HERITAGE LAND BANK ADVISORY COMMISSION
Meeting
July 12, 2018, 11:30 a.m.
Permit & Development Center conference room 170
4700 Elmore Road, Anchorage, Alaska
Meeting Minutes

I. Call to Order

Acting Commission Chair Jim Fredrick called the meeting to order at 11:26 a.m.

Commissioners Present:
Jim Fredrick, Commissioner
Brad Quade, Commissioner
Ron Tenny, Commissioner
Wende Wilber, Commissioner

Staff Present:
Nicole Jones-Vogel, Land Management Officer
Kristy Despars, Land Management Officer
Tawny Klebesadel, Office Manager

Commissioners Absent:
Kati Capozzi, Vice-Chair (Excused)
Tim Trawver, Chair (Excused)
Peggy Looney, Commissioner (Excused)

II. Approval of the July 12, 2018 Agenda and the Meeting Minutes of June 14, 2018

Commissioner Wende Wilber moved to approve the agenda as presented. The motion was seconded and approval of the agenda passed unanimously. Ms. Wilber moved to approve the meeting minutes of June 14, 2018. The motion was seconded and approval of the minutes passed unanimously.

III. Director’s Report

In Director Robin Ward’s absence, Land Management Officer Nicole Jones-Vogel provided the Director’s report. Girdwood Industrial Improvement Subdivision (GWIP) improvements are going along pretty well. They have the sanitary sewer line down now. They’re trying to rough-in the road. They do expect to pave in the next month or so. There’s been a few change orders for things that have come up that we didn’t expect. Nothing that’s too remarkable. This project is going well. We did permit Phase I of the Iditarod National Historic Trail (INHT). It sort of parallels the construction of the GWIP that was recently completed. Ms. Jones-Vogel suggested the Commissioners take a walk on the trail. She was sent a video of it and was able to walk it virtually. It looked really good and once all the phases are completed, the Forest Service will be able to take that and maintain it. We have an EPA grant that the Mayor’s Office got in coordination with the Alaska Food Policy Council, and if you remember, they’re the folks that want to utilize the Former Native Hospital Site (FNHS) for some urban farming. As part of their technical assistance grant, they are hosting a Local Food Places workshop on August 8th (evening meeting) & 9th (all day) at the FNHS. Anybody who has time and is interested in participating in that, it will be helpful. We are having some of our consultant team from TBC participating, to make sure that our two efforts dovetail together. Acting Chair Fredrick requested she send out the particulars. Ms. Jones-Vogel stated they haven’t finalized a flyer, but we’ll send out upon receipt. Mr. Tenny asked what TBC is. Ms. Jones-Vogel stated it’s the The Boutet Co., it’s the consultant we have that’s doing the Master Planning for FNHS. Last year we started doing an annual meeting in Girdwood. We want to do that again this fall. Although, maybe a little bit earlier, possibly in September. We’ve booked the Community Room for three different days. Our regular Thursday meeting won’t work, because the room is being utilized already. Because we don’t have our full group, if everyone agrees, she’ll send out a Doodle
poll to find the best time. As long as we give ample noticing, we can change our regularly scheduled meeting time around a little bit. I think it would be good to get down there and do what we did last year. Commissioner Brad Quade advocated for Doodle poll. Ms. Jones-Vogel stated Doodle poll it is, and as long as there are no questions, that’s all she had to report. Acting Chair Fredrick asked if there were any Commissioner questions, seeing none, moved on to Action Items and Public Hearings.

IV. Proposed Action Items and Public Hearings:

a. HLBAC Resolution 2018-06: A Resolution recommending Assembly approval of the disposal by perpetual, non-exclusive telecommunication and electrical easement to Chugach Electric Association, Inc. of portions within HLB Parcels 6-057(A-F) and 6-057-2, legally described as Lots 1-5 Block 2 and Tracts A and B Girdwood Industrial Park Subdivision Phase I (Plat 2016-67).

Ms. Jones-Vogel stated as you remember, this was on the agenda for the June meeting and then postponed indefinitely, because we wanted to make sure the easement CEA was requesting was the minimal easement they needed, because of the impact to the lots. We sat at the table with CEA and some of our lessees and talked about the issues until everyone understood what the issues and the concerns were. Then we met again with our project manager and CEA and got to a point where we negotiated that Lot 1 will only have a 10’ easement up until right before it hits Lot 2 and then it will bump out right before the transformer. And it will stay at 20’ until it hits another transformer. We were able to negotiate that bump out so that it met CEA’s requirements for maintaining and access, and so that it doesn’t stretch that whole easement to 30’ along all of the lots. That was good, the other thing we did is the third transformer, which at this point the request for utilities we’ll only be installing the one between Lot 1 & 2, and then Lot 5 in Phase II. So, we shifted the previous transformer that was supposed to be on Lot 5 to Phase II. So that the impacts to Lot 5 as far as easement wise would be less. Mr. Tenn asked if that would be Tract B and Ms. Jones-Vogel confirmed. All our lessees were all supportive, in fact at various times, we had letters of consent from all of them. However, this last week, I got a call from the lessee of Lot 4, who said that after reviewing the location of the transformer, he’s not amenable to this arrangement. We need to circle back with him and do some more explaining how we got to this situation as far as where the transformers are and the electrical need. I think what’s good, in our favor at this moment, is that until Lot 4 needs power, the transformer doesn’t need to be constructed. Mr. Tenn asked if this will affect construction. Ms. Jones-Vogel indicated no, we will still need the easement. His concern was that the transformer was going to be in the way of maneuvering around the site. Ms. Wilber asked, for edification, why do they need 20’ and a bump out where the transformers is? Typically she gets a 10’ T&E easement and transformers are just fine in there. If we’re going to 20’, why do they need an additional bump out? It’s not a typical T&E easement. Ms. Jones-Vogel stated that is exactly why we sat down with them. The way the Industrial Park road was designed is that the drainage swale is within the lots. So, we ended up having to get easements for the drainage and slope easements. Because of the location of the drainage and coming up and getting onto the little bench for the other side of the drainage, and then dropping into the lots, they did not have enough room to co-locate them. They couldn’t access, maintain, and construct in the bioswale. So, they needed to offset that. We brought them in as far as we could. Lot 1 isn’t going to be affected. We’re just going to a total of 20’ and the bump outs. And that 20’ is the width of the drainage and bioswale and slope easement. Ms. Wilber said that made sense and thank you for the explanation. Ms. Jones-Vogel state there is also a small T&E easement request on the AWWU Tract A. They’re amenable to that. Generally speaking, everyone’s on board, other than one lessee. Mr. Quade stated he wasn’t part of this earlier on and inquired who will be covering the cost of CEA putting those utilities in? Was that project built into the lease cost prior? Those are the types of things I’m interested in. As far as the operational costs. Ms. Jones-Vogel replied that as far as the lots that connect to the electricity, obviously they’re going to pay their utility costs. As far as the installation of the utilities goes, as far as our private development subdivision agreement says, we’re installing conduit for communications, installing a conduit for a gas line, and conduit for the electric. Mr. Quade asked if they knew about the electricity when the lease was created. I’m just trying to understand how someone could say they wanted electricity and then say, but
I don’t want it that way. I’m having a hard time digesting that one. I want electricity, but I don’t want it the way you’re going to give it to me, and now I’m going to pass. And so does that affect cost, when at a later date, to go dig that up and put it where you want it. I think it’s more cost-effective to do it all at once. Ms. Jones-Vogel stated generally our leases are written so that we can go in and enter into easements without consent of the lessee. But this one wasn’t done that way. When we first started going into the subdivision design and then we talked about fair market value, the lessees were very resistant to any type of utility or additional feature or amenity for their lots. Because they were afraid their rental rates were going to go up. But now, here we are breaking ground, and they’re saying well hey, you’re going to disrupt the ground, this is the time to put in all these utilities, right? So now, we’ve had to back-track a little bit, to address those things. And it does make sense financially for us to put in these utilities, and so we’re doing that now. It’s just sort of a little bit of a dance in the explaining, and there’s a lot of change on there, so we’ve been bringing them forward really quickly on lots of stuff. It’s a little bit of a challenge, but I think we’ve done the best that we could in negotiating the easement agreement and there’s very little impact beyond that 20’, just the bump outs. I think that it will end up working out. Mr. Quade asked if there was anything to protect them from coming back next year and wanting electricity. I just think it’s strange. Ms. Wilber said she’s kind of intrigued with where Mr. Quade was going and said, Lot 4 does not want the transformer, right? Ms. Jones-Vogel said Lot 3 and 4 won’t have transformers. Ms. Wilber sought clarification that the city would be paying for the electricity to be extended to Lot 2. Ms. Jones-Vogel said no, we’re going to put in the line all the way to Phase II. Ms. Wilber asked when they want, will you be going back in and putting in a transformer at that point? Ms. Jones-Vogel confirmed. Ms. Wilber stated you’ll already have most of that infrastructure in, so it’s not that big of an expense. Ms. Jones-Vogel confirmed and added we’re also putting in conduit across the road during construction. Mr. Quade commented Ms. Wilber has a way with words and that is exactly where he was going with that. Mr. Tenny stated that’s so all of that will be in for Phase II. Ms. Jones-Vogel confirmed and added that’s why we’re putting in the sewer even though nobody is connecting to sewer right now. We’re trying to put everything in right now. Mr. Tenny commented that’s so it will be more of an industrial park instead of, like it is now, just gravel, not high-tech or even low-tech. Ms. Jones-Vogel stated we expect it will grow over time. They have really long-term leases so expect to see some structures down there and be able to use those utilities, which will be critical for that. I didn’t have any other comments, other than that lessee, last week, so we’ll continue to work with him.

Acting Chair Fredrick asked the Commissioners if there were any other questions that haven’t been answered, seeing none, opened up the public hearing. Seeing no persons present wishing to provide testimony, closed the public hearing. Seeing no further discussion on the Resolution, Acting Chair Fredrick stated he would entertain a motion. Ms. Wilber moved to approve. The motion was seconded and passed unanimously.

This motion: Passed 4-0

b. HLBC Resolution 2018-07: A Resolution recommending Assembly approval of the transfer of five parcels to the HLRC inventory, legally described as Lots 13A & B Urbanek & Kerkoove Subdivision (Plat 74-66), Lot 12 West ptn, Lot 12 East 50’ ptn, and Lot 14 SEC 33 T13N R3W.

Ms. Jones-Vogel provided the staff report stating she thinks this is going to be really fun to talk about these. The idea is that we want to take property that is vacant and unrealized and manage it and plan for it. When you get into the details, the site is complicated. It has an interesting history, interesting ways that they came to us, and some site constraints. The sites are at the corner of Tudor and Lake Otis. They’ve probably been like that since 2008. Ms. Jones-Vogel showed aerial mapping beginning in the 1970s to present, indicating the old Tudor hotel, Peacock Cleaners, the old Chevron station, and residential areas. If you remember, the Municipality was working on a road project at that intersection and purchased four parcels for right-of-way acquisition. The hotel was demolished and the gas station and residences were removed. Prior to 2007, Peacock Cleaners defaulted on their property taxes and so we got Clerk’s Deed to that. However, we ended up leasing the property back to them on a
month to month basis. Ultimately, the site management they had was not up to code and it was condemned for raw sewage and other things. We got the EPA involved, we got assessment money, and did a significant amount of assessment work. We also have a passive clean-up, not for the sewage situation, but from the chlorinated solvents from the dry cleaners. If you remember during our work sessions we did last fall [for the HLB Plan], we did identify these parcels to be moved into the HLB inventory. This is the implementation of that Work Plan. The comments that I received were pretty much in support, actually everybody was in support. I did receive some details from Long-Range Planning, this is an interesting intersection, just on the edge of what they’ve identified as a redevelopment focus area. It’s in a transit-oriented area and a commercial corridor. It has very high probability for mixed-use and medium-density residential. They definitely saw the potential for residential. If we end up moving it into HLB and we start incorporating that into our Work Plan that may be one of the proposed outcomes for the redevelopment of this site. There’s definitely some benefits to bringing them into the inventory. HLB has a little bit more intensive review process, as far as doing the Work Plan, and Master Planning, and HLB is more equipped to do a lot of that work. And it is the mission of HLB and the Commission to manage these types of properties that don’t have an identified municipal use. It certainly lends itself better to be under the purview of HLB. I wanted to talk about the contamination so that we have a sense of what we’re looking at. The Peacock Cleaners site we got from tax-foreclosure, while we have a responsible party, they’re not financially able to deal with this kind of contamination. We have the passive remediation in place that is working, it’s slow, but it’s working. We just recently got a report from Shannon & Wilson last month. I put the short summary in your packet. It appears the groundwater contaminates are staying on site. We’re getting to the point where we can start thinking on how we’re going to reuse that parcel based on the situation there. The Chevron site is a little bit more interesting because when we purchased it for the right-of-way improvement, it came with the requirement from Chevron to do annual semi-annual monitoring. We got monitoring reports every six months. They actually have an active remediation system out there. I don’t know if you’ve seen it, but it’s a little trailer thing that’s got this spinning silver thing that I don’t know what it’s called. It’s been working. The contaminants have been down [passed out report]. The equipment has been down for 6 or 8 months. They were just out there and we got this report. In one of the monitoring wells, all of the contaminates are below the clean-up level. In the other one, it’s slightly high. There’s diesel range, gas range, and benzene in the groundwater. Mr. Tenny inquired if there was also soil contamination. Ms. Jones-Vogel stated she could not remember. There probably was, I apologize, these are ones that I don’t know every detail about them. Mr. Quade added they have a big history, a 25 year history. Ms. Jones-Vogel said it’s also very close to where we could start planning a reuse. That’s really our goal. It would be good to steer that development for a community benefit. Basically, we’d like to implement what we have in the Work Plan, to move these 5 parcels into the inventory, and then we at some other upcoming meetings and work sessions, we can come up with a plan. Unless there are some other questions, that’s all I have. Mr. Tenny inquired about the cost of remediation liability from one part of the MOA to another, and what the cost of that potential liability might be. Ms. Jones-Vogel responded that’s an issue that we might have to work through. If you remember the EPA grant that we got, there’s reuse planning associated with that. Currently we’re going to use that on a different site, but this site would be a really great site because of its location. And the amount of assessment work that we already have is enough to start figuring out what types of activities and what kind of mitigation you would need to do those. Ms. Wilber inquired if this has any impact on making it more eligible for Brownfield funding – or is it equally eligible? Does it matter if we move it? Ms. Jones-Vogel responded that the only benefit would be, and this is something that could be viewed as something slightly negative, but HLB has a fund for distressed properties. We would be more able to fund match. We would be more able to prioritize funding for doing something like that. That might make us a little bit more competitive when we do grant applications. And maybe the level of participation from having the Commission and our public hearings, that might lend itself to being more competitive in seeking grant funding. Ms. Wilber added that should be more helpful. Mr. Tenny added that HLB has had other contaminated properties and is more familiar with how to deal with these situations better than in the real estate inventory. Ms. Jones-Vogel confirmed. We have several contaminated properties that we’re managing that are either in cleaned up or clean-up with institutional controls status. Mr. Quade stated Chevron EMC has a fantastic track record for taking care of all their business. Generally, if you find something that’s tied back to them, you’re
not going to have a problem with them taking care of it. If we develop this, they’ll come in and take care of any secondary contaminates present or further contamination that is found. If it’s developed in the future, they’ll come back. I’ve seen that happen all over. Where Credit Union 1 went in over in Mountain View, that was a former Chevron site. There was no problem. It seems to me the only real liability is from the Peacock Cleaners, which we inherited that one. There’s a larger window of financial cost, control, and liability, when you get into those TCE projects. So, maybe Brownfields might be a solution. Ms. Wilber stated that the liability is there for the Municipality of Anchorage, it doesn’t matter really if it’s in HLB or in real estate. It’s ours. I don’t think that should have any impact on our decision. Mr. Tenny commented the problem is with dry cleaning – it’s happening all over the United States. It’s a pretty well-known issue. Mr. Tenny asked if it was in business a long time. Ms. Jones-Vogel replied that she would have to look it up, but from the aerial imagery, it’s been there since the 1970s.

Acting Chair Fredrick opened up the public hearing and seeing no persons present wishing to provide testimony, closed the public hearing. Seeing no further discussion on the Resolution, Acting Chair Fredrick stated he would entertain a motion. Mr. Tenny moved to approve. The motion was seconded and passed unanimously.

This motion: Passed 4-0

V. Appearance Request(s)

Seeing no persons scheduled or present for an Appearance, Acting Chair Fredrick moved on to Persons or Items not on the Agenda.

VI. Persons or Items not on the Agenda

Brendan Raymond-Yukoubian (passed out letter) said thank you, I wanted to talk to you today about the magic of the Girdwood forest, and the uniquely wonderful treasure we all have in HLB lands which encompass so much of it. My wife and I have traveled for work and pleasure across Alaska to dozens of communities and ecosystems, and internationally across the circumpolar north as well. And during all that time we always wanted to live in Girdwood. We saved and saved for a long time and finally were able to settle down there. And it was the forest which drew us there. I will never forget my first visits to Girdwood, feeling like I had traveled almost into a dream, an enchanted forest beyond what I imagined the wilds to be like as a kid growing up on the East Coast. My formative experiences with Girdwood, and what drew me to it, were hiking and skiing in areas like Winner Creek and Stumpy’s Trails areas. They are areas where I experienced the unique beauty and quiet of the natural rainforest, and where I had a sense of adventure just by poking into and vanishing in the woods. And also, they are areas which have been severely damaged by irresponsible development, areas where this is proposed to be done yet again, and areas which I and others are desperately trying to save from that fate before it is all lost.

If you haven’t already, I strongly encourage you to come down to Girdwood and hike or ski in these amazing places. And if you want, my wife and I are more than willing to show you these places and share the magical experiences we have been so lucky to have; and I have my contact information as well. On the one hand, please head out to these areas to learn about problems from the past and facing us in the present, to help you make decisions – but also don’t let it all be a downer, and go out there to experience the magic of these places and see what a collection of treasures we are all so lucky to have as Southcentral residents, and why it is important to protect them.

Take a walk, for example, on the Winner Creek Trail. Experience the areas where it is still forested in, and also the amazing views over the gorge. But also look to your left as you walk it and see the 5K Nordic Loop and you will experience the shock so many others have. What used to be a closed-in forested experience is now a roadside experience for a significant portion of the trail. Think to yourself – why did Nordic Club clear-cut the forest wider than the 30’ they were permitted in their easement contract, and why did they build it right next to Winner Creek
Trail when they promised the public - including you – that the design would not do that. Go walk in the proposed “Forest Loop” trail area. Go on the primitive Stumpy’s Trail, and then dive in to the right and look at the amazing density of kettle and similar features. Look at the creek and wetlands in the northern portion of this area with huge trees and thousands of fiddle head ferns. But also think – is what this place needs a 10’ wide road-like trail with a 14’ clearing, gravel extraction areas for 10% of its length blown out to 20’ wide, and building this “road” right through those beautiful kettle features to use them as ski terrain? Are we going to allow the same organization to do this that not only caused the problems of the 5K and broke promises to you and the rest of the public, but also still years later has not fixed those problems? And finally, go look at the area I and others have proposed to be set aside as a protected wild area. Especially when snow falls, strap on those skis, start on Stumpy’s or Winner Creek Trail, and get out there to those sacred meadows, forest, and river views. You will see why, for so many people like my wife and I, these wild areas truly are that word – sacred – and should be protected as such forever. Thank you. Acting Chair Fredrick thanked him and moved on to Commissioner comments.

VII. Commissioner Comments

Mr. Tenny commented that Mr. Yukobian is a passionate individual and he’s been at pretty much all of the Trail Committee and Sub-Committee meetings. I think I have my own bias and opinion, but I’ll leave that to myself. Ms. Wilber stated as a Commissioner I can understand there is a lot of passion on both sides. I’m firmly on top of the fence. I appreciate everyone coming in and will continue to educate myself. Acting Chair Fredrick thanked them.

VIII. Next Meeting

Chair Fredrick stated the next regularly scheduled commission meeting date will be at 11:30 a.m. Thursday, August 9, 2018 in the Permit & Development Center conference room 170, at 4700 Elmore Road, Anchorage, Alaska. Acting Chair Fredrick asked if there were items for the next meeting. Ms. Jones-Vogel replied possibly.

IX. Adjournment

Following the completion of business, Ms. Wilber moved to adjourn. The motion was seconded and approved unanimously. The meeting was adjourned at 12:00 p.m.

PASSED and APPROVED on this, the 9th day of August, 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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