

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672  
7049 HOUSE LABOR & COMMERCE

The duty of this compact option would be to provide a coordinated and unified command, regulating industry spill prevention and response capability along the TAPS route. The authority would be responsible for drafting a comprehensive contingency planning process and command hierarchy, superseding the fractured planning currently in place.

This entity would have authority to invoke priorities, regulatory criteria, and monitoring capability, which is binding on all member states, to ensure that adequate equipment, crew, and maintenance are available for spill prevention and clean-up. It could maintain a standing dedicated crew of its own, pooling the financial, personnel, equipment, and expertise resources of its member states and provinces; or, it could oversee and enforce standards controlling industry and state agency contingency operations.

Finally, a compact could, foreseeably, enact uniform tanker safety standards for the Alaska Oil Trade. Because this trade is domestic by nature and law, compact standards would not conflict with the PWSA, an act intended to achieve international uniformity. Compacts would provide the consistency in regulation which foreclose the argument that federal requirements are needed to prevent the costly impacts of diverse state standards.

In addition to streamlining regulatory mechanisms and molding them into an effective unified whole, the organization could be endowed with emergency requisitioning power to prevent industry lockup of response resources.

This approach would permit the flexibility to deal with all five sectors of oil activity, the North Slope, the pipeline, the Valdez terminal, tanker shipping in Cook Inlet and Prince William Sound, and off-shore activity.

## 2. Oil Pollution Control Standards and Review Council

A compact may be empowered to develop standards and regulations pertaining to crude oil shipment in the member states on both land and water.

The regulations may be embodied in a region-wide comprehensive plan, modeled after the Northwest Power council. For example, the plan could establish policies regarding oil spill prevention, tanker design, crew size and qualifications, mandatory response and navigation equipment, etc.

The compact would be vested with the authority to review Coast Guard and other federal agency actions to determine whether their conduct was consistent with the plan. If the federal agency were found deficient in promulgating the plan's policies, the compact could hold hearings and issue a reviewable decision. Federal conduct determined to be inconsistent with plan mandates would be inconsistent until the Coast guard issued a formal, reasoned justification clearly and unambiguously articulating the compelling reason for the inconsistency, linking the agency's activity to specific finding of fact.

This approach has enforcement teeth, and therefore, embodies a substantive advantage over any localized citizen's advisory councils currently contemplated in federal legislation. Due to its standardized and formal process, this approach achieves legitimization and formal realizability functions.

### 3. Risk Avoidance Charges and A Waters Protection Fund

A compact can accomplish what the Attorney General's office stipulated away in 1979 after the Ray decision and the Chevron litigation. The compact authority may establish its own fees for crude oil shipped across member's territory, regardless of origin, for the purposes of establishing a permanent fund to be utilized in spill recovery and mitigation, or prevention. An adjustable fee system may be used to create incentives for spill prevention technology. Alaska's dedicated funding prohibition could easily be avoided through direct fees imposed by the compact, or through the delegation of compact power to the state. See Washington Metro Area Authority at 1321-3122.

## V. CONCLUSION

Interstate compacts are formal agreements, ratified by Congress which enhance the power of member states. Compacting states may express regulations which carry the force of federal law, thus immunizing compact conduct from pre-emption and interstate commerce challenges. With this enhanced regulatory authority, compacts enable states to cooperatively resolve regional problems with powers unavailable to solitary states.

Compacts may serve as an effective vehicle permitting Alaska to regulate the oil industry in a unitary fashion consistent with the mandate encapsulated within AS 46.04.200, requiring a coordinated, master stateside plan.

HB

140

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 13, 1991

FURTHER REFERRALS:

Finance

Date of Committee Action: 1-26-91

The LABOR AND COMMERCE Committee considered:

HB 140

HOUSE BILL NO. 140

ALLOW RECYCLING COST RECOVERY IN RATES

"An Act relating to rate review by the Alaska Public Utilities Commission for solid waste recovery and recycling services of public utilities."

RECOMMENDATIONS:

be replaced with CS HB 140 (L+C) [ ] the same title [ ] a new title

[ ] have attached amendments(s)

[X] do pass

[ ] do not pass

[ ] no recommendations

[ ] individual recommendations

[ ] additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal impact \_\_\_\_\_

[ ] fiscal note(s) \_\_\_\_\_

[X] zero fiscal note Commerce + Economic Development [ ] zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

	Check appropriate column:	Do Not Pass	No Rec	Amend
	Kevin P. Parnell	✓		
<i>[Signature]</i>				
<i>[Signature]</i>				
<i>[Signature]</i>				
<i>[Signature]</i>				

*[Signature]*  
Chairman's Signature

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. HB140

Revision Date: \_\_\_\_\_ Department Affected: Commerce & Economic Development  
 Title: Deregulation of Refuse Utilities BRU: APUC  
 Component: \_\_\_\_\_  
 Sponsor: Rep David Finkelstein  
 Requestor: Rep David Finkelstein COMPONENT SERIAL NO. 

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)  
 No fiscal impact for FY91

Prepared By: Ray Wiperman, Acting Exec. Director Phone: 276-6222  
 Division: Alaska Public Utilities Commission Date: 2/15/91  
 Approved by Commissioner: [Signature] Spec Asst.  
 Agency: Department of Commerce & Economic Development Date: 2-19-91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).



Official Business

# Alaska State Legislature

P.O. Box V  
State Capitol  
Juneau, Alaska 99811

## MEMORANDUM

To: House Labor and Commerce Committee Members

From: Representative David Finkelstein *[Signature]*

Date: February 21, 1991

Re: HB 140; "An Act Relating to Rate Review by the Alaska Public Utilities Commission for Solid Waste Recovery and Recycling Services of Public Utilities."

HB 140 would allow utilities to include the cost of waste recovery and recycling in their rates. Currently, refuse companies that do recycling cannot include the cost in their rates.

Waste disposal in Alaska is a major problem. The ecological and economic costs of landfills are rising, and without a plan to control the amount of waste dumped in landfills, we could soon be facing a crisis. Solid-waste recovery and recycling are important parts of the solution for controlling the landfill problem.

By paying for recycling now, consumers will be reducing the need for more landfills and higher landfill fees in the future. In a recent survey by the Anchorage Recycling Center, 90% of the respondents felt that solid waste recycling is a community priority and 57% of them were willing to pay more in their refuse bill for recycling.

Currently, recycling centers in Alaska are unable to compete with subsidized landfills and are threatened by low market prices. HB 140 would allow recycling and waste recovery to be treated as part of the normal functions of public utilities.




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*Passed*

7-LS0691NG  
Cramer  
2/22/91

**CS FOR HOUSE BILL NO. 140 (L&C)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**SEVENTEENTH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE LABOR AND COMMERCE COMMITTEE**

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES FINKELSTEIN, Brown, Boyer, Ulmer, Koponen, Ellis

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to rate review by the Alaska Public Utilities Commission for solid waste  
2 recovery and recycling services of public utilities."

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

4 \* Section 1. AS 42.05.431 is amended by adding new subsections to read:

5 (f) In the establishment of rates of a utility furnishing solid waste material collection and  
6 disposal service, the commission shall permit recovery of reasonable, net capital and operating  
7 costs after considering the utility's recovery of revenue associated with the service.

8 (g) In the establishment of rates under this chapter, the commission shall promote solid  
9 waste recovery and recycling services.

ALASKA PUBLIC UTILITIES COMMISSION  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

1016 WEST 6TH AVENUE  
SUITE 400  
ANCHORAGE, ALASKA 99501  
PHONE: (907) 276-6222

February 22, 1991

Representative David Finkelstein  
P. O. Box V  
Juneau, Alaska 99811  
VIA FAX: 465-2444

Dear Representative Finklestein:

As an individual Commissioner on the Alaska Public Utilities Commission, I would like to offer the following comments on HB 140, "An Act relating to rate review by the Alaska Public Utilities Commission for *solid waste recovery and recycling services* of public utilities."

I offer the following rewrite to incorporate some of my individual concerns:

**AS 42.05.431 is amended by adding new subsections to read:**

(f) The commission shall permit reasonable capital and operating costs and the associated revenues of providing solid waste recovery and recycling services in the establishment of rates of a utility furnishing collection and disposal of waste material service.

(g) The commission shall promote solid waste recovery and recycling services in the establishment of rates under this chapter.

The change to add "and the associated revenues" gives the commission explicit authority to include revenues from these services in the development of rates. It also adds the phrase "the establishment of rates" which more closely parallels other statutory references to ratemaking.

If your goal is to insure the promotion of recycling, I would discourage a change from "shall permit" to "may permit" in the operative language. This change would provide future commissions the discretion to ignore recycling costs in the establishment of rates. Though I expect the current commission would permit reasonable costs to be included in rates under the "may permit" language, I do not know how enthusiastic future commissions may be about including recycling costs in the rates.

Under the "shall permit" language, the commission would still have the "reasonable" standard under which they would review any capital and operating costs. A firm cannot simply go purchase plant, incur expenses and expect to be able to raise rates to cover themselves. Though the commission has not yet heard a rate case directly involving recycling, the commission has a track record of reviewing the facts of individual cases and disallowing portions of plant investment that are not reasonable. Examples typically

February 22, 1991

include telephone and electric utilities which purchase more capacity than needed. Utilities cannot recover unreasonable costs from the ratepayers. The utilities have the burden of proof to demonstrate to the commission that the costs they incurred were just and reasonable.

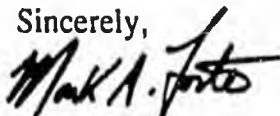
I do not believe the fears of rate escalation due to the start-up of curbside recycling programs are well founded. One, the commission will not allow unreasonable expenditures to be included in rates. Two, the commission is quite concerned about rate shock to ratepayers and will spread any significant justified increases over an appropriate transition period. Three, the economics of recycling programs are largely driven by the tipping fee of the landfill. A level comparison between recycling and landfilling suggests that to the extent that the total net cost to recycle is less than the tipping fee, there is a savings. With tipping fees of \$100/ton and above and escalating, particularly in communities in Southeastern Alaska, there is a significant potential for consumers to see long term savings in their bills for waste disposal through the implementation of recycling programs. To the extent the costs of recycling are reasonable when compared to a tipping fee, the commission would be able to include those costs and their associated revenues in the rate.

The hypotheticals which were cited at the teleconference Thursday appeared to ignore the tipping fee and focused on what would happen to rates if the revenue from the sale of a recycled good did not cover the costs of collection. A level comparison would require the commission to go a step further and review whether or not the net cost of the recycling program was reasonable when compared to the costs of landfill disposal.

Finally, I would encourage you to add an additional subsection (g) which gives the commission a tool to promote recycling in the design of rates. A similar provision for the promotion of energy conservation exists as AS 42.05.141(c). I expect that the provision promoting recycling in rate design will be an effective way to help encourage recycling efforts, especially during the critical start-up phase of new adventures (see attachment A: excerpt from "On the Road to Recovery: Seattle's Integrated Solid Waste Management Plan").

If I can be of any assistance, please call me at 276-6222.

Sincerely,



Mark A. Foster,  
Commissioner

Attachments

require contractors to provide standardized containers in 19-, 32-, 60- and 90-gallon sizes. Households are issued the container appropriate to their subscription level and any waste not in the container is easily identified as extra. Collection contractors will only pick up cans that were provided by the City or that have pre-paid trash tags attached.

With these improvements in place, the Utility plans a primarily preventive approach to enforcement, for example educating people about waste reduction and recycling and informing them of the ban on mixing yard waste with garbage.

## FINANCIAL PLAN SUMMARY

### *RATE STRUCTURE AND RATES*

Seattle has had mandatory residential garbage charges since the Utility was established in 1961. The Utility is self-supporting with no subsidies from the general fund. Rates are set by the City Council and residential customers are billed through the City's Combined Utility Billing System. Rates for commercial garbage collection services provided by franchised haulers are approved by the Washington Utilities and Transportation Commission and customers are billed by the haulers.

In 1981 the Utility established a variable can rate structure which offers an incentive for waste reduction and recycling. Residents must now pay for the amount of garbage they throw away. Recent analysis showed that without this rate structure, more waste would have required disposal. Transfer station services are based on a rate per ton except that a minimum charge is levied for small commercial loads and a flat rate for automobile loads is now charged.

In 1986 and 1987, rates increased substantially to cover the cost of landfill closure and increased tipping fees at King County's Cedar Hills Landfill. These rate increases, as well as the new curbside recycling program, have led to reduced amounts of garbage.

As a result of two Utility rate analyses in 1988, the following rate structure was adopted by the City Council:

- *Backyard vs. Curbside Pickup.* Customers are offered a choice between curb/alley and backyard service. The backyard pickup charge is 40 percent more than bringing the can to the curb. This 40 percent premium represents about double the cost of service, but provides a strong incentive to bring waste to the curb and eventually lower collection costs.
- *Basic Rate Structure.* The variable can rate structure is continued, but the charge for service for more than one can is significantly higher than previous rates. The one-can rate is \$13.75 per month. There is no charge for curbside recycling service; this cost is included in the garbage rates. The second and third can now each cost an additional \$9 rather than the 1988 \$5 differential. This was done to provide an increased incentive for waste reduction and recycling. In the long run, customers should be charged based on the actual weight of the garbage they produce each week.
- *Extra Waste.* A pre-paid trash tag for extra waste is available for \$5. The trash tags can be ordered from the Utility by phone or purchased at any Seattle 7 Eleven, Associated Grocers or Safeway store.

- **Yard Waste.** Curb/alley collection of yard waste is available weekly or biweekly for \$2 per month, with a required annual subscription. As many as 20 cans or bags of yard waste will be collected for the \$2 monthly fee. The fee is low to encourage subscription, but not so low as to discourage backyard composting.
- **Low Subscription Alternatives – Mini-can/Zero Can.** A new 19-gallon mini-can service is available to those who produce little waste and/or recycle and compost most of their waste. This rate provides a significant incentive for waste reduction and recycling for customers who would not fill one garbage can.
- **Multi-family Variable Rates.** Multi-family building owners can choose any level of service, whereas previously they were limited to subscription levels equal to multiples of the number of units. Allowing these customers more service-level flexibility will provide an incentive to reduce the volume of waste disposed.
- **Compacted Waste.** A new rate is charged for compacted waste in detachable containers to reflect the increased cost of disposal due to the increased weight. Weight limits control the amount of compacted waste that can be put in a can.
- **LIEH Subsidy.** Qualified low-income, elderly and handicapped customers are eligible for a subsidized rate for one and two cans.
- **Bulky Item Pickup.** For a \$15 fee, bulky items such as refrigerators, stoves, mattresses and sofas will be collected. The service is on-call.
- **Transfer Stations.** The transfer station tip fee is \$62 per ton for commercial customers, which is below the full cost of service but above the variable cost. The rate is not set at the cost of service because if it were set higher, these customers would likely travel the extra distance to King County transfer stations which charge \$47 per ton.

## **PROJECTED OPERATING AND CAPITAL COSTS**

The Solid Waste Utility operates as an enterprise fund, generating most of its revenues from rates charged to customers. Projected 1989 revenues include \$35.6 million from charges for residential collection and \$4.86 million from transfer station charges. Additional income includes \$2.76 million from interest earnings and \$3.0 million from a Business and Occupations surtax levied on haulers of commercial waste to help pay for landfill closure.

These revenues cover all costs incurred by the Utility. For 1989, operating costs total \$39.3 million, including:

- Recycling and yard waste services and residential garbage collection services for all Seattle residents
- Transfer station services to anyone wanting to haul garbage and/or recyclables to the City's two transfer stations
- Disposal at King County's Cedar Hills Landfill
- Closure of the City's two landfills

The 1989 capital improvement program budget totals \$16.6 million. Recommendations from the 1988 *Solid Waste Facilities Plan* will be implemented over the next six years, upgrading and restructuring the Utility's transfer station and hauling operations to increase recycling, improve employee safety and customer service and streamline operations. The biggest capital expenditures in the next two years will be for landfill closure. Beginning in 1991, the Utility will incur capital costs for the new system of transport to a distant landfill.

CUMULATIVE TOTALS

Tom - J. Bertec:  
8/4

1. Do you consider a solid waste recycling program a community priority?  
YES: 3747/3514 90%                      NO: 367/3514 10%
2. Do you currently recycle?  
YES: 2701/3514 77%                      NO: 812/3514 23%
3. Would you be willing to separate your recyclables if pick-up occurred at your home?  
YES: 3307/3514 94%                      NO: 207/3514 6%
4. The value of recyclables will not support curbside pick-ups. Will you be willing to pay more than your current refuse bill for curbside pick-up of recyclables?  
YES: 1994/3514 57%                      NO: 1520/3514 43%
5. If yes, how much more?  
\$5.00: 1617/3514 46%                      \$10.00: 291/3514 8%                      \$15.00: 75/3514 2%  
N/A: 1532/3514 44%
6. Should recycling be subsidized by:  
GRANTS: 969/3514 28%                      TAXES: 673/3514 19%  
USER: 967/3514 27%                      NONE: 1018/3514 29%  
N/A: 545/3514 16%
7. What prevents you from recycling more?  
DOES NOT PAY: 437/3514 13%  
NOT SURE WHERE TO TAKE IT: 1095/3514 31%  
INCONVENIENT: 1894/3514 54%  
NOT INTERESTED: 44/3514 1%  
N/A: 702/3514 20%
8. Do you believe garbage pick-up should be mandatory in Anchorage?  
YES: 1901/3514 54%                      NO: 1611/3514 46%
9. Business using cardboard: Will you put cardboard in a separate dumpster if you receive a 10% rebate on disposal pick-up?  
YES: 1139/3514 32%                      NO: 2313/3514 66%

# STATE OF ALASKA

## ALASKA PUBLIC UTILITIES COMMISSION DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

WALTER J. HICKEL, GOVERNOR

1018 WEST 8TH AVENUE  
SUITE 400  
ANCHORAGE, ALASKA 99501  
PHONE: (907) 278-8222

February 12, 1991

The Honorable David Finkelstein  
Alaska State Legislature  
P. O. Box V  
Juneau, Alaska 99811

Dear Representative Finkelstein:

A public meeting was held on February 12, 1990, to discuss the draft of the proposed bill that Representative Brown is sponsoring for the recovery and recycling of solid waste services. The meeting was attended by Commissioners Schröder, O'Tierney, May and Foster. Also participating were members of the Commission Staff (Staff).

It is assumed that if a utility were to request the capital and operating costs associated with the recovery operation that the costs should be prudent and reasonable. In other words, the review of Staff and approval by the Commission in conjunction with the allowing of the costs would fall under AS 42.05.381, Rates to be just and reasonable. In order to avoid any confusion the Commission suggests that the language be amended to substitute the word "reasonable" for the word "the" (preceding capitol) on line 6 of the work draft.

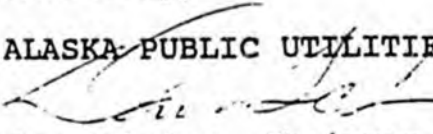
The meeting also focused on a general discussion of the practicality of utilities including the costs as part of a revenue requirement determination. The term "shall" on line 5 of the work draft assumes that it is at the option of the utility to request the costs. If costs were requested in the determination of a revenue requirement, any revenues associated with its operation would be subtracted from the revenue requirement.

The Commission also wanted to make you aware that landfills are not regulated and are typically Municipality operated. If the recycling operation is a landfill service, the costs would not be part of any revenue requirement other than the transportation and separation of the recyclable materials by the utility. However, any revenues that may be received would be used to offset the revenue requirement. For those utilities that have a landfill operation, the operation of the landfill is also not jurisdictional, but the tipping fee cost is determined in the affiliated interest decision as to reasonable cost,

AS 42.05.511(c). If landfill recycling is undertaken, the recycling aspects would be considered in the tipping fee determination.

The public meeting was recorded and is available upon request. Please contact me at 276-6222 if you have any questions or require further assistance.

Sincerely,

  
ALASKA PUBLIC UTILITIES COMMISSION

Don Schröer, Chairman

HB

145

3111 C STREET, SUITE 455  
ANCHORAGE, ALASKA 99503  
(907) 561-7628

WHILE IN SESSION  
P.O. BOX V  
JUNEAU, ALASKA 99811  
(907) 465-3704

# ALASKA STATE HOUSE

CHAIR  
RULES COMMITTEE

JUDICIARY

SPECIAL COMMITTEE ON INTERNATIONAL  
TRADE & TOURISM

LEGISLATIVE COUNCIL

REPRESENTATIVE JOHNNY ELLIS

## House Bill 145 Ship Creek Basin Development



Rep. Johnny Ellis  
February 28, 1991

HOUSE BILL 145

This measure appropriates \$10.07 million to the Municipality of Anchorage for tideland fill and access improvement for the Ship Creek Basin Original Townsite Redevelopment Project. The appropriation will provide for the following: 1) between 500,000 and 957,000 cubic yards of fill (depending on rate), 2) construction of Waterfront Drive, which will connect North "C" Street and Christensen Drive and provide a separated grade crossing of the railroad tracks, 3) utilities to the project area, including electrical, water, and sewer, and 4) planning for enhancement and integration of a 15 acre wetland meadow in the project area.

The Ship Creek Redevelopment Project is a result of the joint efforts of the Alaska Railroad Corporation, the Municipality of Anchorage, and the Anchorage Economic Development Corporation. The purpose of this phase of the project is to improve the land quality, utilities and access in the Ship Creek Basin, in order to attract tourism and fisheries-based industries to the area.

With improved access and land quality, the Ship Creek Basin could well become the most attractive and viable part of Downtown Anchorage. A hotel, restaurants, and retail stores would provide employment and attract tourists to this area along Ship Creek that has long been strictly industrial. What was once the hub of activity in Anchorage could once again be a place where people go to play, rather than just to work.

In April of 1990, the Alaska Railroad Corporation (ARRC) and the Anchorage Economic Development Corporation (AEDC) signed an agreement which allowed AEDC to draft a master lease option for the project area, and a Request for Proposal to solicit bids from qualified developers. The Municipality of Anchorage (MoA) has agreed to sublease 63.3 acres of ARRC land to AEDC for inclusion in the project, contingent upon review and approval of the master lease.

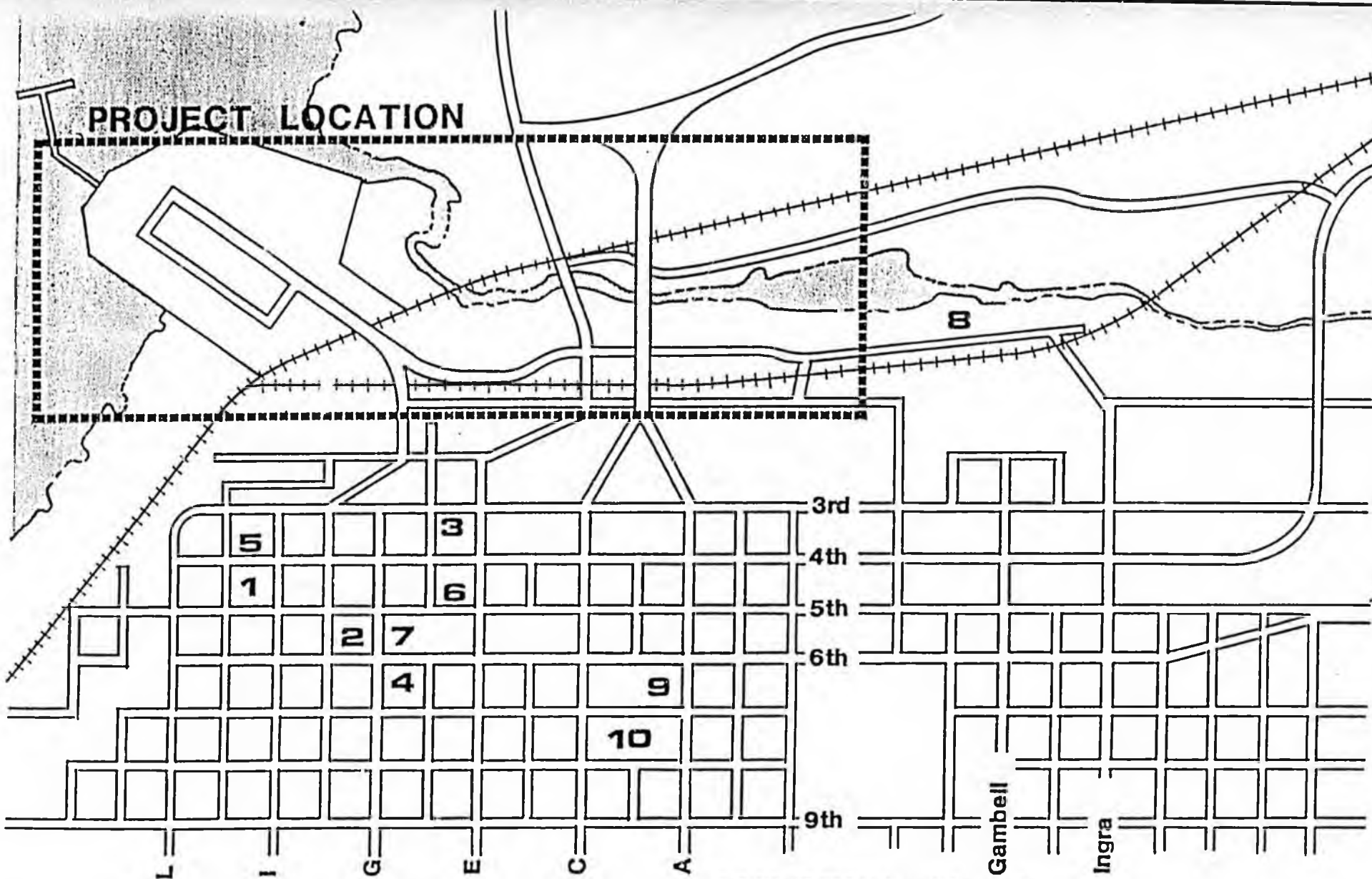
The RFP was completed and approved in November of 1990, and has already attracted a substantial number of qualified bidders who are interested in developing the 120 acre site once it is prepared. A developer should be on board by December 31, 1991, and private development and construction should begin during the 1992 construction season.

ENCLOSED BACK-UP FOR HB 145: 1) COST SUMMARY OF THE PROJECT, 2) MAP OF PROJECT LOCATION, 3) AEDC EXECUTIVE SUMMARY AND PROJECT GOALS, 4) AGREEMENT DETAILS BETWEEN AEDC, ARRC AND MoA, 4) SUMMARY OF THE RFP, 5) RESOLUTIONS OF SUPPORT, AND 7) MEDIA

SHIP CREEK BASIN DEVELOPMENT  
PROJECT COST SUMMARY

JULY 1990 ESTIMATE  
DEPARTMENT OF PUBLIC WORKS  
MUNICIPALITY OF ANCHORAGE

-	Fill and Butress Material (for 61.4 acre portion of project)		\$5,000,000
-	Waterfront Drive Construction (connecting North "C" Street and Christensen Drive, providing separated grade railroad crossing)		\$4,000,000
-	Planning for Wetland Meadow Enhancement and Integration		\$220,000
-	Utilities Installation		
	Permanent 34.5KV electrical	\$500,000	
	Water and Sewer to area	\$350,000	
	TOTAL Utilities Installation		\$850,000
	TOTAL INFRASTRUCTURE COST		<hr/> \$10,070,000



- |                            |                                      |
|----------------------------|--------------------------------------|
| 1 HOTEL CAPTAIN COOK       | 6 EGAN CONVENTION CENTER             |
| 2 WESTMARK ANCHORAGE HOTEL | 7 ALASKA CTR for the PERFORMING ARTS |
| 3 ANCHORAGE HILTON         | 8 ANCHORAGE TRADE CENTER             |
| 4 HILL BUILDING            | 9 MUSEUM                             |
| 5 COURTHOUSE               | 10 FEDERAL BUILDING                  |



ANCHORAGE  
ECONOMIC  
DEVELOPMENT  
CORPORATION

## Ship Creek Basin Development

### Executive Summary

**GOAL:** To attract a qualified urban waterfront development team to undertake a major tourism-oriented project in the Ship Creek basin. This will be a planned, phased development that will improve the lower Ship Creek basin for tourism, maritime and resident pedestrian uses.

**BENEFITS:** Estimated investment in the range of \$50 - 100 million over five years, and 300 to 500 permanent new jobs. The development is likely to include tourism facilities that will address the current shortage of viable attractions in Anchorage. General appeal and community asset quality in the area will also be improved.

**NEEDS:** Public infrastructure improvements, including access, tidelands fill, and utilities. Total infrastructure needs for the project are likely to exceed \$20 million, although a precise figure will not be known until development proposals are submitted and a developer and development plan are selected.

**PROPOSAL:** To provide \$10 million of the infrastructure needs with a 1991 appropriation, and the balance in 1992 or later. This will be an essential element of attracting a strong development proposal, and will allow the project to break ground in the 1992 construction season.

**DETAIL:** AEDC is currently circulating a "request for proposal" that has been approved by both the Alaska Railroad and Municipality. Developers are invited to respond. The successful respondent will be granted a master lease of the 120 acre project area, which includes the waterfront and lands upstream to the eastern end of the Original Townsite project. Details on how the infrastructure funding will be used is shown on the next page.

## LEGISLATIVE PROPOSAL

### Ship Creek fill, roads and bridges

\$10,070,000

Continued development of Alaska Railroad-owned property in the Ship Creek basin is supported by four professional studies of the area and its potential. The Port's Master Plan, the Ship Creek Concept Plan, the Original Townsite Study and the Port's Ship Creek Development Project Concept Design all recommend increasing the usable property at Ship Creek Point and improvement of access roads and bridges. The Municipal resolution (AR 90-282) which authorizes the AEDC to attract a private developer to the Ship Creek area communicates the intent of the Municipality to include a \$10 million legislative grant request in the 1991 Legislative package for fill, road and bridge work.

#### Fill Costs

Each of the key elements in the \$10 million package are based on development estimates provided by the Municipal Department of Public Works. Fill and buttress material to complete the 61.4 acre leasehold development was estimated at \$16,870,000 assuming material available at a cost of \$6 per cubic yard. More recent cost estimates by the department have estimated fill material costs at \$10 per cubic yard or 166 % of the original estimate. Fill for the full pad would cost \$28,004,000 at that rate. The administration's recently proposed fill permit does not include the 15 acre "sedge meadow," leaving a total of 28.2 acres available for development once the fill permit is in hand.

#### Improved access

Access to the site from downtown will be provided by a separated grade crossing of the railroad tracks. Currently the most favored site is a rail crossing at the eastern edge of the Municipality's leasehold which is approached from North C Street via a new road, Waterfront Drive. Christensen Drive would be extended to intersect with Waterfront Drive north of First Avenue. The combined Waterfront Drive/Christensen Drive access improvements are estimated to cost \$7,410,000.

#### Utilities

Utilities have been installed in the project area. The electrical service is not permanent, however, and no lateral water and sewer lines have been funded to the periphery of the leasehold. Installation of full electrical service the length (east-west) of the Ship Creek Point area would cost \$500,000. Lateral water and sewer lines into newly-filled portions of the site would cost \$250/lin. ft. or \$500,000 for four 500' runs.

#### Budget

Fill:	Between 500,000 and 957,000 cu. yd. (depending on rate)	\$5,000,000
Access:	Christensen/Waterfront Drive and ARR crossing	4,000,000
Utilities:	Permanent 34.5KV electrical	500,000
	Water and sewer laterals onto newly filled area	350,000
Mitigation:	Planning for sedge meadow enhancement and integration	220,000
<b>TOTAL</b>		<b>\$10,070,000</b>

REC'D FEB 28 1991



ANCHORAGE  
ECONOMIC  
DEVELOPMENT  
CORPORATION

February 25, 1991

Honorable Johnny Ellis  
Alaska House of Representatives  
PO Box V (MS 3100)  
Juneau, AK 99811

Dear Johnny:

Following is a brief report on the status of the Ship Creek Basin Development Project. After the Municipality approved the Request for Proposal in late November, it was printed and distributed. AEDC then solicited interested developers during January and February, and continues to do so.

On February 7 we held a pre-proposal meeting that was attended by representatives of several development groups. Among the most qualified and financially stable were: Enterprise Corp., Trillium Corp., and Skinner Development Company. The meeting attendees showed strong interest in the project. Our next step is to conduct two marketing trips to the Orient to solicit developers. We hope to maximize the tourism potential by providing a built-in market through the developer.

The proposals are due on August 1. Early indications are that we will have more than one substantial proposal for the project. We should have a developer on board by December 31, 1991.

We will keep you informed as this exciting project progresses.

Sincerely,

Scott E. Hawkins  
President

*P.S. As we discussed last month, it is AEDC's intention to remain alert for ways to include disadvantaged and minority-owned businesses and employees in this project.*



April 20, 1990

ANCHORAGE  
ECONOMIC  
DEVELOPMENT  
CORPORATION

Mr. Frank Turpin  
President  
Alaska Railroad Corporation  
P.O. Box 107500  
Anchorage, AK 99510-7500

Re: Ship Creek Basin Redevelopment

Dear Mr. Turpin:

This constitutes a letter of intent which sets forth in general terms the goals, process and structure of the agreement between the Anchorage Economic Development Corporation (AEDC) and the Alaska Railroad Corporation (ARRC) for the redevelopment of a portion of the Ship Creek Basin in Anchorage, Alaska.

It is anticipated that the details of both the process and the project will evolve by agreement as we proceed.

**GOALS.** The primary goal is to accomplish the redevelopment of and tourist oriented investment in the Ship Creek Basin on the South side of Ship Creek, west of the power plant dam to the shoreline of Cook Inlet. This will encompass land owned by ARRC and land leased by the Municipality of Anchorage (MOA) from ARRC. The redevelopment will be accomplished through a project developer selected by an RFP process and approved by ARRC and MOA.

**PROCESS OUTLINE.** The proposed process is:

1. Execute this letter of intent.
2. Form Project Committee
3. Solicit the input and support of civic organizations, such as Government Hill Community Council, Downtown Anchorage Association, Commonwealth North, Anchorage Chamber of Commerce, and Anchorage Convention and Visitors Bureau.
4. Obtain concept approval by MOA and commitment of its leasehold land, consisting of approximately 60 acres on the shoreline south of the mouth of Ship Creek, to AEDC for inclusion in the RFP process and this project.

550 West 7th Avenue  
Suite 1130  
Anchorage, AK 99501  
Telephone (907) 258-3700  
FAX (907) 258-6646

Mr. Frank Turpin  
April 20, 1990  
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5. Negotiate relocation agreements with existing tenants, other than MOA.
6. Negotiate Master Lease Options with ARRC and MOA for their respective land interests.
7. Pre-RFP consultation with regulatory agencies.
8. Pre-RFP public hearing.
9. Draft RFP and conduct additional public hearing.
10. Finalize RFP and obtain approval of ARRC and MOA.
11. Disseminate RFP to local, regional, national and international developers.
12. Recruit responses by qualified developers.
13. Review responses to RFP and select finalists.
14. Negotiation with developer(s).
15. Selection of successful proposal.
16. Approval of proposal and developer by ARRC and MOA.
17. Finalize and execute development agreement.
18. Assignment/transfer of Master Lease Options to developer.

PROPOSED ELEMENTS. The following have been identified as critical elements of portions of the project structure.

1. The Project Committee will be an AEDC committee which will consist of at least one member each from AEDC, ARRC and MOA. ARRC approval shall be required for persons selected for the committee. Decisions of the project committee must be unanimous.
2. The Master Lease Option must contain the following elements:

Mr. Frank Turpin  
April 20, 1990  
Page 3

- a. Development Incentives. It will provide for tax free financing of at least five million dollars per year for five years, subject to the requirements of federal and state law. It also may provide for lease rate reduction based on credits for capital investment in leasehold and/or subleasehold improvements associated with the project at ARRC discretion.
  - b. Transferability. The Master Lease Options to AEDC may be assigned or exercised upon final approval of the development agreement by ARRC and MOA.
3. The Development/Project Agreement shall afford opportunities for local small businesses to participate as sublessee owners and operators.

RECOGNIZED CONTINGENCIES AND TOPICS FOR DISCUSSION PRIOR TO DRAFTING RFP. The following list of contingencies and topics which must be addressed is not exhaustive, but serves as a guide for action:

1. The current users/lessees of property within the project and plan for dealing with them shall be identified.
2. The MOA must commit to inclusion of its leasehold acreage before execution of the Master Lease Option between AEDC and ARRC.
3. Environmental risks and concerns, both existing and related to project development shall be identified and a plan developed to address the same.
4. Railroad right of way requirements and safety concerns shall be identified.
5. Inventory and potential utilization of existing and presently proposed improvements within the project area must be evaluated.

AEDC DUTIES AND RESPONSIBILITIES. AEDC shall undertake the following at its own expense:

Mr. Frank Turpin  
April 20, 1990  
Page 4

1. Solicitation of MOA commitment of the Ship Creek land leased by MOA from ARRC to the project.
2. Office and administrative staff support to the Project Committee.
3. Preparation and issuance of the final RFP.
4. Recruitment of known potential developers to submit responses to RFP.

ARRC DUTIES AND RESPONSIBILITIES. ARRC shall undertake the following at its own expense:

1. Provision of accurate information regarding legal descriptions, existing leases and uses of ARRC land within the project.
2. Expeditious negotiation in good faith of Master Lease Option.
3. Provision of currently available information concerning identified existing or potential environmental hazards or risks within the project area.
4. Assistance and support in dealing with regulatory agencies and MOA.
5. Review and final approval of RFP.
6. Review and approval of final development agreement.

The parties acknowledge and agree that the foregoing allocation of duties and responsibilities is not complete. Other tasks and duties shall be identified and allocated in the course of the work of the Project Committee. Each party shall use its best efforts in accomplishing the goals set forth above.

COMPENSATION. AEDC shall be compensated for its successful efforts by and in such amount as it may receive from the developer for assignment/transfer of the rights of AEDC in the Master Lease Option(s). AEDC may be further compensated for any role which it fulfills in carrying out the development plan for the project, as provided in the development agreement.

Mr. Frank Turpin  
April 20, 1990  
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WAIVER OF CLAIMS. Without regard to the success or failure of the efforts of AEDC, ARRC agrees and hereby does release and waive any and all claims of whatsoever type or nature it hereafter may hold against AEDC, its directors, officers, employees or agents arising out of this project, other than those which arise from gross negligence or malicious and intentionally damaging actions. Likewise, and to the same extent, AEDC agrees and hereby does release claims it may hereafter hold against ARRC, its directors, officers, employees or agents arising out of this project.

TERMINATION. This agreement shall continue in force and effect for a period of not less than 18 months or the issuance of the final RFP and 12 months thereafter, whichever shall first occur. The parties may agree at any time to an extension of these time periods.

DISCLAIMER. AEDC cannot and does not guarantee that it will be successful in meeting the goals set forth herein. ARRC agrees and acknowledges that AEDC is not providing legal, tax or other professional advice to ARRC under this agreement and that the responsibility for securing such professional assistance is the responsibility of ARRC.

The parties agree that this letter shall constitute an effective agreement upon its execution by representatives of each corporation.

The staff of the Anchorage Economic Development Corporation looks forward to working with you on this project.

Very truly yours,

ANCHORAGE ECONOMIC DEVELOPMENT  
CORPORATION

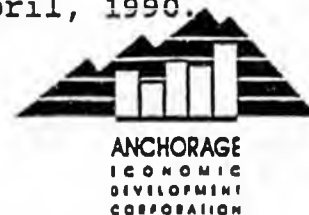
By: Scott E. Hawkins  
Scott E. Hawkins  
President

ACCEPTANCE

Accepted and agreed to this 26 day of April, 1990.

ALASKA RAILROAD CORPORATION

By: Frank Turpin  
Frank Turpin  
President



## MoA/AEDC OPTION AGREEMENT

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Option") is made and entered into by the Municipality of Anchorage, a municipal corporation under the constitution and laws of the State of Alaska, and the Anchorage Economic Development Corporation, an Alaska non-profit corporation ("AEDC").

Recitals

A. The Alaska Railroad Corporation and AEDC entered into a letter of intent dated April 20, 1990 concerning the Ship Creek Basin Redevelopment project, which among other things provided for negotiations of a master lease for real property of the Alaska Railroad within the boundaries of the project.

B. Said letter of intent also provided for AEDC to acquire and hold an option for said master lease pending the selection of a qualified developer and development plan.

C. An approximate 63.3 acre parcel of land included within the boundaries of the project is currently under lease by the MOA from the Alaska Railroad Corporation until September 2017, after which time the MOA has an option to renew that lease for an additional thirty-five years.

D. The letter of intent entered into by the Alaska Railroad Corporation and AEDC contemplates that the Ship Creek Basin

Redevelopment project is contingent upon the MOA agreeing to make its lease area available for inclusion in the process.

E. The MOA and AEDC have agreed that the MOA's lease area should be made available for inclusion in the Ship Creek Basin Redevelopment project through the granting to AEDC of an option for a sublease of that property on terms substantially similar to the option agreement negotiated between the Alaska Railroad Corporation and the AEDC.

F. The MOA and AEDC have negotiated the terms and conditions to be set forth in an option for a sublease and wish to reduce the same to writing.

Agreement

1. MOA hereby grants to AEDC an option to sublease that certain real property held by MOA in the Ship Creek Basin, Anchorage, Alaska, more specifically identified in Exhibit A attached hereto, on the terms and conditions hereinafter set forth.

2. MOA and AEDC acknowledge that material terms of the master sublease are not complete due to the process whereby a developer/sublessee is to be selected. This document is subject to further negotiations to accommodate specific requirements of the selected developer/sublessee. The master sublease which

results from the negotiation process as described in this Option and its attachments shall be contained in a document substantially similar to that attached as Exhibit B, and is referred to in this Option as the "Master Sublease".

3. The selection process mentioned in Paragraph 2 above is understood and agreed by the parties to be composed of the following:

a. This Option and the attached exhibits shall be part of a request for proposal (RFP) issued by the Ship Creek Basin Redevelopment Project Committee of AEDC. The MOA and AEDC expressly agree that this committee shall consist of a member of the Alaska Railroad, a board member of AEDC, a member of the Municipal Assembly, and the Mayor of the Municipality of Anchorage. The AEDC agrees to amend the composition of the committee stated on page 27 of the draft RFP to reflect this membership. Delegation of AEDC Ship Creek Project Committee members' voting authority is not authorized.

b. The Project Committee shall unanimously (4 out of 4) select a developer and negotiate a development plan and development agreement to which the developer, MOA and AEDC shall be signatories (the "Development Agreement"). The Development

Agreement shall contain an assignment of this Option and the material terms required to render the Sublease fully effective, such as the percentage of gross revenues to be paid by the developer/sublessee as rent.

c. Other changes to conform the Master Sublease with the approved development plan will be incorporated, e.g., deletion of specific properties as inappropriate to the project, if necessary, and the commencement date of the initial Sublease term to be followed by one renewal term of thirty-five (35) years, which will be subject to the MOA's termination right set forth in Paragraph 4 below.

d. The Development Agreement, the assignment of Option, and the Sublease itself shall not be effective until each has been approved by the Board of Directors of ARRC and the MOA.

4. Notwithstanding the foregoing, the Sublease shall contain provisions substantially incorporating the following concepts:

a. The initial term of the master sublease shall be until September 2017 and, should the MOA elect to exercise its option to renew the lease with the Alaska Railroad Corporation, be renewable upon the same terms and conditions for a renewal term of thirty-five (35) years. A right to terminate will be

reserved to MOA after the initial sublease term. In the event of such termination, Municipality of Anchorage shall compensate the developer/sublessee for the fair market value of its leasehold improvements. Developer/sublessee must give notice of renewal in writing not later than six (6) months prior to the expiration of the initial term or first renewal term, as applicable.

b. Annual rents shall be equal to the sum of the following:

(i) "Minimum Rent". Lessee shall pay to MOA with regard to the Municipality's developable waterfront lands, five percent of the established value of the lands. The established value of the filled portion of the leasehold shall be \$3.00 per square foot through 1996. After 1996, the established value will conform with the AEDC-ARRC master lease option agreement and the lease agreement between the Municipality and ARRC, with the latter agreement in the superior position with regard to conflicting provisions, subject to subsection (a) above. "Gross revenue percentage rent" and "penalty", if due, will be payable to the Municipality of Anchorage in addition to the "minimum rent" described in this Section.

(ii) That portion of the master sublease that applies to unfilled tidelands will be exempt from rent pay-

ments through 1996. After 1996, unfilled tidelands will be leased at a "minimum rent" consistent with the fair market value of unfilled tidelands, as determined lawfully by independent appraisal, until such time as the tidelands are filled. For example, if the fair market value of unfilled tidelands is established by independent appraisal to be \$1.00 per square foot, the base lease rate shall be five percent of that amount per year, or \$0.05 per square foot, minus any capital improvement credits the developer/sublessee may earn.

(iii) In no event shall sublessee pay to the MOA an amount less than that which the MOA is obligated to pay under the MOA/ARRC Ship Creek Point Lease.

(2) "Percentage Rent". Developer/sublessee shall pay to MOA as additional annual rent an amount which is a fixed percent of the gross revenues received by developer/sublessee from the real property which is subject to the Master Sublease. The percentage to be paid shall be set forth in the Development Agreement negotiated after evaluation of competitive responses to the RFP.

(3) "Penalty Rent". In the event that, by the beginning of the eleventh (11th) lease year, the developer/sublessee has failed to produce at least 50% of the

projected Percentage Rent presented in its response to the RFP for each of the preceding three (3) years, the developer/sublessee shall pay as Penalty Rent for the 11th lease year an amount equal to the then-current Minimum Rent without any deduction for capital improvement credit. For each year thereafter in which developer/lessee does not produce at least 50% of the Percentage Rent so projected for the 10th lease year, it shall pay as Penalty Rent an amount equal to the then-current Minimum Rent without any deduction for capital improvement credit. In all such cases, Penalty Rent is cumulative to the then-current Minimum Rental, and not in lieu thereof.

c. Capital improvement credits against rental due MOA shall be available to the developer/sublessee on the following basis:

(1) Sublessee shall receive annual capital improvement credits which shall be 5.0% of the direct capital construction costs paid during the prior year for projects consistent with the Development Agreement. Notwithstanding the foregoing, in no event shall the annual credit exceed 30% of Minimum Rent then in effect. Otherwise qualifying costs shall not be eligible for credit if they are paid for, directly or indirectly, with funds originating from grants from governmental entities, from general obligation government bonds, or any other

governmental source for which developer/sublessee is not obligated to repay.

(2) The developer/sublessee shall provide an accounting of the qualifying costs and fund sources within sixty (60) days of the close of the sublease year in which the costs were paid. MOA shall issue a credit within 15 days of receipt of the accounting. Such credit will be applied to any rents due at the time the credit is issued and to any future rents due for the then-current year. If no rents are or will be due for the current year, MOA shall refund to the developer/sublessee the amount of the credit within 10 days of issuance, unless MOA elects to require an audit as provided for in subparagraph (3) immediately below.

(3) MOA may require an audit at any time, conducted by the MOA Internal Auditor or the auditor's designee, of developer/sublessee's annual capital improvement cost report by written request made within 30 days of its receipt. Should the audit reveal an overstatement of capital improvement costs of five percent (5.0%) or more, then the developer/sublessee shall bear the expense of the audit; otherwise, MOA shall bear the full expense. Any discrepancy revealed by the audit shall be promptly corrected by the payment of additional rent by developer/sublessee or the issuance of additional credit by MOA, as applicable.

e. Developer/sublessee may assign the Lease only in compliance with the terms of the Development Agreement governing assignment and transfers of interest.

f. MOA will conduct an environmental site assessment for the property subject to this Option prior to execution of the Master Lease and will provide a copy of the results thereof to AEDC and developer/sublessee. The developer/sublessee may arrange for additional site assessment work at its expense and will be required to provide a copy of the results thereof to MOA. MOA will indemnify, hold harmless and defend developer/sublessee and AEDC against all liability, cost and expense (including without limitation any fines, penalties, clean-up costs, judgments, litigation costs and attorney's fees) incurred or levied against developer/sublessee or AEDC as a result of any pollution or environmental contamination upon or affecting the leased real property shown to have been caused after September 30, 1987 and prior to the date of the Master Lease whether such pollution or environmental contamination is revealed by the environmental assessment or is then unknown. This provision shall not require MOA to indemnify, defend or hold harmless developer/sublessee with respect to damages, claims or losses that developer/sublessee may sustain by reason of delay, loss of use or lost profits arising from matters within the scope of the foregoing. However, in the event that a portion of the property is rendered undevelopable for environmental reasons,

annual rents, to include minimum rents, will be reduced on a prorata basis. However, in no event shall the rent paid be less than that obligated by the MOA to the ARRC under its lease agreement.

5. The parties acknowledge that certain real property of MOA included in the proposed Master Sublease premises is now subject to enforceable leases, land use permits, and permits for roads and utilities. Land use permits and certain leases may contain provisions allowing for termination. During the term of this Option, MOA may enter into new contracts or renewals of contracts concerning the EDA Project No. 070103161 respecting any part of Tract A and such contracts will supersede this Option Agreement.

6. Except as hereinafter set forth, the Master Sublease shall operate to transfer to developer/sublessee all of the rights and powers of MOA as sublessor and permittor to such of those leases and permits in effect as of October 1, 1990, which remain in effect on the effective date of the Master Lease and which are selected by the developer/sublessee. Such transfer shall include, without limitation, the right and power to collect rents and terminate leases and permits, and developer/sublessee shall concurrently assume all obligations and duties of MOA as

sublessor thereunder. Developer/sublessee shall hold harmless, defend and indemnify MOA from any and all claims and actions arising from the developer/sublessee's exercise of its rights under this provision and its performance or failure to perform the duties and obligations assumed thereunder. Written notice shall be given to all sublessees and permittees affected by this provision.

7. The termination of any sublease or permit after October 1, 1990, shall not affect the Minimum Rent to be paid MOA pursuant to Paragraph 1(b) of this Option. No sublease entered into after October 1, 1990, shall be subject to developer/sublessee's election for transfer under paragraph 6 above. The developer/sublessee may negotiate with MOA for the transfer of such subleases, if any, and any consideration to be paid therefor shall be in addition to the Minimum Rent and Percentage Rent, unless otherwise agreed by developer/sublessee and MOA. This provision does not compel MOA to transfer such lease or leases to developer/sublessee.

a. ADEC shall have the following rights and interests under this Option and the subject Master Sublease.

a. The Master Sublease form attached as Exhibit B and this Option have been negotiated for the explicit purpose that

they be included in the RFP to provide essential information to interested entities.

b. This Option commits MOA to the terms set forth herein and as such should expedite negotiations with the developer selected by the Project Committee.

c. The parties acknowledge that it is not anticipated that AEDC will itself exercise the Option and AEDC agrees that it is not entitled to do so. However, it is anticipated and agreed that AEDC shall assign the Option to the developer selected by the Project Committee upon the successful completion of negotiations and that (1) AEDC will receive monetary consideration from the developer/sublessee ultimately chosen which will compensate AEDC for its costs incurred in connection with the project, and (2) AEDC may have a continuing role in the project as may be set forth in the approved development plan. The parties acknowledge that the monetary consideration referred to in subsection (1) above will compensate the AEDC for services and activities beyond those envisioned in the 1990 MOA-AEDC contract for Professional Services.

10. MOA acknowledges and agrees that AEDC has no possessory rights or control over the real property subject to the Lease and this Option and therefore agrees and promises to hold harmless,

defend and indemnify AEDC, its Board of Directors, the members of the AEDC Project Committee, and the officers and employees of AEDC, free from any and all claims which may arise from or in any way be related to the real property subject to the Master Sublease and this Option, including without limitation any and all claims and proceedings concerning environmental damage, pollution or harm. The foregoing indemnity shall not, however, extend to claims arising from preparation and dissemination of the RFP and the selection process, to the extent AEDC participates in the same.

11. Execution of the Development Agreement by AEDC, as limited by paragraph 3 of this option, and the developer shall constitute conditional assignment of this Option and notice of intent to exercise the Option. The Option shall be deemed to be exercised upon approval of the Development Agreement by the Board of Directors of ARRC and Mayor. Notwithstanding any other provision of this Option, the Master Sublease must be specifically approved by the MOA before the MOA is bound thereby. Failure of the parties to obtain approval of the Development Agreement or the Master Sublease, or both, shall constitute failure of condition, voiding the assignment.

12. This Option is effective when it has been duly executed by both parties and shall terminate if not exercised before December 31, 1991.

MUNICIPALITY OF ANCHORAGE

Dated: 11/27/90

Tom Fink  
Tom Fink  
Mayor of Anchorage

ANCHORAGE ECONOMIC DEVELOPMENT  
CORPORATION

Dated: 11/27/90

By: Scott E. Hawkins  
Scott Hawkins  
President

6:OPTION1-8

## SECTION 1 - INTRODUCTION

Anchorage, Alaska is celebrating its 75th birthday in 1990, reflecting on the three quarters of a century between its Tent City origins and the city which is now home to half of Alaska's population. In the flatlands around Ship Creek where the original tents were erected, the Alaska Railroad Corp. (ARRC) and the Anchorage Economic Development Corporation (AEDC) are planning for redevelopment of 120 acres of ground. Together they are soliciting private developers to create an integrated mixed-use commercial development using the waterfront and creekside property on the north side of Anchorage's downtown area.

Under agreements with the Alaska Railroad Corporation and the Municipality of Anchorage, the AEDC is soliciting developer proposals for improving the 120 acres of industrial and undeveloped waterfront property along Ship Creek. This competitive process is expected to culminate in a master lease of the property to the developer which best responds to this Request For Proposal.

The AEDC is encouraging major developers to examine the Ship Creek property, to propose specific uses and improvements in the area, and, if selected, to build the improvements. The specific elements of each proposal are expected to vary with each developer. However, studies conducted for the Original Townsite Project near the Chugach dam and for Ship Creek Point suggest that likely uses will be mixed and may include tourism, commer-

cial office and maritime activity and may ultimately involve a gradual expansion of the boundaries of downtown into the Ship Creek basin.

Anchorage has demonstrated an intense interest in and strong support for the Ship Creek redevelopment project. Over \$7 million has been invested in ground improvements in the Municipality's Ship Creek Point project, the western (and seaward) half of the total project area. Voters in 1987 approved a \$7.5 million general obligation bond issue to finance construction of a multi-purpose dock dedicated to cruise ship and other personnel intensive uses. And a 1990 Alaska Legislative grant made \$2.5 million available for site improvements in the project area including road and bridge construction.

Although no specific uses are mandated and developers are encouraged to submit creative proposals, there have been two land use studies conducted in the area over the past three years.

The 1988 Original Townsite Study was based on the premise that the Alaska Railroad's property next to Ship Creek could be used by tenants with a mixture of commercial and tourism interests. Glacier Brewery's planned "brew pub" and the pedestrian bridge across Ship Creek at the Chugach power plant dam exemplify the types of mixed commercial and tourism projects envisioned for the eastern end of the project area.

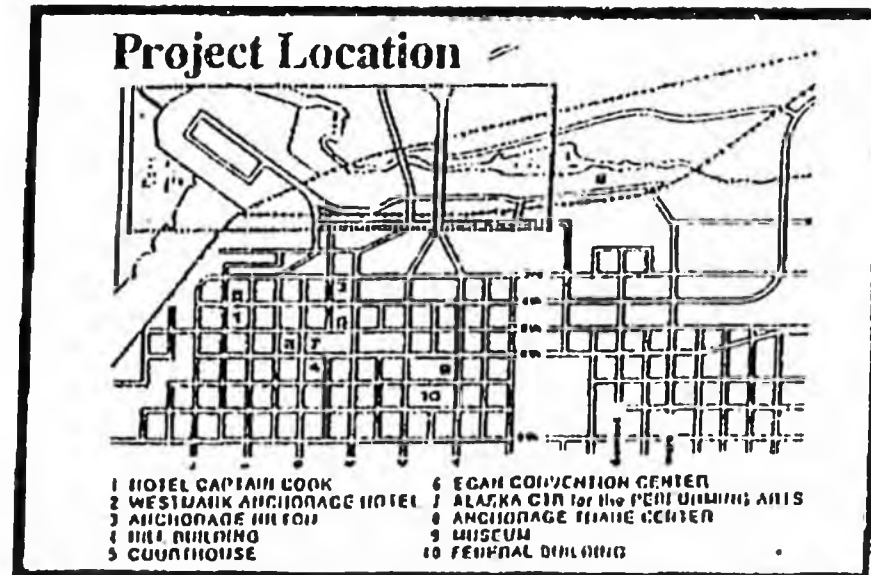
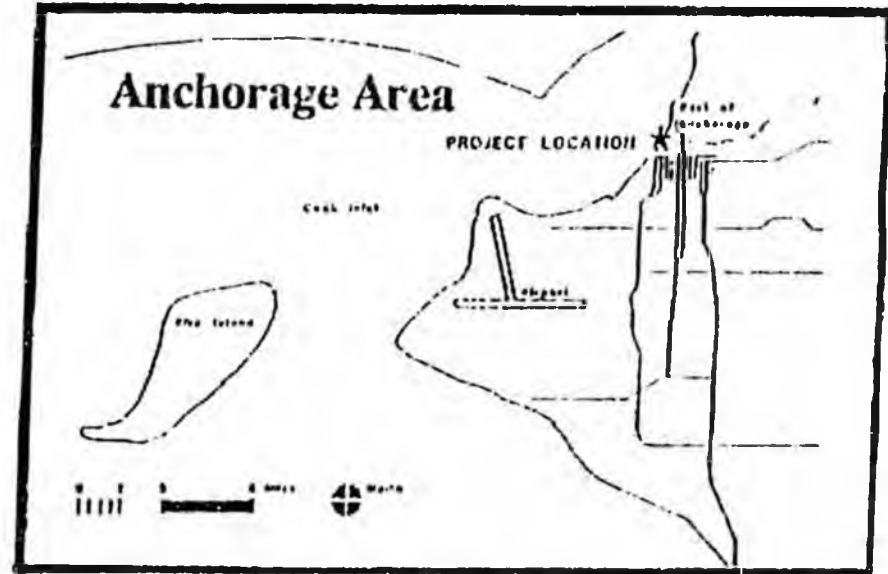
At the west end of the project site, the 1988 Port of Anchorage Ship Creek Concept Plan called for reinforcement of the waterfront site's maritime role and improved public access. The plan suggested phased-in improvements ranging from traditional boat storage facilities to a waterfront hotel, commercial office space and waterfront retail and restaurant concepts.

Urban waterfronts throughout the Lower 48 and in other parts of the world have been redeveloped in response to public interest in enjoying marine activities. Private commercial interests have been able to combine the public interest in waterfront access with commercial and tourism related activities, helping waterfront development pay its way.

The existence of 120 acres of available waterfront property near downtown is an unusual opportunity for a developer familiar with the difficulties of acquiring downtown waterfront parcels. The size of the parcel, its single owner and the desire of the Alaska Railroad and the community to see the property's use mature from industrial to commercial use heighten the project's potential for success. Using Anchorage's remarkable marine environment -- 30 foot tidal range, winter ice, beluga whales, bald eagles and king salmon runs -- imaginative waterfront developers will have ample raw material for creating a tourism destination that will attract local as well as visitor interest.

The developers who submit proposals in response to the AEDC's request for proposals will specify types of economic development projects for installation on the property. Developers

will be allowed ten months to review the project's potential, analyze its feasibility, define their own proposals and to submit their proposals to the AEDC. The process of selecting a master developer is expected to be completed in 1991.



## SECTION 2 - PROJECT SUMMARY

The project area is situated along Ship Creek on approximately 120 acres of ground between the Port of Anchorage and downtown. The historic role of the Ship Creek area as the city's first "anchorage," and as the original encampment of settlers and surveyors, gives the site a unique historical significance. However, the 30 foot tidal fluctuations of Cook Inlet and the topographic separation of the site from the downtown have left the property greatly underutilized. A physical and visual barrier between the city and its waterfront exists today along Ship Creek and Cook Inlet.

The property extends downstream on the south (downtown) side of Ship Creek from the Chugach Electric Utility dam to Cook Inlet. Roughly half of the property, 60 acres, is filled and lies upstream from the Municipality's Ship Creek Point project. Only 18.1 acres of the 61.4 acre Ship Creek Point parcel is filled; the balance is undeveloped tidelands.

Applications for filling the tidelands area have been filed and studies initiated to determine which additional tidelands may be filled. The study is to be completed in 1990.

Growing interest in Anchorage's unique waterfront results from four significant factors:

- The national trend toward waterfront involvement and commercial development has captured the imagination of Alaskans who visit other communities;

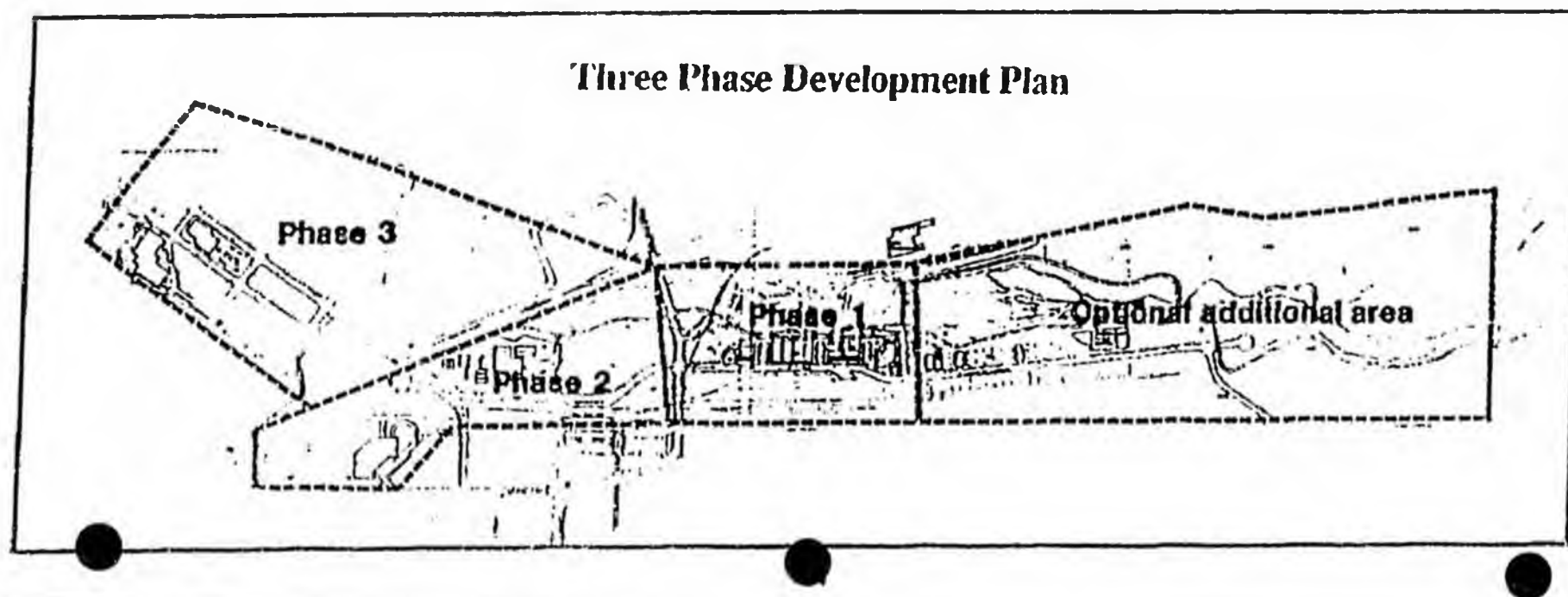
- Anchorage's enthusiastic response to its 13-mile Coastal Trail has ended the community's prior record of virtually ignoring its waterfront;
- The Port of Anchorage in 1988 created public access to Cook Inlet for recreational boating and sightseeing purposes; and
- The Alaska Railroad goal of enhancing real estate revenues by transitioning from industrial to commercial uses of certain properties. This long-term goal is defined in the Ship Creek/Waterfront Land Use Study (Appendix C).

Having served as the center of the city's industry and shipping, the Ship Creek basin is now being examined for its potential contribution to Anchorage's premier growth industries: tourism and recreation. Recent studies by the Municipality, including the Ship Creek Greenbelt Study (Department of Economic Development and Planning, 1988), the Ship Creek Concept Plan (Port of Anchorage, 1988) and the Phase 3 Coastal Trail Design Study Report (Capital Projects Office, 1987) have focused on the recreation and tourism potential of lower Ship Creek. With its proximity to the proposed multi-purpose dock, the Alaska Railroad Passenger Depot, Downtown Anchorage, and the trail network, Ship Creek is in a unique location to support the growth of tourism. Ship Creek basin is underutilized and is ready for a transition.

The property throughout the project area is owned by the Alaska Railroad. Current zoning is for heavy industrial use, but is expected to be rezoned into a new waterfront zoning classification in which commercial activities will gradually replace industrial uses.

A wide variety of uses are envisioned ranging from light industrial to commercial/retail and public open space and recreation. The cornerstone of the Original Townsite Study, the Glacier Brewery, is planned to be a public place for both tourists and residents, with opportunities not only for touring the facility but also for shopping, socializing, and dining. This area of Ship Creek, with the dam and popular fish ladder, is already a successful destination for tourists and residents in spite of its location in the heart of the industrial area.

Current studies seek to address the larger issues of access and development potential, as well as define the types of improvements which could be anticipated to enhance the area. An inclusive process of re-visualizing the area's potential while providing flexibility for expanding maritime needs was undertaken in 1989. The resulting Ship Creek/Waterfront Land Use Study is printed in Appedix C. The Municipal Department of Economic Development & Planning has reflected this study in new land-use maps for the Ship Creek area. Additional recent community planning work has reinforced the area's development potential and laid the necessary groundwork for private development.



# Existing Conditions

## Property Ownership

The project site is entirely owned by the Alaska Railroad Corporation, a semiautonomous agency of the State of Alaska. Surrounding ground is also owned by the Alaska Railroad. The Municipality of Anchorage's Port of Anchorage acquired a 61.4 acre lease of partially filled tidelands in 1987, which describe the seaward portion of the project area. A few small parcels within the project area have been leased to private concerns. A separate exhibit (Appendix B) describes present project site leases. It also describes in detail the net leasable area within the total project area.

The project area has been used for a variety of storage and industrial purposes over the 75 years it has been in the hands of the Alaska Railroad. While no contamination of the project is known or expected to be discovered, the Master Lease Option will include a section indemnifying the developer from cleanup and restoration expenses by the Alaska Railroad Corporation. The indemnification will apply to the Municipal leasehold prior to Municipal acquisition in 1987 and to the property held exclusively by the Alaska Railroad prior to execution of the Master Lease option.

## Project Zones

The total 120 acre project area is divisible into three general zones which the Alaska Railroad has designated as Phases 1, 2 and 3. Phases 1 and 2 are ready for immediate development. They lie in the eastern half of the project area, from the Ship Creek dam westward to the main rail line of the Alaska Railroad. The third zone, Phase 3 of the project, lies west of the Alaska Railroad's tracks and fronts on Cook Inlet. It has been leased to the Municipality for creation of its Ship Creek Point project. This Municipal project will be assimilated into the larger Ship Creek project once a developer for the entire project is selected.

## Current Infrastructure

The Phase 1 portion of the project was the beneficiary of a \$2.5 million grant to the Municipality of Anchorage from the Alaska Legislature in 1990. The \$2.5 million is intended to fund extension of Warehouse Avenue to North C Street and realignment of North C Street to a new crossing of Ship Creek at Whitney and Ocean Dock Roads. It also will finance installation of a pedestrian footbridge over Ship Creek across the existing Ship Creek dam. Private interests have already committed to install over \$5 million of improvements in the vicinity of the dam.

The Glacier Brewery will include a brew pub for resident and visitor enjoyment as well as facilities for brewing alcoholic and nonalcoholic beverages. The Alaska Railroad intends to relo-

cate a historic freight shed into the area and convert it to public meeting and exhibit space. Both of these structures will occupy key positions within the larger Ship Creek project area and represent revenue and interest in the project to spur expanded development. The Glacier Brewery lease will not be offered as part of the master lease resulting from this RFP although resourceful respondents may seek to negotiate an agreement with the Glacier Brewery concerns outside the parameters of this document.

The Alaska Railroad's historic depot and headquarters building is the centerpiece of the Phase 2 area of the project. Warehouse Avenue will be extended and pass through the Phase 2 area, connecting with the Phase 3 portion of the project on Cook Inlet. The passenger depot project is offered to proposers as an additive alternative which should be described separately following the guidelines identified in the sections concerning proposal requirements and selection criteria.

Within the Phase 3 area, an 18.1 acre pad with an all-tides boat launch ramp was developed in 1987-88. A boat storage area was created in 1989 and a vessel loading/unloading facility was developed in 1989-90. Using a mix of Port of Anchorage and grant funds, 34.5 kv electric service has been installed and 12 inch water and sewer lines have been constructed into the area. Telephone trunks providing 200 pair capacity are also in place in the Phase 3 area. A marine commercial/industrial facility estimated to cost \$1 million may be constructed on the Phase 3 pad in 1991.

The improvements to the existing pad on the Municipality of Anchorage's Ship Creek Point leasehold are part of a federal Economic Development Administration grant project. The improvements will facilitate marine industrial, commercial, recreational and tourism related uses and provide a distinct activity and atmosphere for the project area. It is the intent of the Municipality to operate the boating facilities of Ship Creek: boat launch, dock, boat storage area, maritime receiving area, and an industrial commercial building. If proposers seek to include the marine-related area within their proposals, an additive alternate proposal must be submitted in the same format as the Alaska Railroad historic depot, summarizing the proposed use in response to each of this RFP's requirements and selection criteria.

### **Surface Transportation**

Major and minor arterials, collectors and service access roads provide access to the entire project area at present. The extension of Warehouse Avenue westward, its proposed conversion into Waterfront Drive to provide access to the Cook Inlet frontage and the realignment of North C Street will improve significantly the traffic flow through the area. In addition, the existing Port Access Road, an elevated four-lane crossing of the project area, generates project area traffic from the north.

Peripheral access is available from Christensen Drive, E Street, Whitney Road, First Avenue and from Eagle Street via First Avenue.

## Infrastructure Financing

Provision of additional infrastructure in the vicinity of the project area will be dependent on a variety of factors. Proposals will reflect the nature of improvements proposed by private developers and will be expected to describe the attendant additional infrastructure which the developer proposes for public financing.

ARRC is a tax-exempt entity which enjoys tax-exempt financing benefits. ARRC's ability to obtain tax-exempt financing may or may not be available to the project. The AEDC/ARRC agreement also provides for lease rate reductions based on credits for capital investment in the leasehold.

The Municipality is also committed to including in its annual legislative request funding for infrastructure improvements which are requested by the developer and which conform to the Municipality's interests. Conventional forms of infrastructure financing such as road improvement districts are also available. Finally, \$5.5 million of general obligation bonding authority remains for construction of improvements to the Ship Creek Point area.

## Selection Schedule

- Public Information program - June 25 - Aug. 10, 1990
- RFP public comment - Aug. 10 - Oct. 1, 1990
- Distribute RFP - beginning Dec. 10, 1990
- Pre-Proposal Meeting - Feb. 7, 1991.
- Proposal Submittal Deadline - Aug. 1, 1991.
- Proposal Review and Ranking - Aug. 1 - Oct. 1, 1991.
- Contract negotiation - Oct. 1 - Nov. 1, 1991.
- Proposal Recommendation - Nov. 1, 1991.
- Approval of Recommendation - Dec. 1, 1991.

Downtown Community Council  
145 West Sixth Avenue  
Anchorage, Alaska 99501



(907) 279-5293

March 5, 1991

Senator Pat Pourchot

Dear Pat,

The Downtown Community Council encourages you to find and appropriate the \$10.07 million requested by the city in its 1991 legislative request package for the Ship Creek Development.

The utilities and access improvements to the site are a necessary and logical next step. It is my hope that the coastal trail will be extended out to the end of the Ship Creek promontory and that this money will also be used to study and implement access from Government Hill to the coastal trail and to further development of bike paths on the Ship Creek "Greenbelt."

Sincerely,

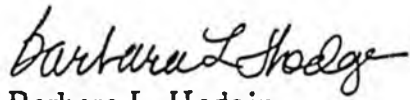
Peter Roberts  
Downtown Community Council



RESOLUTION

Government Hill Community Council  
January 17, 1991

The Government Hill Community Council endorses the Municipality of Anchorage request for \$10.07 million for light industrial and tourism-related improvements to Ship Creek Point, consistent with the Anchorage Economic Development Corporation's request for proposals of December 1990.



Barbara L. Hodgin

President

January 17, 1990

*Barbara L. Hodgkin 100 E. Cook Anchorage, Alaska 99501*

February 28, 1991

Senator Pat Pourchot  
P.O. Box V  
Juneau, Alaska 99811

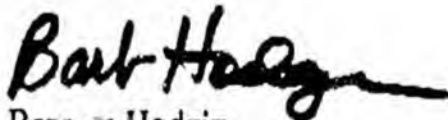
Dear Senator Pourchot,

I'm writing to express my interest in the Ship Creek development, and the Municipality's request for funds for fill, access, utilities and studies of alternatives for environmental mitigation at Ship Creek. I support this phase of Ship Creek redevelopment.

My neighborhood has a keen interest in how that area develops. We continue to hope that as the area evolves, it will focus on light industrial and commercial use. I was dismayed to see the Municipality lose interest in the cruise ship dock at Ship Creek Point. I think the development on the south side of the creek and at the point will ultimately be a good place to extend the coastal trail and provide direct link-up of Government Hill to the city trail system.

Lots of people have ideas about what we should do at the creek. I've heard some pretty loony ideas over the last couple of years. This request seems reasonable and it's a base for future improvement. Thanks.

Sincerely,



Barbara Hodgkin  
100 E. Cook  
Anchorage, Alaska 99501  
272-0168

**South Addition Community Council  
Resolution  
Feb. 28, 1991.**

WHEREAS the South Addition Community Council has been presented information on the Ship Creek Waterfront Development Project; and

WHEREAS the Ship Creek Project creates an urban waterfront development which complements adjacent neighborhoods and supports a strong downtown commercial core; and

WHEREAS the Anchorage Assembly, neighborhood organizations and individuals throughout the Anchorage area eagerly await the improved waterfront access, activities and amenities which are central to the project; and

WHEREAS Anchorage's Ship Creek Waterfront Development Project will bring to Alaska, to Anchorage and to the center of our community new marine and tourism related business and employment; and

WHEREAS expansion of traditional industrial port activity for the Port of Anchorage is expected to be directed toward undeveloped tidelands adjacent to the Port, freeing the Ship Creek waterfront for personnel intensive waterfront uses; and

WHEREAS the Ship Creek Waterfront Development Project is a cooperative economic development project supported financially and politically by the private sector, the Alaska Railroad, the State of Alaska and the Municipality of Anchorage; and

WHEREAS the Legislature has before it a request for appropriation of \$10.07 million to fund fill, access, utilities and environmental improvements; and

WHEREAS funding improvements to the property will assist in attracting high-quality development proposals designed to expand Alaska's and Anchorage's economic base in tourism and marine-related commerce; and

WHEREAS significant interest in developing the project was shown by numerous substantial developers at the Feb. 7, 1991 pre-proposal conference sponsored by the Anchorage Economic Development Corporation; and

Now, therefore, be it resolved that the South Addition Community Council supports the \$10.07 million appropriation of funds in support of the Ship Creek Waterfront Development Project; and

Further be it resolved that the South Addition Community Council encourages all legislators to support the appropriation in consideration of the employment, marine and tourism expansion and other economic activity the project is expected to attract.

*171*  
*William H. ...*  
*Feb 28, 1991*

# Events™

March 1, 1991

To whom it may concern:

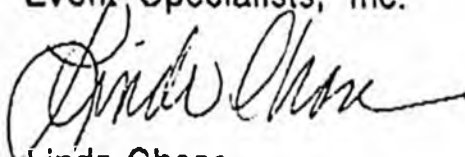
As a member of the Board of Directors of the Downtown Anchorage Association and as a person who lives and works Downtown, I feel the development of the Ship Creek Waterfront project is important for both the economy and the expansion of tourism in Anchorage and Alaska.

The Ship Creek Waterfront Development Project will bring significant benefits to our community. Improved waterfront access, new developments, amenities and tourism, and thus jobs, are just a few of these benefits.

I ask you to support the \$10.07 million appropriation to fund fill, access, utilities and environmental improvements of the Ship Creek Waterfront Development Project. Thank you.

Respectfully yours,

Event Specialists, Inc.



Linda Chase  
President

Event Specialists, Inc.  
101 EAST THIRD AVENUE  
ANCHORAGE ALASKA 99501 USA  
1901 276 2287

Suzan Nightingale McKay

Feb. 28, 1991

Dear Senator Paurchot,

I'd like to add my voice in support of the appropriation for Ship Creek Development. Tourism is the real longterm economic future of Alaska, and a waterfront project would pay dividends long after the oil runs out.

A waterfront attraction would also serve as an important anchor for Downtown - witness the heavy use and popularity of our other coastal attraction, the Coastal Trail!

Alaskans, as well as tourists, would enjoy - and benefit from - scenic business activity along the waterfront all year around. This resource has been dormant for too long.

It's interesting to note that yesterday, a ceremony was held in San Francisco. Rather than repair the waterfront Embarcadero Freeway, which was damaged by earthquake in 1990, the city is tearing it down - to enhance waterfront development.

No one knows better than San Franciscans the importance of cultivating and enhancing a city's waterfront. Please encourage your colleagues to support this appropriation - not as a giveaway, but as an investment.

Thank you for your attention to this matter.

Suzan Nightingale McKay

P. 05

9872789967

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BRENNAN

BRENNAN inc.

PUBLIC RELATIONS COUNSELORS  
711 H Street, Suite 620, Anchorage, Alaska 99501  
(907) 276-1397, FAX (907) 276-7907

March 5, 1991

The Honorable Pat Pourchot  
Alaska State Senate  
Box V  
Juneau, Alaska 99811

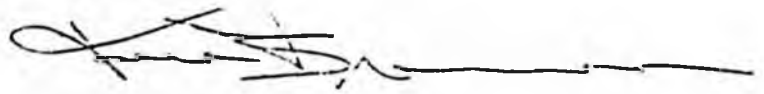
Dear Senator Pat:

I am a new resident of Government Hill, moving to 313 West Harvard Avenue in December after 20 years in Bootleggers Cove and Inlet View. Because of my address change, I have become intensely aware of and interested in the prospects for future use of the Ship Creek and Alaska Railroad industrial area. I am also a member of the Board of Directors of the Anchorage Convention & Visitors Bureau and have a long-standing interest in tourism and the potential that visitors hold for Anchorage and Alaska.

Please support the Ship Creek Project. I can think of nothing that would be more beneficial to the people of our district and the Anchorage public than conversion of the Ship Creek Valley to a tourist and small business area, with limited industrial activity. I have nothing against industry--my own house was one of the railroad cottages built in 1915--but the highest and best use of that area is for tourist, commercial and recreational activities. Right now the railroad and industrial yards divide downtown Anchorage from the port, Government Hill and Elmendorf; if the area were put to its best use it would serve a unifying purpose tying the entire community together.

I walk my dog every day to Brown's Point Park and unfailingly look down on the Creek with the feeling that the Ship Creek area has the same potential as the most delightful tourist areas of Seattle and San Francisco. I realize you face some difficult decisions this year and will only be able to fund projects with the highest priority. Please consider the Ship Creek Project for inclusion on that short list. It would be an investment which will bring great returns and one for which our children and grandchildren will be grateful.

Sincerely,



Tom Brennan

March 4, 1991


Senator Pat Pourchot  
PO Box V  
Juneau, Alaska 99811

Dear Senator Pourchot,

I'm writing in support of the evolution of the Ship Creek Basin towards a more people friendly place. A legislative appropriation of \$10.07 million to seed this process has been included in Anchorage's 1991 legislative request. I encourage you to carefully review this proposal and find within you the vision of a more kind and gentle downtown.

I have lived in Anchorage for 14 years with the last 5 as a home owner on Government Hill. Like many of my neighbors, I am sensitive to the architectural rhythms of this city. It is very clear to me that the heavy industrial scene that currently exists along Ship Creek limits the viability and human character of all that it adjoins. However, this Development Initiative has the potential to be more than just a cultural water shed. It offers the possibility of a lasting unique contribution to the economy of Anchorage. I strongly endorse this type of Government spending. I will be in Juneau on the 12th of this month with the Civic Action group from my office. I look forward to meeting with you then and to hear your thoughts on this issue.

Sincerely



Stephen Gerlek  
816 Colwell Street  
Anchorage, Alaska 99501

MUNICIPAL RESOLUTION AR 90-172  
ENDORSING PROCESS

Submitted by: Assemblymembers Porter, Flynn  
Begich, Campbell, Dyson, Faulkner  
Barnett, Evans and Kubitz

Prepared by: Assembly Budget Analyst  
For reading: June 19, 1990

APPROVED

Date: 6-19-90

ANCHORAGE, ALASKA  
AR NO. 90-172

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY TO FACILITATE DEVELOPMENT OF ALASKA RAILROAD PROPERTIES IN THE SHIP CREEK BASIN AND WATERFRONT BY INCLUDING LANDS LEASED BY THE MUNICIPALITY IN A DEVELOPMENT PROCESS INITIATED BY THE ALASKA RAILROAD AND THE ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION AND BY OFFERING CERTAIN MUNICIPAL INCENTIVES

WHEREAS, a consensus has emerged in Anchorage on developing Ship Creek Point and redeveloping the Ship Creek Basin on the south side of Ship Creek for tourism-oriented, pedestrian-friendly uses as described in the Ship Creek Concept Plan and the Original Townsite Study; and

WHEREAS, the goals of the Ship Creek Concept Plan reinforce the maritime aspects of the site; encourage commercial and recreational development, and enhance public access to the area; and

WHEREAS, implementing the goals of the Ship Creek Concept Plan and the Original Townsite Study would improve the quality of life for Anchorage residents, especially those in nearby neighborhoods, by improving scenic values in the area and giving residents better access to the Anchorage waterfront; and

WHEREAS, tourism-oriented investment in the area would improve the number and quality of available visitor attractions in Anchorage enhance Anchorage's appeal as a visitor destination and create new jobs and expand the tax base of the Municipality, generating additional annual tax revenue; and

WHEREAS, the voters of Anchorage and the Alaska Legislature have committed \$7.5 million and \$2.5 million, respectively, to infrastructure development in the area to encourage tourism facilities investment and to provide for resident uses; and

WHEREAS, the Alaska Railroad and Glacier Brewery have both made commitments to undertake the first tourism-oriented redevelopment in the ship Creek Basin, the "Original Townsite" project which is expected to result in private investments in excess of \$5 million by the end of 1991; and

WHEREAS, the Municipal Department of Economic Development and Planning has conducted a public land use planning process through its Waterfront Development Task Force and intends to prepare a coastal management "Area Meriting Special Attention (AMSA)" Plan for the Ship Creek Basin to clarify plans and waterfront development permitting; and

WHEREAS, public and private interest in and plans for the Ship Creek Basin have developed sufficiently to attract private developers through an open solicitation in order to facilitate a long-term schedule of private investment, with a coherent theme and master plan, as well as provide opportunities for local developers to participate in the development; and

WHEREAS, attracting a qualified private developer may reduce the need for public development funds in the Ship Creek Basin over the long term; and

WHEREAS, the Alaska Railroad Corp. (ARRC), the owner of the land on the south side of Ship Creek

1 and the lessor to the Municipality of the Ship Creek Point waterfront lands, has entered into an agreement with the  
2 Anchorage Economic Development Corp. (AEDC) for the purpose of initiating a request for proposal (RFP) process  
3 designed to attract a master developer who is willing and able to create a high-quality, mixed use tourism and  
4 commercial development that links downtown Anchorage to the waterfront; and  
5

6 WHEREAS, the agreement is contingent upon the Municipality of Anchorage agreeing to make its lease  
7 area available for inclusion in the process.  
8

9 NOW, THEREFORE, the Anchorage Municipal Assembly resolves:  
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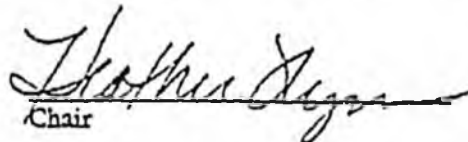
11 Section 1: That the Municipality of Anchorage hereby agrees to participate in the ARRC-AEDC  
12 development process with the understanding that it will have the opportunity to review and approve the RFP prior  
13 to its issuance and that it will review and approve the development agreement that is negotiated with the successful  
14 respondent.  
15

16 Section 2: That the Municipality will cooperate in the following ways:  
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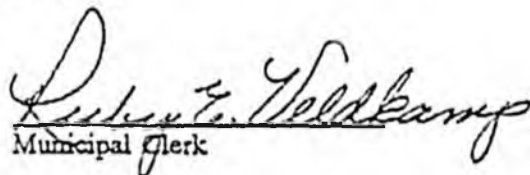
- 18 1. Let a master lease to the successful respondent to the RFP on substantially the same terms and  
19 conditions and for the same lease rate through 1996 as the master lease ARRC negotiates with the  
20 same successful respondent. In the alternative, and if necessary and prudent, the Municipality is  
21 willing to consider renegotiating and/or relinquishing all or parts of its 61.4 acre waterfront lease  
22 with ARRC.  
23
- 24 2. Provide gravel from the Municipal landfill to the project at no cost, provided that the developer  
25 or the contracting agency arranges for excavation and transportation. .  
26
- 27 3. If necessary and prudent, provide Municipal revenue bonding to the successful respondent to  
28 complement ARRC's offer of tax free financing, provided that the proposal meets prudent fiscal  
29 guidelines.  
30
- 31 4. Provide property tax incentives on those new facilities that are intended to directly serve the  
32 visitor market, that do not directly compete with other similar Anchorage businesses, and that  
33 meet the other requirements of AO 89-123(S).  
34
- 35 5. Include project infrastructure that is identified in the final development agreement in the  
36 Municipality's annual C.I.P. request to the Alaska Legislature.  
37
- 38 6. Complete the Ship Creek Basin "Area Meriting Special Attention (AMSA)" Plan and submit it to  
39 the appropriate State and Federal offices by October 1, 1990.  
40
- 41 7. Coordinate waterfront development permit application and implementation activities throughout  
42 the AMSA Plan area for public and private applicants, including the successful respondent to the  
43 AEDC solicitation.  
44

45 Section 3: That the above commitments represent a substantive and long-term commitment by the  
46 Municipality to work with ARRC and AEDC to improve the Ship Creek Basin, a process that may ultimately lead  
47 to the relocation of a portion of ARRC's Ship Creek railyards to Birchwood and the relocation of the Port of  
48 Anchorage to Fire Island.  
49

PASSED AND APPROVED by the Anchorage Assembly this 19 day of June, 1990.

  
Chair

ATTEST:

  
Municipal Clerk

JGR:eg  
DOCB/AR35

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MUNICIPAL RESOLUTION AR 90-282  
ENDORISING RFP

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APPROVED  
Date: 11-27-90

Submitted by: Chairman of the Assembly  
at the Request of the Mayor  
Prepared by: Enterprise Activities  
For Reading: November 27, 1990

ANCHORAGE, ALASKA  
AR NO. 90-282(S-1)

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY APPROVING A REQUEST FOR PROPOSALS TO QUALIFIED WATERFRONT DEVELOPERS FOR THE PURPOSE OF SELECTING A DEVELOPER TO IMPLEMENT A MIXED USE DEVELOPMENT ENCOMPASSING OVER 100 ACRES OF DEVELOPABLE WATERFRONT AND INDUSTRIAL LAND IN THE SHIP CREEK BASIN

WHEREAS, the Municipality of Anchorage has agreed to participate in and encourage the development and redevelopment of lands in the lower Ship Creek Basin for tourism-oriented, pedestrian-friendly commercial and maritime uses; and

WHEREAS, the involvement of the Municipality includes offering a master sublease of its 63.3 acre waterfront lease it currently holds with the Alaska Railroad Corp. (ARRC) in combination with upstream ARRC lands, preparation and submission of an "AMSA" plan; and

WHEREAS, the Anchorage Economic Development Corp. (AEDC) has prepared a "Request for Proposal" (RFP) and has negotiated a master lease option with ARRC pursuant to AR 90-172; and

WHEREAS, the AEDC has negotiated an option agreement with the Municipality; and

WHEREAS, the RFP and associated master lease option has been duly approved by the Board of Directors of ARRC and AEDC.

Then be it Therefore Resolved that the Municipality of Anchorage hereby:

Section 1: Approves for issuance of the revised AEDC Request for Proposals and gives authorization to AEDC to distribute and market same to potential respondents.

Section 2: Agrees to include in its 1991 capital projects request to the Alaska Legislature the sum of \$10 million for tidelands fill and road and bridge access to the project from downtown Anchorage.

3  
4  
5 Section 3: Agrees to let a sublease to the successful respondent to  
6 the RFP on substantially the same terms and conditions described in the  
7 option agreement between AEDC and the Municipality.  
8  
9

- 10 a. The master sublease let by the Municipality must conform to the  
11 Municipality's lease agreement with ARRC that applies to Ship  
12 Creek waterfront lands, as the lease exist when the master sublease  
13 between the Municipality and the developer/lessee is executed.  
14  
15 b. The "minimum rent" described in Section 4.b(1) of the AEDC - ARRC  
16 master lease option agreement shall, with regard to the  
17 Municipality's developable waterfront lands, be assessed at the  
18 rate of five percent of the established value of the lands. The  
19 established value of the filled portion of the leasehold shall be  
20 \$3.00 per square foot through 1996. After 1996, the established  
21 value will conform with the AEDC - ARRC master lease option  
22 agreement and the lease agreement between the Municipality and  
23 ARRC, with the latter agreement in the superior position with  
24 regard to conflicting provisions, subject to subsection (a) above.  
25 "Gross revenue percentage rent" and "additional rent" if due, will  
26 be payable to the Municipality of Anchorage in addition to the  
27 "minimum rent" described in this Section.  
28  
29 c. That portion of the master sublease that applies to unfilled tide-  
30 lands will be exempt from rent payments through 1996. After 1996,  
31 unfilled tidelands will be leased at a "minimum rent" consistent  
32 with the fair market value of unfilled tidelands, as determined  
33 lawfully by independent appraisal, until such time as the tidelands  
34 are filled. For example, if the fair market value of unfilled  
35 tidelands is established by independent appraisal to be \$1.00 per  
36 square foot, the base lease rate shall be five percent of that  
37 amount per year, or \$0.05 per square foot, minus any capital im-  
38 provement credits the developer/sublessee may earn.  
39  
40 d. However, in no event shall the rents paid to the Municipality be  
41 less than that required to be paid by the MOA to ARRC under the  
42 original lease.  
43

44 Section 4: Agrees that notwithstanding any other section of this reso-  
45 lution that the Municipality will abide by the terms of the EDA grant and  
46 will retain the lands necessary to assure development and maintenance of  
47 the boat ramp, boat docks, marine receiving area, storage area, and the  
48 new industrial/commercial building. The Municipality will abide by the  
49 requirements of Special Condition No. 8 of the EDA grant.

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Section 5: Agrees that public access to Ship Creek Point be maintained to protect the public's right to open access to navigable waters.

Section 6: This resolution is effective upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this 27th day of November, 1990.

Jim Kufity  
Chair

ATTEST:

Ruby E. Tullkamp  
Municipal Clerk

*AK Dept of Commerce*

# ECONOMIC DEVELOPMENT

## AEDC seeks support in Juneau for area

*By Scott Hawkins and Catherine Palmer  
Anchorage Economic Development Corp.*

In the early stages of Alaska's 17th Legislature, the Anchorage Economic Development Corp.'s (AEDC) economic development projects for 1991 appear to have garnered some early bipartisan support. The support comes from both houses of the Legislature as well as from the Hickel administration and the municipality.

This broad, bipartisan support for AEDC's agenda is encouraging in two respects. First, it shows wide recognition of the importance of aggressive but prudent economic expansion initiative. Second, it suggests that Anchorage legislators are more and more cognizant that "areawide" appropriations for economic development project infrastructure will become increasingly important in years ahead. That is, as budgets grow tighter and the need for economic diversification intensifies in the future, areawide appropriations will need to absorb a substantial amount of Anchorage's



Photo by Danny Daniels  
Rep. Kay Brown

available capital project monies.

To foster economic diversification in 1991, AEDC has made four requests to the Alaska Legislature. These include three capital projects — Ship Creek basin redevelopment project, Old Seward/East 70th road improvement district (RID) and a proposal for a Glacier/Winnet Creek development planning and feasibility analysis — plus a proposal for reform of Alaska's worldwide unitary method of taxation.

### Ship Creek Redevelopment

- Goal: To attract a qualified urban waterfront development team to undertake a major tourism-oriented project in the Ship Creek basin.

- Benefits: An estimated investment in the range of \$50 million to \$100 million over five years, and 300 to 500 permanent new jobs.

- Needs: Public infrastructure improvements, including access, tidelands fill, and utilities.

- Proposal: To provide \$10 million of the infrastructure needs with a 1991 appropriation, and the balance in 1992 or later. This will be an essential element of attracting a strong development proposal, and will allow the project to break ground in the 1992 construction season.

Securing a \$10 million areawide appro-



Photo by David Predeger  
Sen. Drue Pearce

priation for the Ship Creek redevelopment project is AEDC's top priority. This project is currently number one on the municipality's economic development request list to the Legislature. The project is also supported by members of the Hickel Administration, including the Department of Transportation, the Alaska Railroad Corp., and the Department of Commerce and Economic Development.

In addition, the Ship Creek redevelopment project appears to have bipartisan support in the Legislature. The chairman of the House Rules Committee, Rep. Johnny Ellis, may introduce a special appropriations bill for the Ship Creek basin project in mid-February. Support in the Senate is being led by AEDC board delegate Sen. Drue Pearce.

### Old Seward/East 70th RID

- Goal: To complete a "road improvement district" funding plan that will allow a local seafood processor to gain federal certification to tap new markets.

- Benefits: Estimated investment of about \$2 million, creation of 35 new jobs, improved business climate for several small businesses in the area, and improved road and lighting conditions for residents in the area.

- Needs/Proposal: The total project is



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HB

152

**HOUSE COMMITTEE REPORT**

(7)

Date Referred: February 20, 1991

FURTHER REFERRALS:

HES  
Finance

Date of Committee Action: 3-7-91

The LABOR AND COMMERCE Committee considered:

HB 152

HOUSE BILL NO. 152

ESTAB. ALASKA STATE HOUSING COMMISSION

"An Act relating to housing; creating the Alaska State Housing Commission and setting out duties; providing that the Alaska State Housing Commission is the governing body of the Alaska State Housing Authority and the Alaska Housing Finance Corporation; repealing the boards of directors of the Alaska State Housing Authority and the Alaska Housing Finance Corporation; and establishing the Alaska housing trust fund within the Alaska Housing Finance Corporation."

RECOMMENDATIONS:

be replaced with CS HB 152 (L+C)  the same title  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact Commerce + Econ Dev

fiscal note(s) \_\_\_\_\_

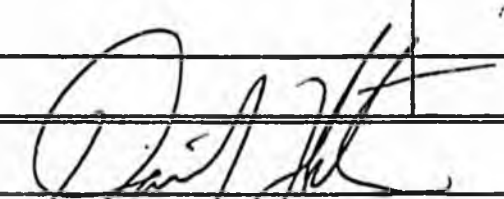
zero fiscal note \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

	Check appropriate column:	Do Not Pass	No Rec	Amend
<del>Henry P. ...</del> → Rep. Farnell				✓
<del>...</del> E. ...			✓	
Al M. ...	Alvin I. Taylor		✓	
Dan ...				

  
Chairman's Signature

**STATE OF ALASKA  
1991 LEGISLATIVE SESSION**

**BILL NO. HB 152**

Revision Date: \_\_\_\_\_ Department Affected: Alaska State Housing Authority

Title: An Act relating to housing, creating the Alaska State Housing Commission BRU: \_\_\_\_\_

Sponsor: Brown Component: \_\_\_\_\_

Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 

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**Expenditures/Revenues: (Thousands of Dollars)**

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	30.2	31.7	33.3	35.0	36.8	38.6
TRAVEL	37.4	39.3	41.2	43.3	45.5	47.7
CONTRACTUAL	1.0	1.1	1.2	1.3	1.4	1.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>68.6</b>	<b>72.1</b>	<b>75.7</b>	<b>79.6</b>	<b>83.7</b>	<b>87.8</b>
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	68.6	72.1	75.7	79.6	83.7	87.8
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>68.6</b>	<b>72.1</b>	<b>75.7</b>	<b>79.6</b>	<b>83.7</b>	<b>87.8</b>

**POSITIONS:**

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

**ANALYSIS:** (Attach a separate page if necessary.)  
 See attached: Assumptions 1) Board members would be appointed from Juneau, Anchorage, Fairbanks, Nome and Bethel. 2) Six (6) meetings would be held annually in Juneau, Fairbanks, Bethel and three (3) in Anchorage. 3) 5% inflation per year. 4) Clerk Typist would support Board activities and distribution of Board materials.

Prepared By: \_\_\_\_\_ Phone: \_\_\_\_\_

Division: Alaska State Housing Authority Date: March 4, 1991

Approved by Commissioner: CLEWCOOS [Signature] Sec. Asst. [Signature]

Agency: \_\_\_\_\_ Date: \_\_\_\_\_

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

HB 152

Alaska State Housing Authority Board of Directors Meeting  
Estimated Board Of Directors Travel Costs

Board of Directors Meeting Locations	Bethel		Fairbanks		Juneau		Anchorage		Anchorage		Anchorage		Total Travel & Per Diem
	Travel	Per Diem	Travel	Per Diem	Travel	Per Diem	Travel	Per Diem	Travel	Per Diem	Travel	Per Diem	

Commission Members  
Home Locations

Juneau	\$772	\$300	\$554	\$300	\$0	\$100	\$436	\$200	\$436	\$200	\$436	\$200	
Juneau	\$772	\$300	\$554	\$300	\$0	\$100	\$436	\$200	\$436	\$200	\$436	\$200	
Juneau	\$772	\$300	\$554	\$300	\$0	\$100	\$436	\$200	\$436	\$200	\$436	\$200	
	\$2,316	\$900	\$1,662	\$900	\$0	\$300	\$1,308	\$600	\$1,308	\$600	\$1,308	\$600	\$11,902

Banking Industry

Anchorage	\$422	\$200	\$300	\$200	\$436	\$200	\$0	\$100	\$0	\$100	\$0	\$100	
Anchorage	\$422	\$200	\$300	\$200	\$436	\$200	\$0	\$100	\$0	\$100	\$0	\$100	
	\$844	\$400	\$600	\$400	\$872	\$400	\$0	\$200	\$0	\$200	\$0	\$200	\$4,116

Special Housing

Anchorage	\$422	\$200	\$300	\$200	\$436	\$200	\$0	\$100	\$0	\$100	\$0	\$100	
Bethel	\$0	\$100	\$674	\$300	\$772	\$300	\$422	\$300	\$422	\$300	\$422	\$300	
	\$422	\$300	\$974	\$500	\$1,208	\$500	\$422	\$400	\$422	\$400	\$422	\$400	\$6,370

Public Members

Juneau	\$772	\$300	\$554	\$300	\$0	\$100	\$436	\$200	\$436	\$200	\$436	\$200	
Fairbanks	\$674	\$300	\$0	\$100	\$554	\$300	\$300	\$200	\$300	\$200	\$300	\$200	
Anchorage	\$422	\$200	\$300	\$200	\$436	\$200	\$0	\$100	\$0	\$100	\$0	\$100	
Nome	\$736	\$300	\$596	\$300	\$860	\$300	\$562	\$300	\$562	\$300	\$562	\$300	
	\$2,654	\$1,100	\$1,450	\$900	\$1,850	\$900	\$1,298	\$900	\$1,298	\$900	\$1,298	\$900	\$15,148

Totals:	\$6,236	\$2,700	\$4,686	\$2,700	\$3,990	\$2,100	\$3,028	\$2,000	\$3,028	\$2,000	\$3,028	\$2,000	\$37,436
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# Alaska State Legislature

## HOUSE OF REPRESENTATIVES

Official Business

P.O. Box V  
State Capitol  
Juneau, Alaska 99811

TO: Representative David Finkelstein, Chair  
House Labor and Commerce Committee

FROM: Representative Kay Brown

DATE: March 4, 1991

SUBJ: HB 152/153 — Alaska Housing Commission & Trust Fund

In anticipation of the House Labor and Commerce Committee hearing on House Bill 152 and 153 on Thursday March 7, please find attached the following materials:

1. Sponsor Statement
2. Sectional Analysis (HB 152)
3. Copy of HB 152 and HB 153
4. *State Housing Policy for the 1990's* a report prepared by the Housing Policy Development Committee of the Alaska Housing Market Council
5. *Survey of State and Local Housing Trust Fund Programs* a report prepared by the Center for Policy Alternatives (January 1991)

It is my understanding that the Department of Community and Regional Affairs will be providing you with a copy of the department's position paper and fiscal note on this legislation.

If you have questions concerning this legislation, please let me know or contact Eric Myers of my staff at 465-4998.

attachments

2/14/91  
Rep. Kay Brown

## Sectional Analysis

HB 152 — Alaska Housing Commission & Trust Fund

### Section 1

Findings.

### Section 2

The Alaska State Housing Commission is established within the Department of Community and Regional Affairs consisting of 11 members, including: the Commissioner of the Department of Community and Regional Affairs the Commissioner of the Department of Commerce and Economic Development; the Commissioner of the Department of Revenue; two persons employed by the mortgage banking industry; two persons who represent persons who have special housing needs; and four public members.

The Commission serves as the governing board of both the Alaska Housing Finance Corporation (AHFC) and the Alaska State Housing Authority (ASHA). The Commission shall coordinate all state housing programs and policy, including budget requests to the legislature. The Commission shall prepare a Five Year Housing Plan with full public participation, shall serve as the designated state agency responsible for the receipt and distribution of federal housing grant awards on behalf of the state, and shall administer the Alaska Housing Trust Fund.

### Section 3

Amends current statute to provide that the Alaska State Housing Commission is the governing body of the Alaska State Housing Authority (ASHA).

### Section 4

Amends current law to require that the Alaska State Housing Authority (ASHA) file reports with the Department of Community and Regional Affairs rather than the Department of Commerce and Economic Development.

### Section 5

Amends current law to require that the Alaska State Housing Authority (ASHA) file reports with the Department of Community and Regional Affairs rather than the Department of Commerce and Economic Development.

#### Section 6

Amends current law to require that the Alaska State Housing Authority (ASHA) file reports with the Department of Community and Regional Affairs rather than the Department of Commerce and Economic Development.

#### Section 8

Amends current statute to provide that the Alaska State Housing Commission is the governing body of the Alaska Housing Finance Corporation (AHFC).

#### Section 9

Amends current law to provide that the Alaska State Housing Commission is the governing body of the Alaska Housing Finance Corporation (AHFC).

#### Section 10

Amends current statute to provide that the Alaska State Housing Commission is the governing body of the Alaska Housing Finance Corporation (AHFC).

#### Section 11

Adds a new provision to the statutes of the Alaska Housing Finance Corporation (AHFC) to require that a resolution of the corporation that authorizes the issuance of bonds or bond anticipation notes must reference the reappropriation of funds as provided for by in AS 18 56.400 (see Section 13).

#### Section 12

Conforming amendment to provide that Alaska State Housing Commission is the governing body of the Alaska Housing Finance Corporation (AHFC).

#### Section 13

Establishes the Alaska Housing Trust Fund within the Alaska Housing Finance Corporation (AHFC). The Alaska Housing Trust Fund consists of money appropriated to the fund by the legislature.

Each year the Commission shall determine if any portion of the funds administered by the Alaska Housing Finance Corporation (AHFC) is unrestricted, not necessary to meet the financial obligations of the corporation

and could be utilized as a part of the Alaska Housing Trust Fund. The amount shall be reported to the legislature. Subject to legislative appropriation, the amount reported shall be deposited into the Alaska Housing Trust Fund. Once the Alaska Housing Trust Fund is fully capitalized at \$100 million, the amount identified annually shall, subject to appropriation by the legislature, be deposited into the general fund.

The Commission shall utilize the Trust Fund to provide housing assistance funding for public agencies (including municipalities and regional housing authorities) and private nonprofit organizations, to finance the design, construction, development, rehabilitation or improvement of low and moderate income housing, including special needs housing. Funding may take the form of grants, loans interest rate subsidies, building subsidies, matching funds and other forms of assistance under regulations adopted by the Commission.

#### Section 14

Conforming amendment to provide that Alaska State Housing Commission is the governing body of the Alaska Housing Finance Corporation (AHFC).

#### Section 15

Provides that the principal executive officer of the Alaska State Housing Commission is partially exempt.

#### Section 16

Establishes the Alaska State Housing Commission as subject to the state conflict of interest disclosure laws.

#### Section 17

Conforming amendment to provide that Alaska State Housing Commission is the governing body of the Alaska State Housing Authority (ASHA).

#### Section 18

Provides for the Alaska State Housing Commission to serve as the governing body of both the Alaska Housing Finance Corporation (AHFC) and the Alaska State Housing Authority (ASHA) as an exception to the general prohibition against interlocking directorates that could tend to create a monopoly.



# Alaska State Legislature

## HOUSE OF REPRESENTATIVES

Official Business

TO: Representative David Finkelstein, Chair  
House Labor and Commerce Committee

P.O. Box V  
State Capitol  
Juneau, Alaska 99811

FROM: Representative Kay Brown

DATE: March 6, 1991

SUBJ: Proposed Amendments to HB 152

In response to comments and issues brought to my attention since the introduction of House Bill 152, I would like to offer the attached three amendments for consideration by the House Labor and Commerce Committee during its consideration of this legislation on Thursday, March 7.

### Amendment 1: Housing Commission and Regional Housing Authorities

Amendment #1 would clarify language in Section 2 (page 3, line 15 and page 10, line 1) regarding the role of the Alaska Housing Commission as the governing Board of the Alaska State Housing Authority (ASHA). The amendment would clarify that the Alaska Housing Commission would serve as the governing board for the *state* housing authority, but not the governing body of the states various *regional* housing authorities established under AS 18.55.

### Amendment 2: ASHA and AHFC Contractual Obligations

The language provided in Amendment #2 (page 10, line 2) would add a new section to make it absolutely clear that existing contracts, liabilities and obligations of ASHA and AHFC that exist at the time of the effective date of the legislation are not affected or impaired by the legislation.

### Amendment 3: Housing Commission Membership

These changes proposed by Amendment #3 (page 2, line 16; page 2, line 19; and page 2, line 19) would provide for the representation on the Alaska Housing Commission of two members representing the interests of regional housing authorities and one member who is a real estate broker.

attachments