

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Port of Anchorage  
For reading: November 3, 2009

CLERK'S OFFICE

**APPROVED**

Date: 12-1-09

**ANCHORAGE, ALASKA**  
**AO NO. 2009-125**

**AN ORDINANCE AUTHORIZING RENEWAL OF AN EXCLUSIVE USE PERMIT  
TO THE UNITED STATES COAST GUARD FOR PORTIONS OF LOTS 9-A AND  
12-B IN THE PORT OF ANCHORAGE SUBDIVISION.**

**WHEREAS**, the Exclusive Use Permit between the Municipality of Anchorage, Port of Anchorage, and the United States Coast Guard provides for an initial five (5) year term ending August 31, 2009; and

**WHEREAS**, the United States Coast Guard notified the Municipality of its intent to renew the Exclusive Use Permit for one-year under one of the four one-year renewal options; and


**WHEREAS**, Anchorage Municipal Code section 25.30.020 requires disposal of municipal land shall be by ordinance only; now therefore,

**THE ANCHORAGE ASSEMBLY ORDAINS:**

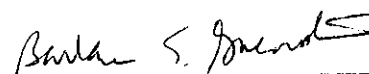
**Section 1.** The Municipality of Anchorage, Port of Anchorage is authorized to renew the Exclusive Use Permit for Lots 9-A and 12-B, Port of Anchorage Subdivision, located in the Anchorage Recording District, Third Judicial District, State of Alaska, to the United State Coast Guard upon the terms and conditions summarized in the Assembly Memorandum submitted concurrently herewith.

**Section 2.** This ordinance shall take effect immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this 1st day of December, 2009.

  
Chair

ATTEST:

  
Municipal Clerk

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- Utilities**

AO Number: 2009-125

Title: AN ORDINANCE AUTHORIZING RENEWAL OF AN EXCLUSIVE USE PERMIT TO THE UNITED STATES COAST GUARD FOR PORTIONS OF LOTS 9-A AND 12-B IN THE PORT OF ANCHORAGE SUBDIVISION.

Sponsor: MAYOR

Preparing Agency: Port of Anchorage

Others Impacted: None

**CHANGES IN REVENUES AND EXPENSES:**

(In Thousands of Dollars)

	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>
<b>Operating Revenues:</b>					
9572 Industrial Park Rental/Storage	\$ 93.3	\$ 47.7	\$ 47.7	\$ 47.7	\$ 47.7

<b>TOTAL OPERATING REVENUES</b>	<b>\$ 93.3</b>	<b>\$ 47.7</b>	<b>\$ 47.7</b>	<b>\$ 47.7</b>	<b>\$ 47.7</b>
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**Operating Expenses:**

Electrical, General Maint & Snow Insurance	\$ 2.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0
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<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2.0</b>	<b>\$ 5.0</b>	<b>\$ 5.0</b>	<b>\$ 5.0</b>	<b>\$ 5.0</b>
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**Non-Operating Revenues:**

<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
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**Non-Operating Expenses:**

<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
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<b>NET INCOME (REGULATED)</b>	<b>\$ 91.3</b>	<b>\$ 42.7</b>	<b>\$ 42.7</b>	<b>\$ 42.7</b>	<b>\$ 42.7</b>
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<b>POSITIONS: FT/PT and Temp</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**PUBLIC SECTOR ECONOMIC EFFECTS:**

Exclusive Use Permit for Lots 9-A and 12-A will decrease Port of Anchorage rental revenue by \$60,755.00 per year. Another Port user however, is requesting long-term use of the decreased square footage.

**SUMMARY OF ECONOMIC EFFECTS**

**PRIVATE SECTOR ECONOMIC EFFECTS:**

NONE

Prepared by: Edward Leon, Director of Finance & Administration

Validated by OMB: \_\_\_\_\_

Approved by: \_\_\_\_\_

Telephone: 343-6200

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

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

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 622-2009

Meeting Date: November 3, 2009

**FROM: MAYOR**

**SUBJECT: AN ORDINANCE AUTHORIZING RENEWAL OF AN EXCLUSIVE USE PERMIT TO THE UNITED STATES COAST GUARD FOR PORTIONS OF LOTS 9-A AND 12-B IN THE PORT OF ANCHORAGE SUBDIVISION.**

The United States Coast Guard (USCG) established a Maritime Safety and Security Team on Port of Anchorage property in 2004 to fulfill its operational mission in the State of Alaska. Their presence consists of three sites under an Exclusive Use Permit; the Coast Guard requests two sites be renewed in 2009.

Although the USCG continues to require area at the Port of Anchorage (POA) to store materials and equipment necessary to fulfill its mission, they requested a reduction of 86,850 square feet on the main equipment storage site, Lot 12-B, from 111,600 square feet to 24,750. The square footage for Lot 9-A remains unchanged. The original five-year (5) Exclusive Use Permit was approved by the Municipal Assembly on September 21, 2004 per Assembly Ordinance 2004-127. Following are the proposed Exclusive Use Permit Renewal salient terms:

**Permittee:** United States Coast Guard  
**Permit Area:** Portions of Lot 9-A (11,700 sf) and Lot 12-B (24,750 sf) in the Port of Anchorage Subdivision, totaling approximately 36,450 square feet.  
**Ground Fee:** The total annual fee for the permitted areas increases from \$.88 per square foot to \$1.31 per square foot for a total of Forty-Seven Thousand Seven Hundred Forty-Nine Dollars (\$47,749.00) per year, payable monthly at Three Thousand Nine Hundred Seventy-Nine Dollars (\$3,979.00).  
**Fee Adjustment:** The fee for the permitted area is adjusted every 5 years to market rate; an appraisal was completed May 29, 2009 and is reflected in the ground fee above, so no further rate adjustment is required.  
**Permit Length:** Renewal for one (1) year; four one-year options remain.  
**Permittee services:** Permittee is solely responsible for all costs connected with the installation, operation, maintenance, and replacement of all Government-owned equipment located on the permitted premises.  
**POA Services:** Snow removal and ice control service for permit areas, provided the permit areas are not access-restricted by USCG. POA shall also provide security service and debris removal. Electric power shall only be provided to Lot 9-A.

1 The reduction in revenue resulting from the reduction in square footage utilized by  
2 the Coast Guard is mitigated by Horizon Lines' request to increase the size of  
3 their storage area to include the vacated square footage as well as small pockets  
4 of currently unused transit storage.

5  
6 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**  
7 **AUTHORIZING RENEWAL OF AN EXCLUSIVE USE PERMIT TO THE UNITED**  
8 **STATES COAST GUARD FOR PORTIONS OF LOTS 9-A AND 12-B IN THE**  
9 **PORT OF ANCHORAGE SUBDIVISION.**

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11  
12 Prepared by: Port of Anchorage  
13 Approved by: William J. Sheffield, Port Director  
14 Concur: Dennis A. Wheeler, Municipal Attorney  
15 Concur: George J. Vakalis, Municipal Manager  
16 Respectfully submitted: Daniel A. Sullivan, Mayor  
17

**Content ID:** 008308

**Type:** Ordinance - AO

AN ORDINANCE AUTHORIZING RENEWAL OF AN EXCLUSIVE USE

**Title:** PERMIT TO THE UNITED STATES COAST GUARD FOR PORTIONS OF  
LOTS 9-A AND 12-B IN THE PORT OF ANCHORAGE SUBDIVISION.

**Author:** scroggsjd

**Initiating Dept:** Port

**Description:** USCG Lot 9 & 12, Coast Guard Lease Renewal

**Date Prepared:** 10/21/09 2:21 PM

**Director Name:** William Sheffield

**Assembly Meeting Date:** 11/3/09

**Public Hearing Date:** 11/17/09

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	10/23/09 12:09 PM	Exit	Joy Maglaqui	Public	008308
MuniManager_SubWorkflow	10/23/09 12:09 PM	Approve	Joy Maglaqui	Public	008308
Legal_SubWorkflow	10/23/09 10:53 AM	Approve	Dean Gates	Public	008308
Finance_SubWorkflow	10/23/09 10:40 AM	Approve	Lucinda Mahoney	Public	008308
OMB_SubWorkflow	10/21/09 3:39 PM	Approve	Cheryl Frasca	Public	008308
Port_SubWorkflow	10/21/09 2:37 PM	Approve	Stephen Ribuffo	Public	008308
AllOrdinanceWorkflow	10/21/09 2:26 PM	Checkin	Jan Scroggs	Public	008308