

**CITY OF WHITTIER, ALASKA
RESOLUTION 2025-049**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA, APPROVING A CONDITIONAL LETTER OF INTENT BETWEEN THE CITY OF WHITTIER AND THE ALASKA RAILROAD CORPORATION FOR THE PURCHASE AND SALE OF THREE NON-CONTIGUOUS PARCELS TOTALING APPROXIMATELY 47 ACRES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONDITIONAL LETTER OF INTENT AND ALL NECESSARY SUPPORTING DOCUMENTS, INCLUDING LEASES, PERMITS, AND RELATED TRANSACTION DOCUMENTS, AND TO NEGOTIATE A FINAL PURCHASE AND SALE AGREEMENT

WHEREAS, the Alaska Railroad Corporation (“ARRC”) owns certain lands within the City of Whittier consisting of three non-contiguous parcels totaling approximately forty-seven (47) acres identified as Parcel AOI 1, Parcel AOI 2, and Parcel AOI 3, and legally described in the Conditional Letter of Intent dated December 8, 2025 (“Conditional LOI”); and

WHEREAS, the Property is generally depicted in the ARRC Area of Interests Discussion Map dated August 28, 2025; and

WHEREAS, ARRC’s counterproposal proposes the sale of three parcels—AOI 1 (“Sportsman’s Lounge,” approx. 0.8 acres), AOI 2 (“Harbor Parking Area/Whittier Creek/Well Site,” approx. 36 acres), and AOI 3 (“Harbor Uplands,” approx. 10.2 acres)—to the City at Fair Market Value, as determined by the Black-Smith, Bethard & Carson, LLC appraisal dated November 8, 2024; and

WHEREAS, ARRC has transmitted a Conditional LOI expressing its conditional intent to pursue a purchase and sale transaction with the City of Whittier, subject to negotiation and execution of a final Purchase and Sale Agreement (“PSA”); and

WHEREAS, the Conditional LOI incorporates the terms of ARRC’s Counterproposal dated September 23, 2025, previously accepted by the City; and

WHEREAS, the Conditional LOI outlines key terms, including the eventual termination of the 1998 Ground Lease and Management Agreement (“Master Lease”) at closing; and

WHEREAS, termination of the Master Lease will extinguish certain municipal interests, access, and rights necessary to City operations and services; and

WHEREAS, preservation of such interests, access, and rights through leases and easements serves the City’s best interest and that of the public at large; and

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WHEREAS, the Administration has reviewed the terms of the counterproposal and the Conditional LOI and found the proposed sale structure to be fiscally responsible, aligned with Council's legislative priorities, and in the City's long-term economic development interests; and

WHEREAS, acceptance of the Conditional LOI enables the City Manager to begin due diligence, initiate survey and title work, coordinate required permits, leases, easements, and related documents, and negotiate transaction instruments necessary for the PSA; and

WHEREAS, the Whittier City Council finds that acquiring these parcels is in the best interest of the City and necessary for long-term planning, harbor development, public infrastructure, and community growth.

NOW, THEREFORE, THE WHITTIER CITY COUNCIL HEREBY RESOLVES:

Section 1. The City Council approves the Conditional Letter of Intent dated December 8, 2025 between the City of Whittier and the Alaska Railroad Corporation for the proposed purchase and sale of three non-contiguous parcels totaling approximately forty-seven (47) acres.

Section 2. The City Manager is authorized to execute the Conditional LOI on behalf of the City, subject to legal review by the City Attorney.

Section 3. The City Manager is authorized to initiate and perform all due diligence activities required under the Conditional LOI, including survey work, title commitments, inspections, environmental review, and coordination of any necessary leases, permits, easements, contracts, or supplementary documents related to the Property or the pending transaction.

Section 4. The City Manager is authorized to negotiate, prepare, and receive from ARRC all associated draft documents referenced in the Conditional LOI, including but not limited to:

- the Purchase and Sale Agreement (PSA),
- Quit Claim Deeds,
- lease termination agreement for the 1998 Master Lease,
- Special Land Use Permit for the RV Park/Campground,
- recorded easements or binding leases preserving municipal access and operational rights at the Head of the Bay,
- permits or leases required for continued City occupancy of ARRC lands not included in the Property,
- any reciprocal conveyance documents,
- and any other documents reasonably necessary to carry out the intent of the Conditional LOI.

Section 5. Approval of this Resolution is expressly conditioned upon the negotiation and execution of all necessary leases and easements by and between the City and ARRC for all properties currently leased by the City under the Master Lease and not acquired by the City in fee simple as part of the purchase and sale transaction contemplated in the Conditional LOI.

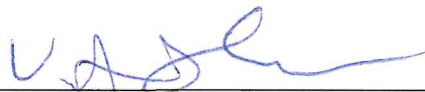
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Section 6. The authority granted under this Resolution is limited to negotiation and preparation activities. The City Council retains final approval authority for the Purchase and Sale Agreement and all required conveyance instruments.

Section 7. This resolution shall be effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Whittier City Council on this 16th day of December, 2025.



Victor Shen
Mayor

AYES: Loan, Wagner, Macal tao, Pinguoch, Borg, Shen

NOES: Denmark

ABSENT: None

ABSTAIN: None

ATTEST:



Shelby Carlson
Acting City Clerk



(City Seal)