

**ALASKA STATE LEGISLATURE
LEGISLATIVE COUNCIL**

**OCTOBER 14, 2022
1:00 PM**

MEMBERS PRESENT

Representative Sara Hannan, Chair
Representative Matt Claman
Representative Bryce Edgmon
Representative Louise Stutes
Representative Cathy Tilton
Representative Chris Tuck
Senator Click Bishop
Senator Peter Micciche
Senator Bert Stedman
Senator Gary Stevens

MEMBERS ABSENT

Senator Lora Reinbold, Vice Chair
Representative Neal Foster
Senator Lyman Hoffman
Senator Shelley Hughes (alternate)
Senator Mike Shower

OTHER MEMBERS PRESENT

Senator Jesse Kiehl

AGENDA

APPROVAL OF AGENDA
COMMITTEE BUSINESS

SPEAKER REGISTER

Jessica Geary, Executive Director, Legislative Affairs
Agency (LAA)

I. Call to Order

1:10:08 PM

CHAIR HANNAN called the Legislative Council meeting to order at 1:10pm in the House Finance Committee room in the Capitol.

Present at the call were: Representatives Claman, Edgmon, Hannan, Stutes, Tilton, Tuck; Senators Bishop, Micciche, Stevens.

Nine members present at the call.

Senator Stedman joined at 1:15pm.

II. Approval of Agenda

1:11:41 PM

SENATE PRESIDENT MICCICHE moved and asked unanimous consent that Legislative Council approve the agenda as presented.

The agenda was approved without objection.

III. Sale of Anchorage Legislative Office Building (ALOB) Satellite Parking Lot

1:12:00 PM

SENATE PRESIDENT MICCICHE moved that Legislative Council approve the sale of the lot at 1500 West 31st Avenue in Anchorage, Alaska, for the gross amount of \$500,000 and that any applicable fees or closing costs be paid from the gross amount per the terms of the Purchase and Sale Agreement.

CHAIR HANNAN objected for the purposes of discussion.

JESSICA GEARY, Executive Director of the Legislative Affairs Agency, noted that members have in their packet a memo dated July 15, 2022, which describes this item in detail. She said the lot is no longer being used by the Legislature and that this matter has been previously brought before Legislative Council with consideration to use the lot sale proceeds to fund legislative capital projects. She continued that, with approval, this sale will net approximately \$470,000 after closing costs and broker fees, which would be deposited into a capital appropriation for use for any number of capital projects that Council chooses.

REPRESENTATIVE TILTON asked if the legislative capital account referred to by Ms. Geary was where the funds for the purchase

of the lot and the Anchorage Legislative Office Building came from in the first place.

MS. GEARY stated that in fiscal year 2016 there was a legislative capital appropriation specifically for the purpose of purchasing the ALOB - what used to be the Wells Fargo building - and it came with a vacant parking lot. The proceeds of the lot sale will be deposited into a general legislative capital appropriation to be used for renovation, repair, and necessary improvements to legislative facilities.

REPRESENTATIVE TILTON asked if any money coming from the sale would come before Legislative Council for consideration.

MS. GEARY responded that it would depend on the procurement code and the particular item; if an item is under the threshold, then it would not necessarily need Legislative Council approval. She confirmed that if it was an item that, per Legislative Procurement Procedures, would need Legislative Council approval then it would be brought before the committee.

SENATOR STEVENS stated his pleasure with the sale, which reduced the purchase price of the building from about 12 million to 11.5 million dollars. He pointed out the lack of use of the lot that isn't directly connected to the main parking lot and asked who had inquired about purchasing it.

MS. GEARY stated that in the past people had approached the Legislature about the lot, but for this sale, it was listed on the open market and managed by a broker. After being listed for approximately six weeks, they received this offer. She stated the initial offer was \$451,000 and the Agency countered with \$500,000, which was in line with the appraised value.

SENATOR STEVENS said the sale was a great opportunity and he was pleased that the issue had reached this point.

SENATE PRESIDENT MICCICHE said he suspected that if the value of the lot was dissected from the value of the building, it would be substantially lower than the \$500,000 sale price and asked if anyone could confirm.

MS. GEARY said that level of cost analysis was not conducted. The broker is charging standard commercial property broker fees and the lot sale price is more today than it was two years ago when Council last considered it. She stated that she believed this to be a good offer.

-DRAFT-

SENATE PRESIDENT MICCICHE said he supports the decision to make the sale.

1:20:57 PM

There was no further discussion and a roll call vote was taken.

YEAS: Representatives Claman, Edgmon, Hannan, Stutes, Tilton, Tuck; Senators Bishop, Micciche, Stevens.

NAYS: None.

The motion passed 9-0.

IV. Adjourn

There being no further business before the committee, the meeting was adjourned at 1:21pm.

1:21:52 PM