

**HERITAGE LAND BANK ADVISORY COMMISSION
Meeting**

August 9, 2018, 11:30 a.m.

Permit & Development Center conference room 170
4700 Elmore Road, Anchorage, Alaska

Meeting Minutes

I. Call to Order

Commission Chair Tim Trawver called the meeting to order at 11:33 a.m.

Commissioners Present:

Jim Fredrick, Commissioner
Peggy Looney, Commissioner
Ron Tenny, Commissioner
Tim Trawver, Chair
Wende Wilber, Commissioner

Staff Present:

Robin E. Ward, Executive Director
Kristy Despars, Land Management Officer
Tawny Klebesadel, Office Manager

Commissioners Absent:

Kati Capozzi, Vice-Chair (Unexcused)
Brad Quade, Commissioner (Excused)

II. Approval of the August 9, 2018 Agenda and the Meeting Minutes of July 12, 2018

Commissioner Jim Fredrick moved to approve the agenda as presented. The motion was seconded and approval of the agenda passed unanimously. Mr. Fredrick moved to approve the meeting minutes of July 12, 2018. The motion was seconded and approval of the minutes passed unanimously.

III. Director's Report

Director Robin Ward provided the Director's report that we've been spending a lot of quality time in Girdwood. Our Girdwood Industrial Improvement Subdivision (GWIP) construction is well underway. I went down with the contractor and inspector on Tuesday, August 7th. We spent an hour walking the site in the pouring rain. It is really coming along, we are very excited. We have very few change orders; just a few small things. It is looking very great and we can't wait to show it to you next month when we're down there. We're expecting to pave just after Labor Day. So, we'll have it all finished and cleaned up this year. They've done a great job in allowing our lessees to still maintain and operate. Cooley's been operating with fill in the back. It's the busiest place you can imagine with so many trucks and so forth going on. We've been spending a lot of time with the Trails groups. We did a walk-thru of a large portion of the existing 5K Loop, and we're anticipating the survey when it comes in. They're working on the survey right now. There's a lot going on, our Girdwood Mountain Bike Alliance (GMBA) is probably going to start construction, maybe even tomorrow, but probably this weekend. GMBA just got their permit from Building Safety. Ms. Despars and I are going to work on their HLB permit this afternoon. Mr. Fredrick sought clarification and Director Ward stated that is for the 1st section of the Mountain Bike Trail construction that should take a couple of weeks. Commissioner Peggy Looney inquired if we were going to take a hike down there, is it roped off or marked where the bike trail is going. Director Ward stated it's probably flagged. Land Management Officer Kristy Despars stated right now it is flagged, because it's not constructed yet. They are most likely going to start towards the middle, so that people won't see something happening, which will help to keep people off of it. They will have signage and ropes at both the beginning and end of it. Director Ward stated if you just give it a couple of weeks, you can actually go on the trail when it is complete. Chair Trawver inquired about the construction completion

date. Director Ward responded 2-3 weeks, depending on the rain, they can get the 1st phase complete. Ms. Despars stated weather permitting, they can get the 1st trail built in a week, which might be a bit ambitious. The second portion they're going to try and finish before winter shut-down in November, because they have specific grant deadlines they have to meet. Chair Trawver commented that's great; they'll have a reason to get it done.

Director Ward reported the five Lake Otis & Tudor properties proposed to be transferred to HLB would be on the next Assembly agenda. So, I'm going to really promote that. The Assembly may ask why we're trying to do this. Today, in general Real Estate, we have no funds whatsoever to manage that property. We can't do any planning or anything on it, because there are no funds available. We have cut our tax-supported budget that much. By putting it in HLB, it gets a little TLC or attention. We hope that they'll consider doing that. We'll see what happens. They don't understand the process of why we're doing that, and that's what I'll have to explain. I think that we'll talk about it and have discussion, but I really don't think there's going to be any opposition to it; it's in the best interest of the community. Chair Trawver thanked Director Ward and moved on to Action Items and Public Hearings.

IV. Proposed Action Items and Public Hearings:

- a. **HLBAC Resolution 2018-08:** A Resolution recommending Assembly approval of the disposal Intra-Governmental Authorization to Eagle River Parks and Recreation of a portion within HLB Parcel 1-076, legally described as ADL Lot 2 E2 SEC 36 T15N R2W (Plat 63-115).

Director Ward provided the staff report for the renewal of the permit that we issued five years ago. They've actually been there longer than that. One of the things we noticed is that it originally did not have an agreement, and we've been trying to at least keep Intra-Governmental Authorizations up to date. We hope that we won't actually need the agreement as long as we're proposing here. Right now we think we're going to have the opportunity to purchase the property from Department of Natural Resources that is the old Geological Lab site that is off of Fish Hatchery Road. It is a nice site that is already fenced. There's a special provision in State Statute that we can obtain it for public or charitable use. Right now Parks and Recreation have five locations where they have conexas and fenced storage areas. This would enable them to consolidate and store everything for Loretta French Park, Beach Lake Park, and conexas distributed all over the place into one location. We want to make sure they have their operation where it is today, but we are actually hoping that they can terminate that and move them over to the potential site. We're going through the public process for public comment right now, but while we're waiting, we are looking for support for this action.

Chair Trawver opened the public hearing. Seeing no persons present wishing to provide testimony, closed the public hearing. Chair Trawver asked if there were any Commissioner questions. Seeing none, Mr. Fredrick moved to approve. The motion was seconded and passed unanimously.

This motion: **Passed 5-0**

- b. **HLBAC Resolution 2018-09:** A Resolution recommending Assembly approval of the extension of the lease to Northern Lodging, LLC dba Ramada Anchorage Downtown of HLB Parcel 4-013, legally described as Lot 7A Block 118 Original Townsite of Anchorage (Plat 75-129).

Ms. Despars provided the staff report explaining that this is an extension of an existing 10-year lease with Ramada. They have a 5-year option to extend the lease that would begin April of 2019. Ms. Despars indicated the location of the leased area. Mr. Fredrick sought clarification that the lease was just for the parking lot. Ms. Despars confirmed they're using it for their parking lot for their restaurant. They also have an outdoor seating area. In 2009, we entered into this lease agreement, and they have expressed interest in extending this option. This does need to go back to the Assembly, per this lease agreement. So, we're bringing it back to the Commission for

approval. As far a future plans for this property, it's zoned B-2C, which is from the old code, because, as you can see, most of this is designated city center. But the 2040 Land Use Plan states at some point in time there's going to be downtown districts. At this point they do not exist, so, we're working off of the old zoning district. This may be something we want to add to the upcoming 5-year Plan when this lease will expire. Our recommendation is to extend the lease agreement for 5-years to April 1, 2019.

Chair Trawver inquired if we're getting fair market value. Ms. Klebesadel responded we're getting \$9,000/year; it is close. Director Ward stated there's no provision to adjust the rent in the current contract. Chair Trawver inquired if they're required to have insurance. Director Ward confirmed. Ms. Looney inquired if the outdoor eating area conflicted with the parking lot area use. Ms. Despars replied no, it is a parking lot, but it does not have to be strictly a parking area.

Chair Trawver opened up the public hearing. **James McConnell, Northern Lodging, LLC (Ramada Inn)**, provided testimony that he's been involved with Ramada for approximately three and a half years and is a banker by trade. Part of what they'd asked me to do with the downturn in the economy is overhaul the business operations. The parking area is actually an integral part of the operation. We had to get the local residents back into the facility. We get tourist activity, but the real guts of the operation, what keeps moving it forward, is the local traffic. Like last night, on every Wednesday night, is the Texas Hold 'em Poker night. There were forty people; cars using the parking lot. Friday and Saturday nights all winter, we have Paint Night. That's forty people. The number one draw, and we do advertise it in both radio and television, is we have off-street parking. It's a key draw. One of the key things, relative to the property, as a banker by trade, we're interested in development of the property. The building itself is built on the property line all the way around. In order to do any expansion or improvement, it would need to be on that lot. Relative to the value of that lot, its long term utilization, that whole operation is on the wrong side of two one-way streets. So, access is kind of tricky. You have to try it the first time and then after that, you say well, it's worth going down there. So one of the notions we've got, I've talked with the managing member of Northern Lodging, is just entering the notion that this parcel being sold to Northern Lodging. Relative to future development, they've just finished a huge project on the bridge down there, the highest and best use right now and into the future is for that to become part of that asset base. I would like to initiate that proposal and have that discussion at a future date. The owners have not gotten into any kind of offer for that situation, but in our longer term planning management, I'd recommend they seriously look into acquiring that. We do maintain it. It's listed as paved, but it's the old crumbly gravel pavement that we usually have a pile of it at the end of the driveway every winter after snow removal. Other than that, well the \$9,000 per year works out to about \$750 per month, we don't charge for anybody on there. Frankly, we don't charge anybody to use our Denali Room, our banquet room. Because what's happening is that it's an older facility. I think Governor Sheffield built it in like 1964 or 1965. It's been everything. One set of plans I have is stamped Howard Johnsons. What was ironic is that Rick Richter, you may know him, well Rick and I worked at NBA together and it was just two years ago when they had me take this thing over, I said let's get a new appraisal. Rick came down and I said let's have you look at the facility, and he said, "I was a relief-bartender there – you can't tell me nothing." It was the shortest appraisal walk-through I'd ever had. It's a super key component to our operation. I do want to introduce the notion to enter into discussions about a purchase arrangement. I used to be the NBA senior timber lender. I'm used to timber operations and I did some land management studies for the organization many years ago. So, I know that there's long-term planning that has to be discussed. I'd like to enter that notion now and I'd certainly appreciate being able to tell them that we still have our parking lot. Chair Trawver thanked **Mr. McConnell** for his testimony.

Chair Trawver asked if there were any questions from the Commissioners. Seeing none, and seeing no other persons present wishing to provide testimony, Chair Trawver closed the public hearing. Seeing no further discussion on the Resolution, Chair Trawver stated he would entertain a motion. Mr. Fredrick moved to approve. The motion was seconded and passed unanimously.

This motion: **Passed 5-0**

V. Appearance Request(s)

Seeing no persons scheduled or present for an Appearance, Chair Trawver moved on to Persons or Items not on the agenda.

VI. Persons or Items not on the Agenda

Chair Trawver seeing no persons wishing to provide testimony or comments, moved on to Commissioner comments.

VII. Commissioner Comments

Chair Trawver asked if there were any further Commissioner comments, and seeing none, went on to the next scheduled meeting.

VIII. Next Meeting

Chair Trawver stated the next regularly scheduled commission meeting date will be at noon, Wednesday, September 12, 2018 in the Girdwood Library and Community Center, at 250 Egloff Drive, Girdwood, Alaska. Chair Trawver stated he would not be in attendance at the next meeting.

IX. Adjournment

Following the completion of business, Ms. Fredrick moved to adjourn. The motion was seconded and approved unanimously. The meeting was adjourned at 11:50 a.m.

PASSED and APPROVED on this, the 12th day of September, 2018.



Tim Trawver, Chair
Heritage Land Bank Advisory Commission

Respectfully submitted for the Heritage Land Bank Advisory Commission by:
Tawny Klebesadel, RED Office Manager

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