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Alaska State Legislature

Senate

Committee on State Affairs

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

FEB. 16, 1981

SENATE STATE AFFAIRS COMMITTEE REPORT

ON

CSSB 124 ENTITLED "AN ACT RELATING TO
A STATE OFFICE COMPLEX AT ANCHORAGE;
AND PROVIDING FOR AN EFFECTIVE DATE."

BILL SUMMARY

Committee Substitute SB 124 provides for the following:

- 1) The Department of Administration shall plan, design, and acquire by lease or lease-purchase a state office complex in the Municipality of Anchorage;
- 2) The Commissioner of Administration shall analyze potential sites and acquire one or more sites in the central core area which is convenient to the public and other federal and municipal offices, served by mass transportation and has adequate parking facilities;
- 3) Requires the Commissioner of Administration to request proposals from parties interested in providing office space to the state and to provide interested parties with the details of the proposals;
- 4) Gives the Commissioner of Administration the authority to enter into lease agreements if specific standards are met; and
- 5) The completion date for the complex shall be three years from the date the lease agreements are signed.

BACKGROUND

In Anchorage, locations for state offices have been chosen on the basis of the lowest bid, regardless of the inconvenience of the location. Currently, there are 63 leases, 80 different locations, and 1000 to 1500 employees accounting for 350,000 square feet of office space. The distance between locations varies from blocks to miles. These existing factors promote inefficiency of government and inconvenience to the general public.

In 1979 the Department of Administration conducted an in-house study to poll the needs of the various departments doing business in Anchorage. The outcome of the study showed the need for consolidated office space. Findings were reported to the Governor and the Legislature in February, 1980.

The Department of Administration then conferred with the Municipality of Anchorage's Assembly and planning department and the Downtown Business Association. Each group endorsed the idea and expressed the desire that this state complex be tied in with downtown area development.

Bid proposals were then solicited to plan the details. The RFP was awarded to CCC Architects and Planners, a local Anchorage firm. A report will be released in May, 1981, giving detailed recommendations in the following areas:

- 1) Alternatives include choice of a site and a decision on whether to build one large multi-story structure or to build and/or acquire smaller interconnecting modules. Consideration will be given for accessibility to the public, parking, mass transportation and greenspace;
- 2) Cost variables comparing the downtown area with other locations; and
- 3) Evaluation of any potential economic impact on existing private office space in Anchorage.

The final step is to award contracts to build the complex. The target date to commence construction is August 15, 1981.

PURPOSE OF COMMITTEE SUBSTITUTE 124

CSSB 124 is designed to consolidate the state offices currently in Anchorage to achieve more efficient operation of government and convenience to the general public. This bill should not affect the capital move either directly or indirectly. The state office complex is to house only offices now located in Anchorage. These offices are in that city because it was deemed their logical location, and they need not be located in the state capital.

A complex of this type would be a "first for Alaska" because it would be a privately designed building built to customer specifications, and leased to the state with an option to purchase. Acquiring the state office complex by lease or lease purchase will stimulate development in the private sector and maintain taxes in the community. Furthermore, the complex can be built more economically and speedily by the private sector.

The location of the state office complex is to be within the central core area which is defined as the area from Gambell Street west to the Bluff and from Ninth Street north to the Bluff. Other factors to be considered in acquiring a site are convenience to the public, accessibility to other federal and municipal offices and service by mass transportation. Parking areas should complement the parking needs of Project 80's. It is essential that the site be determined before building bids are solicited in order to assure that the complex ties in with downtown area development.

Committee concerns dealt with the effect of a new state office complex on the Anchorage rental market. The Commissioner of Administration stated that only a portion of state employees in the region would be housed in the complex. Timing of construction will take into account existing lease terms and market conditions. Part of current analyses and site investigations deals with utilization of existing private office structures as part of the new complex.

Provision of funds for site acquisition and the financial costs and benefits of state office complex construction and operation were left to further review by the Finance Committee, the committee of next referral.

Emphasis was given to the need for joint state-municipal planning to meet transit needs and for adequate parking for the public.

SECTION ANALYSIS

- Section 1. Specifies the Findings and Purpose.
- Section 2. Gives the Department of Administration the authority to plan, design and acquire by lease or lease purchase a state office complex in the Municipality of Anchorage with sufficient office space for agencies of the executive branch currently located in Anchorage. This section further delineates the factors to be considered in site selection and the standards to be used in awarding bid proposals. The completion date for the complex shall be three years from the date the lease agreements are signed.
- Section 3. Provides for the effective date of the Act to be at 12:01 a.m., Pacific Standard Time, on the day after it is signed by the governor or on the day after the governor's veto is overridden or on the day after the expiration of the period allowed for gubernatorial action.

Senate State Affairs Committee
Report on CSSB 114
Page Four

SENATOR VIC FISCHER, CHAIR

SENATOR BRAD BRADLEY

SENATOR MIKE COLLETTA

SENATOR DICK ELIASON

SENATOR TERRY STIMSON

CSSB 124 entitled "An Act relating to a state office complex; and providing for an effective date."

BILL SUMMARY

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- 3) Requires the Commissioner of Administration to request proposals from parties interested in providing office space to the state and to provide interested parties with the details of the proposals;

~~and~~
4) Gives the Commissioner of Administration the authority to enter into lease agreements if specific standards are met; and

~~The complex shall be certified for occupancy not later than 3 years after the Commissioner of Administration accepts a bid proposal.~~

~~In Anchorage, locations for state office buildings are currently being leased at the lowest bid regardless of the inconvenience~~

In Anchorage, locations for state offices are chosen on the basis of the lowest bid regardless of the inconvenience of the location. Currently, there are 63 leases, 80 different locations, and 1000 to 1500 employees occupying 370,000 square feet of office space. The distance between locations varies from blocks to miles. These existing factors promote inefficiency of government and inconvenience to the general public.

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5) The completion date for the complex shall be 3 years from the date the lease agreements are signed.

In 1979, the Department of Administration conducted an in-house study to poll the needs of the various departments doing business in Anchorage. The outcome of the study ~~was~~ ^{showed} the need for a consolidated office space. Findings were reported to the Governor and the Legislature in February, 1980.

The Department of Administration then ~~met~~ conferred with the Municipality of Anchorage's Assembly and planning department and the Downtown Business Association. Each group endorsed the idea and expressed the desire that this ~~state~~ state complex be tied in with ^{downtown area} ~~development~~ development.

Bid proposals were then solicited to plan the details. The RFP was awarded to CCC Architects and Planners, a local Anchorage firm. A report will be released in May, 1981 giving detailed recommendations in the following areas:

- Alternatives include:*
- 1) Choice of a site and a decision on whether to build one large multi-story structure or to build ^{and/or acquire} smaller interconnecting modules. Consideration will be given ^{for} accessibility to the public, parking, mass transportation and greenspace;
 - 2) Cost variables comparing the downtown area with other locations; and
 - 3) Evaluation of any potential economic impact on existing private office space in Anchorage.

The final step is to award contracts to build the complex. The target date to commence construction is August 15, 1981.

PURPOSE OF COMMITTEE SUBSTITUTE 124

CSSB 124 is designed to consolidate the state offices currently in Anchorage for more efficient operation of government and convenience

to the general public. *This bill will not affect the capital move either directly or indirectly.* *This bill is not related to the capital move either directly or indirectly.*

A complex of this type would be a "first for Alaska" because it would be a privately designed building built to customer specifications ~~with~~ a lease, and leased to the state with an option to purchase.

Acquiring the state office complex by lease or lease purchase will stimulate development in the private sector ^{and} maintain taxes in the community. Furthermore, the complex can be built more economically and speedily by the private sector.

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The location of the state office complex is to be within the central core area which is defined as the area from Gambell Street west to the Bluff and from Ninth Street north to the Bluff. Other factors to be considered in ~~an~~ acquiring a site ^{are} convenience to the public, ~~readily~~ ^{accessibility} and ~~close~~ ^{accessibility} to other federal and municipal offices and ~~service~~ ^{service} by ~~adequate~~ ^{adequate} free parking. ~~It is the Committee's~~ ~~Parking facilities must~~

~~also be considered for the public free~~ Parking areas should be ~~complimenting~~ the parking needs of Project 80's. It is essential that the site be determined before ^{building} bids are solicited in order to assure that the complex ties in with downtown area development.

Section ANALYSIS

Section 1. Specifies the Findings and Purpose.

Section 2. Gives the Department of Administration the authority to plan, design and acquire by lease or lease purchase a state office complex in the Municipality of Anchorage/ with sufficient office space for agencies of the executive branch currently located in Anchorage. This section further delineates ~~the factors for~~ the factors to be considered in site selection and the standards to be used in awarding bid proposals. The completion date for the complex shall be three years from the date the ~~bid proposal~~ lease agreements are signed.

Section 3. Provides for the effective date of the Act to be at 12:01 a.m., Pacific Standard Time, on the day after it is signed by the governor or on the day after the governor's veto is overridden or on the day after expiration of the period allowed for gubernatorial action.

LAW OFFICES OF
SMITH & GRUENING
605 WEST SECOND AVENUE
ANCHORAGE, ALASKA 99501
(907) 278-4691

JOHN ANTHONY (TONY) SMITH
CLARK S. GRUENING
CHARLES G. EVANS
ROBERT S. SPITZFADEN

9 February 1981

The Honorable Victor Fisher
and Members of the Senate
State Affairs Committee
Pouch "V"
Juneau, Alaska 99811

Dear Senator Fisher and Members of the Committee:

I am a partner in the law firm of Smith & Gruening which has an office building in downtown Anchorage. Additionally, I own a residence and have lived and worked in downtown Anchorage for the past four years.

As a concerned citizen, employer, and member of the CBD community, I have followed with great interest the possibility of the State constructing a consolidated office complex in downtown Anchorage. I heartily support this development. I am concerned, however, that the previously conducted transportation studies have not taken into account the Project 80's developments, and now, a major State office complex. As well, private development in the CBD, including midtown, is occurring rapidly. The previous assumption that high density development, although to be encouraged, was not possible, thus, appears questionable at best.

Previous studies have also assumed low mass transit ridership, such as a 5.8% capture of 330,000 possible trips in the "C" Street corridor, while current use of the Peoplemover bus system exceeds expectations. Ridership capture did not account for the long term gas crisis we experience, nor land use planning. Air quality advantages received little emphasis although Anchorage chronically violates permissible standards.

I am also aware that the Municipality of Anchorage has committed funds to conduct an analysis of the transportation needs and alternatives available for the CBD community. Additional funds to expand the study to include an integrated "C" Street corridor are needed. I suggest to you and the members of the committee that, in conjunction with the site location of the State office complex, an immediate commitment of additional

The Honorable Victor Fisher
and Members of the Senate
State Affairs Committee
9 February 1981
Page No. 2

funds to augment the Municipality's previous substantial
commitment would be a worthwhile and wise planning investment.

I appreciate this opportunity to express my concerns to
the committee and strongly encourage you to investigate the possi-
bilities of a joint effort with the Municipality. We need hard
facts and innovative planning before final site location of
a State office complex occurs.

With best regards,


Charles G. Evans
Charles G. Evans

CGE/m

A M E N D M E N T

Offered in the SFNATE

By Bradley

TO: SB 124

Page 2, following line 23, insert new material to read:

(d) Before requesting proposals under (b) of this section, the commissioner of administration shall present to the legislature a report which

(1) compares the number of state employees that will be relocated to the new capital city chosen by the voters under AS 44.06.-150 with the number of state employees that will remain assigned to regional offices in Anchorage;

CURRENTLY OCCUPIED
→ (2) compares the annual costs to the state for maintaining office space under lease with the annual costs of the proposed office space authorized by (a) of this section; and

(3) analyzes the vacancy rate and the effect on the business community in Anchorage if all offices of state government in Anchorage are consolidated in the state office complex authorized by (a) of this section.

(e) The commissioner of administration may not request proposals under (b) of this section until the report required under (d) of this section is accepted by a vote of a majority of the members of each house of the legislature.

Page 2, line 24: Change "(d)" to "(f)"

PASSED AND APPROVED

1-20-81

Sponsored by: Assemblyman
Don Smith and Assemblyman Walsh

Prepared by: Assemblyman
Don Smith

For Reading: January 13, 1981

ANCHORAGE, ALASKA
AR NO. 81-25

A RESOLUTION URGING THE STATE OF ALASKA TO CONSOLIDATE OFFICES
INTO A STATE OFFICE BUILDING IN THE DOWNTOWN CENTRAL BUSINESS
DISTRICT.

WHEREAS, the State of Alaska presently conducts business from 42 locations in Anchorage, utilizing over 483,000 square feet of office space for 2,316 employees, and

WHEREAS, many existing state office leases expire in the mid 1980's; and

WHEREAS, the concept of centralized government makes doing business with government easier; and

WHEREAS, both the Municipality of Anchorage and the Federal Government have consolidated their operations within the past few years; and

WHEREAS, a state office complex in the downtown core area would allow the public to more easily handle their business with all levels of government as well as governmental agencies being able to more easily transact business among themselves; and

WHEREAS, the number of state employees is expected to grow from the 2,300 presently employed to over 4,500 by the year 2000; over the next twenty years.

NOW THEREFORE BE IT RESOLVED BY THE ANCHORAGE MUNICIPAL ASSEMBLY that it strongly supports the state's efforts to consolidate its many offices and that it further recommends that the new state office building be located within the CBD close to existing municipal and federal offices.

PASSED AND APPROVED by the Anchorage Municipal Assembly this 20th day of January, 1981.

- BE IT FURTHER RESOLVED that copies of this resolution be forwarded to the Governor, the Lt. Governor, the Commissioner of Administration and the Anchorage legislative delegation.

B. J. Ward

Chairman

Attest:

Reuben E. Smith
Municipal Clerk

SB 124

2/4 T/C Judy Crousdale - request for
F.N. & informed her of hearing

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 124
 Title State Office Complex at Anchorage
 Requested by Fischer, Bradley, Colletta, Dankworth, Kelly, Rodey, Stimson, and Sturgulewski Date January 30, 1981

II. FISCAL DETAIL

Agency Affected Department of Administration - All State Agencies
 Program Category Affected General Services & Supply
 BRU, Program, or Subprogram(s) Affected Leasing & Facilities Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	100.0	850.0	700.0	3,350.0	6,157.5	6,320.5
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

	100.0	850.0	700.0	3,350.0	6,157.5	6,320.5
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
Planning & Design	100.0	350.0	200.0	100.0	-----	-----
Land Acquisition (1)		500.0	500.0	500.0	500.0	500.0
Office Space Lease (2)				2,250.0	4,657.5	4,820.5
Telephone (3)				200.0	400.0	400.0
Systems Furniture (4)				300.0	600.0	600.0
TOTAL	\$100.0	\$850.0	\$700.0	\$3,350.0	\$6,157.5	\$6,320.5

IV. DATE 2-10-81

PREPARED BY George Elgee
 AGENCY Administration
 PHONE 465-2250

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

CONTRACTUAL SERVICE

Land Acquisition/Lease

- (1) The lease of one block in downtown Anchorage
- Purchase Price Estimate at \$5 Million
Lease for 10 yr. = \$500,000 per year
 - Approximately 90,000 sq. ft. @ \$55 per sq. ft.

Office Space Lease

- (2) Estimated cost per sq. ft. \$3.25 - Less \$1.75 average cost
of current leases by FY 84 = Additional cost for lease
space \$1.50
\$1.50 x 250,000 sq. ft. x 6 mo. (Assumes Occupancy 1/1/84)
= \$2,250.0

. Assume 3.5% Increase Annually

Calculated for 6 months for FY 84 and 12 months thereafter.

Telephones

- (3) Lease purchase of telephone system (Purchase Price \$2,000.0)
\$400,000 per year - 6 months = \$200,000

Calculated for 6 months FY 84 and 12 months thereafter.

Modular Furniture

- (4) Lease purchase of modular furniture (Purchase Price \$3,000.0)
\$600,000 per year - 6 months = \$300,000

Calculated for 6 months FY 84 and 12 months thereafter.

CSSB 124 entitled "An Act relating to a state office complex at Anchorage; and providing for an effective date."

BILL SUMMARY

Original sponsors: Fischer, Bradley,
Colletta, et al

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 124 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a state office complex at
7 Anchorage; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

10 (1) the number of state employees in Anchorage is larger than the
11 number of state employees in any other community of the state;

12 (2) the growth of population and of the economy of metropolitan
13 Anchorage and of southcentral Alaska suggests that additional positions in
14 state employment will be transferred to or created for assignment to
15 Anchorage; and

16 (3) state office locations are scattered throughout metropolitan
17 Anchorage, precluding efficient communication between agencies and prevent-
18 ing easy access to all state agencies by the general public.

19 (b) It is the purpose of this Act to bring together state government
20 activities by planning for and acquiring by lease the occupancy of an office
21 complex in Anchorage to house offices of state government now located in
22 that community.

23 * Sec. 2. ANCHORAGE STATE OFFICE COMPLEX. (a) *Amend.* (The Department of Admin-
24 istration shall plan for, design, and acquire by lease *or lease purchase* a state office complex
25 in the Municipality of Anchorage which meets the standards of (d) of this
26 section. The complex shall provide sufficient office space for agencies of
27 the executive branch of the state government presently located in the
28 Municipality of Anchorage whose consolidation is considered to be in the
29 best interest of the state.

1 (b) The commissioner of administration shall analyze potential sites
2 and shall acquire one or more sites to assure the proper location of the
3 office complex. The location of the office complex shall be

- 4 (1) within the central core area of the Municipality of Anchorage;
- 5 (2) convenient to the public;
- 6 (3) readily accessible to and served by public mass transportation
7 facilities;
- 8 (4) served by adequate parking facilities; and
- 9 (5) close to federal and municipal offices and public hearing and
10 public meeting facilities.

11 (c) In the development of an office complex under (a) of this section,
12 the commissioner of administration shall request proposals from parties
13 interested in providing office space to the state in Anchorage under lease
14 agreement or lease-purchase agreement. At the time he requests proposals
15 under this subsection, the commissioner of administration shall provide
16 interested parties with detailed performance documents, including site
17 development schemes, concept drawings, and performance specifications for
18 materials and systems. The requests for proposals shall advise interested
19 parties of the standards for evaluating proposals which may be received.

20 (d) The commissioner of administration shall evaluate all proposals
21 which he receives. He may enter into lease agreements with one or more
22 parties who propose to furnish necessary office space for state purposes if
23 the state office space complex

- 24 (1) conforms to the specifications and requirements of the per-
25 formance documents furnished by him with the requests for proposals;
- 26 (2) conforms to building standards applicable to public buildings
27 constructed by the state for its use;
- 28 (3) meets standards of energy conservation applicable to state
29 buildings;

1 (4) provide access for the handicapped, aged, and infirm in
2 accordance with AS 35.10.015; and

3 (5) is designed in a manner which may reasonably be expected to
4 earn national recognition of the aesthetic qualities of the complex.

5 (e) The state office complex designed and constructed under this
6 section shall be completed and certified for occupancy not later than three
7 years after the commissioner of administration accepts a proposal under (d)
8 of this section.

9 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
10 070(c).



Alaska State Legislature

Senate

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

FEB. 16, 1981

SENATE STATE AFFAIRS COMMITTEE REPORT

ON

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to the general public.

In 1979 the Department of Administration conducted an in-house study to poll the needs of the various departments doing business in Anchorage. The outcome of the study showed the need for consolidated office space. Findings were reported to the Governor and the Legislature in February, 1980.

The Department of Administration then conferred with the Municipality of Anchorage's Assembly and planning department and the Downtown Business Association. Each group endorsed the idea and expressed the desire that this state complex be tied in with downtown area development.

Bid proposals were then solicited to plan the details. The RFP was awarded to CCC Architects and Planners, a local Anchorage firm. A report will be released in May, 1981, giving detailed recommendations in the following areas:

- 1) Alternatives include choice of a site and a decision on whether to build one large multi-story structure or to build and/or acquire smaller interconnecting modules. Consideration will be given for accessibility to the public, parking, mass transportation and greenspace;
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The final step is to award contracts to build the complex. The target date to commence construction is August 15, 1981.

PURPOSE OF COMMITTEE SUBSTITUTE 124

CSSB 124 is designed to consolidate the state offices currently in Anchorage to achieve more efficient operation of government and convenience to the general public. This bill will not affect the capital move either directly or indirectly.

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Section 3. Provides for the effective date of the Act to be at 12:01 a.m., Pacific Standard Time, on the day after it is signed by the governor or on the day after the governor's veto is overridden or on the day after the expiration of the period allowed for gubernatorial action.

SENATOR VIC FISCHER, CHAIR

SENATOR BRAD BRADLEY

SENATOR MIKE COLLETTA

SENATOR DYCK ELYANOW

SENATOR TERRY STIMSON

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House CS for CS for Senate Bill No. 124
 Title State Office Complex at Anchorage
 Requested by Fischer Date June 12, 1981

II. FISCAL DETAIL

Agency Affected Department of Administration - All Agencies
 Program Category Affected General Services & Supply
 BRU, Program, or Subprogram(s) Affected Leasing & Facilities Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		47.7	52.5	57.7	63.5	69.9
200 TRAVEL		5.0	5.0	5.0	5.0	5.0
300 CONTRACTUAL		2,200.0	3,268.8	4,387.1	7,520.4	6,046.6
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		252.7	3,371.3	4,449.8	7,648.9	6,141.5
		** 2,000.0				

FUNDING (Thousands of Dollars)

GENERAL FUND	252.7	3371.3	4449.8	7648.9	6141.5
FEDERAL FUNDS					
OTHER (Specify Fund Source)					
** SEE NOTE	2,000.0				

POSITIONS

FULL TIME	1	1	1	1	1
PART TIME					
TEMPORARY					

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- ** \$2,000.0: These funds have already been requested in the Executive Capital Budget (Pg. 216). These funds have been requested by DOT/PF and may require an amendment to allow the Department of Administration the ability to use these funds. Both agencies should work together on this common goal. The study did indicate that in some locations it may be more advantageous to construct and own instead of lease. All options should be considered.

See attached page for detailed analysis. The exact fiscal impact of this bill is difficult to analyze at this time, but if all locations are thoroughly studied during FY 82 a detailed Budget should be provided for FY 83.

IV. DATE June 12, 1981 PREPARED BY George Elgee
 AGENCY Administration - General Services
 PHONE 465-2250

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Sen. Vic Fischer
 Office of the Governor, Keith Speckling
 33-001 (Rev. 12/80)

HOUSE CS FOR CS FOR SENATE BILL NO. 124

LOCATION	ESTIMATED SQUARE FOOTAGE NEEDED	FISCAL YEAR OR FIRST YEAR SPACE WILL BE REQUIRED ¹				
		FY 82	FY 83	FY 84	FY 85	FY 86
Planning & Design:		2,000.0	\$ 400.0	\$ 350.0	\$ 300.0	\$ 350.0
Anchorage	426,000 sq. ft.			1,625.4	3,250.8	3,250.8
Barrow	4,200 sq. ft.					83.2
Bethel	10,000 sq. ft.					117.6
Juneau	70,000 sq. ft.		1,176.0			
Fairbanks	60,000 sq. ft.				698.4	
Kenai/ Soldotna	20,000 sq. ft.			57.6		
Ketchikan	10,000 sq. ft.				25.2	
Kodiak	14,000 sq. ft.			15.1		
Kotzebue	4,000 sq. ft.		2.4			
Nome	10,000 sq. ft.		122.4			
Palmer	13,000 sq. ft.			60.8		
Sitka	9,000 sq. ft.			16.2		
Wasilla	10,000 sq. ft.			30.0		
SLBTOTALS	760,200 sq. ft.	\$2,200.0	\$1,700.8	\$2,155.1	\$4,211.4	\$3,801.6
MOVING COSTS			84.0	66.0	70.0	14.2
PHONES			84.0	466.0	870.0	814.2
FURNITURE			1,400.0	1,700.0	2,366.0	1,436.6
TOTAL		\$2,200.0	\$3,268.8	\$4,387.1	\$7,580.4	\$6,066.6

¹ Leases will not expire in many locations for a number of years. New facilities will need to be acquired to coincide with lease expiration dates.

1	POSITION TITLE Leasing Officer I			RANGE/STEP 18A	BARG. UNIT. G	LOCATION Juneau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY 2,640/mo.	31,680
5	BENEFITS .1579	5,002
6	FICA .0613	1,942
7	HEALTH INS 150 x 12	1,800
8	TOTAL PERSONAL SERVICES	40.4
9	TRAVEL	1.0
10	CONTRACTUAL	4.0
11	COMMODITIES	.5
12	EQUIPMENT	1.8
13	OTHER	
14	TOTAL COST	47.7

JUSTIFICATION:

There are currently only two leasing officers for the entire state. These two leasing officers are responsible for over 324 leases statewide. In addition they are responsible for the management of 60 state owned facilities along with 90 contracts for building care, janitorial services, sewage/pumping, litter barrel service for state parks and snow removal for state owned facilities.

This position will provide the needed additional time to the leasing officers to properly plan for the maximum utilization and efficiency of state owned and leased facilities.

	CODE	FUNDING SOURCE
15		FED RCPTS
16		GF MATCH
17		GEN FUND 47.7
18		I-A RCPTS
19		PGM RCPTS
20		OTHER

21 CONTINUATION
22 ADDITION

FOR D&M USE ONLY

4A KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM Centralized Administrative Services

BIU General Services

COMPONENT Purchasing

13 REQUEST FOR NEW POSITION

FY 82

REVISED DATE _____

GENERAL GOVERNMENT

Statewide Space Planning

This will fund detailed programming and site selection/acquisition for office and warehouse space improvements in the following areas:

Anchorage	250.0
Juneau	250.0
Fairbanks	200.0
Bethel	300.0
Nome	300.0
Kotzebue	200.0
Statewide	500.0

PRIORITY: 82-1
 REQUEST: 2,000.0
 FUNDING: GF
 BEGIN: 7/81
 COMPLETE: 6/82
 DISTRICT: 4,7,17,
 20,21,22
 OP. COST/YR: -0-

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

Pilot Station School Cost Overrun

These funds are necessary to allow the completion of the Pilot Station School, which was previously funded at an inadequate level.

PRIORITY: 22-2
 REQUEST: 1,100.0
 FUNDING: GF
 BEGIN: 7/81
 COMPLETE: 12/81
 DISTRICT: 13
 OP. COST/YR: -0-

Equipment Replacement, FY82

This funds the scheduled replacement of approximately 500 pieces of vehicular equipment during FY82.

PRIORITY: 82-1
 REQUEST: 11,278.1
 FUNDING: MWCF
 BEGIN: 7/81
 COMPLETE: 6/82
 DISTRICT:
 OP. COST/YR:

Statewide Facilities Improvements, State Equipment Fleet

The Department may allocate these funds among any of the eight specified projects requested in their detailed capital budget. These projects totaled 261.3.

PRIORITY: 82-2
 REQUEST: 200.0
 FUNDING: GF
 BEGIN: 7/81
 COMPLETE: 6/82
 DISTRICT:
 OP. COST/YR:

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House CS for CS for Senate Bill No. 124
 Title State Office Facilities
 Requested by State Affairs Date 6/16/81

II. FISCAL DETAIL

Agency Affected Department of Administration - All Agencies
 Program Category Affected General Services and Supply
 BRU, Program, Or Subprogram(s) Affected Leasing and Facilities Manager
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		52.5	57.7	63.5	69.9	76.9
200 TRAVEL		5.0	5.0	5.0	5.0	5.0
300 CONTRACTUAL		3,175.0	3,192.4	11,420.0	4,864.0	1,000.0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		3,232.5	3,255.1	11,488.5	4,936.9	1,082.9

FUNDING (Thousands of Dollars)

GENERAL FUND		3,232.5	3,255.1	11,488.5	4,936.9	1,082.9
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, section III)

See attached.

IV. DATE January 15, 1982 PREPARED BY George Elger
 AGENCY Administration - General Services
 Original: Legislative Finance PHONE 465-2250
 cci: Budget and Management
 Prime Sponsor (First Legislator Named) Fischer
 33-001 (Rev. 12/81)

House CS for CS for Senate Bill No. 124

Location:	Estimated Square Footage Needed	Fiscal Impact				
		<u>FY 83</u>	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>
Planning & Design		500.0	1,000.0	1,000.0	1,000.0	1,000.0
Anchorage -Land	426,000	2,675.0		10,000.0		
Barrow	4,200		176.4			
Bethel	10,000		420.0			
Juneau	70,000*					
Fairbanks	60,000				2,520.0	
Kenai/Soldotna	20,000		840.0			
Ketchikan	10,000			420.0		
Kodiak	14,000		588.0			
Kotzebue	4,000		168.0			
Momona	5,000**					
Palmer	13,000				546.0	
Sitka	9,000				378.0	
Wasilla	10,000				420.0	
Totals	<u>760,000SF</u>	<u>3,175.0</u>	<u>3,192.4</u>	<u>11,420.0</u>	<u>4,864.0</u>	<u>1,000.0</u>

* 55,000 sq. ft. was obtained in FY 82

** An Invitation to Bid has just been released for this space.

Bill Summary

Background

Purpose

lect by lect.

24, 25, 26

①

Sen. Fischer commenced discussion of A.B. 124 with an overview of the bill. ~~and~~ He stated that ~~the~~ SB 124 was designed to consolidate the state offices currently in Anchorage. Fischer further stated that this bill had "nothing to do with the capital move either directly or indirectly."

Bill Hudson, Commissioner of Administration then presented testimony. He stated that the Dept of Administration and the Administration wholeheartedly supported the bill. He ~~st~~ said ~~the~~ SB 124 would consolidate the existing office space in Anchorage. ~~and~~

(2)

to better serve the needs of the public.

Commissioner Hudson, ^{stated} that this idea grew out of a preliminary study of the efficiency of state government. ~~It~~ in Nuch. locations for office sites ~~were~~ ^{are currently} based on the lowest bid regardless of the inconvenience of the ~~the~~ location.

~~Currently there are 80 different locations, 63 different leases and~~

→ In Nuch., there are 63 leases, ^{and 1500 employees} ~~and~~ 80 different locations occupying 350,000 square feet. The distance between locations varies from blocks to miles.

Comm. Hudson then described the ~~three~~ phases that led to SB 124. ↪

In 1979, the Dept of Admin accumulated in-house information by polling the various departments as to their need for office space in Anch. He received total support for a consolidated state office complex. Findings were reported to the Governor and the Legislature in Feb., 1980

The next step was to confer with the public, the Municipality of Anchorage Assembly and planning department and the Downtown Business Association. Each expressed a need to ~~now~~ consider the ^{interests} ~~needs~~

as parking area
should be
complementing
the parking needs
of project SO.

This section delineates
further the methods for selection
~~the~~ ~~standards~~ ~~for~~ ~~and~~
the standards to be
used in awarding
bid proposals

and expressed ⁽⁴⁾ the desired
of the entire municipality and
to maintain the integrity of the
downtown area.

Step 3 was to solicit
bid proposals to plan the
details. The RFP was
awarded to C.C. Architects and
Planners, a local Anchorage firm.
A report is expected
in May of 1981 which will
~~consider~~ give detailed
recommendations in the following
areas:

1) choice of a site and
a decision as to build one large
multi-story building or to
~~see~~ build smaller interconnecting
modules. Consideration will be
given as to greenpace, parking

and accessibility to the public;

2) Cost variables comparing the downtown area with other locations; and

3) An evaluation of any potential economic impact on existing private office space in Anch.

The final step is to award ~~to~~ contracts to build the complex. The target date to commence construction is August 15, 1981. Commissioner Hudson said that a complex of this type would be a "first for Alaska" because it is a privately designed building built to customer specifications with

a lease-back option to purchase
~~by the~~

The Committee questioned the reasoning for a lease or lease purchase arrangement. Commissioner Hudson stated that this arrangement would help develop ⁱⁿ the private sector, maintain taxes ~~so~~ in the community and the complex could be built faster and more economically by the private sector.

~~The Senator Collette then~~

The Committee then discussed a definition of a "downtown site" and an amendment was offered to change the language to 'a complex located within

the central core area which
is ~~conveniently~~ conveniently
accessible to the majority of
the people.