

UACC Minutes
University Area Community Council (UACC)
December 3, 2014

1. Opening: Jacob Gondek called the meeting to order at approximately 7:05 PM. Jacob next had people in the room introduce themselves. Twenty-one people were in attendance at the start of the meeting. Fifteen UACC members signed in. An additional six visitors signed in and attended part or all of the meeting.

2. Approval of minutes: The first order of business was to approve the minutes of the November 5, 2014 meeting. The motion was approved 12 for and 0 against. Jacob asked if there were any changes or additions to the November 2014 minutes. Al Milspaugh suggested two changes to the minutes. These are correcting a typo within section 5. B. paragraph 1 line 9 changing lighst to **lights**. The second is to add these two sentences to section 5. B. paragraph 1: Al Milspaugh asked about news media coverage stating that artificial turf may be carcinogenic, and thus might possibly cause cancer from repeated exposure. ASD officials replied they had not heard about these reports. This suggestion was accepted and a motion was made to approve the minutes as amended. The motion was approved unanimously 6/0. Jacob next asked if there were any changes or additions to the September 2014 minutes. No corrections were offered, the minutes were then approved by a unanimous vote of 7 for.

3. Agenda: Jacob proposed several changes to the December agenda. He proposed adding an update by Bruce Bennet on Uber (a ride sharing program) coming to Anchorage, and a Northeast Park Resolution to be presented by Al Milspaugh, to Section 5 of the business section. The agenda, with these changes was approved unanimously.

4. Informational Reports

A. Reports from Public Servants

1. Elvi Grey Jackson reported on the municipal activities that may be found within her report to the Council contained within Attachment 1.

2. Andy Josephson reported on the following items.

Andy discussed the upcoming meetings to be held for the UMED Northern Access Project. He also discussed his role in the Resource and Boards Committee. He discussed the upcoming legislation hearings on the Gas Pipeline. He asked whether he should sign the confidentiality agreement. He ended with discussing the UMED Management Plan. Al Milspaugh stated that he felt Andy should sign the confidentiality agreement, and since UAA is a public institution they should be responsible to local voters. Russ Kell suggested that everything on the Gas Pipeline and UMED Management Plan should be out in the open.

3. Bill Wielechowski reported on several items

He discussed his take on the Gasline deliberations and that Governor Walker may steer the process toward more transparency. He stated that he was able to get Governor Parnell to reverse the closing of the Muldoon Jobs Center. He also described the upcoming meeting on 12/4 at 6:30 PM for the potential 29 acre East Muldoon Park.

4. Ted Madsen for Max Gruenberg

Ted mentioned that Max will serve on the Judicial, Financial, State Affairs, and Military Committees. He can be reached at 269-0923 when the House is in Session.

5. TJ Presley Berta Gardner

Berta will be the Senate Democratic leader on the Education committee

6. Dick Trani

Dick discussed the Assembly hearing process for the Turnagain Slide limited road service area. He also discussed the upcoming hearing for the liquor license of the former Platinum Jax business site. Russ Kell asked about the problem with the below normal police staffing levels. Dick replied that two police academies are going to be held to address the issue. He also mentioned the significant overtime financial burden caused by the current limited staffing levels.

B. Community Council Board Reports

1. UMED Plan-Jacob Gondek- Jacob described the letter he and Paul Stang, as UACC representatives, as they are going to send to U Med Planning Committee. He and Paul are not happy with the cuts that were made at the last subcommittee meeting. He will sit down with Christine to get their input into the plan rewrite. They need to get the letter to the Committee before the December 17th meeting. Jacob also mentioned that there will be election of officers at the January meeting.

2. Safety Report- Al Milspaugh – Al read the Anchorage Police Department Community Report detailing the Black Friday traffic enforcement resulting in 67 no-seatbelt tickets. The report says that 20 percent of traffic deaths are directly attributable to not wearing a seatbelt, and that it only takes a second to buckle up. See Attachment 2 for the full report.

2. FCC Report- Al Milspaugh-

- a. Muldoon Town Square Park Resolution request: Northeast Community Council (NECC) requested that other Community Councils send a resolution to the Assembly in support of a Muldoon Town Square Park being presented to the assembly on 2 Nov. The Assembly approved their proposal last night, but Al requested that UACC still provide a resolution supporting the NECC to show community unity.
- b. Al said that he has the FCC Budget Jan-Oct 2014 should anyone like to see it.
- c. Al mentioned the FCC website is up and running with some tuning still going on. The website is CommunityCouncils.org.
- d. Anyone requesting volunteer help with a community project can go to JustServe.org. Your project must be for the betterment of the community, be nonprofit, and have no payment involved.
- e. Al also mentioned that elections of officers would occur next month.

5. Business

A. Northern Access Project Update- Dowl HKM Brad Melocik

Brad provided information on the “orange” access alternative. He described the past summer environmental work on wetland and wildlife. He said there was a late summer walk through with the US Army Corps of Engineers. By January to February 2015 there would be better (60% level) drawings available for the road layout. The consultants will also prepare an Environmental Document for the project. The consultant will prepare reports for the Corp. Processing of the applications for the 401 and 404 permits will happen in February. Processing of the permit is expected to take 6 to 8 months. If approved construction could start at the end of late summer 2015. Ground disturbing activities, requiring winter construction, could commence in the winter of 2015-16.

Brad reported since the footprint traverses UAA property, UAA has a list of items they would like to see in the project. UAA indicated they would prefer to receive road amenities in lieu of ROW payments. Brad indicated the \$20 million budget will be tight with all of the amenities tied to the project.

Brad described the design as two lane construction capable of providing transit for 10,000 cars a day. There are two over passes for pedestrian/bike/ski access provided. One is at the northern end of the “swamp” and the other on the Chester Creek bike trail. Three roundabouts are planned. One at Providence Drive intersection, one at the UAA Administration building parking lot, and one about 700 feet south of the Northern Lights intersection. The latter roundabout does not provide access to any current infrastructure, but allow for future expansion to meet UAA future development.

Sharon Cissna mentioned that there was a UAA Student Class seminar that discussed outcomes from the UMED access project. Brad said that DOT and HKM provided input and information to the effort, but did not want to overly influence the outcomes. He also mentioned that major stake holders have given input, such as Providence Hospital would like to see a four lane construction to provide better access for emergency services. He also said that UAA is proud of the recent development of infrastructure on their campus, and would like to see the road to aid in the further development of their campus.

For more information on the project Brad said to go to:

<http://www.dowlhkm.com/projects/northernaccess/documents.html>

B. Alaska Mental Health Trust land Office- Bryan Yaekel

Mr. Yaekel discussed the AK Mental Health Authority lands status within the UACC area. He indicated that the Mental Health Authority was a semi-autonomous DNR State agency. He said that the Federal government was in charge of mental health issues in Alaska prior to Statehood. With the coming of Statehood, 1 million acres were conveyed to the State to fund mental health activities. During the 1960-90 period these lands were managed for other purposes, and the State was directed to get the land base back up to 1 million acres and manage it for the original purpose of providing for mental health purposes. It was given its DNR semi-autonomous status, managed through a Board of Trustee, to achieve these purposes.

Within the University area there are 20 acres on Mental Health lands. Brad showed a map of the three parcels. Two of the parcels are fully developed and committed to long term leases. The third parcel is south of the McLaughlin Youth Center, had 70,000 cubic yards of material removed from the site, to facilitate future construction. There are no immediate plans for large scale commercial construction on the site. Brad discussed how the Authority is tax exempt, but did not know whether the structures on the site were taxed. Bryan indicated that he would get back with the Community Council on this matter. Following is his reply:

Mr. Yackal wrote: “During the course of our discussion, Senator Wielechowski had asked about whether or not our Lessees’, under long term land leases, and occupying AKMHTA owned land (within the MOA) are subject to property tax. This question was prompted by the fact that the AKMHTA is a tax exempt state organization. I was unable to answer this question on the spot, but had promised to get back to you. The answer is yes, but only to the extent of their (the Lessees’) possessory interest in the property at a given time. This is further explained in the Attachment 3 – Possessory Interest Valuation.

Additionally, one of your members had asked about the authority of the trust, or more specifically, “Who is the Authority of the Trust?”. I explained that we have a Board of Trustees,

but it may have been helpful to elaborate on how they are appointed etc., so attached is some additional information relative to this (see Attachment 4 - AKMHTA Bylaws – Article III).

Lastly, I wanted to again make the distinction between the Alaska Mental Health Trust Authority Office and the Alaska Mental Health Trust Land Office (TLO). While we are all under the umbrella of the AKMHTA these are two separate offices. The Trust Land Office deals specifically with the resource management associative to our land holdings, whereas the folks working out of the Trust Authority Office deal with the programmatic side of our operations, or as further explained on the AKMHTA website come of their duties include:

Enhancing and protecting the trust

- Providing leadership in advocacy, planning, implementing, and funding of a Comprehensive Integrated Mental Health Program
- Proposing a budget for Alaska's Comprehensive Integrated Mental Health Program
- Coordinating with state agencies on programs and services that affect beneficiaries
- Reporting to the Legislature, the governor and the public about The Trust's activities

Both sides of our operation have dedicated websites that provide a comprehensive overview of each office's functionality as it relates to the overall organization. These links are:"

<http://www.mhtrust.org/>

<http://mhtrustland.org/>

C. Uber- Bryce Bennet, Alaska manager for UBER, discussed the operations of UBER. They are currently in 280 cities worldwide. He indicated they came to Anchorage in September, and are currently operating as a web based free ride service. The process for requesting a ride is to request through their smart phone app, and "pin" your location to request a ride. In 5 to 10 minutes one should see a vehicle coming. The App should show the make, model, license number, and fare estimate for the ride. At the end of the ride, one should rate the driver, or give feedback. Bryce indicated Uber provides criminal and driving record inspections, as well as vehicle inspection, and a requirement for 1 million dollar liability insurance documentation. He said that Uber provides better flexibility to meet high demand times than conventional taxi services, and that Uber will provide better service and cost in the JBER/Eagle River area. The ride service will continue to be free until the Assembly approves their service. Al Milspaugh asked whether rides can be ordered through a home computer. Bryce replied that one can through a tweaked smart phone application. There was discussion about potential problems with driver and vehicle inspections and verification of insurance, with so many potential vendors. Jacob Gondek remarked that taxi drivers pay considerable amounts toward obtaining their permits as opposed to no fees for Uber drivers.

D. North East Community Council Parks Resolution- Al Milspaugh

Al provided a copy of the Resolution and discussed its merits (see Attachment 5). The park is in the East Anchorage District Plan, the Park would be an MOA Park. Though the Assembly has already approved the plan, Al felt that it would still be good to pass the resolution in support of the park for the record. There was no further discussion. Russ Kell made a motion to approve the resolution as written, with Al Milspaugh seconding. The resolution was passed by a vote of 8 for and 0 against, with no abstentions.

6. Adjournment - The meeting was adjourned by unanimous consent at approximately 8:50 PM. Next Meeting- The next meeting will be held on January 7th at 7 PM at the Baptist Church.

Attachment 1 *Elvi Gray Jackson University Community Council Meeting – Assembly Report*

December 3, 2014

- *The Mayor’s 2015 General Government and Utility Operating and Capital budgets were submitted to the Assembly in October. Highlights of the Mayor’s Proposed Budget follows:*
 - *The Administration faced a \$1.8M Budget Shortfall*
 - *Majority of Services reduced to cover shortfall were within other services i.e., contracts, travel, supplies and equipment*
 - *Total Budget - \$471.4*
 - *Funds acquired through attrition will allow for two police academies*
 - *Positions in both Police and Fire are static*
 - *Seven full-time vacant positions eliminated within the following departments: Chief Fiscal Officer, IT, Community Development, and Health and Human Services. One position in Mayor’s Office will be eliminated July 2015.*
 - *Seven full-time positions added within the following departments: Employee Relations, Finance, and Public Transit*
 - *Senior Center Funding reduced – Anchorage (\$67,207) and Chugiak (\$41,190).*
 - *One full-time position (filled) is eliminated in Parks and Recreations*

- *The Assembly held a special meeting on November 26th and approved all budgets. Highlights of the approved GGOB budget follow:*
 - *Senior Center Funding was reinstated*
 - *Vacant Senior Planner position was reinstated*

- *Assembly proposed several amendments. The Mayor accepted 95% of the proposed amendments. It was one of the most amicable budget processes during the six years of the current Administration. Total budget: \$473.7M – almost \$200,000 under the cap.*

- *SAP – The Administration requested and the Assembly approved another \$3M (6-5) by way of a loan for the continued implementation of the Financial and Human Resource Enterprise Resource Planning System (SAP).*

- *Ms. Demboski and Gray-Jackson brought forward a resolution requesting a \$200,000 appropriation from Fund Balance to provide funding for an independent review of both the Payroll System (Kronos) and SAP implementation. The Public Hearing was held on October 21st and it was approved 7-4. In September 2013, a resolution was brought forward by Mr. Traini and Ms. Gray-Jackson for the same purpose but it failed 4-7. Current costs for SAP - \$34.6M. The RFP went to potential bidders and we received six*

proposals. The RFP review team will meet on Thursday, December 4th to review proposals and select a successful bidder.

- *Chugach Access Plan (CAP) first public hearing was held on September 9th and continued to the meeting of September 23rd. Forty-eight persons testified – 38 in favor of immediately approving the plan and 10 concerned about property rights. The Assembly held two work sessions. The CAP approval was postponed until the meeting of November 5th to allow for the Chugiak/Eagle River Advisory Board the opportunity to review the Plan as required by Code. The Board requested that the Assembly postpone approving until its concerns are addressed. At the November 5th meeting, the Assembly approved postponing action on the Plan until the meeting of March 24th. At the December 2nd meeting, the Assembly heard AO 2014-147, an ordinance providing for implementation of the Chugach Access Plan through Title 21 changes submitted by Mr. Starr and Mr. Traini. The ordinance was forwarded to the Planning and Zoning Commission and the Public Hearing will be continued at the March 24th meeting. Ms. Johnson and Mr. Evans had an ordinance also revising Title 21 regarding the Chugach Access Plan – AO 2014-140 - and the Public Hearing was continued to the February 17th meeting.*
- *At the December 2nd meeting, the Assembly heard an ordinance submitted by Assembly Members Demboski and Evans to elect to allow permanent registration of certain motor vehicles and trailers within the Municipality for vehicles eight years or older. The cost would have been \$6M in additional property taxes or reduction in services. The Assembly approved allowing only trailers at a cost of \$210,000.*
- *At the December 2nd meeting, the Assembly approved the East Anchorage District Plan.*

Next Assembly Meeting: December 16th, 2014

Attachment 2



Community

Black Friday traffic enforcement results in 67 no-seatbelt tickets.

Some Black Friday shoppers this past week got a bit more than they bargained for...

On Friday, November 28, 2014, Anchorage Police officers conducted a “Click-it-or-Ticket” seatbelt enforcement detail in the area of 5th Avenue and Karluk. Funded by the Alaska Highway Safety Office and as part of a national “Buckle Up America” campaign, the five hour detail resulted in 88 traffic tickets, 67 of which were for no-seatbelt violations.

Seatbelts save lives. Time and again, police officers and medics respond to traffic collisions with critical or fatal injuries that could have been prevented by the simple act of wearing a seatbelt; this year nearly 20% of the traffic deaths seen in Anchorage were the result of no seatbelt.

“One of the most difficult responsibilities for any sergeant is to conduct a death notification,” says APD Traffic Sergeant Roy LeBlanc, “and it’s made even more tragic to know a person’s death could have been prevented. It takes seconds to buckle up, but those seconds could mean a lifetime to you and your loved ones.”

So please, buckle-up Anchorage – “Every Trip. Every Time.”

Address/Location

[Anchorage Police Department](#)

4501 Elmore Road

Anchorage, AK 99507

Contact

Emergency: 9-1-1

Non-emergencies: 907-786-8900

Dani Myren

Public Affairs Unit

dmyren@muni.org

907-786-8699

POSSESSORY INTEREST VALUATION

Right to Tax and Methodology

The Municipal Assessor is required to value all taxable property within the Municipality in order to provide a fair and equitable basis for taxation. Ownership of real estate may be compared to a bundle of sticks representing all the property rights inherent in the ownership of real property. The entire bundle represents the complete set of rights, and is called the fee simple interest.

The right of possession and use of a property, granted by an agreement between the government and a private party (Possessory Interest), transfers some of the sticks in the bundle to the private party for a period of time. At the end of the agreement the property reverts back to the government. It makes no difference if the lease is transferrable or if it can be sold for a profit. What is measured is the value of the right to use the property over the remaining term of the lease, not the market value of the lease as-if sold to a third-party.

Possessory Interests may be defined as: "the interest that exists when a non-exempt entity leases, or otherwise has use of, property owned by a tax-exempt entity." "Anchorage Assessment Review" Office of the State Assessor

Taxation of possessory interests is a well established practice.

Article IX, Section 5 of the Constitution of the State of Alaska states, "Private leaseholds, contracts or interests in land or property owned or held by the United States, the State or its political subdivisions, shall be taxable to the extent of those interests." These are Possessory Interests.

Alaska Statute 29.52.020 states that "the following property is exempt from general taxation: (1) Municipal, state or federally owned property, except that private leaseholds, contracts or other interests in the property shall be taxable to the extent of those interests"

In Sea-Land Vs Kodiak Island Borough (1979) the Alaska Superior Court stated that "The courts specifically denies exemption to private leaseholds, contracts or other interests in municipally, state or federally owned property."

The following Alaska Supreme Court cases all also affirmed the right to tax Possessory Interests:

- *Ben Lomond, Inc. v. Fairbanks North Star Borough Board of Equalization (1988)*
- *North Star Housing v. Fairbanks North Star Borough Board of Equalization (1990)*
- *Cool Homes v. Fairbanks North Star Borough (1993)*

Methods of Assessment

To determine the value of the possessory interest, first the fee simple value of the property is estimated using one or more of the standard appraisal methods (cost, sales or income approach). Then the value of the property at the end of the lease (the reversion to government ownership) is discounted to present value and is deducted from the fee simple value. This is the Reversionary method recommended by the Alaska State Assessor and used in other jurisdictions across the state.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

ALASKA MENTAL HEALTH TRUST AUTHORITY
BYLAWS

ARTICLE I
NAME

The name of this organization is the Alaska Mental Health Trust Authority.
Common usage and abbreviation may be "The Trust" or "Trust Authority."

ARTICLE II
MISSION

Section 1. The Trust Authority acts in the best interest of the beneficiaries of The Trust. Its mission is:

The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust provides leadership in advocacy for and planning, implementing and funding of the Comprehensive Integrated Mental Health Program; and acts as a catalyst for change.

ARTICLE III
BOARD OF TRUSTEE
MEMBERSHIP AND TERMS OF OFFICE

Section 1. Trust Authority composition:

- (a) The Trust shall be governed by its board of trustees.
- (b) The Trust Authority Board of Trustees here after referred to as the Trust Authority, consists of seven members appointed by the governor and confirmed by the legislature. The members appointed under this subsection shall be appointed based upon their ability in financial management and investment, in land management, or in services for the beneficiaries of The Trust.

UNIVERSITY AREA COMMUNITY COUNCIL – RESOLUTION

A Resolution of the University Area Community Council (UACC) in support of creating a Muldoon Dedicated Town Square Park.

WHEREAS the Anchorage Municipal Charter Art. VIII, Sec 8.01 establishes Community Councils as representatives for neighborhoods in planning and development; and

WHEREAS the Anchorage Municipal Code Chap 25.10.080 B establishes MOA Parks; and

WHEREAS the North East Community Council (NECC) wishes to create a Muldoon Town Square Park at the old Alaska Greenhouse site, Muldoon Road at Debar; and

WHEREAS having a community park in this area will enable them to build an inviting gateway to Muldoon, giving the area much beautification and a vital community gathering place; and

WHEREAS the Anchorage 2020 plan forecast 11,000 new residents in East Anchorage. Many of these new neighbors will live in high density housing without adequate lawns or green space;

WHEREAS the East Anchorage District Plan data shows that East Anchorage has less park acreage per resident than other areas of Anchorage. This park will provide open space and recreational opportunities for all and will bring up the livability standards not only for East Anchorage but for the rest of Anchorage as well, such as Westchester Lagoon and the Delaney Park Strip provide;

WHEREAS the park will also highlight beautiful Chester Creek, providing area schools with educational opportunities about the importance of Anchorage's waterways;

THEREFORE we encourage the Anchorage Assembly to see the value in accepting the East Anchorage District Plan and recommend that the city work with NECC residents to ensure the Muldoon Town Square Park is established through the Special Area Planning Process that Planning and Zoning and that the Parks and Recreation designates the old Alaska Greenhouse Site as NECC Muldoon Town Square Dedicated Park (PR).

NOW THEREFORE, the UACC hereby resolves:

THAT we support the establishment of the Muldoon Town Square Dedicated Park.

Resolution Vote: For 8 Against 0 Abstain 0

This resolution was approved by the University Area Community Council this day of December 3, 2014.


Jacob Gondak, Present, UACC