



To: City Council
From: AnnMarie Lain, GIS/Planning
Date: August 30th, 2016
Re: 137 Egan Drive (Former Three Bears Property)

The proposed purchase of lot 137 Egan Drive was a City Council discussion item on November 25th, 2014. The table below lists the appraised value, taxes owed, and agreed purchase price from 2014. Instead of pursuing a purchase in 2014, Council members requested the City to pursue enforcement of clean-up on the property as well as collection of back taxes. The Agenda Statement and Meeting Minutes have been included for your review.

2014

Appraised Value (137 Egan Drive)	\$241,000.00
Property Taxes Owed 2010-2014 (137 Egan Drive)	(\$23,783.48)
Owner Agreed Purchase Price (Appraised Value Minus Taxes)	\$217,216.52

The following is a summary of actions by Community Development staff to pursue enforcement of clean-up on the property as directed by City Council. On February 13th, 2015 Jesse Gobeli with PND Engineers completed an inspection of the property and remaining structural elements. An abatement letter was issued on April 24th, 2016 giving the property owners 30 days from the posting date (May 24th) in which to submit an abatement plan to the Community Development Department, and 45 days in which to remove the walls. On May 16th, Mr. Reynolds agreed to allow Mr. Kipar, a local contractor, to demolish the walls in exchange for store credit at Reynolds Marine. Mr. Reynolds was not willing to expend any cash on the demolition. An anonymous donor stepped forward and that person along with Mr. Kipar and donations from the Valdez Veterinary Clinic shared the cost of the tipping fees for demolition. The walls were demolished on Friday May 22nd, 2015. On June 8th, 2016 a zoning violation abatement notice and order was sent to the owners of 137 Egan Drive. Per administration's request the zoning violation abatement notice and order was retracted and an appraisal of the property was ordered on May 25th, 2016.

The table below lists the appraised value, taxes owed, current assessed value, and the total of tipping fees sent to collections for lot 137 Egan Drive as of 2016. In 2014, the appraiser did not assign any value to the existing concrete slab. It is staffs opinion that should the City acquire the parcel for re-development the existing slab would have to be demolished and therefore of no value to the City.

2016

Appraised Value of Land (137 Egan Drive)	\$260,000.00
Appraised Value of Concrete Slab (based on data provided to the appraiser by property owner, see page 3 of appraisal report)	\$200,000.00
Assessed Value (137 Egan Drive)	\$148,000.00
Property Taxes Owed 2010-2016 (137 Egan Drive)	(\$30,705.01)
Baler Service/Interest – Write off to Cornerstone Collection LLC	(\$11,992.31)

The attached documents detail the events and outcomes from the City's enforcement and clean up efforts thus far. The two appraisals and title report have been attached for your review.

- 1) City Council Agenda Statement discussion item 11/25/2014
- 2) City Council Meeting Minutes for discussion item 11/25/2014
- 3) Abatement Activity Report Lot 1 Block 29 MCS 3/4/2015
- 4) Abatement Activity Report Lot 1 Block 29 MCS 5/11/2015
- 5) Abatement Activity Report Lot 1 Block 29 MCS 5/24/2015
- 6) Zoning Abatement Letter Lot Block BCS 6/8/2016
- 7) Zoning Enforcement Activity Report Lot 1 Block 29 MCS 6/9/2016
- 8) 2014 Appraisal
- 9) 2014 Title Report
- 10) 2016 Appraisal
- 11) Pictures of Parcel and Slab prior to Wall Demolition in 2015