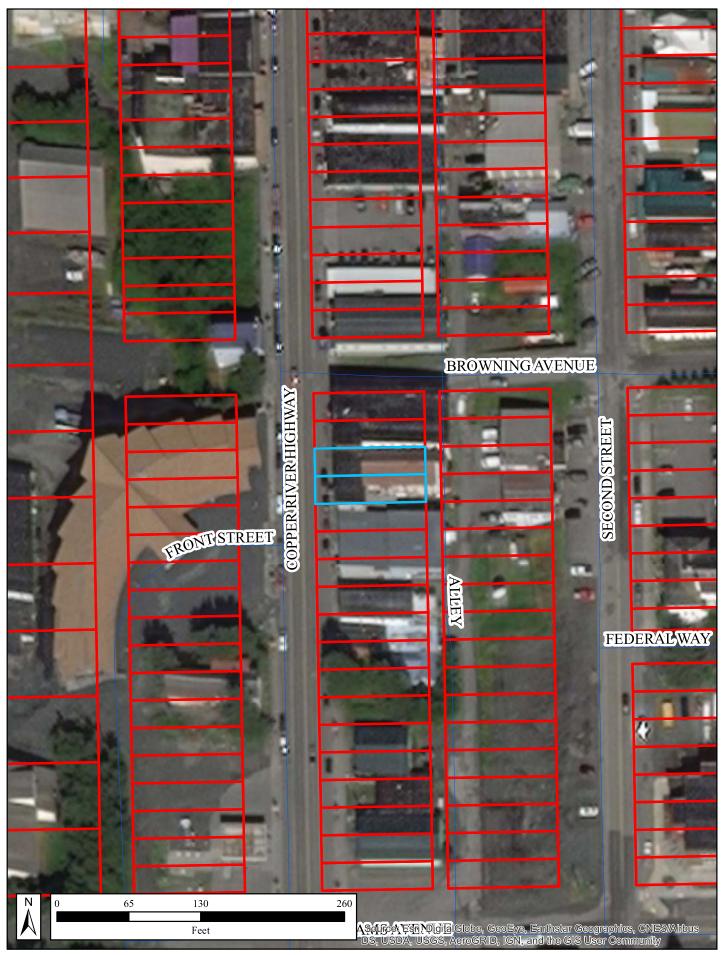
Each proposal will be evaluated on the criteria in the table below. Each criteria will be scored from 1-10. The multiplier will then be applied to the scores to determine a final score.

## Land Disposal Evaluation Criteria

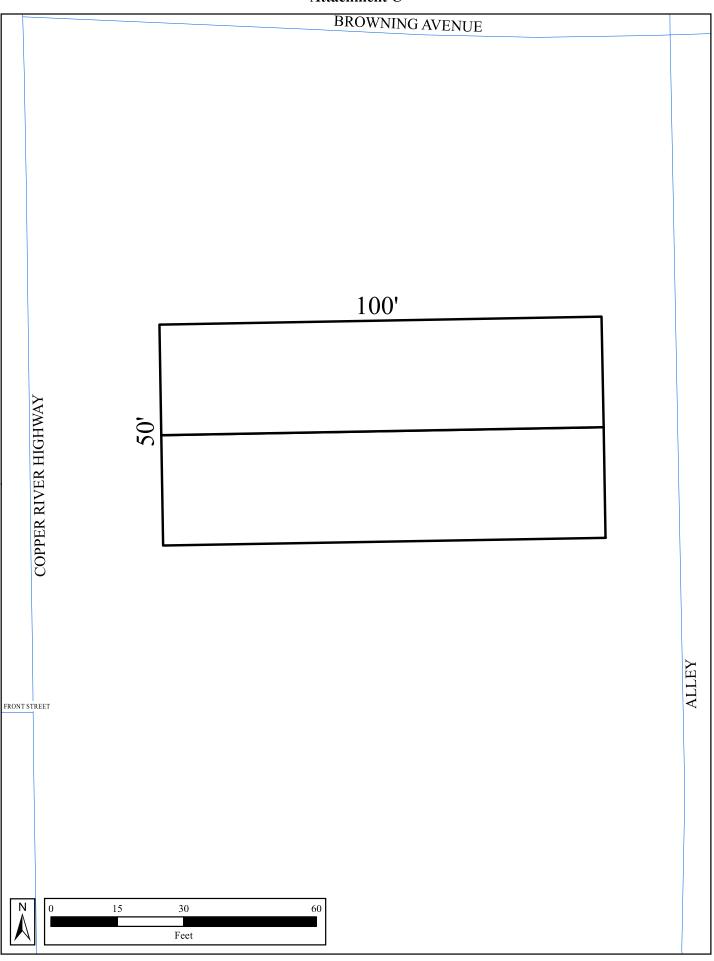
Criteria	Multiplier	Proposal Rank 1-10	Subtotal for Proposal
Value of improvements	1.75		
Number of Employees	1		
Sales Tax Revenue	1		
Importance to Community	1.75		
5yr Business Plan/Timeline	0.75		
Enhanced Architectural Design	1.25		
Proposal Price	1.5		
Consistency with Comprehensive Plan	1		
Total	10		



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#### Chapter 18.29 - CENTRAL BUSINESS DISTRICT

#### 18.29.010 - Purpose.

The purpose of this district is to permit a variety of commercial, administrative, financial, civic, culture, residential, entertainment, and recreational uses in an effort to provide the harmonious mix of activities necessary to further enhance the central business district as a commercial and service center.

#### 18.29.020 - Principal permitted uses.

The following uses are permitted in the CBD zone: All limited uses in the B district, except that off-street parking shall not be required as specified in Chapter 18.48.

#### 18.29.030 - Building height limit.

The maximum building height in the B district shall be three stories or fifty feet; however, a building or structure thereafter erected, added to or otherwise constructed may be increased in height, provided the gross cubical content of such building or structure does not exceed the sum total of the area of the lot upon which it is to be erected multiplied by fifty.

#### 18.29.040 - Yards.

- A. Every building or portion thereof in the B district which is designed, intended or used for any purpose permitted in an R district for any other residential or dwelling purpose shall provide yards as required in the R district; provided, that when the ground floor of any such building is used for any commercial purpose, no side yard shall be required except that there shall be a side yard along the side of every lot which is not bounded by an alley and which is bordering on property in an R district.
- B. Yards shall not be required otherwise, except that no building shall be erected nor shall any use of land be conducted so that the same will be closer than thirty feet to the center line of any street adjoining the lot.

#### 18.29.050 - General conditions.

- A. All selling, dealing in or displaying of goods or merchandise by shops, stores or business shall be entirely conducted and located within a permanent building unless otherwise specifically excepted.
- B. No stores or businesses shall involve any kind of manufacturing, compounding, processing or treatment of products except that which is clearly incidental and essential to the authorized use and provided that:
  - 1. No more than ten persons are engaged in the manufacturing, compounding, processing or treatment of products or servicing and repairing of appliances, equipment, etc.;
  - 2. Not more than twenty percent of the ground floor area of any building shall be used for such purposes;
  - 3. Such operations or products are not objection— able due to odor, dust, smoke, noise, vibrations or other similar nuisances.
- C. All exterior walls of buildings hereafter erected, extended or structurally altered which face a street or property in an R district shall be designed, treated and finished in a uniform and satisfactory manner approved by the planning commission.

\*\*\*\* For informational purposes only. A final agreement will be negotiated between Seller and Purchaser at a later date. The City reserves the right to include new or additional terms, remove terms, or modify any terms contained in the draft agreement.

## DRAFT PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of XXXXXXXXXXXX (the "Effective Date"), by and between the CITY OF CORDOVA, an Alaska municipal corporation ("Seller" or the "City"), whose address is P. O. Box 1210, Cordova, Alaska 99574, and XXXXXXXXXX ("Purchaser"), whose address is XXXXXXXXXX.

WHEREAS, Seller is the owner of certain real property located in the City of Cordova, Alaska, more particularly described in Exhibit A attached hereto and made a part hereof (the "Property"); and

WHEREAS, Purchaser has funds to pay the cost of acquiring the Property; and

WHEREAS, Purchaser desires to buy from Seller, and Seller desires to sell to Purchaser, the Property, subject to and in accordance with the terms and provisions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

**1. Purchase and Sale.** Seller hereby agrees to sell, assign and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, all of Seller's right, title and interest in and to that certain real Property located in the Cordova Recording District, Third Judicial District, State of Alaska, more particularly described in Exhibit A attached hereto and incorporated herein by this reference, together with any and all improvements thereon, and all rights, privileges, easements and appurtenances thereto (the "Property").

**2.** The Purchase Price. The purchase price for the Property is XXXXXXXXXXX and 00/100 Dollars (\$XXXXXXXXXXXX) (the "Purchase Price") and shall be paid to Seller by Purchaser at the Closing (as that term is defined in Section 11 below) as follows:

(a) A XXXXXX and 00/100 Dollars (\$XXXXXXX) deposit received by Seller on \_\_\_\_\_, 2019;

(b) An additional down payment of One Thousand and 00/100 Dollars (\$1000.00) deposited with First American Title ("Title Company") upon execution of this Agreement.

(c) The balance of XXXXXX and 00/100 Dollars (\$XXXXXX), together with all costs incurred by the City in connection with the sale of the Property, including Closing Costs, payable at Closing.

**3. Property Development.** Purchaser shall develop the Property for commercial use, consistent with plans submitted and approved by the Cordova City Council, attached hereto and incorporated herein as Exhibit B.

### 4. Title.

(a) Seller shall order from the Title Company, and shall deliver to Purchaser within ten (10) days following the Opening of Escrow, a preliminary title report pertaining to the Property (the "Commitment"), together with legible (to the extent available) copies of all documents relating to the title exceptions referred to in such Commitment.

Within fifteen (15) days after the delivery of the Commitment, (b) Purchaser shall notify Seller in writing of any title exceptions identified in the Commitment of which Purchaser disapproves. Any exception not disapproved in writing within said fifteen (15) day period shall be deemed approved by Purchaser, and shall constitute a "Permitted Exception" hereunder. Purchaser and Seller hereby agree that all non-delinquent property taxes and assessments, and any Internal Revenue Service liens, shall also constitute "Permitted Exceptions." Within ten (10) days after receipt of Purchaser's written notice of disapproved title exceptions, if any, Seller shall notify Purchaser in writing of any disapproved title exceptions which Seller is unable or unwilling to cause to be removed prior to or at Closing. Seller's failure to give such notice shall be deemed an election not to remove any disapproved title exceptions. With respect to such exceptions, Purchaser then shall elect, by giving written notice to Seller and Escrow Agent within ten (10) days thereafter, (x) to terminate this Agreement, or (v) to waive his disapproval of such exceptions, in which case such exceptions shall then be deemed to be Permitted Exceptions. Purchaser's failure to give such notice shall be deemed an election to waive the disapproval of any such exception. In the event Purchaser elects to terminate this Agreement in accordance with clause (x) above, the Deposit, without interest, shall be immediately refunded to Purchaser; provided, however, that Purchaser shall be responsible for any title or escrow cancellation fees.

5. <u>No Warranties</u>. Purchaser shall purchase the Property based on Purchaser's own prior investigation and examination of the Property (or Purchaser's election not to do so). Purchaser agrees, represents, and warrants that except as expressly contained in this Agreement, no representations or warranties by or on behalf of Seller, express or implied, statutory or otherwise, are or have been made to the Purchaser as to the condition of the Property or improvements situated thereon, the contents thereof, any restrictions related to the development or use thereof, the applicability of any governmental requirements pertaining thereto, including but not limited to environmental requirements, the presence or absence of Hazardous Substances, presence of groundwater, the suitability or fitness thereof for any use or

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purpose, the Property's compliance with federal, state and/or municipal laws, or any other matter or thing affecting or related to the Property in any way, and the Purchaser accepts the same IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS. Purchaser hereby waives, and Seller does hereby disclaim, all warranties of any type or kind whatsoever with respect to the Property, whether express or implied, statutory or otherwise. Seller has agreed to sell the Property on the terms specified herein in reliance upon the foregoing limitations of Seller's liabilities, which are material to Seller, and Seller would not have entered into this Agreement without such limitations.

6. Representations, Warranties and Covenants of Purchaser. In addition to any other representations, warranties, and covenants contained herein, Purchaser represents and warrants to Seller that the following matters are true and correct as of the execution of this Agreement and also will be true and correct as of the Closing:

(a) This Agreement is, and all the documents executed by Purchaser which are to be delivered to Seller at the Closing will be, duly authorized, executed, and delivered by Purchaser, and is and will be legal, valid, and binding obligations of Purchaser enforceable against Purchaser in accordance with their respective terms and do not and will not violate any provisions of any agreement to which either Purchaser is a party or to which they are subject.

## 7. Conditions Precedent to Closing.

(a) The following shall be conditions precedent to Seller's obligation to consummate the purchase and sale transaction contemplated herein (the "Seller's Conditions Precedent"):

(1) Purchaser shall not have terminated this Agreement in accordance with Section 4, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Purchaser shall have delivered to Escrow Agent, prior to or at the Closing, for disbursement as directed hereunder, all cash or other immediately available funds due from Purchaser in accordance with this Agreement.

(3) There shall be no uncured breach of any of Purchaser's representations or warranties set forth in Section 6, as of the Closing.

(4) Purchaser shall have delivered to Escrow Agent the items described in Section 9.

(5) The timely performance by Purchaser of each and every obligation imposed upon Purchaser hereunder.

The conditions set forth in this Section 7(a) are solely for the benefit of Seller and may be waived only by Seller and only in writing. Seller shall, at all times have the right to waive any of these conditions.

(b) The following shall be conditions precedent to Purchaser's obligation to consummate the purchase and sale transaction contemplated herein (the "Purchaser's Conditions Precedent"):

(1) Purchaser shall not have terminated this Agreement in accordance with Section 4, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Title Company shall be committed to issue, at the Closing, an owner's policy of title insurance (the "Title Policy"), insuring Purchaser's interest in the Property, dated the day of the Closing, with liability in the amount of the Purchase Price, subject only to the Permitted Exceptions.

(3) Seller shall have delivered the items described in Section 8.

(4) The timely performance by Seller of each and every obligation imposed upon Seller hereunder.

The conditions set forth in this Section 7(b) are solely for the benefit of Purchaser and may be waived only by Purchaser and only in writing. Purchaser shall, at all times have the right to waive any of these conditions.

(c)

**8. Seller's Closing Deliveries.** At or prior to the Closing, Seller shall deliver to Escrow Agent the following:

(a) A Quitclaim Deed in the form attached hereto as Exhibit B, executed by Seller conveying the Property to Purchaser (the "Deed").

(b) A closing statement prepared by the Title Company itemizing and approving all receipts and disbursements made in connection with Closing.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

**9. Purchaser's Closing Deliveries.** At or prior to the Closing, Purchaser shall deliver to Escrow Agent the following:

(a) The balance of the Purchase Price, together with such other sums as Escrow Agent shall require to pay Purchaser's share of the Closing costs, prorations, reimbursements and adjustments as set forth in Section 10 and Section 12, in immediately available funds.

(b) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

**10. Prorations and Adjustments.** The following shall be prorated and adjusted between Seller and Purchaser as of the day of the Closing, except as otherwise specified:

(a) General real estate, personal property and ad valorem taxes and assessments, and any improvement or other bonds encumbering the Property, for the current tax year for the Property. Purchaser is not responsible for delinquent real estate taxes, personal property taxes, ad valorem taxes, or assessments arising prior to Closing.

(b) Utility charges, if any. Purchaser acknowledges and agrees that Seller shall be entitled to all refunds of utility deposits with respect to the Property and that such amounts are not to be assigned to Purchaser in connection with the sale of the Property. However, Purchaser will be responsible for any additional assessments effective prior to Closing, of which notice is received after Closing.

For purposes of calculating prorations, Purchaser shall be deemed to be in title to the Property, and, therefore entitled to the income therefrom and responsible for the expenses thereof for the entire day upon which the Closing occurs. All such prorations shall be made on the basis of the actual number of days of the month which shall have elapsed as of the day of the Closing and based upon the actual number of days in the month and a three hundred sixty-five (365) day year. In no event will there be any proration of insurance premiums under Seller's existing policies of insurance relating to the Property, and Purchaser acknowledges and agrees that none of Seller's insurance policies (or any proceeds payable thereunder) will be assigned to Purchaser at the Closing, and Purchaser shall be solely obligated to obtain any and all insurance that they deem necessary or desirable. The provisions of this Section 10 shall survive the Closing.

**11. Closing**. The purchase and sale contemplated herein shall close on or before sixty (60) days after the Effective Date (the "Closing") or on such other specific date and time mutually agreed to by the parties. As used herein, the term "Closing" means the date and time that the Deed is recorded in the Cordova Recording District, Third Judicial District, State of Alaska (the "Official Records"). The Closing shall occur at the offices of the Escrow Agent as set forth in Section 18(m).

12. Closing Costs. Purchaser shall pay the fee for recording the Deed, the premium for the Title Policy, and for all fees and costs Seller incurred to third-parties in any way relating to the purchase and sale transaction involving the Property, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees. Purchaser shall bear the expense of his own counsel. Unless otherwise specified herein, if the sale of the Property contemplated hereunder does not occur because of a default on the part of Purchaser, all escrow cancellation and title fees shall be paid by Purchaser; if the sale of the Property does not occur because of a default on the part of Seller, all escrow cancellation and title fees shall be paid by Seller.

13. **Risk of Loss.** If prior to the Closing, any portion of the Property is subject to a taking, or eminent domain proceedings are commenced, by public authority (other than Seller) against all or any portion of the Property, Purchaser shall have the right, exercisable by giving notice to Seller within ten (10) business days after receiving written notice of such taking (but in any event prior to the Closing), either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder (except as may be expressly provided to the contrary elsewhere in this Agreement), and any money (including, without limitation, the Deposit and all interest accrued thereon) or documents in escrow shall be returned to the party depositing the same, and Purchaser and Seller each shall be responsible for one-half of any title or escrow cancellation fee, or (ii) to accept the Property in its then condition, without any abatement or reduction in the Purchase Price, and receive an assignment of all of Seller's rights to any condemnation award payable by reason of such taking. Purchaser's failure to elect timely shall be deemed an election of (ii). If Purchaser elects to proceed under clause (ii) above, Seller shall not compromise, settle or adjust any claims to such award without Purchaser's prior written consent. As used in this Section 14, "taking" shall mean any transfer of the Property or any portion thereof to a governmental entity (other than Seller) or other party with appropriate authority, by exercise of the power of eminent domain.

## 14. Default.

(a) No party shall be deemed to be in default hereunder unless such party fails to cure an alleged default within ten (10) days after receipt from the other party of written notice thereof; provided, however, that (i) if such alleged default is not susceptible of being cured within said ten (10) day period, such party shall not be deemed in default hereunder so long as such party commences to cure the alleged default within thirty (30) days; and (ii) no notice shall be required or cure period permitted in the event the alleged default is a failure to close the transaction contemplated hereby at the Closing.

(b) In the event of a default by Seller hereunder, Purchaser's remedies shall be limited to, (i) terminating this Agreement by written notice to Seller, in which event the Deposit shall be returned to Purchaser and neither party shall have any further rights, obligations, or liabilities hereunder, or (ii) enforcing Seller's obligations hereunder by a suit for specific performance, in which event Purchaser shall be entitled to such injunctive relief as may be necessary to prevent Seller's disposition of the Property pending final judgment in such suit.

(c) In the event of a default by Purchaser hereunder, Seller shall be entitled, as Seller's sole and exclusive remedy, to terminate this Agreement by written notice to Purchaser, in which event, the Deposit shall be retained by Seller as liquidated damages; thereafter, neither party shall have any further rights, obligations, or liabilities hereunder. The parties acknowledge and agree that the actual damages in such event are uncertain in amount and difficult to ascertain, and that said amount of liquidated damages was reasonably determined.

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## 15. Escrow.

(a) <u>Instructions</u>. Within five (5) business days after execution of this Agreement, Purchaser shall deposit a copy of this Agreement executed by both Purchaser and Seller with Escrow Agent. This Agreement, together with such further instructions, if any, as the parties shall provide to Escrow Agent by written agreement, shall constitute the escrow instructions. If any requirements relating to the duties or obligations of Escrow Agent hereunder are not acceptable to Escrow Agent, or if Escrow Agent requires additional instructions, the parties hereto agree to make such deletions, substitutions and additions hereto as Seller and Purchaser shall mutually approve, which additional instructions shall not substantially alter the terms of this Agreement unless otherwise expressly agreed to by Seller and Purchaser.

(b) <u>Deposits into Escrow</u>. Seller shall make its deliveries into escrow in accordance with Section 8. Purchaser shall make his deliveries into escrow in accordance with Section 9. Escrow Agent is hereby authorized to close the escrow only if and when: (i) Escrow Agent has received all items to be delivered by Seller and Purchaser pursuant to Sections 8 and 9; and (ii) Title Company can and will issue the Title Policy concurrently with the Closing.

(c) <u>Close of Escrow</u>. Provided that Escrow Agent shall not have received written notice in a timely manner from Purchaser or Seller of the failure of any condition to the Closing or of the termination of the escrow, and if and when Seller and Purchaser have deposited into escrow the matters required by this Agreement and Title Company can and will issue the Title Policy concurrently with the Closing, Escrow Agent shall:

(1) Deliver to Seller the Purchase Price, including all Closing Costs, after satisfying the prorations and adjustments to be paid by Seller pursuant to Section 10, if any.

(2) Deliver to Purchaser the Quitclaim Deed by causing it to be recorded in the Official Records of the Cordova Recording District, Third Judicial District, State of Alaska and immediately upon recording delivering to Purchaser a conformed copy of the Quitclaim Deed.

(3) Deliver to Purchaser any funds deposited by Purchaser, and any interest earned thereon, in excess of the amount required to be paid by Purchaser hereunder.

(4) Deliver the Title Policy issued by Title Company to Purchaser.

## 16. Indemnification.

(a) General Indemnification. Purchaser shall defend, indemnify, and hold the Seller and its authorized representatives, agents, officers, and employees harmless

from and against any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorneys' fees, court costs, litigation expenses, and consultant and expert fees) resulting from, arising out of, or related in any way to the Property, the sale of the Property, or the contents of the Property, including claims relating to any personal property. This obligation shall survive closing.

Environmental Release and Indemnification. The Seller makes no (b) representation or warranty whatsoever, whether express, implied, or statutory, regarding the presence or absence of any Hazardous Material (as hereafter defined) on the Property. Purchaser releases the Seller and its authorized representatives, agents, officers, and employees from any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorneys' fees, court costs, litigation expenses, and consultant and expert fees) that result from the presence, use, keeping, storage, or disposal of Hazardous Material in, on, or about the Property, or that arise out of or result from Purchaser's occupancy or use of the Property or the use or occupancy of the Property by Purchaser's employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees (other than the City), or authorized representatives. This release includes, without limitation, any and all costs incurred due to any investigation of the Property or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision, or by law or regulation. Purchaser agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Hazardous Material generated, kept, or brought on the Property, whether by Purchaser, its employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees, or authorized representatives, or any other party.

Purchaser shall defend, indemnify, and hold the Seller and its authorized representatives, agents, officers, and employees harmless from and against any and all claims, demands, penalties, fines, judgments, liabilities, settlements, damages, costs, or expenses (including, without limitation, attorneys' fees, court costs, litigation expenses, and consultant and expert fees) of whatever kind or nature, known or unknown, contingent or otherwise, arising in whole or in part from or in any way related to: (i) the presence, disposal, release, or threatened release of any such Hazardous Material on or from the Property, soil, water, ground water, vegetation, buildings, personal property, persons, animals, or otherwise; (ii) any personal injury or property damage arising out of or related to such Hazardous Material; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Material; and (iv) any violation of any laws applicable to such Hazardous Material.

As used in this Lease, "Hazardous Material" means any substance which is toxic, ignitable, reactive, or corrosive or which is regulated by any federal, state, or local law or regulation, as now in force or as may be amended from time to time, relating to the protection of human health or the environment, as well as any judgments, orders, injunctions, awards, decrees, covenants, conditions, or other restrictions or standards relating to the same. "Hazardous Material" includes any and all material or substances

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that are defined as "hazardous waste," "extremely hazardous waste," or a "hazardous substance" under any law or regulation.

This obligation shall survive closing.

## 17. General Provisions.

(a) Each individual executing this Agreement hereby represents and warrants that he or she has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he or she is executing this Agreement to the terms hereof.

(b) Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which such period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday or legal holiday, in which case the period shall be deemed to run until the end of the next business day.

(c) Seller represents and warrants to Purchaser, and Purchaser represents and warrants to Seller, that there is no broker, finder, or other intermediary of any kind with whom such party has dealt in connection with the transaction contemplated hereby, and each party agrees to indemnify, defend, and hold harmless the other from any claim made by any broker or agent alleging entitlement to any fee or commission as a result of having dealt with the indemnifying party.

(d) This Agreement, including all exhibits attached hereto, constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof, and there are no other prior or contemporaneous written or oral agreements, undertakings, promises, warranties, or covenants with respect thereto not contained herein.

(e) This Agreement may be amended or modified only by a written instrument executed by all of the parties hereto.

(f) No waiver of any condition or provision of this Agreement by any party shall be valid unless in writing signed by such party. No such waiver shall be deemed or construed as a waiver of any other or similar provision or of any future event, act, or default.

(g) If any provision of this Agreement is deemed unenforceable in whole or part, such provision shall be limited to the extent necessary to render the same valid or shall be deemed excised from this Agreement and replaced by a valid provision as close in meaning and intent as the excised provision, as circumstances require, and this Agreement shall be construed as if said provision had been incorporated herein as so limited or as so replaced, as the case may be.

(h) Headings of articles and sections herein are for convenience of reference only and shall not be construed as part of this Agreement.

(i) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and permitted assigns.

(j) This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

(k) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute a single instrument.

(I) In no event shall this Agreement be construed more strongly against any one person solely because such person or its representative acted as draftsman hereof, it being acknowledged by the parties hereto that both have been represented by competent legal counsel, that this Agreement has been subject to substantial negotiation, and that all parties have contributed substantially to the preparation of this Agreement.

(m) Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be sent by United States registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

Seller:	City of Cordova Attn: City Manager P. O. Box 1210 Cordova, Alaska 99574
	With copy to Holly Wells, Esq. Birch Horton Bittner & Cherot, PC 310 L. Street, Suite 700 Anchorage, Alaska 99501
Purchaser:	XXXXXX XXXXXX XXXXXX
Escrow Agent:	First American Title Insurance Company. 3035 C Street Anchorage, Alaska 99503

#### Title Company: First American Title Insurance Company. 3035 C Street Anchorage, Alaska 99503

Any party may change its address for notice by written notice given to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been duly given or served on the date three (3) days after being placed in the U.S. Mail.

(n) The parties agree to execute such instructions to Escrow Agent and Title Company and such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement on terms mutually acceptable to Purchaser and Seller.

(o) Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being the intention of the parties to merely create the relationship of Seller and Purchaser with respect to the Property to be conveyed as contemplated hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

SELLER:

CITY OF CORDOVA

By: \_

) ss:

Alan Lanning, City Manager

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

The foregoing instrument was acknowledged before me this \_\_th day of \_\_\_\_\_, 2019, by Alan Lanning, City Manager of the CITY OF CORDOVA, an Alaska municipal corporation, on behalf of the City.

Notary Public in and for Alaska My commission expires:\_\_\_\_\_

Page 11 of 12

PURCHASER:

XXXXXXXXXXXXXXX

Ву: \_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

STATE OF ALASKA

) ss:

)

THIRD JUDICIAL DISTRICT

The foregoing instrument was acknowledged before me this 17th day of November 2015, by XXXXXXXXXXXXXX.

Notary Public in and for Alaska My commission expires:

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

) ss: )

The foregoing instrument was acknowledged before me this 17th day of November 2015, by XXXXXXXXXXXXXX.

Notary Public in and for Alaska My commission expires:

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## **EXHIBIT A** Legal Description of the Property

401777\254\00790496

## SEALED PROPOSAL FORM

All proposals must be received by the Planning Department by March 11th, 2019 at 10 AM.

Property: Lots 3 & 4, Block 6, Original Townsite

Name of Proposer: Jeremiah Beckett

Name of Organization: Cordova Telecom Cooperative

Address: <u>611 2<sup>nd</sup> Street Cordova, AK 99574</u>

Phone #: <u>907-424-2345</u>

Email: administrator@ctcak.coop

Proposed Price \$ <u>52,000.00</u>

## SUBMITTAL OF PROPOSAL

<u>Please mail proposals to:</u> City of Cordova Attn: Planning Department P.O. Box 1210 Cordova, Alaska 99574

Or email proposals to planning2@cityofcordova.net. The email subject line shall be "Proposal for Lots 3 & 4, Block 6, Original Townsite," and the proposal shall be attached to the email as a PDF file.

Or deliver your proposal to the front desk at City Hall.

Proposals received after March 11th, 2019 at 10 AM will not be considered.



# Proposal for Lots 3 & 4, Block 6, Original Townsite

# Prepared for: City of Cordova

## ATTN: Planning Department

Presented: March 2019



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CTC CoHo Proposal



## **Executive Summary**

Cordova Telephone Cooperative, dba Cordova Telecom Cooperative (CTC), would like to submit its interest in acquiring Lots 3 & 4, Block 6, Original Townsite (the "Property"), also known as the CoHo building, as described in the City's Request for Proposals (RFP). CTC has been looking for opportunities to expand its facilities in a manner in which this property is ideally suited for, given CTC's current office location and the Cooperative's desire to have retail operations located on First Street.

CTC's initial plan is to build a three (3) story, multi-use, commercial building. The first floor could host retail office space facing First Street, as well as general office space and alley garage parking. On the second and third floors, the building could include multiple apartments, meeting and training rooms, and an innovative Cordova business incubation center- all of which would generate new local tax revenue for the city. The proposed business incubation center would provide a venue for new businesses to prosper and assist in creating long-lasting jobs in Cordova.

The proposed building would be aesthetically homogenous to the neighboring buildings and be designed with elements representing the local area. Behind the building, the existing satellite dish and fenced area could be removed to create an additional parking area and small green space.

CTC is proposing to purchase the existing building and lots at the fair market value of \$52,000.00. The forecasted cost to acquire and prepare the location for new construction is approximately \$200,000.00. There are liens on the property which amount to approximately \$64,000.00. Upon completion and settlement of these initial acquisitional tasks, CTC would embark on formal design and engineering services to plan out a commercial building with a development goal of opening the new facility within five years.

A new commercial facility in this location could add tremendous real-estate and community value to the downtown district, create new cooperative partnering opportunities, and stimulate economic growth in Cordova.





## **Proposal Offer**

CTC would like to submit a proposal price of \$52,000.000 for Lots 3 & 4, Block 6, Original Townsite. This represents the fair market land value of the location and minimum bid required by the City of Cordova.

It is important to note that based on formal service quotes, the physical acquisition costs of the property itself will amount to approximately \$200,000.00

	Estimated Acquisiti	ion Costs
	Description	Cost
1	Property Acquisition	\$ 52,000.00
2	Additional Closing Fees *	\$ 15,500.00
3	Hazmat Study	\$ 7,000.00
4	Building Asset Salvage	TBD
5	Demolition	\$ 120,000.00
6	Temporary Landscaping	\$ 5,000.00
Τα	otal costs	\$199,500.00

\*Additional closing fees would include appraisal, title reports, attorney's fees and costs, surveying and platting, closing costs and escrow fees.

In addition to the aforementioned acquisition costs, a limited liability report produced to CTC has produced legal costs that could be borne by the selected buyer. These costs amount to approximately \$64,000.00

Estimated Legal Costs		
	Description	Cost
1	Liens	\$ 44,711.80
2	Lawyer Fees	\$ 10,000.00
3	Additional Fees	\$ 9,000.00
Total costs: \$ 63,711.		\$ 63,711.80

\*Additional costs might include any penalties or interest accrued.

CTC CoHo Proposal



If selected as the winning bidder, it is CTC's intent to conduct a formal hazmat study for safety concerns. After which, salvage crew would secure antiques, personal effects, and possible commercial assets from the building before demolition. These items would be offered at no cost to the prior owner and any remaining items would be donated to the museum and/or offered at public auction.

To reduce costs for the Cooperative and community, CTC would request and expect the City to provide a mutually agreeable discounted land fill flat rate for disposing of building debris ideally included as part of the purchase price.



## **Proposal Responses**

## **Proposed Development**

CTC plans to build a three (3) level, multi-use, commercial building which will include street level retail space and training/meeting rooms facing First Street. It will also house business and field personnel offices and feature alley-accessed garage parking. An incubation business center will be created within to provide low-cost, fully-equipped micro-offices for small businesses. Multiple residential apartments will also be located in the building.

The building will be aesthetically homogenous to the neighboring buildings and be designed with elements representing local history and culture. A roof overhang will protect the sidewalk and pedestrians below from the elements.

Complementing the new facility, and to support more employee parking, CTC would repurpose some of the existing property in the alleyway. The existing satellite dish and fenced area to the rear of the current CTC central office could be repurposed to create additional parking and green space between the two facilities. This will allow for more company and employee parking, an outdoor area with a picnic table for staff and visible green space for the community.

## Facility Footprint

The proposed square footage of the development would be approximately 12,000 square feet. The facility would consist of a three (3) story building with each level measuring 40' x 100.



Below is an initial rendering of the proposed building created by an Alaskan architect.



## Benefits to the Community

Ensuring this primely and centrally located real estate in Cordova is secured and developed by an established local business that is vested in and for Cordova is crucial to the community and sustainability of the property itself. CTC is a 40-year-old, Cordova-focused, community-owned cooperative that is in need of additional commercial property to support continued growth internally and strategically. CTC has the financial means, interests, and desire to expand our downtown Cordova facilities and this property is of significant interest to the Cooperative. Allowing CTC to develop this property will benefit the community financially and visually, allow for a diversification and revitalization of downtown, and would help foster a stronger sense of community overall. The following sections expand upon the benefits which could be created upon development of this property by CTC.

## **Business Growth**

Cordova offers community members a unique lifestyle and access to some of the world's most pristine outdoor adventure and subsistence opportunities. A growing trend in America is the relocation of high-tech professionals from cities to smaller, more remote, locations (such as Cordova). These locations offer improved qualities of life while also allowing these individuals to work remotely through reliable high-speed internet services. The business incubation center which CTC is proposing would help reduce the costs of launching and operating new businesses in Cordova by providing open concept office space at a reduced price, price being one of the largest barriers to entry for any new business. Creating a new business incubation center that supports existing and new business professionals with modern offices and technology services to run their businesses from could stimulate Cordova's long-term growth and create opportunities for our next generation of youth.

Additionally, CTC is continuously searching for ways to strategically partner with our sister cooperative, Cordova Electric Cooperative (CEC). Due to the property's relative location to existing CTC and CEC services and its proximity to central community services, the property in question presents an ideal opportunity to set the stage for continued growth of our strategic partnership. In accordance with this priority, CTC and CEC are in continual discussions to transform our business operations in tandem and see the opportunity to centralize back office, field teams, and retail operations as a strategic step towards increased collaboration and cooperative unity.

The new facility could enable further operational alignment for retail operations, field operations, and back office work between our two local utility cooperatives. This could potentially reduce the amount of community member time and money spent for utility services while also ensuring enhanced communications amongst our utility providers. CTC and CEC field teams could have a common tech center in the new building for improved project, safety, and operations coordination which would also free up much needed datacenter space in the existing CTC building. Allowing for retail operations space to be shared by the two entities would improve community members access to our local cooperatives and foster better operational and strategic collaboration, resulting in stronger resource independence for Cordova while also making downtown a single stop shop for community members.

Cordova Telecom Cooperative PO Box 459, 611 Second St., Cordova, Alaska 99574 (907) 424-2345 Fax (907) 424-2344



## Financial

The proposed development would generate additional tax revenue for the city through commercial real-estate and apartment rentals. A business incubation center within, providing small-to medium-sized fully equipped offices with furniture, power, telephone, internet, and business services, would be created and made available for small businesses, independent consultants, and seasonal workers. These vendor spaces and living apartments will result in increased tax revenue to the city and promote long-term economic development and growth in Cordova.

## **Revitalization and Diversification**

Shared retail operations between the cooperatives, directly next to the city center, would provide community members convenient access to primary utilities and stimulate overall commerce. Bringing the customer experience to this main street location will allow all community related bills and services to be done in a central location, attract foot traffic to the area, and promote surrounding local businesses while enhancing community traffic flow.

Any additional living apartments which are not being used for business purposes, could be offered as local downtown housing for year-round or seasonal residents. This will contribute to the community's effort to provide quality housing in Cordova, as well its desire to place multi-use buildings in the city's urban center.

The ideal use of the proposed space would be beneficial to the community in tangible and intangible ways, all consistent with the City's comprehensive plan. CTC is designing the proposed building to be visually pleasing to the community and aesthetically homogenous to the neighboring buildings. Our goal is to create a building that is utilitarian, culturally appropriate, and visually appealing. Current plans involve placing copper accents on the front façade of the building and large murals commissioned by local artists on the exterior walls.

Green space will be created to the rear of the building. CTC could remove the existing satellite dish and fenced area to create a larger area for employee parking with a staff picnic area. This will improve the aesthetics of the current alleyway and allow for an outdoor rest area for employee use during the summer months. The building will also be energy efficient in its ventilation, lighting heating and appliances and be recognized as a five-star rated commercial building by the EPA.



## Community

The proposed building will contribute to a revitalized Main Street and the densification of the downtown core with its multi-use purpose. It will be aesthetically pleasing, but practical, providing weather protection for the pedestrian walkway below and an improved sense of community and small-town feel.

The strategic location of the facility will result in a sense of unification to the community due to its proximity to the city center. Increased foot traffic will further foster an increased sense of community. While foot traffic will increase, the creation of a larger parking area to the rear of the property for company and employee vehicles will allow many of the existing vehicles to be removed from Second Street parking spaces. The parking area currently used by CEC patrons and employees is in close proximity to the elementary school and Ilanka Community Health Center and creates traffic congestion that could hinder public safety in the event that these high-priority areas need to be accessed in emergency situations.

By allowing for the creation of a space large enough to house both CTC and CEC, the City will be setting the stage for increased emergency preparedness and emergency response. With stronger operational and strategic collaboration, these two essential utilities providers will be stronger and more efficient at serving and being available to the community at all times and in all situations.



## **Evaluation Criteria Reponses**

## Value of Improvements

The ideal use of the proposed space would be beneficial to the community in tangible and intangible ways. The proposed building will be aesthetically homogenous to the neighboring buildings and be designed with elements representing the local area. The proposed new building may have construction costs of \$3,600,000 to \$4,800,000 potentially bringing the overall value in upwards of \$5,000,000.

## Number of Employees

The new facility would be able to support offices and working areas for over two dozen resources. Combined with CTC's existing building directly behind the new facility the combined offices could support about 50 employees.

The possible collaboration of our local utility Cooperatives could centrally localize over thirty employees. Both cooperatives have regular consultants and seasonal workers supporting their businesses.

## Sales Tax Revenue

A business incubation center, providing small-to medium-sized fully equipped offices with furniture, power, telephone, internet, and business services, will be created and made available for small businesses, independent consultants, and seasonal workers. These vendor spaces and living apartments will result in increased tax revenue to the city and promote long-term economic development in Cordova.

## Importance to Community

The strategic location of the facility will result in a sense of unification to the community due to its proximity to the city center. The future building will contribute to a revitalized main street and the densification of the downtown core with its multi-use purpose.

By allowing for the creation of a space large enough to house CTC and CEC, the City will be setting the stage for increased emergency preparedness and emergency response. With stronger operational and strategic collaboration, these two essential utilities providers will be stronger and more efficient at serving and being available to the community at all times and in all circumstances.

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Cordova Telecom Cooperative PO Box 459, 611 Second St., Cordova, Alaska 99574 (907) 424-2345 Fax (907) 424-2344 Page 10 of 13

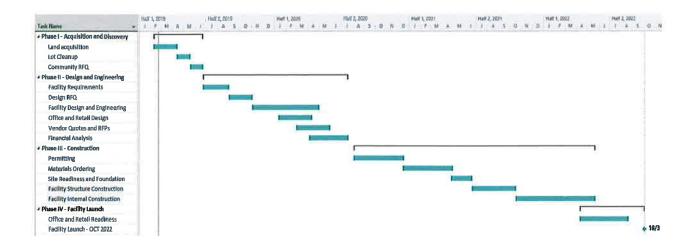
CTC CoHo Proposal



## **Development Timeline**

The new site would be developed over four to five years with a target launch in late 2022 or early 2023.

- 2019 Lot Acquisition and Design Specifications
- 2020 Design and Financial Alignment
- 2021 Facility Construction Start
- 2022 Facility Readiness and Launch
- 2023 Facility Open to Public



CTC CoHo Proposal



## **Enhanced Architectural Design**

CTC would design the proposed building to be visually pleasing to the community and aesthetically homogenous to the neighboring buildings. Current plans involve placing copper accents on the front façade of the building and large murals commissioned by local artists on the side exterior walls. The following conceptual drawings were prepared to help visualize how a new facility could look.



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CTC CoHo Proposal





## **Proposal Price**

CTC is proposing to purchase the existing building for its fair market value of \$52,000.00. The complete community investment cost to acquire the site and prepare it for new construction will amount to approximately \$200,000.00 plus potential additional lien and legal fees.

## Consistency with Comprehensive Plan

The ideal use of the proposed space would be beneficial to the community in tangible and intangible ways consistent with the City's comprehensive plan.

Additional parking in the downtown district during summer months and community events, while needed, would be a poor use of such centrally located land. Having a multi-use facility that can support existing and new businesses is considerably more valuable to the community.

Our goal would be to create a building that is utilitarian, culturally appropriate and visually appealing that can be used to support our Cooperatives and local small businesses in Cordova.



## AGENDA ITEM # 6b Planning Commission Meeting Date: 3/20/19

## PLANNING COMMISSION COMMUNICATION FORM

RESOLUTION

## I. <u>REQUEST OR ISSUE:</u>

The city is applying for a grant through the Alaska Department of Transportation and Public Facilities 2020-2023 Community Transportation Improvement Program for Second Street Infrastructure Upgrades. A resolution in support of the grant would help bolster the application and indicate community support.

## II. <u>RECOMMENDED ACTION / NEXT STEP:</u>

"I move to approve Resolution 19-04"

## III. FISCAL IMPACTS:

The grant requires a 9% match; however, staff recommend the city match 20% in order to score more points on the grant application. Staff estimate the total cost of the project will be \$4M for all of Second Street from Council Avenue to the Highway. City Council will decide on the match at the April 4<sup>th</sup> Regular Meeting. The

project may be reduced in scope if City Council wants to reduce the city's share of the cost.

## IV. BACKGROUND INFORMATION:

The number one priority for the Public Works Department is Second Street from Davis Avenue to the Copper River Highway for these reasons:

- 1. There is not a storm drain system between Browning Avenue and Council Avenue.
- 2. Storm water infiltration from roof drains on Second Street, especially from Browning to Council, creates havoc during large rain events at the wastewater treatment plant.
- 3. Second Street drainage in general is inadequate and the maintenance/repairs required for potholes is a huge cost to the Streets Department both in money and time.
- 4. The parking on the corner of Council and Second Street is unsafe.
- 5. The parking and traffic flow from the Grade School down Lake Avenue is unsafe for pedestrians and is frequently traveled by school age kids.

Second Street is the third priority on the Planning Commission CIP resolution.

## V. <u>LEGAL ISSUES:</u>

N/A

## VI. <u>CONFLICTS OR ENVIRONMENTAL ISSUES:</u>

The project will improve drainage, control stormwater runoff, and facilitate efficient effluent management during high rain events.

## VII. <u>SUMMARY AND ALTERNATIVES:</u>

The commission could choose to not pass the resolution.

## CITY OF CORDOVA, ALASKA PLANNING COMMISSION RESOLUTION 19-04

### A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CORDOVA, ALASKA, SUPPORTING THE ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES COMMUNITY TRANSPORTATION PROGRAM PROJECT GRANT APPLICATION FOR SECOND STREET INFRASTRUCTURE UPGRADES

WHEREAS, currently, Second Street is in need of upgrades to the sidewalks, inadequate storm drains system, and unsafe road and parking conditions; and

WHEREAS, parking areas that are inadequate for larger vehicles and head-on parking on both sides of the road in a school zone create unsafe walking conditions for school children; and

WHEREAS, inadequate storm drains systems or lack thereof are causing interruptions to the wastewater treatment plant effluent flow and erosion and road deterioration along the entire length of Second Street; and

WHEREAS, this project is prioritized third on the Planning Commission Resolution 18-07 recommending Capital Improvement Projects to the City Council, and

WHEREAS, the City of Cordova's Planning Commission is committed to seeking and developing safe routes for our citizens and continually improving the quality of life for Cordovans; and

WHEREAS, the City of Cordova's Planning Commission supports and encourages projects that enhance walkability and connectivity in Cordova; and

WHEREAS, the project supports the City's Comprehensive Plan's recreational goal: "to provide and foster programs and facilities for all in the pursuit of a healthy and sustainable community"; and

WHEREAS, the City of Cordova's Planning Commission supports and encourages projects that enhance walkability and connectivity in Cordova.

**NOW, THEREFORE BE IT RESOLVED THAT** the Planning Commission of the City of Cordova, Alaska hereby supports the Alaska Department of Transportation and Public Facilities Community Transportation Program Project grant application for Second Street Infrastructure Upgrades

## PASSED AND APPROVED THIS 20<sup>TH</sup> DAY OF MARCH, 2019

Tom McGann, Chair

ATTEST:

Leif Stavig, City Planner