

MUNICIPALITY OF ANCHORAGE
ANCHORAGE ASSEMBLY

Assembly Chambers, Z. J. Loussac Library
3600 Denali Street, Room 108

Minutes for Special Meeting of June 24, 2003, as amended

1. CALL TO ORDER

The Assembly Meeting was called to order by Chair Traini at 4:00 p.m.

2. ROLL CALL A Quorum was achieved with Assemblymembers present.

PRESENT: Allan Tesche, Brian Whittle, Melinda Taylor, Fay Von Gemmingen, Dick Traini, Doug Van Etten, Dan Kendall, Janice Shamberg, Dick Tremaine and Dan Sullivan.

ABSENT: Anna Fairclough, excused.

3. PLEDGE OF ALLEGANCE Mayor Wuerch led the pledge.

4. BOARD OF ADJUSTMENT/ASSEMBLY APPEALS

4.A. Appeal S-10999, Preliminary Plat of the **Park West Subdivision**, Municipal Clerk.

Chair Traini read the Appeal title and gave the floor to Deputy Municipal Attorney Dennis Wheeler for explanation. In light of possible staff changes by the new Administration, he advised the Assembly to seek outside council so the appeal would have continuity throughout the proceedings.

Mr. Tesche moved, *to postpone* Appeal S-10999 until July 15, 2003
Mr. Sullivan seconded, and obtain outside legal counsel.
and this was passed unanimously,

Chair Traini introduced the new Municipal Clerk, Barbara Gruenstein.

5. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS

5.A. Resolution No. AR 2003-152, a resolution of the Anchorage Municipal Assembly supporting the implementation of a **global marketing/public relations campaign** aimed at select industries, markets and corporate decision makers by the Anchorage Economic Development Corporation (hereafter "AEDC"), and appropriating \$75,000 from the Areawide General Fund (101) Balance to the Mayor's Office to be used as a matching grant to AEDC to begin that effort, Assemblymembers Whittle and Traini. (*Postponed from 5-20-03; Carried Over from 6-10-03*)
1. Assembly Memorandum No. AM 458-2003.

Chair Traini read this resolution title, explained the history of this item and called for a motion.

Mr. Tesche moved, *to postpone indefinitely* AR 2003-152.
Mr. Sullivan seconded,
and this was passed unanimously,

AYES: Tesche, Whittle, Taylor, Von Gemmingen, Traini, Van Etten, Kendall, Shamberg, Tremaine and Sullivan.

NAYES: None.

ABSENT: Fairclough, excused.

5.B. Resolution No. AR 2003-139, a resolution of the Anchorage Municipal Assembly opposing the transfer of **Workforce Investment Act programs** to the State of Alaska, Department of Labor and Workforce Development, Assemblymembers Traini and Tesche.
(*Postponed from 5-13-03 and 5-20-03; Carried Over from 6-10-03*)

Chair Traini read this resolution title and gave its history. He called for a motion.

Mr. Tesche moved, *to postpone indefinitely* AR 2003-139.
Mr. Van Etten seconded,
and this was passed unanimously,

AYES: Tesche, Whittle, Taylor, Von Gemmingen, Traini, Van Etten, Kendall, Shamberg, Tremaine and Sullivan.

NAYES: None.

ABSENT: Fairclough, excused.

Mr. Tesche reported that upon request of Chair Traini, he had traveled to Washington D.C. to meet with the Assistant Secretary of Labor. He had presented a letter from the Assembly and the Administration, containing their collective concerns regarding Administrative Order No. 210 and proposed changes to the city's local Workforce Development Program. The reason for his trip was to emphasize the importance that the Assembly and the Administration gave to the need for meaningful and deliberate consultation between the Municipality of Anchorage and the Department of

Labor, before they took action. He stated he was also there to assist with any amendments, to ensure changes were carefully thought out and the impacts would be known to Alaskans.

Chair Traini also took the opportunity to report that the 71st Annual Meeting of the International Conference of Mayors, recently held in Denver, Colorado, had passed a resolution calling upon Congress to ensure that local, elected officials and their Workforce Investment Boards remain at the core of any Workforce Investment Act reauthorization. He stated this was currently working its way through Congress. He stated that he would distribute copies to Assemblymembers.

- 5.C. **NOTICE OF RECONSIDERATION:** Resolution No. AR 2003-119, a resolution authorizing the Municipality of Anchorage to purchase, Tract H-3A, Southport Tracts (pending re-plat) for the purpose of building a **new fire station in South Anchorage**, Real Estate Services. *(Failed 6-10-03, Notice of Reconsideration was given by Mr. Traini on 6-11-03)*
1. Assembly Memorandum No. AM 429-2003.

Chair Traini explained this resolution had been before the Assembly and had failed on June 6, 2003. He explained that notice of reconsideration had been given on June 11, 2003, and this item was again before the Assembly. To Chair Traini, Mayor Wuerch responded that he wanted to discuss current parcels under consideration. The Mayor stated that an Anchorage Fire Department representative had reviewed the parcels and thought there were few alternatives, other than moving out of the neighborhood and examining other sites in the area. Chair Traini stated that location and property details would be discussed but they were not going to negotiate price that evening.

To Mayor Wuerch's questions, Mr. Bob ~~[Mense]~~ Mintz, representing the owner, stated he was before the Assembly to answer questions concerning the Southport property. He stated the property in question was two of four acres of property that had been designated as a village center. They thought the fire department would be a compatible use and an asset to the community. Mr. ~~[Mense]~~ Mintz stated that extensive soils testing had been completed on the property, which included three to five feet of peat. The original offering to the Municipality had been \$8.50 a square foot, based on an appraisal that was done in January of 2002. The Municipality obtained their own appraisal in February of 2003 and a price of \$7.50 a square foot had been agreed to. Mr. ~~[Mense]~~ Mintz felt the property was worth more than \$7.50 a square foot and was prepared to sell it to someone else if the Municipality did not pay the asking price. He felt the current listed prices of comparable residential office properties supported the price.

In response to Mr. Tremaine, Mr. ~~[Mense]~~ Mintz said about six inches of overburden had been put on the property and that foundations could be placed at a depth of about five feet. The R-O listing on Lake Otis was \$14.00 a square foot and the R-O listings in Eagle River ranged from \$7.00 to \$10.00 a square foot. He stated that R-O properties in the past sold for substantially less as reflected in the comparables in the appraisal.

Mayor Wuerch stated that response time of emergency vehicles was the main reason for selecting Site D. They had been striving for a response time of four minutes from the time the fire trucks left to the time they arrived at the scene. He asked the Fire Department to review the alternative sites and determine the response time and coverage of the southwest Anchorage neighborhoods.

To Ms. Von Gemmingen's question, Mayor Wuerch responded the prototype for the firehouse would be similar to that of Station 7 and Station 14 with some reductions in dormitory capacity. The fundamental footprint and reserve for expansion was an important cost savings measure.

The Anchorage Fire Department noted that this area had historically been underserved in terms of response time. He stated that the alternate location of Juniper Street would underserve Bayshore Subdivision; he felt it was too close to an elementary school and would significantly overlap into Station 9's response area. The Tower Road property would underserve Bayshore and encroach significantly into Station 9's response area. He stated that Site D was the best location, would serve the most number of people with the best response time and was unanimously approved by the Planning and Zoning Commission on June 9, 2003.

A Bayshore resident discussed the design of the proposed fire station. He explained that fire stations were built to last up to 50 years, including future expansion considerations. He felt that building a smaller fire station would be a more expensive alternative in the long run, and a waste of taxpayer dollars.

In response to Mr. Tesche, an unidentified speaker said it was her understanding that Carr-Gottstein Properties would provide an appraisal to the Real Estate Services Division and then the MOA would obtain a secondary appraisal.

In response to Mr. Tesche, Real Estate Services Department Manager Ms. Gladys Wilson stated they did not typically obtain review appraisals unless they suspected something was wrong or one had been requested. She felt comfortable with the two appraisals and did not see anything that warranted a review. She was not aware of another appraisal that would suggest a significantly lower price. Ms. Wilson stated she had not consulted with the assessor's office on the property.

In response to Mr. Tesche, Mr. Tremaine stated that he referred several questions to the appraiser, who responded in writing, dated June 10, 2003. In response to Mr. Tesche, Ms. Wilson stated that she did not see anything in the appraiser's written response that would indicate errors had been made in the appraisals.

In response to Mr. Whittle, Ms. Wilson stated that the property was raw land in the middle of a residential district, which was why they had hired professional appraisers to arrive at the price.

Roe Sturgulewski said the soils were better than represented in the report. Soil borings in 2000 indicated two feet of peat and a detailed geotechnical study found no evidence of permafrost. The land was very buildable. The largest issue would be dealing with the water, which would mean slightly higher utility costs.

In response to Mr. Tremaine, Mr. Sturgulewski stated that he had also reviewed Site E, which had inferior soils. Site E appeared to be well drained with better tree coverage, but it was outside the village center and not for sale. A possible mechanism for obtaining the property would be a condemnation for public use process.

Mayor Wuerch noted that Site E was the Peterson property and was not available. The fire station was very important to southwest Anchorage, which had growing neighborhoods with homes of substantial value. Ambulance services would be very important since the homeowners tended to be older, with greater health risks. The original price was \$8.50 a square foot, which had been reduced to \$7.50 a square foot without contest. Although the property was expensive, he felt the benefit from the rapid response time in a growing neighborhood was worth the price. He urged the Assembly to reconsider and approve the purchase of the property.

Mr. Tremaine stated that the fact that a fire station was needed was undisputed. The Assembly was in the unfortunate position of publicly negotiating a price, which he felt was a fault of the system and that needed to be changed. The land appraisal done for the Municipality of Anchorage had not used R-O properties for comparisons. The question was if this was the highest and best use of two acres of commercial property in an area of high-end homes. The traffic count on the road was currently 2,500 cars a day and would not significantly increase. The most logical use would be a two-story office building, which would rent for about \$2.00 a square foot. He felt the Assembly should review and compare the R-O properties that had sold in the past. He felt \$325,000 an acre for property covered with five feet of peat and with a traffic count of 2,500 cars a day, was overpriced and he would not reconsider or support it.

Mr. Kendall did not feel the Assembly should delay the purchase of property for the fire station. The properties being considered had access and were in direct competition with other nearby commercial properties. He felt the best use of the property would be a commercial use that fit the community's needs.

In response to Mr. Tesche, Ms. Wilson said a review appraisal could be requested, but the time frame would depend on how busy the appraisers were. She explained that a review appraisal would not provide a different value, but rather it would simply review the process to insure the proper steps had been followed according to the Appraisal Institute Process. The review process took less time than a new fee appraisal, and a third appraisal would have to be obtained to arrive at a different property value.

In response to Mr. Van Etten, Ms. Wilson said the Municipality had acquired right-of-way land through eminent domain in the past and they had also initiated eminent domain proceedings in school site selections. She explained that in an eminent domain process, both parties obtained an appraisal with the final price being decided in court if the parties could not agree on the price.

In response to Mr. Van Etten, Mayor Wuerch said there were other options available for the Assembly's consideration if they voted to reconsider AR 2003-119, but other options would not be available if they decided not to reconsider.

Mr. Sullivan supported reconsideration of AR 2003-119 so a review appraisal or a new appraisal would be available to the Assembly. His constituents were anxious to have better fire service coverage and improved response times in that area.

Ms. Shamberg supported reconsideration of AR 2003-119 to allow time to review more for information and a third appraisal. He called for a motion to reconsider.

Mr. Tremaine moved, *to reconsider* AR 2003-119.
Mr. Tesche seconded,
and this motion was passed,

AYES: Tesche, Whittle, Taylor, Von Gemmingen, Traini, Van Etten, Kendall, Shamberg, Tremaine and Sullivan.
NAYES: None.
ABSENT: Fairclough, excused.

5.D. Assembly Memorandum No. AM 459-2003, Port Commission appointment (James Dodson),
Mayor's Office. (*Postponed from 5-20-03*)

Chair Traini read the AM 459-2003, announcing a new administrative appointment for the Port Commission. He called for a motion.

Mr. Tesche moved, *to approve* AM 459-2003.
Mr. Van Etten seconded,

Chair Traini noted that both the Governor and the Mayor wanted this item approved. Mayor-elect Mark Begich supported it as well.

Chair Traini called for a vote on AM 459-2003.

and this motion was passed,

AYES: Tesche, Whittle, Taylor, Von Gemmingen, Traini, Van Etten, Kendall, Shamberg, Tremaine and Sullivan.
NAYES: None.
ABSENT: Fairclough, excused.

5.E. Ordinance No. AO 2003-75, an ordinance amending Anchorage Municipal Code Chapter 2.40 related to **Community Council Redistricting**; including lengthening the interval of periodic comprehensive review of community council boundaries; providing wider notice and greater opportunity to participate in public hearing review; adding descriptions and maps of recognized community council districts, and amending a number of council district boundaries to better reflect present day neighborhoods, as

recommended by the *Community Council Redistricting Report And Recommendations*, dated December 9, 2002, Planning Department.

1. Assembly Memorandum No. AM 370-2003.

(Public Hearing was Closed 6-10-03; Action Carried Over from 6-10-03)

(Clerk's Note: AO 2003-75 was carried over to the Regular Meeting Agenda of 6-24-03.)

5.F. Resolution No. AR 2003-136, a resolution of the Anchorage Assembly acknowledging the Planning and Zoning Commission recommendation to **establish community councils for Midtown and Cheney Lake/Nunaka Valley**; and stating the intent to consider the recommended boundaries for Midtown and Cheney Lake/Nunaka Valley district as they appear on the *Community Council Redistricting Report and Recommendations*, dated December 9, 2002, Planning Department.
(Public Hearing was Closed 6-10-03; Action Carried Over from 6-10-03)

(Clerk's Note: Action on AR 2003-136 was carried over to the Regular Meeting Agenda of 6-24-03.)

5.G. Ordinance No. AO 2003-57(S-1), an ordinance of the Anchorage Municipal Assembly enacting a new Chapter 24.35 establishing public safety requirements for **soliciting business or contributions** and prohibiting the distribution of literature from within street or highway rights-of-way, Assemblymember Sullivan. *(Amended & Postponed from 5-13-03; Carried Over from 6-10-03)*

(Clerk's Note: Action on AO 2003-57(S-1) was carried over to the Regular Meeting Agenda of 6-24-03.)

5.H. Resolution No. AR 2003-144, a resolution of the Anchorage Assembly recognizing and encouraging residents to contribute to charitable organizations that assist the needy, discouraging gifts of pocket change to panhandlers, and requesting the Anchorage Police Department to enforce existing laws which forbid **street solicitation** or activities of pedestrians which unduly distract drivers, Assemblymember Tesche and Sullivan. *(Carried Over from 5-13-03 and 6-10-03)*

(Clerk's Note: Action on AR 2003-144 was carried over to the Regular Meeting Agenda of 6-24-03.)

5.I. Resolution No. AR 2003-151, a resolution of the Anchorage Municipal Assembly revising the 2003 General Government Operating Budget by appropriating \$30,000 from Areawide General Fund (101) Balance to the Office of the Mayor to be used as a grant to the **Alaska Moving Image Preservation Association** (AMIPA), Assemblymember Taylor.

1. Assembly Memorandum No. AM 457-2003. *(Postponed from 5-20-03)*

(Clerk's Note: Action on AR 2003-151 was carried over to the Regular Meeting Agenda of 6-24-03.)

6. ADJOURNMENT

Chair Traini called for a motion to adjourn the meeting.

Mr. Tesche moved, to adjourn the Special Assembly Meeting.
Ms. Van Etten seconded,
and this passed unanimously,

AYES: Tesche, Whittle, Taylor, Von Gemmingen, Traini, Van Etten, Kendall, Shamberg, Tremaine and Sullivan.

NAYES: None.

ABSENT: Fairclough, excused.

The Regular Assembly Meeting was adjourned at 4:56 p.m.

DICK TRAINI, Assembly Chair

ATTEST:

BARBARA GRUENSTEIN, Municipal Clerk

Date Minutes Approved: August 3, 2004.

MC/BG