

Submitted by: Chair of the Assembly at the
Request of the Mayor

Prepared by: Real Estate Department

For Reading: August 16, 2011

CLERK'S OFFICE

APPROVED

ANCHORAGE, ALASKA

Date: 8-30-11 **AO NO. 2011-83**

1 **AN ORDINANCE APPROVING DISPOSAL TO THE USA OF APPROXIMATELY**
2 **.67 ACRES BY LEASE AMENDMENT ON HLB PARCEL 4-033-A, NON-**
3 **COMPETITIVELY AND AT NO CHARGE, TO PROVIDE INGRESS AND**
4 **EGRESS AND SUBSURFACE POWER AND COMMUNICATION LINES TO ITS**
5 **NON-DIRECTIONAL BEACON LEASE SITE, SUBJECT TO EXISTING AND**
6 **PLANNED TRAIL ALIGNMENTS WITHIN THE LEASE SITE.**

7
8 **WHEREAS**, the United States of America (USA), on behalf of the Federal Aviation
9 Administration (FAA) was granted a non-competitive lease at no charge by the
10 Municipality of Anchorage (MOA) in 1996 for a non-directional beacon site near
11 the Ted Stevens International Airport (TSAIA); and

12
13 **WHEREAS**, the lease provided rights of way for ingress and egress and subsurface
14 power and communication lines to the site, and due to the recent extension of
15 TSAIA runway 7R new cables must be installed to provide power and
16 communication lines to the lease site; and

17
18 **WHEREAS**, due to a discrepancy between the cable routes depicted in the 1996
19 lease and the cable's actual location, as well as no defined means of ingress and
20 egress in the 1996 lease, USA is requesting appropriate authorization for the
21 reinstalled power and communication lines in their true location and a defined route
22 of ingress and egress for the site, and

23
24 **WHEREAS**, said lease is to be amended to include the proposed area as depicted
25 in the accompanying memorandum and include an amendment that will also allow
26 for existing and planned reroutes of the Sisson Loop Trail in the leased area; and

27
28 **WHEREAS**, per AMC Section 25.40.025.F.2, "Heritage Land Bank land may be
29 leased non-competitively to a non-profit agency for less than its appraised fair
30 market value if the municipal benefits which are projected to accrue are found by
31 the mayor and the assembly to be in the best interest of the municipality;" and

32
33 **WHEREAS**, the Heritage Land Bank Advisory Commission held a public hearing on
34 this disposal on May 26, 2011, and approved HLBAC Resolution 2011-03
35 recommending disposal to the USA/FAA of approx. 0.670 acres by lease
36 amendment on HLB Parcel 4-033-A, non-competitively and at no charge to provide
37 ingress and egress and subsurface power and communication lines to its non-
38 directional beacon lease site, subject to existing and planned trail alignments within
39 the lease site; and

40
41 **WHEREAS**, notwithstanding the requirements of AMC 25.40.025.H, this disposal is
42 consistent with AMC 25.40.010.E and AMC 25.40.025 F.2; now, therefore,
43

1 **THE ANCHORAGE ASSEMBLY ORDAINS:**

2
3 **Section 1.** The Municipality is authorized to grant a disposal of approximately .67
4 acres by lease amendment to the USA as described in the accompanying Assembly
5 Memorandum.

6
7 **Section 2.** This ordinance shall take effect immediately upon passage and
8 approval.

9
10
11 PASSED AND APPROVED by the Anchorage Municipal Assembly this 30th day
12 of August, 2011.

13
14
15 Debbi Ossander
16
17 Chair

18 ATTEST:

19
20
21 Paula S. Jovando
22 Municipal Clerk
23

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2011-83 Title:

AN ORDINANCE APPROVING DISPOSAL OF .65 ACRES BY LEASE AMENDMENT ON HLB PARCEL 4-033-A, NON-COMPETITIVELY AND NO CHARGE, TO PROVIDE INGRESS AND EGRESS, AND POWER AND COMMUNICATION LINES TO A NON-DIRECTIONAL BEACON LEASE SITE, SUBJECT TO EXISTING AND PLANNED TRAIL ALIGNMENTS WITHIN THE LEASE SITE.

Sponsor: MAYOR
 Preparing Agency: Real Estate Department
 Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:	(Thousands of Dollars)				
	FY11	FY12	FY13	FY14	FY15
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					
TOTAL DIRECT COST	0	0	0	0	0
6000 IGCs	0	0	0	0	0
FUNCTION COST:	0	0	0	0	0
REVENUES:	0	0	0	0	0
CAPITAL:	0	0	0	0	0
POSITIONS: FT/PT and Temp.	0	0	0	0	0

PUBLIC SECTOR ECONOMIC EFFECTS: Provides FAA access to beacon site for safety of the flying public; no direct impact or revenue to MOA.

PRIVATE SECTOR ECONOMIC EFFECTS: No direct impact; provides overall protection to travelers at TSAIA.

Prepared by: **Tammy R Oswald**
 Real Estate Dept, Acting Director

Telephone: 343-7986

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 450-2011

Meeting Date: August 16, 2011

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE APPROVING DISPOSAL TO THE USA OF**
4 **APPROXIMATELY .67 ACRES BY LEASE AMENDMENT ON HLB**
5 **PARCEL 4-033-A, NON-COMPETITIVELY AND AT NO CHARGE,**
6 **TO PROVIDE INGRESS AND EGRESS AND SUBSURFACE**
7 **POWER AND COMMUNICATION LINES TO ITS NON-**
8 **DIRECTIONAL BEACON LEASE SITE, SUBJECT TO EXISTING**
9 **AND PLANNED TRAIL ALIGNMENTS WITHIN THE LEASE SITE**

10 In 1996, the United States of America (USA) was granted a lease by the
11 Municipality of Anchorage (MOA) for an existing non-directional beacon (NDB) site,
12 non-competitively and at no charge within a parcel that was then identified as HLB
13 Parcel 4-034 (now re-designated HLB Parcels 4-034 and 4-033-A), located near the
14 west end of the Ted Stevens Anchorage International Airport (TSAIA). The NDB
15 provides an accurate and reliable means of navigation and is used for the safety of
16 the flying public. The 1996 lease included provision for rights of way for ingress and
17 egress and subsurface power and communication lines to the premises. The as-
18 built location of the existing subsurface power and communication lines differs
19 slightly from the alignment depicted in the 1996 lease.

20
21 Due to the extension of runway 7R at TSAIA, new cables must be installed for
22 power and communication to the NDB lease site. Due to the discrepancy between
23 the cable routes depicted in the 1996 lease and the actual location of the cable, as
24 well as the absence of any defined means of ingress and egress in the 1996 lease,
25 USA is requesting appropriate authorization for the reinstalled power and
26 communication lines in their true location, as well as a definite route of ingress and
27 egress to the site, all located within HLB Parcel 4-033-A.

28
29 HLB Parcel 4-033-A (Tract A, Airport Subdivision) is located north of Runway 7R.
30 The lease site with proposed cable and ingress and egress routes is shown in
31 attached **Appendix A**. The power and access corridor will be included in an
32 amendment to the existing lease and will be non-exclusive. The amendment will
33 further allow for existing and planned reroutes of the Sisson Loop Trail within the
34 entire leased area.

35
36 The existing Lease No. DTFA04-96-L-84021 between the MOA and the USA for the
37 NDB site was approved by the Assembly in 1996 by AO 96-79, which allowed the
38 disposal non-competitively and for no charge based on AMC 25.40.010.E and
39 25.40.025 F (see **Appendix B**, attached).

40

1 AMC 25.40.010.E provides "Each disposal shall be in the municipal interests, and
2 based at or above appraised fair market value or for other equivalent municipal
3 values or objectives..."

4
5 AMC 25.40.025 F.2 provides "Heritage Land Bank land may be leased non-
6 competitively to a non-profit agency for less than its appraised fair market value if
7 the municipal benefits which are project to accrue are found by the mayor and the
8 assembly to be in the best interest of the municipality."

9
10 AO 96-79 cites the benefits provided to the community as a result of the continued
11 operation of the NDB at this location.

12
13 AMC 25.40.025 H allows for disposal of HLB land by lease for public benefit for less
14 than fair market value through requests for proposals or through invitations to bid.
15 Notwithstanding the provisions of AMC 25.40.025 H, consistent with the current
16 lease and AMC 25.40.025 E and F, the proposed lease amendment site will be
17 provided at no charge and non-competitively.

18
19 A review of this proposal by all relevant Municipal agencies was circulated on May
20 11, 2011, to confirm that the proposed disposal is an acceptable use of the parcel.
21 The Parks and Recreation Department (Parks) responded that both the existing and
22 the proposed reroute of the Sisson Loop Trail are located within the current lease
23 site and proposed amendment area. Parks requested confirmation that the terms of
24 the lease and any amendment allow construction, maintenance, and use of the trail
25 facility. In addition, Parks requested information about the beacon to determine
26 whether its operation poses any potential hazard to trail users and others in the
27 area, and whether the separation between the beacon and trail should be
28 increased.

29
30 The terms of the lease amendment will allow for existing and planned reroutes of
31 the Sisson Loop Trail within the entire leased area. Parks staff has indicated that
32 they will contact the Federal Aviation Administration regarding the issue of potential
33 hazards posed by the operations of the NDB.

34
35 All other responding municipal agencies had no objections to the proposed disposal.

36
37 On July 14, 2011, the Heritage Land Bank Advisory Commission approved HLBAC
38 Resolution 2011-03, recommending Assembly approval for this disposal (see
39 **Appendix C**, attached).

40
41 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**
42 **APPROVING DISPOSAL TO THE USA OF APPROXIMATELY .67 ACRES BY**
43 **LEASE AMENDMENT ON HLB PARCEL 4-033-A, NON-COMPETITIVELY AND**
44 **AT NO CHARGE, TO PROVIDE INGRESS AND EGRESS AND SUBSURFACE**
45 **POWER AND COMMUNICATION LINES TO ITS NON-DIRECTIONAL BEACON**
46 **LEASE SITE, SUBJECT TO EXISTING AND PLANNED TRAIL ALIGNMENTS**
47 **WITHIN THE LEASE SITE.**

48

1 Prepared by: Karlee Gaskill, Land Manager, Heritage Land Bank
2 Approved: Tammy R. Oswald, Acting Director, Real Estate Dept.
3 Concur: John Rodda, Parks & Recreation Director
4 Concur: Dennis A. Wheeler, Municipal Attorney
5 Concur: George J. Vakalis, Municipal Manager
6 Respectfully submitted: Daniel A. Sullivan, Mayor
7

8 Appendices:

9 Appendix A - Area map
10 Appendix B - AO 96-79, HLB staff report and HLBAC
11 Resolution 8-96
12 Appendix C - HLBAC Resolution 2011-03

Appendix A

STATE BOUNDARY

NEIGHBORHOOD SUBDIVISION

Lease Amendment:
PROPOSED ROAD
AND POWER LINE

MDA BOUNDARY
AIRPORT BOUNDARY

TRACT B, AIRPORT
TSAVIA Land

NDB POWERLINE
EASEMENT
0.360 ACRES

STA. 1048+02

WEST
150'

APPENDIX A

HLB Land

Existing Lease

330.00'

330.00'

N00°05'16"W

N89°54'44"E

330.00'

N00°05'16"W
330.19'

P.D.C. NDB POWERLINE

037+38.60
' LEFT

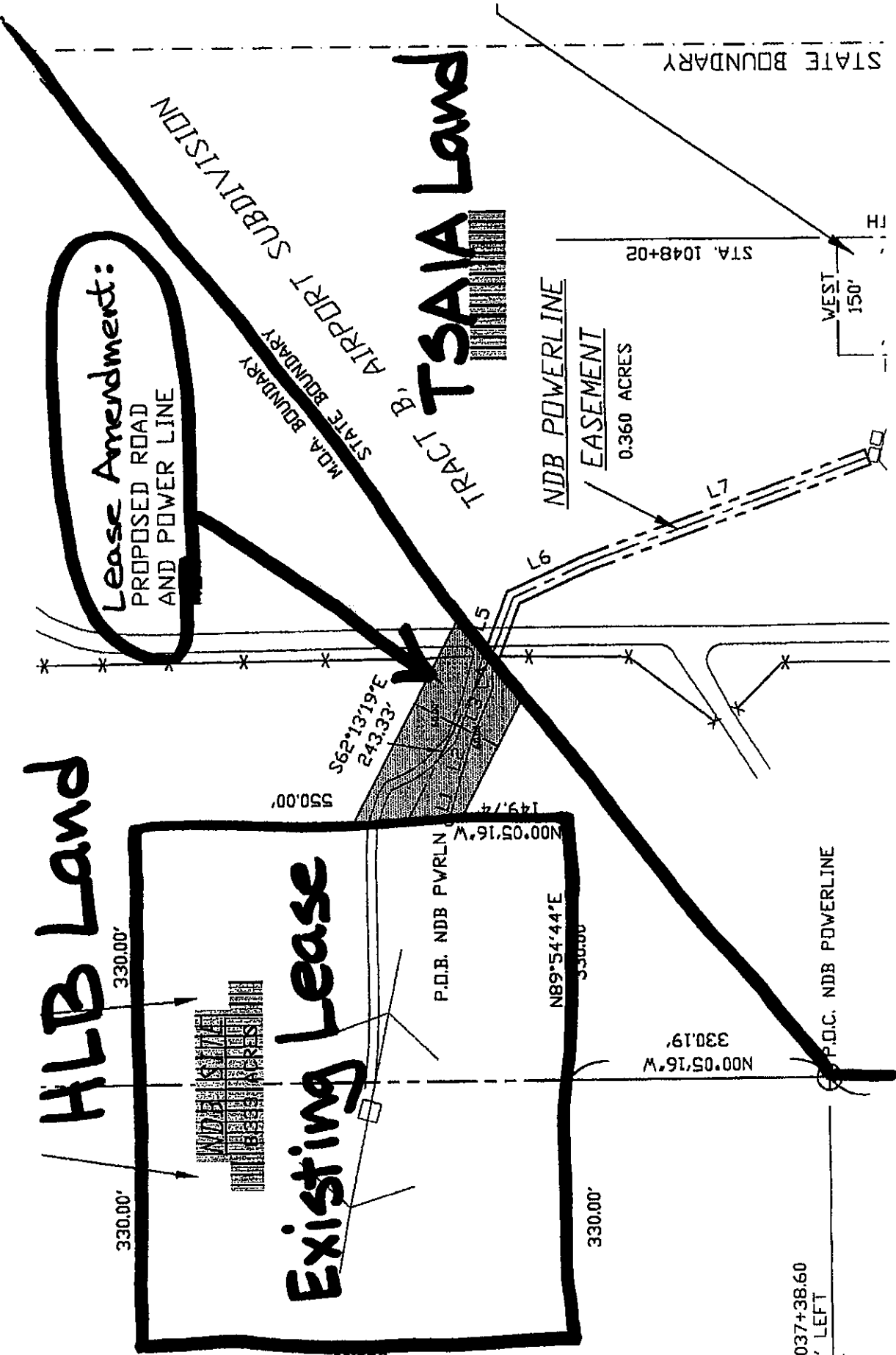
S62°13'19"E
243.83'

550.00'

149.74'

91

L7



APPENDIX B

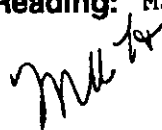
Submitted By: Assembly Chairman
at the request of the Mayor
Prepared by: Heritage Land Bank
For Reading: May 14, 1996

CLERK'S OFFICE

APPROVED

Date: 5-28-96

Anchorage, Alaska
AO 96-79



AN ORDINANCE OF THE ANCHORAGE ASSEMBLY DISPOSING OF A LEASEHOLD INTEREST TO THE FEDERAL AVIATION ADMINISTRATION FOR A NON-DIRECTIONAL BEACON SITE IN N550' OF THE E2SE4NE4SE4, SECTION 31, AND THE N550' OF THE W2SW4NW4SW4, SECTION 32, TOWNSHIP 13 NORTH, RANGE 4 WEST, SEWARD MERIDIAN, KNOWN AS A PORTION OF HERITAGE LAND BANK PARCEL 4-034, WEST OF THE CLITHEROE CENTER AND THE ANCHORAGE INTERNATIONAL AIRPORT

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WHEREAS, the Heritage Land Bank (HLB) was established to ..."manage uncommitted municipal land and the Heritage Land Bank Fund in a manner designed to benefit the present and future citizens of Anchorage, promote orderly development, and achieve the goals of the Comprehensive Plan." (AMC 25.40.010); and,

WHEREAS, in accordance with AMC 25.40.025 disposal of an interest in HLB land, including a lease, requires Assembly approval following a public hearing; and,

WHEREAS, on May 27, 1976 the Federal Aviation Administration (FAA) and the Municipality of Anchorage (MOA) signed an agreement authorizing the FAA use of approximately 10 acres for a non-directional beacon (NDB) site for the Anchorage International Airport (AIA), and said agreement expires on June 30, 1996; and,

WHEREAS, on March 12, 1996 the FAA applied to the HLB for a new lease for the non-directional beacon site as initially leased in 1976; and,

WHEREAS, AMC 25.40.010.E requires each disposal to be in the municipal interest, and based at or above appraised fair market value or for other equivalent municipal values or objectives; and,

WHEREAS, AMC 25.40.025.F allows the HLB to lease land non-competitively to a non-profit agency for less than its appraised fair market value if the municipal benefits which are projected to accrue are found by the Mayor and Assembly to be in the best interest of the the Municipality of Anchorage; and,

WHEREAS, Code of Federal Regulations (CFR) Subpart 1-16.6 addresses the FAA's requirement to utilize Standard Form 2, US Government Lease for Real Property. Lease DTFA04-96-L-84021 specifies that since the NDB for AIA is an obligation assumed by the federal government, no direct monetary consideration in the form of rent shall be assessed; and,

WHEREAS, the Heritage Land Bank Advisory Commission (HLBAC) held a public hearing on this disposal on April 17, 1996. The HLBAC unanimously approved the lease request and passed HLBAC Resolution 8-96, hereby attached to and made part of this ordinance. HLBAC Resolution 8-96 and the accompanying HLB Staff Report are submitted to the Assembly in accordance with AMC 25.40.025.B.

APPENDIX B

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NOW THEREFORE THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. The lease to the FAA is approved. This disposal is for other municipal values or objectives, consistent with AMC 25.40.010.E. And consistent with AMC 25.40.025.F, this disposal is for less than the appraised fair market value of the property based on the benefits provided as a result of the continued operation of the NDB at this location.

Section 2. This disposal is approved in accordance with HLBAC Resolution 8-96 and the accompanying HLB Staff Report 96-8, which are attached and made part of this ordinance.

Section 3. This lease shall not extend beyond September 30, 2016. The FAA and/or the MOA shall have the right to terminate the lease with 30 days written notification.

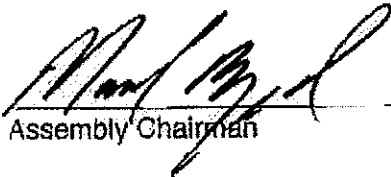
Section 4. This ordinance shall be effective immediately upon passage.

PASSED AND APPROVED THIS 28th DAY OF May, 1996.

Attest:

Signed:


Municipal Clerk


Assembly Chairman

APPENDIX B



MUNICIPALITY OF ANCHORAGE HERITAGE LAND BANK ADVISORY COMMISSION

STAFF REPORT

96-8

April 17, 1996

I. ISSUE

Request by the Federal Aviation Administration (FAA) for a new long term lease for a portion of Heritage Land Bank (HLB) Parcel 4-034, west of the Anchorage International Airport (AIA), more fully described as N550' of the E2SE4NE4SE4, Section 31, and the N550' of the W2SW4NW4SW4, Section 32, Township 13 North, Range 4 West, Seward Meridian. This site was initially leased to the FAA by the Municipality in 1976 for their non-directional beacon (NDB).

II. AUTHORITY

AMC 25.40.010; "The Heritage Land Bank shall acquire, inventory, manage, withdraw, transfer, and dispose of municipal land which has not been dedicated or transferred to a specific municipal agency for one or more municipal uses."

AMC 25.40.010.E; "The disposal responsibility of the Heritage Land Bank is, at the direction of the mayor and the Assembly, to convey from municipal ownership Heritage Land Bank land or interests in land which is not needed for specific public facilities or purposes. Each disposal shall be in the municipal interest, and based at or above appraised fair market value or for other equivalent municipal values or objectives..."

AMC 25.40.025.F; "The Heritage Land Bank may lease Heritage Land Bank land. The leases shall be awarded by open competitive bid process for at least appraised fair market rates, or a percentage of the gross receipts, or user fee equivalent. Heritage Land Bank land may be leased non-competitively to a non-profit agency for less than its appraised fair market value if the municipal benefits which are projected to accrue are found by the Mayor and the Assembly to be in the best interest of the Municipality."

III. BACKGROUND

On May 27, 1976 the FAA and MOA signed an agreement authorizing the FAA use of approximately 10 acres of land for an NDB site west of the Anchorage International Airport (AIA). The agreement was extended, with the final renewal expiring on June 30, 1996.

On October 27, 1978 the Municipality of Anchorage (MOA) nominated over 498 acres for selection under its municipal entitlement, including Section Lots 1, 2, 3, and 4, and the E2SE4 of Section 31, and NE4NW2, S2NW4, W2SW4 of Section 32, T13N, R4W, SM. A portion of the land was under lease to the MOA at the time. On January 28, 1964 the City of Anchorage had entered into a 55 year public recreation lease with the State of Alaska (SOA) for portions of E2SE4 of Section 31 and the W2SW4 of Section 32 (ADL 22412). Through unification in 1975, the MOA was rendered the Lessee. On December 21, 1978 the selection was filed. The SOA granted a Final Decision, approving the selection, on February 27, 1979. The property was conveyed to the MOA through Patent 5400 dated December 29, 1980. The conveyance merged the fee and leasehold interests. The SOA confirmed that ADL 22412 was closed on January 9, 1981.

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The conveyance through Patent 5400 was subject to Right Of Way (ROW) easements and an aviation easement. The ROW easements remain in effect. ADL 69354 authorized the Nikiski Pipeline to cross the property. ADL 63277 authorized the SOA access to and across the property for purposes of an access road. ADL 63275 authorized the SOA to build and maintain the airport landing system, middle marker, and land lights. The legal description provided in the ADL is south of the area requested by the FAA for a long term lease.

The management authority for the property west of the AIA was transferred to the HLB on July 24, 1984. The FAA NDB site is located on a portion of that land known as HLB Parcel 4-034.

During the land exchange between the MOA and AIA for the Sand Lake School site, a portion of HLB Parcel 4-034 became the subject of interest of the AIA. Because the AIA was interested in receiving HLB property for expansion purposes and for trade of the Sand Lake School site, on December 30, 1993 the Department of Community Planning Development filed a Land Exchange Application with the SOA proposing the use of HLB land for the exchange. The Anchorage Assembly passed AO 94-102(S) on May 30, 1994 authorizing the disposal of HLB Parcel 4-031 and a portion of 4-030 for the AIA exchange. On October 18, 1994 the exchange was expanded when the Assembly passed AO 94-193(S) authorizing disposal of HLB Parcels 4-031, 4-035 and portions of 4-030 and 4-033. The HLBAC held a public hearing on October 12, 1994 and passed HLBAC Resolution 35-94, as amended, approving the disposal of HLB Parcels 4-031, 4-035, and portions of 4-030 and 4-033. HLB Parcel 4-034 was not included in the final exchange. The interest that AIA had in the municipal property on the west end of the east/west runway was fulfilled when they received a portion of HLB Parcel 4-033. Plat 95-5 indicates that portion conveyed to AIA contained 48.8 acres.

On March 12, 1996 the FAA applied for a lease of 10 acres of HLB Parcel 4-034. After discussions between FAA representatives and HLB, the request for 10 acres was reduced to 8.33 acres. Specifically, the FAA is requesting a lease for the N550' of the E2SE4NE4SE4, Section 31, and the N550' of the W2SW4NW4SW4, Section 32, Township 13 North, Range 4 West, Seward Meridian .

The existing NDB is just west of the AIA property fence, off the west end of the east/west runway. Access to the site is available from the frontage road which runs along the perimeter of the AIA. The NDB is approximately 500 feet east of the Coastal Trail. The cleared site is surrounded by a dense cover of natural vegetation.

In accordance with HLB policies, an agency review memorandum was sent to 16 municipal agencies, the Tumagain Community Council, the Federation of Community Councils, and the Assembly on March 12, 1996, requesting comments on this disposal. The following table identifies the recipients of the memorandum and their response, if any:

AGENCY	RESPONSE DATE	COMMENTS
Community Planning and Development	3-18-96	No comment
Cultural & Recreation Services	3-18-96	No comment
Federation of Community Councils	NO RESPONSE	
Fire Department	3-21-96	No comment

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Turnagain Community Council	NO RESPONSE	
Health & Human Services	NO RESPONSE	
Merrill Field Airport	3-22-96	No comment
Municipal Light and Power	3-20-96	No comment
Parking Authority	NO RESPONSE	
Police Department	3-21-96	No comment
Port of Anchorage	3-20-96	No comment
Property & Facility Management	3-20-96	No comment
Public Works	NO RESPONSE	
School District	3-22-96	No comment
Solid Waste Services	3-22-96	No comment
Telephone Utility	NO RESPONSE	
Transit	3-22-96	No comment
Water & Wastewater Utility	NO RESPONSE	

As a result of the agency review process, the property can be declared surplus to the needs of the Municipality and in accordance with AMC 25.40 an interest in the property can be disposed of by lease to the FAA for a NDB.

The Code of Federal Regulations (CFR) Subpart 1-16.6 addresses the FAA's requirement to utilize Standard Form 2, US Government Lease for Real Property. That lease (DTFA04-96-L-84021) specifies that since the NDB for AIA is an obligation assumed by the federal government, no direct monetary consideration in the form of rent shall be assessed. The FAA has requested an expiration date of September 30, 1996 with automatic annual renewals provided no renewal shall extend the lease beyond September 30, 2016. Either the MOA or FAA can terminate the lease with a 30 day notification.

AMC 25.40.025 requires the HLBAC to hold a public hearing regarding the disposal of an interest in HLB land. AMC 25.40.030 specifies the procedures for advertising the public hearing. An advertisement was placed in the Anchorage Daily News, as well as in the Star. As required, the HLB sent public notices to the fifty closest land owners to HLB Parcel 4-034. To reach fifty property owners, notices were sent to all land owners within 10,800 feet of the property. That distance was essential to reach property owners other than the SOA. As a result, a total of 195 notices were mailed on March 22, 1996. In addition to sending notices to the property owners, another 41 notices were sent to: Sand Lake Community Council; Turnagain Community Council; Federation of Community Councils; HLBAC members; Assembly members; Alaska Center For The Environment; Anchorage Daily News Newsroom; Anchorage Daily News Editorial Board; Anchorage School District Superintendent; AWWU General Manager; Planning and Zoning Commission Members; Judy Bauer; Community Planning Department; Cultural and Recreational Services; Municipal Attorney; Property and Facility Management; and Public Works. The property was posted with signs on March 26, 1996 in accordance with AMC 25.40.030.C wherein any proposed action on any HLB property requires posting of a sign in a conspicuous place on the premises.

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IV. ANALYSIS

Municipal Code requires that prior to the HLB disposing of an interest in land by lease, the land must be surplus to the needs of other municipal agencies. As a result of the agency review process, this subject property is declared surplus.

AMC 25.40.025.F permits the HLB to lease land non-competitively to a non-profit agency for less than fair market value if the municipal benefits which are projected to accrue are found by the Mayor and Assembly to be in the best interest of the Municipality. Based upon the significant economic benefit the AIA has on the Anchorage economy, it is clear that this proposed less than fair market value lease would be in the best interest of the Municipality. However, that finding must be made by the Mayor and Assembly. The NDB is a key navigational aid for the general aviation community. The NDB has specific site requirements, limiting its potential locations. Without the NDB, passenger safety as well as cargo air traffic into the AIA could be jeopardized.

In accordance with AMC 25.40, providing a lease to the FAA for the NDB site can be considered ..."other equivalent municipal values or objectives". It can also be considered ..."equivalent non-monetary public benefit, consistent with the Municipality's best interest."

V. FINDINGS

1. No objections to this disposal by lease to the FAA were received from any of the agency review memorandums or public notices sent out by the HLB. The portion of the property requested by FAA can be considered surplus to the needs of the Municipality.
2. The lease is necessary for operation of the NDB, considered a vital portion of the landing system for the Anchorage International Airport.
3. Disposal of the interest in the proposed lease area is in the Municipality's best interest, and it is consistent with the HLB's purpose and mission. The NDB has been located at this site since 1966. Without the NDB, operations and public safety at the Anchorage International Airport could be jeopardized.
4. AMC 25.40.025.F allows the HLB to lease land ..."non-competitively to a non-profit agency for less than its appraised fair market value if the municipal benefits which are projected to accrue are found by the Mayor and the Assembly to be in the best interest of the Municipality." Given the degree to which the AIA relies upon the NDB for proper and safe operation, and the significant impact which the AIA has on the Anchorage economy, granting this lease for less than fair market value can be considered to be in the best interest of the Municipality.

VI. RECOMMENDATION

Approve HLBAC Resolution 8-96, disposing of a leasehold interest to the FAA for a portion of Heritage Land Bank (HLB) Parcel 4-034, described as N550' of the E2SE4NE4SE4, Section 31, and the N550' of the W2SW4NW4SW4, Section 32, Township 13 North, Range 4 West, Seward Meridian.

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VII. APPENDICES

- A. HLBAC Resolution 8-96
- B. Proposed lease DTFA04-96-L-84021
- C. Map of the airport area

**THIS STAFF REPORT WAS ACCEPTED BY THE HERITAGE LAND BANK ADVISORY
COMMISSION ON 4/17, 1996. SEE HLBAC RESOLUTION 8-96.**

HERITAGE LAND BANK ADVISORY COMMISSION
RESOLUTION 8-96

A RESOLUTION OF THE HERITAGE LAND BANK ADVISORY COMMISSION APPROVING THE DISPOSAL OF A LEASEHOLD INTEREST IN N550' OF THE E2SE4NE4SE4, SECTION 31, AND THE N550' OF THE W2SW4NW4SW4, SECTION 32, TOWNSHIP 13 NORTH, RANGE 4 WEST, SEWARD MERIDIAN, KNOWN AS A PORTION OF HERITAGE LAND BANK PARCEL 4-034, TO THE FEDERAL AVIATION ADMINISTRATION FOR A NON-DIRECTIONAL BEACON SITE

WHEREAS, the Heritage Land Bank (HLB) was established to ..."manage uncommitted municipal land and the Heritage Land Bank Fund in a manner designed to benefit the present and future citizens of Anchorage, promote orderly development, and achieve the goals of the Comprehensive Plan "(AMC 25.40.010); and,

WHEREAS, on May 27, 1976 the Federal Aviation Administration (FAA) and the Municipality of Anchorage (MOA) signed an agreement authorizing the FAA use of approximately 10 acres for a non-directional beacon site for the Anchorage International Airport, and said agreement expires on June 30, 1996; and,

WHEREAS, on March 12, 1996 the FAA applied for a new lease for their non-directional beacon site as initially leased in 1976 on HLB property west of the Anchorage International Airport.

NOW THEREFORE THE HERITAGE LAND BANK ADVISORY COMMISSION RESOLVES:

Section 1. The disposal of a leasehold interest in the subject property is in the best interest of the Municipality and is consistent with the HLB's purpose and mission.

Section 2. In accordance with AMC 25.40.025.F, the lease to the FAA shall be at less than fair market value for no monetary consideration in the form of rent. The lease shall not extend beyond September 30, 2016. The FAA and/or the MOA have the right to terminate the lease with 30 days written notification.

Section 3. The effects of granting this lease and having the non-directional beacon remain where located, and in operation, are anticipated to be positive on the Anchorage economy, the neighborhood and public facilities as well as to enhance public safety.

Section 4. The proposed lease (DTFA04-96-L-84021) is attached, and therefore part of this Resolution. The legal description of the property is contained in the lease as: N550' of E2SE4NE4SE4 of Section 31, and the N550' of W2SW4NW4SW4 of Section 32, Township 13 North, Range 4 West, Seward Meridian, Alaska, containing a total of 8.34 acres, more or less.

Section 5. Staff Report 96-8, attached, is hereby adopted and made part of this Resolution.


Section 6. This disposal shall be effective immediately upon Assembly approval.

PASSED AND APPROVED THIS 17 DAY OF April, 1996.

Attest:

Signed:


Gary Gustafson, Director
Heritage Land Bank


Gary McCarthy, Chair
HLB Advisory Commission

APPENDIX C

MUNICIPALITY OF ANCHORAGE HERITAGE LAND BANK ADVISORY COMMISSION

RESOLUTION No. 2011-03

A RESOLUTION OF THE HERITAGE LAND BANK ADVISORY COMMISSION (HLBAC) RECOMMENDING ASSEMBLY APPROVAL OF DISPOSAL TO THE U.S.A. OF APPROX. 0.670 ACRES BY LEASE AMENDMENT ON HLB PARCEL 4-033-A, NON-COMPETITIVELY AND AT NO CHARGE, TO PROVIDE INGRESS AND EGRESS AND SUBSURFACE POWER AND COMMUNICATION LINES TO ITS NON-DIRECTIONAL BEACON LEASE SITE, SUBJECT TO EXISTING AND PLANNED TRAIL ALIGNMENTS WITHIN THE LEASE SITE.

WHEREAS, the Heritage Land Bank (HLB) was established to... “Manage uncommitted municipal land and the Heritage Land Bank Fund in a manner designed to benefit the present and future citizens of Anchorage, promote orderly development, and achieve the goals of the Comprehensive Plan” (AMC 25.40.010); and

WHEREAS, AMC 25.40.025.A states, “The Heritage Land Bank Advisory Commission shall hold a public hearing, with public notice as specified in this chapter, prior to making a recommendation to the Mayor and Assembly regarding the disposal of Heritage Land Bank land or an interest in land.”; and

WHEREAS, AMC 25.40.010.E states “Each disposal shall be in the municipal interests, and based at or above appraised fair market value or for other equivalent municipal values or objectives...”; and

WHEREAS, AMC 25.40.025 F.2 states “Heritage Land Bank land may be leased non-competitively to a non-profit agency for less than its appraised fair market value if the municipal benefits which are project to accrue are found by the mayor and the assembly to be in the best interest of the municipality.”; and

WHEREAS, HLB Parcel 4-033-A is legally described as Tract A, Airport Subdivision; and

WHEREAS, existing Lease No. DTFA04-96-L-84021 between the MOA and the USA for a non directional beacon site on HLB Parcels 4-033-A and 4-034 was approved by the Assembly in 1996 by AO 96-79, which allowed the disposal non-competitively and for no charge based on AMC 25.40.010.E and 25.40.025 F.; and

WHEREAS, the location of the existing subsurface power and communication lines on HLB 4-033-A differs slightly from the alignment depicted in the existing lease; and

WHEREAS, USA is requesting appropriate authorization for the reinstalled power and communication lines in their true location, as well as ingress and egress to the lease site; and

WHEREAS, the disposal of this land by lease amendment is in the best interest of the Municipality; and

APPENDIX C

WHEREAS, AMC 25.40.025 H allows for disposal of HLB land by lease for public benefit for less than fair market value through requests for proposals or through invitations to bid; and

WHEREAS, Notwithstanding the provisions of AMC 25.40.025 H, consistent with the current lease and AMC 25.40.025 E and F, the proposed lease amendment site will be provided at no charge and non-competitively; and

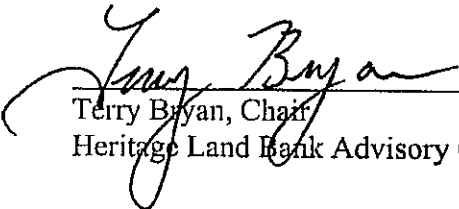
WHEREAS, the terms of the proposed lease amendment will allow for existing and planned reroutes of the Sisson Loop Trail within the entire leased area; Now, Therefore,

THE HERITAGE LAND BANK ADVISORY COMMISSION RECOMMENDS ASSEMBLY AUTHORIZATION OF DISPOSAL TO THE U.S.A. OF APPROX. 0.670 ACRES BY LEASE AMENDMENT ON HLB PARCEL 4-033-A, NON-COMPETITIVELY AND AT NO CHARGE TO PROVIDE INGRESS AND EGRESS AND SUBSURFACE POWER AND COMMUNICATION LINES TO ITS NON-DIRECTIONAL BEACON LEASE SITE, SUBJECT TO EXISTING AND PLANNED TRAIL ALIGNMENTS WITHIN THE LEASE SITE.

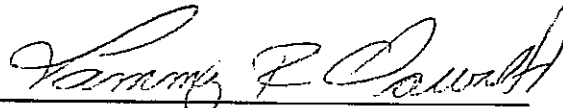
PASSED AND APPROVED on this, the 26TH day of May, 2011.

Approved:

Attest:



Terry Bryan, Chair
Heritage Land Bank Advisory Commission



Tammy R. Oswald, Acting Director
Real Estate Department