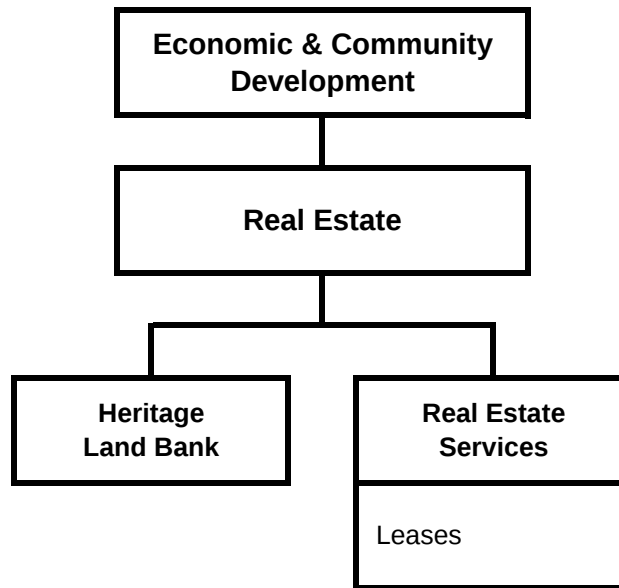


Real Estate



Real Estate Department

Description

Manage all municipally owned land, both uncommitted and under management authority of municipal agencies, in a manner designed to benefit present and future citizens, to promote orderly development, and improvement of lands for municipal purposes.

Department Services

- Except as AMC provides otherwise, the Real Estate Department has exclusive authority and responsibility to negotiate, administer, prepare and secure the execution of all contracts, leases, conveyances and other documents pertaining to the acquisitions and disposal of real property for the municipality.
- Inventory: Maintain current and accurate inventory of municipal lands.
- Property Management: Provide management of municipal lands and improvements.
- Protection: Conservation and preservation of wetlands, maintenance and protection of MOA lands and improvements, to include prevention and cleanup of hazardous conditions.
- Highest and Best Use: Employ maximum valued use and purpose for municipal lands and improvements.
- Tax Foreclosures: Administer foreclosure proceedings for delinquent real estate property taxes and/or special assessments.

Divisions

- Heritage Land Bank
 - o Manages municipally owned real estate in the HLB inventory in a manner designed to benefit the citizens of Anchorage and promote orderly development.
 - o Monitor and provide reporting for existing Conservation Easements held by the HLB. Facilitate the execution of Conservation Easements on appropriate HLB parcels with wetlands to offset the impacts associated with public improvements that meet specific needs of the community as identified in local planning documents.
- Real Estate Services
 - o Buys, sells, and leases land for other municipal departments.
 - o Maintains and manages all municipal land for which no other managing agency has been designated.
 - o Maintain all records in connection with foreclosure processing, acquisition, ownership and status of municipal land.
 - o Dispose private sector properties that the MOA has taken Clerk's Deed for delinquent property taxes and/or special assessments.
 - o Maintain a current inventory of all municipal land.

Department Goals that Contribute to Achieving the Mayor's Mission:



Administration – Make city government more efficient, accessible, transparent, and responsive to the citizens of Anchorage

- Revenue generated through disposals and use permits of HLB inventory provided to municipal and other agencies, and to the private sector.
- Annual tax foreclosure process: Collection of delinquent property taxes and assessments.

- Annual process for taking Clerk's Deed and subsequent sale of deeded properties via sealed bid auction.



Strengthen Anchorage's Economy – Build a city that attracts and retains a talented workforce, the most innovative companies, and provides a strong environment for economic growth

- Maximize amount of acreage mitigated through appropriate responses to negative impacts on the MOA land inventory due to fire, insect damage, illegal dumping of hazardous or contaminated materials, and/or vandalism.

Real Estate Department Summary

	2014 Actuals	2015 Revised	2016 Proposed	16 v 15 % Chg
Direct Cost by Division				
RED Heritage Land Bank	368,957	767,012	662,008	(13.69%)
RED Real Estate Services	7,824,831	7,318,947	7,251,993	(0.91%)
Direct Cost Total	8,193,788	8,085,958	7,914,001	(2.13%)
Intragovernmental Charges				
Charges by/to Other Departments	(6,045,905)	(5,746,324)	(5,573,993)	(3.00%)
Function Cost Total	2,147,883	2,339,634	2,340,008	0.02%
Program Generated Revenue	(1,771,652)	(939,156)	(1,000,060)	6.48%
Net Cost Total	376,231	1,400,478	1,339,948	(4.32%)
Direct Cost by Category				
Salaries and Benefits	753,014	795,564	727,921	(8.50%)
Supplies	2,976	5,300	5,800	9.43%
Travel	-	1,000	1,000	-
Contractual/OtherServices	7,432,113	7,275,794	7,170,980	(1.44%)
Debt Service	-	-	-	-
Equipment, Furnishings	5,685	8,300	8,300	-
Direct Cost Total	8,193,788	8,085,958	7,914,001	(2.13%)
Position Summary as Budgeted				
Full-Time	7	7	6	(14.29%)
Part-Time	-	-	-	-
Position Total	7	7	6	(14.29%)

Real Estate

Reconciliation from 2015 Revised Budget to 2016 Proposed Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
2015 Revised Budget	8,085,958	7	-	-
2015 One-Time Requirements				
- Remove ONE-TIME John Thomas Building payments to tenants for vacating	(25,000)	-	-	-
Changes in Existing Programs/Funding for 2016				
- Salary and benefits adjustments	(755)	-	-	-
- Reduce filled Special Admin Assistant II - work was absorbed by existing staff	(49,451)	(1)	-	-
2016 Continuation Level	8,010,752	6	-	-
2016 One-Time Requirements				
- ONE-TIME - Employee retiring, leave cash-out	16,543	-	-	-
2016 Proposed Budget Changes				
- RES has the ability to decrease the cost of title reports by canceling the order (of title reports) if delinquent taxes are paid before the order has been worked on.	(12,300)	-	-	-
- Permit Center lease rate increase by 3% CPI	18,000	-	-	-
- Increase lease rate at APD Seeley Substation	836	-	-	-
- Moving communications tower to free space by 11/01/2015.	(9,900)	-	-	-
- ACDA increased rate for Transit Lease at 6th & G	9,000	-	-	-
- City Hall lease reduce utility & repair HVAC	(69,610)	-	-	-
- Reduce Director position from 1.0 FTE to .75 FTE, (split time 1/2 working at HLB & at 1/2 RED)	(33,980)	-	-	-
- Decrease the amount of 3rd party appraisals by utilizing MOA in-house appraisers for land values whenever possible (ref. AO 2014-69 changed code AMC 25.40.025d). Service impact: projected reduction in length of time to obtain appraisals. No increase in workload, or reduction of services.	(15,340)	-	-	-
2016 Proposed Budget	7,914,001	6	-	-

Real Estate
Division Summary
RED Heritage Land Bank
(Fund Center # 122100)

	2014 Actuals	2015 Revised	2016 Proposed	16 v 15 % Chg
Direct Cost by Category				
Salaries and Benefits	354,049	437,212	347,548	(20.51%)
Supplies	1,950	4,500	4,500	-
Travel	-	1,000	1,000	-
Contractual/Other Services	12,812	316,800	301,460	(4.84%)
Equipment, Furnishings	146	7,500	7,500	-
Manageable Direct Cost Total	368,957	767,012	662,008	(13.69%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	368,957	767,012	662,008	-
Intragovernmental Charges				
Charges by/to Other Departments	458,424	398,579	407,183	2.16%
Function Cost Total	827,381	1,165,591	1,069,191	(8.27%)
Program Generated Revenue by Fund				
Fund 221000 - HLB Fund	942,308	292,656	365,860	25.01%
Program Generated Revenue Total	942,308	292,656	365,860	25.01%
Net Cost Total	(114,928)	872,935	703,331	(19.43%)
Position Summary as Budgeted				
Full-Time	3	3	3	-
Position Total	3	3	3	-

Real Estate
Division Detail
RED Heritage Land Bank
(Fund Center # 122100)

	2014 Actuals	2015 Revised	2016 Proposed	16 v 15 % Chg
Direct Cost by Category				
Salaries and Benefits	354,049	437,212	347,548	(20.51%)
Supplies	1,950	4,500	4,500	-
Travel	-	1,000	1,000	-
Contractual/Other Services	12,812	316,800	301,460	(4.84%)
Equipment, Furnishings	146	7,500	7,500	-
Manageable Direct Cost Total	368,957	767,012	662,008	(13.69%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	368,957	767,012	662,008	(13.69%)
Intragovernmental Charges				
Charges by/to Other Departments	458,424	398,579	407,183	2.16%
Program Generated Revenue				
406010 - Land Use Permits-HLB	148,665	12,015	12,015	-
406080 - Lease & Rental Revenue-HLB	101,202	90,518	90,518	-
406090 - Pipeline in ROW Fees	67,058	189,100	189,100	-
406625 - Reimbursed Cost-NonGrant Funded	54	-	-	-
408395 - Claims & Judgments	525,000	-	-	-
408410 - Lease State Land Conveyance	-	713	713	-
408580 - Miscellaneous Revenues	1,514	-	-	-
440010 - GCP CshPool ST-Int(MOA/ML&P)	60,854	310	58,286	18701.94%
440040 - Other Short-Term Interest	40,002	-	15,228	100.00%
440080 - UnRlzd Gns&Lss Invs(MOA/AWWU)	(2,040)	-	-	-
Program Generated Revenue Total	942,308	292,656	365,860	25.01%
Net Cost				
Direct Cost Total	368,957	767,012	662,008	(13.69%)
Charges by/to Other Departments Total	458,424	398,579	407,183	2.16%
Program Generated Revenue Total	(942,308)	(292,656)	(365,860)	25.01%
Net Cost Total	(114,928)	872,935	703,331	(19.43%)

Position Detail as Budgeted

	2014 Revised		2015 Revised		2016 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Junior Admin Officer	1	-	1	-	1	-
Special Admin Assistant II	2	-	2	-	2	-
Position Detail as Budgeted Total	3	-	3	-	3	-

**Real Estate
Division Summary
RED Real Estate Services**

(Fund Center # 122300, 122307, 122305, 122301, 122304, 122303, 122200, 122306, 122308,...)

	2014 Actuals	2015 Revised	2016 Proposed	16 v 15 % Chg
Direct Cost by Category				
Salaries and Benefits	398,965	358,353	380,373	6.14%
Supplies	1,026	800	1,300	62.50%
Travel	-	-	-	-
Contractual/Other Services	7,419,302	6,958,994	6,869,520	(1.29%)
Equipment, Furnishings	5,539	800	800	-
Manageable Direct Cost Total	7,824,831	7,318,947	7,251,993	(0.91%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	7,824,831	7,318,947	7,251,993	-
Intragovernmental Charges				
Charges by/to Other Departments	(6,504,329)	(6,144,903)	(5,981,176)	(2.66%)
Function Cost Total	1,320,502	1,174,044	1,270,817	8.24%
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	829,343	646,500	634,200	(1.90%)
Program Generated Revenue Total	829,343	646,500	634,200	(1.90%)
Net Cost Total	491,159	527,544	636,617	20.68%
Position Summary as Budgeted				
Full-Time	4	4	3	(25.00%)
Position Total	4	4	3	(25.00%)

Real Estate Division Detail

RED Real Estate Services

(Fund Center # 122300, 122307, 122305, 122301, 122304, 122303, 122200, 122306, 122308,...)

	2014 Actuals	2015 Revised	2016 Proposed	16 v 15 % Chg
Direct Cost by Category				
Salaries and Benefits	398,965	358,353	380,373	6.14%
Supplies	1,026	800	1,300	62.50%
Travel	-	-	-	-
Contractual/Other Services	7,419,302	6,958,994	6,869,520	(1.29%)
Equipment, Furnishings	5,539	800	800	-
Manageable Direct Cost Total	7,824,831	7,318,947	7,251,993	(0.91%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	7,824,831	7,318,947	7,251,993	(0.91%)
Intragovernmental Charges				
Charges by/to Other Departments	(6,504,329)	(6,144,903)	(5,981,176)	(2.66%)
Program Generated Revenue				
401040 - Tax Cost Recoveries	265,160	250,000	250,000	-
406010 - Land Use Permits-HLB	2,054	-	-	-
406080 - Lease & Rental Revenue-HLB	397,954	316,500	304,200	(3.89%)
406625 - Reimbursed Cost-NonGrant Funded	67,885	28,100	28,100	-
406640 - Parking Garages & Lots	49,229	51,900	51,900	-
408240 - Miscellaneous Revenues(Port)	45,150	-	-	-
408380 - Prior Year Expense Recovery	1,912	-	-	-
Program Generated Revenue Total	829,343	646,500	634,200	(1.90%)
Net Cost				
Direct Cost Total	7,824,831	7,318,947	7,251,993	(0.91%)
Charges by/to Other Departments Total	(6,504,329)	(6,144,903)	(5,981,176)	(2.66%)
Program Generated Revenue Total	(829,343)	(646,500)	(634,200)	(1.90%)
Net Cost Total	491,159	527,544	636,617	20.68%

Position Detail as Budgeted

	2014 Revised		2015 Revised		2016 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Administrative Officer	1	-	1	-	1	-
Junior Admin Officer	1	-	1	-	1	-
Program & Policy Director	1	-	1	-	1	-
Special Admin Assistant II	1	-	1	-	-	-
Position Detail as Budgeted Total	4	-	4	-	3	-

Anchorage: Performance. Value. Results

Real Estate Department

Anchorage: Performance. Value. Results.

Mission

Manage all municipal land, both uncommitted and under management authority of municipal agencies, in a manner designed to benefit present and future citizens, to promote orderly development, and improvement of lands for municipal purposes.

Core Services

- Inventory and Contracts: Maintain current and accurate inventory of municipal lands. Maintain current and accurate contract files.
- Property Management: Provide management of municipal lands and improvements.
- Protection: Conservation and preservation of wetlands, maintenance and protection of MOA lands and improvements, to include prevention and cleanup of hazardous conditions.
- Acquisitions and disposals: Authority to administer on behalf of the MOA the acquisition and disposal of real property via lease, exchange, sale, easement, permits and use agreements.
- Highest and Best Use: Employ maximum valued use and purpose for municipal lands and improvements.
- Tax Foreclosures: Administer foreclosure proceedings for delinquent real estate property taxes and/or assessments.

Accomplishment Goals

- Review all contract files annually to maintain current and accurate information and contractor compliance.
- Maximize amount of acreage mitigated through appropriate responses to negative impacts on MOA land inventory due to fire, insect damage, illegal dumping of hazardous or contaminated materials, trespassing, and/or vandalism by property inspections.
- Revenue generated through disposals and use permits of HLB inventory.
- Annual tax foreclosure process: Collection of delinquent property taxes and/or assessments.
- Annual process for taking Clerk's Deed and subsequent sale of deeded properties via sealed bid auction.

Performance Measures

Progress in achieving goals will be measured by:

Measure #1: Number of contract files reviewed for current information, accuracy and contractor compliance.

Number of Real Estate Contract Files Reviewed						
	2014	Q1	Q2	Q3	Q4	EOY 2014
Contract Files Reviewed		*	*	*	21	21
	2015	Q1	Q2	Q3	Q4	2015 To Date
Contract Files Reviewed		35	25			60

Measure #2: Number of parcels mitigated through appropriate responses to negative impacts on municipal land inventory due to fire, insect damage, illegal dumping of hazardous or contaminated materials, trespass, and/or vandalism by property inspections.

Number of Municipal Parcel Inspections						
	2014	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2015 To Date
Region 1 (Eagle River)	19	4	8			12
Region 2 (SE Anchorage)	6	0	0			0
Region 3 (NE Anchorage)	25	3	7			10
Region 4 (NW Anchorage)	44	8	22			30
Region 5 (SW Anchorage)	26	2	1			3
Region 6 (Bird/Indian)	0	0	0			0
Region 6 (Girdwood)	15	6	0			6
TOTAL	136	23	38			61

Comment: In 2014, inspections increased due to conservation easement, pursuant to US Army Corps of Engineers requirement.

Heritage Land Bank Division Real Estate Department

Anchorage: Performance. Value. Results.

Purpose

Pursuant to AMC 25.40.010, it is the mission of the HLB to manage uncommitted municipal land and the HLB Fund in a manner designed to benefit present and future residents of Anchorage, promote orderly development, and achieve the goals of the Comprehensive Plan.

Division Direct Services

A self-supporting agency, HLB provides stewardship of municipal land in the HLB inventory with responsibility for:

- Land placed in the inventory for management reserved for unspecified purposes
- Land held in the inventory for specific or future public purposes.
- Land held for mitigation and conservation
- Land determined as excess to present or future municipal needs which may be suitable for disposal
- Land determined excess to municipal needs but unsuitable for disposal

Accomplishment Goals

- Respond appropriately in assessing and mitigating impacts of hazardous conditions such as fire, insect damage, illegal dumping of hazardous materials, vandalism, and trespass on HLB properties
- Disposal and permitting of inventory to appropriate municipal agencies and the private sector for approved uses that also generate revenue to the HLB Fund

Performance Measures

Progress in achieving goals will be measured by:

Measure #3: Revenue generated by disposals and permits of HLB inventory to the HLB Fund

The graph below compares revenues to the fund from permits, leases and disposals of HLB inventory:

Revenue Type	Total 2014	2015 Q2	YTD 2015
<i>Land Use Permits</i>	148,664.86	8,815.23	10,954.33
<i>ROW Fees</i>	67,058.16	15,474.96	30,949.92
<i>Leases</i>	101,201.72	17,024.06	31,271.38
<i>Land Sales</i>	0	0	0
<i>Wetlands Mitig. Credits</i>	0	0	0
TOTALS	316,924.74	41,314.25	73,175.63

Real Estate Services Division

Real Estate Department

Anchorage: Performance. Value. Results.

Purpose

The Real Estate Services Division (RES) is responsible for administering the acquisition and disposal of real municipal property committed to government use via sale, lease, exchange, use permit or easement that is not in the ACDA or HLB inventories. RES administers the foreclosure process of delinquent property taxes and assessments. It also negotiates, funds and manages the leasing of office, warehouse and other spaces required for local government agencies to have a place to perform their services on behalf of citizens.

Division Direct Services

- Provide effective management of all non-HLB or ACDA municipal properties, including leased properties
- Administer the foreclosure process resulting from delinquent property taxes and assessments
- Administrative oversight of acquisition, retention and disposal of municipal lands
- Public and private businesses act as Lessors of facilities space for municipal agencies. As a result, this serves the public by providing leased space for local government agencies and programs that also serve the public.

Accomplishment Goals

- Annual foreclosure process: Collection of delinquent property taxes and assessments
- Annual process to complete taking Clerk's deeds to foreclosed properties and subsequent sale of deeded properties via sealed bid auction.

Performance Measures

Progress in achieving goals will be measured by:

Measure #4: Annual foreclosure process: Collection of Delinquent property taxes and/or assessments

TAX YEAR	FORECLOSURE PUBLICATION			JUDGMENT & DECREE OF FORECLOSURE			EXPIRATION OF REDEMPTION PERIOD COURT CLERKS DEED ISSUED		
	FRCL Year	No. Accts.	Prin., Penalty Interest, Cost	FRCL Year	No. Accts.	Prin., Penalty Interest, Cost	Deed Year	No. Accts.	Prin., Penalty Interest, Cost
2008	2009	Tax	1,601	2009	Tax	1,040	2010	Tax	31
	1st Pub 3/5/2009	DID	42	27-Apr	DID	27		DID	0
		S.A.	81		S.A.	25		S.A.	0
	3AN-09-05631		1,724			1,092			31
2009	2010	Tax	1,746	2010	Tax	1,008	2011	Tax	92
			\$9,436,513			\$5,822,545			\$147,150
						(1)			
						(\$916,757)			
2010	2011	Tax	1,677	2011	Tax	972	2012	Tax	40
	1st Pub 3/3/2011	DID	47		DID	24		DID	0
		S.A.	44		S.A.	22		S.A.	6
	3AN-11-05912		1,768			1,018			46
2011	2012	Tax	1,526	2012	Tax	996	2013	Tax	45
	1st Pub 3/8/12	DID	65		DID	35		DID	0
		S.A.	43		S.A.	26		S.A.	1
	3AN-12-05833		1,634			1,057			46
2012	2013	Tax	1,602	2013	Tax	1,011	2014	Tax	27
	1st Pub 3/7/13	DID	53		DID	31		DID	1
		S.A.	25		S.A.	11		S.A.	0
	3AN-13-05671		1,680			1,053			28
2013	2014	Tax	1,511	2014	Tax	856	2015	Tax	
		DID	48		DID	27		DID	
		S.A.	21		S.A.	13		S.A.	
	3AN-14-05422		1,580			896			\$0
2014	2015	Tax	1,259	2015	Tax	821	2016	Tax	
		DID	39		DID	30		DID	
		S.A.	31		S.A.	11		S.A.	
	3AN-15-0		1,329			862			\$0
2015	2016	Tax		2016	Tax		2017	Tax	
		DID			DID			DID	
		S.A.			S.A.			S.A.	
	3AN-16-0		0						\$0

Measure #5: Annual process for taking Clerk's Deed and subsequent sale of deeded property via sealed bid auction

In the first quarter, the Assembly approved the annual sale of tax-foreclosed properties (AO 2015-12). An updated list of 12 properties scheduled for sale was provided at the second public hearing. The Real Estate Services Division strived to reduce this number significantly before the actual sale date. The sealed bid sale occurred in the second quarter of 2015, on April 15th. Results are reflected below:

Tax Foreclosed Properties Sale: 2008 - 2015								
Year	2008	2009	2010	2011	2012	2013	2014	2015
Properties Sold	2	3	11	3	3	9	5	5