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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU.

January 23, 1985

The Honorable Don Bennett
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Senator Bennett:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that relates to the Alaska State Housing Authority (ASHA). (See AS 18.55.)

Section 1 of the bill provides that if the state leases a public building financed by ASHA, the state's rental obligation is subject to annual appropriation. This provision makes explicit the assurance that public leases do not impair the appropriation prerogatives of the legislature.

Current law provides that ASHA must sell interests in land through public auction or by sealed bids at a fair market price. Section 2 of the bill enables ASHA to sell land or a public building, in appropriate instances, to the state, a federal agency, or a political subdivision for less than the appraised value and without competitive bidding. A comparable provision governs the sale of state land or resources under AS 38. See AS 38.05.315.

This bill will promote the efficient operation of ASHA, and I urge your consideration of and support for the bill.

Sincerely,



Bill Sheffield
Governor

REQUEST
 Bill/Resolution No.: SB89
 Title: Relating to the Alaska
State Housing Authority
 Sponsor: Rules/Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL
 Agency Affected: Commerce & Econ. Dev.
 Program Category Affected: _____
Economic Development
 BRU, Program or Subprogram(s) Affected: _____
Alaska State Housing Authority

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE						
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FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

ASHA receives no direct operating or capital appropriations from the Legislature. There will be no fiscal impact on the budget from this proposed legislation.

Prepared By: Paul Harris, Controller Phone: 465-2504
 Division: Alaska State Housing Authority Date: _____

Approved by Commissioner: Loren H. Lounsbury Date: 1/9/85
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

July 3, 1984

Ms. Vicki Elnick
Securities Service Division
Department 9528
Suite 2180
Bank Of America
P. O. Box 37000
San Francisco, CA 94137

Dear Ms. Elnick:

This is to advise you that the State of Alaska will direct wire-transfer \$8,901,048.75 on July 10, 1984 through the Federal Reserve Bank to the Bank of America, N.T. and S.A., San Francisco Corporate Agency Service Center, attention Carmen Cruz. These funds are in payment of ASHA bonds:

Bond Sale III	February, 1969 Issue	\$ 360,600.00
Bond Sale V	project-phase 1	621,075.00
Bond Sale V	1970 project-phase 2	915,300.00
Bond Sale V	1970 project-phase 3	1,919,525.00
Bond Sale VI	August 1971 Issue	359,502.50
Bond Sale VII	1972 project-phase 1	101,877.50
Bond Sale VII	1972 project-phase 2	740,707.50
Bond Sale VIII	September 1972 Issue	831,137.50
Bond Sale IX	1973 Project	632,396.25
Bond Sale X	1973 project-second Issue	1,350,190.00
Bond Sale XI	1974 project	<u>1,068,737.50</u>
	Total	\$8,901,048.75

If you have any questions regarding this matter, please contact me in writing or via phone, whichever is more convenient for you. Our phone numbers are (907) 465-2264 or 465-2286.

Sincerely,

Faye A. Bain
Contracting Officer

FAB/mc1

- 3) 1968-I Series
Trustee: Bradford Trust

Bond Counsel Underwriter
Wohlforth & Flint John Nuveen Co.

Project Detail

- (A) Cold Bay Fish and Game headquarters
- (B) Cordova Fish and Game facility
- (C) Fairbanks district highway complex
 - (D) Glenallen highway shop
- (E) Ketchikan highway shop
- (F) Livengood highway shop
- (G) Petersville highway shop

- 4) 1968-II Series
Trustee: Bradford Trust

Bond Counsel Underwriter
Wohlforth & Flint John Nuveen Co.

Project Detail

- (A) Fairbanks district highway complex
- (B) King Salmon Fish and Game

- 5) 1969 Series (Acquisition)
Trustee: Bank of America

Bond Counsel Underwriter
Hawkins, Dela- Bank of
field & Wood America
Wohlforth & Flint

Project Detail

- (A) State court and office building, Anchorage
- (B) State court and office building, Fairbanks

- 6) 1970-I Series
Trustee: Bank of America

Bond Counsel Underwriter
Wohlforth & Flint John Nuveen Co.
Merrill Lynch
Lehman Brothers
Franklin
Nat'l Bank

Project Detail

- (A) Alcantra youth camp
- (B) Anchorage district highway complex
- (C) Cordova highway shop

1970-I Series (continued)

- (D) Fort Yukon combined facilities
- (E) Petersburg highway shop
- (F) Sand Point Fish and Game headquarters
- (G) Fort Yukon sewer and water

7) 1970-II Series
Trustee: Bank of America

<u>Bond Counsel</u>	<u>Underwriter</u>
Wohlforth & Flint	John Nuveen Co.
	Merrill Lynch
	Lehman Brothers
	Franklin
	Nat'l Bank

Project Detail

- (A) Anchorage court building
- (B) Ketchikan court and office building

8) 1970-III Series
Trustee: Bank of America

<u>Bond Counsel</u>	<u>Underwriter</u>
Wohlforth & Flint	John Nuveen Co.
	Merrill Lynch
	Lehman Brothers
	Franklin
	Nat'l Bank

Project Detail

- (A) State office building - Juneau

9) 1971 Series
Trustee: Bank of America

<u>Bond Counsel</u>	<u>Underwriter</u>
Wohlforth & Flint	John Nuveen Co.

Project Detail

- (A) Anchorage court building

10) 1972-1 Series
Trustee: Bank of America

<u>Bond Counsel</u>	<u>Underwriter</u>
Wohlforth & Flint	John Nuveen Co.

Project Detail

- (A) Juneau court building
- (B) Acquisition: Island Center building ✓

11) 1972-2 Series
Trustee: Bank of America

<u>Bond Counsel</u>	<u>Underwriter</u>
Wohlforth & Flint	Smith, Barney & Co. Halsey, Stuart & Co. First Boston Corp. White, Weld & Co.

Project Detail

- (A) Anchorage airport office & aviation bldg.
- (B) Fairbanks Pioneer Home addition
- (C) Juneau records center
- (D) Sitka public safety building

12) 1973-I Series
Trustee: Bank of America

<u>Bond Counsel</u>	<u>Underwriter</u>
Wohlforth & Flint	Bank of America

Project Detail

- (A) Fairbanks regional office building
- (B) Kodiak regional office building
- (C) Palmer Pioneer Home addition

13) 1973-2 Series
Trustee: Bank of America

<u>Bond Counsel</u>	<u>Underwriter</u>
Wohlforth & Flint	John Nuveen Co.

Project Detail

- (A) Anchorage communications building
- (B) Anchorage parking structure
- (C) Anchorage Pioneers Home
- (D) Delta Junction school, vocational shop
and multi-purpose room
- (E) Kenai court office building
- (F) Kotzebue Pioneers Home
- (G) Valdez court and office building

WITHDRAWN

14) 1974 Series

Trustee: Bank of America

Bond Counsel

Wohlforth & Flint

Underwriter

Smith Barney

& Co.

Halsey, Stuart

& Co.

Bache & Company

White, Weld

& Co.

Project Detail

- (A) Fairbanks parking structure
- (B) Juneau parking structure
- (C) Sitka court and office building

State Lease Building Program Projects

1966 (Acquisition and Construction) Final Maturity Date: 8/1/91

CONSTRUCTION

- ANGOON THREE CLASSROOM ADDITION WITH ONE ADDITIONAL CLASSROOM AND OFFICE ALTERNATE
- DELTA JUNCTION FIVE CLASSROOM ADDITION
- DELTA JUNCTION PUBLIC FACILITIES
- DILLINGHAM HOUSING
- DILLINGHAM PUBLIC FACILITY
- EUREKA SHOP FACILITY
- GIRDWOOD SHOP FACILITY
- GLENNALLEN PUBLIC FACILITIES
- GLENNALLEN SIX CLASSROOM ADDITION
- KODIAK COMBINED OFFICE FACILITIES
- NENANA SHOP FACILITY
- PAXSON SHOP AND POWER HOUSE
- TELLER SHOP FACILITY
- TENAKEE CLASSROOM AND QUARTERS
- TOK JUNCTION HOUSING
- TOK JUNCTION MULTI-PURPOSE SCHOOL FACILITY
- TOK JUNCTION PUBLIC FACILITIES

ACQUISITION

COMMUNITY BUILDING, 150 Third Street, Juneau, Alaska
(Lots 2 and 3, Block 8, Juneau Townsite)

1967 - - - - - Final Maturity Date: 8/1/91

- ANGOON HOUSING
- BERNICE LAKE HIGHWAY SHOP
- BETHEL COMBINED OFFICE FACILITIES
- CENTRAL HIGHWAY SHOP
- GLENNALLEN SCHOOL ADDITION NO. TWO
- HEALY HIGHWAY SHOP
- HOMER HIGHWAY SHOP
- JUNEAU JAIL FACILITIES
- KODIAK COURT SPACE
- KODIAK FISH AND GAME WAREHOUSE
- KODIAK HIGHWAY SHOP
- NINILCHIK HIGHWAY SHOP
- SOLDOTNA HIGHWAY SHOP
- VALDEZ HOUSING

1968 - PHASE I - - - - - Final Maturity Date 8/1/93

- COLD BAY FISH AND GAME HEADQUARTERS
- CORDOVA FISH AND GAME FACILITY
- FAIRBANKS DISTRICT HIGHWAY COMPLEX-GARAGE AND STORAGE
- GLENNALLEN HIGHWAY SHOP
- KETCHIKAN HIGHWAY SHOP
- LIVENGOOD HIGHWAY SHOP
- PETERSVILLE HIGHWAY SHOP

1968 - PHASE II - - - - - Final Maturity Date 8/1/94

- FAIRBANKS DISTRICT HIGHWAY COMPLEX - OFFICE FACILITY
- KING SALMON FISH AND GAME HEADQUARTERS

1969 (Acquisition only) - - - - - Final Maturity Date 8/1/94

- STATE COURT AND OFFICE BUILDING AND SITE
941 West Fourth Avenue, Anchorage
- STATE COURT AND OFFICE BUILDING AND SITE
602 Barnette Street, Fairbanks

1970 - PHASE I - - - - - Final Maturity Date 10/1/85

- ALCANTRA YOUTH CAMP
- ANCHORAGE DISTRICT HIGHWAY COM PLEX
- CORDOVA HIGHWAY SHOP
- FORT YUKON COMBINED FACILITIES
- PETERSBURG HIGHWAY SHOP
- SAND POINT FISH AND GAME HEADQUARTERS
- FORT YUKON SEWER AND WATER SYST#EM

1970 - PHASE II - - - - - Final Maturity Date 10/1/85

- ANCHORAGE COURT BUILDING
- KETCHIKAN COURT AND OFFICE BUILDING

1970 - PHASE III - - - - - Final Maturity Date 10/1/85

- STATE OFFICE BUILDING, JUNEAU

1971 - - - - - Final Maturity Date 10/1/91

- ANCHORAGE COURT BUILDING

1972 - FIRST SERIES (ACQUISITION AND CONSTRUCTION) Final Maturity Date 10/1/92

- JUNEAU COURT BUILDING

ACQUISITION:

- ISLAND CENTER BUILDING

1072 - SECOND SERIES - - - - - Final Maturity Date 10/1/92

ANCHORAGE AIRPORT OFFICE AND AVIATION BUILDING

FAIRBANKS PIONEERS' HOME ADDITION

JUNEAU RECORDS CENTER

SITKA PUBLIC SAFETY BUILDING

1973 - FIRST SERIES - - - - - Final Maturity Date 10/1/92

FAIRBANKS REGIONAL OFFICE BUILDING

KODIAK REGIONAL OFFICE BUILDING

PALMER PIONEERS' HOME ADDITION

1973 - SECOND SERIES - - - - - Final Maturity Date 10/1/93

ANCHORAGE COMMUNICATIONS BUILDING

ANCHORAGE PARKING STRUCTURE

ANCHORAGE PIONEERS HOME

DELTA JUNCTION SCHOOL, VOCATIONAL SHOP AND MULTI-PURPOSE ROOM

KENAI COURT OFFICE BUILDING

KOTZEBUE PIONEERS HOME

VALDEZ COURT AND OFFICE BUILDING

1974 - - - - - Final Maturity Date 10/1/94

FAIRBANKS PARKING STRUCTURE

JUNEAU PARKING STRUCTURE

SITKA COURT AND OFFICE BUILDING



April 23, 1985

APR 25 1985

Senator Fred Zharoff
Chairman
Senate Labor and Commerce Committee
Pouch V
Juneau, Alaska 99811

Attention: Michael Thill

Re: CSSB 89(SA)

Dear Chairman Zharoff:

This letter addresses the need for the above proposed legislation, a copy of which is attached for your convenient reference.

Subsection (a) of Section 1 provides that rental payments made to the Alaska State Housing Authority (ASHA) by the State are subject to annual appropriation. Subsection (a) is a clarification indicated by the opinion entitled "Construction Financing of a Facility by Lease Agreement", Alaska Attorney General, October 14, 1983. Although leases between ASHA and the State are drafted to be subject to annual appropriation, a statutory provision is recommended to make it clear that such leases are within constitutional limitations.

There are presently 16 Agreements of Lease in force, executed by and between ASHA and the State of Alaska between the years 1965 and 1974.

Subsection (b) of Section 1 provides for the lawful disposition of a building in the event the State fails to or is otherwise unable to pay rent. It is important that the lease agreements between ASHA and the State remain arm's length transactions to avoid constitutional limitations. Subsection (b) is recommended to nullify any constitutional concern that the State would have a "moral obligation" to pay rent even if it did not receive an annual appropriation.

A substantive change in AS 18.55.225 is contained in Section 2 subsection (b) of the bill. Subsection (b) provides an exception to the requirement that ASHA property be sold at a price not less than the fair market value as determined by current appraisal.



Senator Fred Zharoff

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April 23, 1985

Lease agreements between ASHA and State of Alaska, executed between 1965 and 1974, provide for the transfer of the buildings and land sites to the State upon full redemption of all outstanding bonds. The lease documents do not contemplate a sale at fair market value. In certain bond issues for the years between 1966 and 1974, ASHA is also the record owner of the land. Bonds issued under the 1970 program will be fully redeemed October 1, 1985. Buildings financed by the 1970 bond issues include the Ketchikan Court and Office Building and the Juneau State Office Building. Therefore Section 2(b) is necessary to effectuate amendment of AS 18.55.225 to provide that it does not apply to a transfer of property by ASHA to the State of Alaska. Subsection (a) of Section 2 contains no substantive change other than the reference to subsection (b) as an exception.

As originally submitted, the amendment language in Section 2(b) paralleled language already incorporated into ASHA's enabling legislation for the disposition of other property. State Affairs Committee members expressed concern that the exception as initially presented would be too broad and could potentially place the State at a disadvantage in competing with other public bodies for the properties in question. Therefore, Section 2 of the bill was redrafted by ASHA to provide for a transfer of ASHA property at less than market value only when the State is the recipient.

The Alaska State Housing Authority endorses the committee substitute bill and appreciates your continued cooperation in assisting this bill to become law this legislative session.

Enclosed is a list of buildings financed by ASHA between 1966 and 1974 with the redemption date of the respective bonds indicated by issue.

My staff and I will be glad to answer any questions you may have concerning this proposed legislation. Julia Tucker, ASHA's General Counsel, offered testimony before the State Affairs



Senator Fred Zharoff

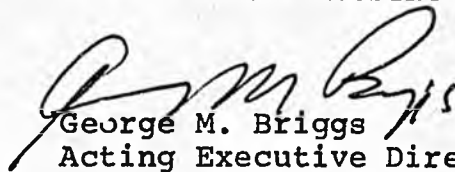
-3-

April 23, 1985

Committee and may be contacted in ASHA's Central Office in Anchorage at 562-2813.

Sincerely,

ALASKA STATE HOUSING AUTHORITY


George M. Briggs
Acting Executive Director

GMB:mrn

Encl.

FEB 25 1985

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 22, 1985

SUBJECT: CS for SB 89 (State Affairs)

TO: Senator Mitch Abood
Chairman, Senate State Affairs Committee

FROM: Theresa L. Bannister *TB*
Legislative Counsel

The committee substitute for SB 89 accompanies this memo. After discussing the language with your assistant, I have left the language as requested and as it was passed out of committee. However, I believe that certain language changes should be made. Your assistant suggested that I put these in a memo so that you could pass the suggestions along to the next committee if you wish.

My suggested changes to the CS are the following:

- (1) Delete the first sentence of Sec. 18.55.255(a). AS 18.55.100(a)(6) already gives ASHA the authority to sell its property.
- (2) Change "board" to "authority" wherever it occurs in Sec. 18.55.255(b), to make it consistent with the rest of the chapter. There is a definition of "authority" in the chapter, but none for "board".
- (3) Put the second, third, and fourth sentences of Sec. 18.55.255(a) in the active voice. E.g., "The authority shall give public notice by publishing . . .", "In no event shall the authority hold the auction less than . . .", and "The authority may not make a negotiated sale based on an appraisal . . .".
- (4) Put the first sentence of Sec. 18.55.255(b) in the active voice. E.g. "The authority may sell land . . .".

If I can be of further assistance, please advise.

TLB:csh
c3/017

Enclosure

Alaska State Legislature

INTERIM OFFICE
1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-2843

IN SESSION:
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4714



Senator Mitch Abood
CHAIRMAN

Senate Committee on State Affairs

February 22, 1985

Mike Phall, Prof. Asst.
Senator Zharoff
Senate Labor and Commerce
Pouch V
Juneau, Alaska 99811

Dear Mike:

As we discussed this morning, these are recommended amendments proposed by Ms. Bannister on SB 89. SB 89 should be read across the floor tomorrow.

Sincerely,


Elaine Bales
Committee Secretary