

COMMITTEE REPORT
SENATE

FURTHER:

2/25/85

Date _____

Mr. President

The Committee on FINANCE considered SCR 9

relating to proposed state lease-purchase of office space in Anchorage.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Chairman

Chairman recommendation

Introduced: 2/25/85
Referred: Finance

1 IN THE SENATE

BY FAIKS

2 SENATE CONCURRENT RESOLUTION NO. 9

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 Relating to proposed state lease-
6 purchase of office space in Anchorage.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS there is presently an adequate supply of good quality commer-
9 cial office space in Anchorage, and estimates of Class "A" lease rates
10 range from \$1.80 to \$2.50 per square foot; and

11 WHEREAS the state is proposing to enter into a lease-purchase agree-
12 ment for 350,000 square feet of new office space to be constructed in
13 Anchorage; and

14 WHEREAS the estimated lease rate for the new office space in Anchorage
15 would be significantly higher than the cost of existing office space; and

16 WHEREAS the addition of 350,000 square feet of government office space
17 in Anchorage will have a negative effect on other private office space in
18 Anchorage; and

19 WHEREAS the state is facing a reduction in its revenue, and the legis-
20 lature must seriously investigate methods for holding down the costs of
21 state government;

22 BE IT RESOLVED by the Alaska State Legislature that the governor is
23 respectfully requested to direct the Department of Administration to re-
24 frain from entering into the proposed lease-purchase agreement for
25 Anchorage office space to be constructed until the lease-purchase agreement
26 has been reviewed and approved by the legislature.

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ALASKA STATE LEGISLATURE

14th Legislature FIRST Session

SENATE CONC. RESOL. NO. 9

By FAIKS

Relating to proposed state
lease-purchase of office space
in Anchorage.

Introduced in the Senate 2/25, 19.... 85

HISTORY IN THE SENATE

19 85

Read first time and referred
to Committee on

2 25

Finance

Reported back with
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

TO: Eugene Dusek
Associate Director
for Budget Review
Office of Management & Budget
Office of the Governor

FROM: Kenneth R. Ryals
Director
Division of Administrative Services
Department of Administration

DATE: March 15, 1983
BUDGET REVIEW

FILE NO:

TELEPHONE NO: 465-2277

SUBJECT: FY84 Capital Budget
Item: Anchorage
Office Complex

The Department of Administration requests your consideration of a "late-breaking" CIP request on behalf of the planned Anchorage Office Complex. After the original appraisals covering the land to be used for the site of the AOC, we transferred by Reimbursable Services Agreement (RSA) the appraisal amount of \$7,457,500.00, to the Department of Transportation and Public Facilities (DOT/PF), to secure the land. The Attorney General (AG) has now advised us that inflation and settlements will probably run the land price up to \$10,000,000.00. This leaves us a deficit as detailed below.

AG's estimate of final land costs		\$10,000,000.00
RSA'd to DOT/PF on deposit with court	\$6,997,500.00	
RSA'd to DOT/PF and paid to land owner	<u>460,000.00</u>	<u>(7,457,500.00)</u>
DEFICIT		\$2,542,500.00

We request the deficit funds as a Capital Budget item for FY84 in order to complete land acquisition for the AOC. It should be noted that this amount will become payable even if the need for the land were eliminated.

KRR/dlr
6/0308-02/6GSS2

Gov. Dow

Project Title Anchorage Office Complex			Type I, O, I, C	Location Anchorage	Agency ID # NONE	Elect Dist 7	Start Date 7/83	Complete Date 12/85
Cash Flow		Operating Impact		First Op. Yr. 85	Ult. Annual Yr. 86	Funding Information Agency FY 84		Funding Information Gov. FY 84 FY FY
FY 84	1,500.0	Funding Source	Fed. Rec.			1002	Fed. Rec.	
FY			Gen. Fund			1004	Gen. Fund	1,500.0
FY			Other				G.O. Bonds	
FY			Total				Total	1,500.0
FY			Positions (HE)					
TOTAL	1,500.0					Priority:	Prior Year	Agency 84-1
Special Features:	One of Several Phases <input checked="" type="checkbox"/>	External Funding Source <input type="checkbox"/>	Funds to Enable Completion <input type="checkbox"/>	Contingent Upon Other Projects <input type="checkbox"/>	Site Owned? <u>NO</u>	Utilities Available? <u>NOT</u>	Access Available? <u>yet</u>	Governor 84-1
Project Description:					Project Justification:			
<p>This project will allow for continuation of space consolidation efforts in the Anchorage area. Last year an appropriation of \$7,300.0 was granted for the first phase of this project. Basically, it means the consolidation of over 70 leased facilities strewn throughout the community into one Anchorage Building Complex. Now the land must be selected and the building must be designed for its future occupants. This consolidation is our section's ultimate goal to provide good services to the State's citizens with the least amount of efforts.</p>					<p>Agencies in Anchorage are at approximately 70 different locations. It is in the State's best interest to consolidate as many of these as practicable into one facility. The State will lease this facility from the private sector. Further, in order to assure the building best meets the State's and its citizens needs and contributes to the environment of the host city, much participation from the Municipality and other individuals has been sought. The State intends to have the option to purchase the building.</p> <p>Presently, the State is working on the choice of available property for purchase and subsequently the design for the building to house all of the earmarked agencies for co-location. The acquisition of land along with the design work will require immense efforts on the State's representatives and contractors, consultants and municipality.</p> <p>Cost data has been arrived at from DOT/PF and DOA.</p>			

35a PROPOSED PROJECT
Anchorage Office Complex
Project Title

CATEGORY General Government
AGENCY Administration
PROGRAM Building & Equip. Svcs.
2/0820-03/-1/-2/2GSSB
PROPOSED FUNDING YEAR FY 84

Page 1 of 22
Revised Date

FY 84

00211

PROJECT DESCRIPTION (CONTINUED):

PROJECT JUSTIFICATION (CONTINUED):

If this project is not allowed to be continued, frustration to the citizens of Alaska will still prevail. Old leases will expire and high rental costs can be expected, and agencies will be widely dispersed throughout Anchorage. The State must consider this consolidation now to provide better services to the general public.

CATEGORY General Government

AGENCY Administration

PROGRAM Building & Equip. Svcs.
2/0820-03/-3/-4/2GSSB

PROPOSED FUNDING YEAR FY 84

Page 2 of 22
Revised Date

35b PROPOSED PROJECT
(Continued)

Anchorage Office Complex

Project Title

FY 84

00212

Project Title ① STATE OFFICE COMPLEX - Anchorage			Location(s) ② ANCHORAGE		Election Districts Served ③ 7-12		Start Date ④ FY 82		Completion Date ⑤		
⑥ AGENCY REQUEST			⑦ Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year _____	Ultimate Annual Year _____	GOVERNOR'S REQUEST		Approval <input type="checkbox"/>	Deferred <input type="checkbox"/>	Disapproved <input type="checkbox"/>
					Funding	Source			1002 Federal Receipts	1003 G/F Match	1004 General Fund
1002	Federal Receipts							1002	Federal Receipts		
1003	G/F Match	8,300,000						1003	G/F Match		
1004	General Fund	8,300,000						1004	General Fund		
1005	I/A Receipts							1005	I/A Receipts		
	G.O. Bonds								G.O. Bonds		
Total			8,300,000		Total Annual Operational Cost	Position (FTE)	Previous Year-Priority	Agency Priority	Governor's Priority	Total	

PROJECT DESCRIPTION ⑧

REQUESTING \$8,300,000 to provide funding for site acquisition, preliminary planning and design for the state office complex in Anchorage. Presently state offices are scattered all over town, and studies have shown the need for one large building to accommodate the many state agencies located in Anchorage.

This request has been designated as an areawide project. The \$ 8,300,000 is to be divided evenly among the 8 Anchorage Senators as follows:

SENATOR BRADLEY	\$ 1,037,500	SENATOR KELLY	1,037,500
SENATOR COLLETTA	1,037,500	SENATOR RODEY	1,037,500
SENATOR DANKWORTH	1,037,500	SENATOR STIMSON	1,037,500
SENATOR FISCHER	1,037,500	SENATOR STURGU- IJEWSKI	1,037,500

LEGISLATIVE MEMBER'S SIGNATURE:

CATEGORY **⑨ Gen. Gov't.**
 AGENCY Dept. of Admin.
 PROGRAM Buildings & Jan. Services

Page _____ of _____
Revised Date _____

FY 82

00213

A.O.C.
PROJECT
BUDGET SUMMARY

	FY 82	FY 83	FY 84	FY 85	FY 86	Project Total
100 Administration Salaries (CIP)	[64.9]	[64.9]	[64.9]	[64.9]	[64.9]	[259.6]
200 Travel/Per Diem	[20.0]	[20.0]	[20.0]	[20.0]	[20.0]	[80.0]
<u>300 Contractual</u>						
RSA-DOT/PF Admin Fees	16.0	15.5	15.0	2.9	5.0	39.9
RSA-DOT/PF Salaries	57.0	75.0	45.0	35.0	35.0	212.0
RSA-DOT/PF Print & Bind	4.0	-0-	2.5	1.5	-0-	8.0
RSA-DOT/PF Advisor & Jur Exp	45.0	-0-	-0-	-0-	-0-	45.0
RSA-DOT/PF Study Geotechnical	683.0	300.00	-0-	-0-	-0-	983.0
RSA-DOT/PF Award Reception	-0-	2.0	-0-	.5	-0-	2.5
RSA-DOT/PF Hearing Fees	-0-	2.0	-0-	-0-	-0-	2.0
RSA DOT/PF Atty Gen	10.0	100.00	-0-	-0-	-0-	110.0
RSA-DOT/PF Pre-Bid Conf.	1.0	-0-	-0-	-0-	-0-	1.0
RSA-DOT/PF Survey Site	10.0	-0-	-0-	-0-	-0-	10.0
RSA-DOT/PF Honorarium	-0-	300.0	-0-	-0-	-0-	300.0
RSA-DOT/PF Replat	18.0	-0-	-0-	-0-	-0-	18.0
RSA-DOT/PF Professional Advisor	491.7	381.1	250.0	175.0	75.0	1,372.8
RSA-DOT/PF Reimbursables	100.0	75.0	55.0	50.0	20.0	300.0
RSA-DOT/PF Const. Observation	-0-	100.0	1,000.0	100.0	100.0	1,300.0
RSA-DOT/PF Financial Consultant	50.0	75.0	50.0	-0-	-0-	175.0
RSA-DOT/PF Right of Way	75.0	-0-	-0-	-0-	-0-	75.0
Advertising	25.0	-0-	-0-	-0-	-0-	25.0
Moving	-0-	-0-	-0-	-0-	750.0	750.0
Rent-Administration	5.0	5.6	6.3	7.0	8.0	31.9
[Total 300]	[1,590.7]	[1,431.2]	[1,423.8]	[371.9]	[993.0]	[5,810.6]
<u>400 Commodities & Supplies</u>	[-0-]	[-0-]	[-0-]	[-0-]	[-0-]	[-0-]
<u>500 Equipment</u>						
Admin Equipment	15.0	2.5	2.5	2.5	2.5	25.0
[Total 500]	[15.0]	[2.5]	[2.5]	[2.5]	[2.5]	[25.0]
<u>500 Land</u>	[8,283.0]	[-0-]	[2,000.0]	[-0-]	[-0-]	[10,283.0]
<u>NO TOTAL</u>	[9,973.6]	[1,518.6]	[3,511.2]	[459.3]	[1,080.4]	[16,542.1]

August 17, 1982

2/0812-01/12MIRD

Introduced: 2/25/85
Referred: Finance

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BY FAIKS

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