

State of Alaska FY2003 Governor's Operating Budget

Department of Transportation/Public Facilities Northern Region Leasing and Property Management Component Budget Summary

Component: Northern Region Leasing and Property Management

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Component Mission

The mission of the Northern Region Leasing and Property Management component is to benefit the traveling public and Alaskan communities through sound and effective leasing and property management practices at the region's airports and harbors.

Component Services Provided

- Research, negotiate, write, administer, and inspect approximately 550 leases/leaseholds at 102 airports in the Northern region.
- Review applications for compliance with land title restrictions, Federal Aviation Administration grant assurances, airport development plans and operations criteria. Many applications are unique in nature and require development of precedent-setting documents.
- Facilitate communication and coordination between various sections in the Department of Transportation and Public Facilities and other state and federal agencies regarding property management issues.
- In addition to land use contracts, coordinate, review, and provide final approval in the Northern Region for building permit applications, appraisals, assignments of interest, security assignments, and environmental contamination site assessment and remediation plans.

Component Goals and Strategies

Proactively manage Northern Region airport properties:

Effectively negotiate and administer leases and permits.

- Increase the frequency of inspections at airports to reduce the misuse and contamination of airport properties.
- Actively enforce uniform methods for handling trespasses and illegal use of airport properties.
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Enhance rural commerce:

Encourage development of aviation and related businesses.

- Critically review airport improvement project plans and master plans for potential impacts to leaseholds and for creation of new leasable areas on airports.
- Regularly update land occupancy drawings for accuracy and availability of airport land.
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Generate and optimize revenues:

Expediently process pending lease applications and building permits.

- Bring lease rates closer to fair market rent and implement programs to generate new revenues.
- Ensure revenues due the State are assessed and paid in a timely manner.
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Key Component Issues for FY2002 – 2003

Lease rate increases indicated by 1996 and 1999 market studies will be implemented when revised Title 17

- regulations are adopted. The regulations are also needed to implement new programs that will enhance revenue. Closely inspect leaseholds for and address environmental concerns relative to fueling operations and other sources of contamination.
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Major Component Accomplishments in 2001

Processed 68 airport land use applications and made major changes to 41 existing contracts; processed 45 building permit applications.

- Executed 46 new contracts and consented to 41 lease assignments and subleases.
- Closed 66 agreements.
- Inspected 23 airports.
- Completely overhauled 11 land occupancy drawings.

- Reduced the 90-day past due accounts to less than \$1.0.
- Reduced and remediated contamination on lease lots by working with leasees.
- Developed land leases for village fuel tank farms with federal and state agencies.
- Created contracts for joint-use facilities with FAA.
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Statutory and Regulatory Authority

AS 02-Aeronautics
AS 35 Public Buildings and Improvements
AS 35.05.020-Administration
AS 36.30-Procurement/Supply
AS 44-State Government
Chapter 36/SLA 90
17 AAC 40-Leasing and Property Management

Northern Region Leasing and Property Management
Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	508.1	541.8	555.8
72000 Travel	15.6	17.5	17.5
73000 Contractual	45.1	48.2	48.2
74000 Supplies	23.2	7.2	7.2
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	592.0	614.7	628.7
Funding Sources:			
1004 General Fund Receipts	0.0	0.0	0.0
1005 General Fund/Program Receipts	546.0	557.5	571.5
1007 Inter-Agency Receipts	32.8	57.2	57.2
1053 Investment Loss Trust Fund	13.2	0.0	0.0
Funding Totals	592.0	614.7	628.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
General Fund Program Receipts	51060	0.2	0.0	0.0	0.0	0.0
Unrestricted Fund	68515	6.3	1.4	1.4	1.4	1.4
Unrestricted Total		6.5	1.4	1.4	1.4	1.4
Restricted Revenues						
Interagency Receipts	51015	32.8	57.2	31.6	57.2	57.2
General Fund Program Receipts	51060	546.2	557.5	557.5	571.5	557.5
Restricted Total		579.0	614.7	589.1	628.7	614.7
Total Estimated Revenues		585.5	616.1	590.5	630.1	616.1

**Northern Region Leasing and Property Management
Proposed Changes in Levels of Service for FY2003**

No service level changes are planned for FY03.

**Summary of Component Budget Changes
From FY2002 Authorized to FY2003 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	557.5	0.0	57.2	614.7
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	13.4	0.0	0.6	14.0
-Convert unrealizable Year 3 Labor Cost fund sources to GF	0.6	0.0	-0.6	0.0
-Exchange fund sources for rural airports leasing and maintenance programs	-14.0	0.0	0.0	-14.0
-Exchange fund sources for rural airports leasing and maintenance programs	14.0	0.0	0.0	14.0
FY2003 Governor	571.5	0.0	57.2	628.7

Northern Region Leasing and Property Management

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	8	8	Annual Salaries	386,383
Part-time	0	0	COLA	9,560
Nonpermanent	0	0	Premium Pay	24,700
			Annual Benefits	149,428
			<i>Less 2.50% Vacancy Factor</i>	(14,271)
			Lump Sum Premium Pay	0
Totals	8	8	Total Personal Services	555,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	1	0	0	1
Administrative Clerk III	0	1	0	0	1
Leasing Officer II	0	4	0	0	4
Leasing Officer III	0	1	0	0	1
Leasing Officer IV	0	1	0	0	1
Totals	0	8	0	0	8