

**CS FOR SENATE BILL NO. 178(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/2/97

Referred: Rules

Sponsor(s): SENATE FINANCE COMMITTEE BY REQUEST

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act stating legislative intent regarding parking, maintenance, leasing, and  
2 other requirements for a certain building acquired by the state in downtown  
3 Anchorage; giving notice of and approving a lease-purchase agreement by the  
4 Department of Administration for an office building in Anchorage; relating to the  
5 financing of the lease-purchase agreement; and providing for an effective date."

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 \* **Section 1.** LEGISLATIVE INTENT. (a) It is the intent of the legislature that

8 (1) after the lease-purchase agreement that is the subject of sec. 2 of this Act  
9 is entered into, the building that is the subject of that agreement will continue to be  
10 maintained in compliance with existing leases;

11 (2) the leases existing in the building when the agreement is entered into under  
12 sec. 2 of this Act will be honored in accordance with their terms, including any renewal  
13 options and parking as indicated under (5) of this section, but the state may not enter into new

1 leases for space in the building or offer existing tenants more space in the building if the new  
2 leases or additional space might conflict with the state's ultimate goal of fully occupying the  
3 building with tenants from state government;

4 (3) if there are opportunities to accommodate the needs of existing tenants  
5 during the transition to the ultimate occupancy goal, the state will work with the existing  
6 tenants of the building to accommodate their needs to the extent feasible without jeopardizing  
7 the ultimate occupancy goal;

8 (4) the state provide at least 40 free parking spaces for public access to state  
9 offices in the building, that the parking spaces be located in an area that provides a gate or  
10 other method to control motor vehicle entry into the area and that if the parking spaces are  
11 not located in the office building, they must be located as close as possible to the building and  
12 managed to maximize public access to state offices;

13 (5) to the extent existing parking is provided under existing tenant leases, the  
14 state will abide by those parking agreements, and, if opportunities exist during the transition  
15 to the ultimate occupancy goal to accommodate additional tenant parking needs without  
16 jeopardizing the ultimate occupancy goal, the state will work with tenants on a case-by-case  
17 basis to accommodate these needs.

18 (b) In this section,

19 (1) "agreement" means the lease-purchase agreement that is authorized under  
20 sec. 2 of this Act;

21 (2) "building" means the Bank of America building that is located in downtown  
22 Anchorage and that is the subject of the lease-purchase agreement under sec. 2 of this Act;

23 (3) "ultimate occupancy goal" means the state's ultimate goal of fully  
24 occupying the building with tenants from state government.

25 \* **Sec. 2. NOTICE AND APPROVAL OF LEASE-PURCHASE AGREEMENT.** The  
26 Department of Administration is authorized to enter into a lease-purchase agreement to acquire  
27 an office building in Anchorage, Alaska. The state bond committee created under  
28 AS 37.15.110 shall oversee the financing and is authorized to provide for issuance of  
29 certificates of participation for the lease-purchase agreement. The total construction,  
30 acquisition, and other costs of the project shall be less than \$38,950,000. The annual amount  
31 of the rental obligation shall be less than \$4,070,000. The total lease payments for the full

1 term of the agreement shall be less than \$81,400,000. The state shall own the office building  
2 at the end of the lease term. This section constitutes the notice and approval required by  
3 AS 36.30.085.

4 \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).