

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Transportation/Public Facilities  
Central Region Leasing and Property Management  
Component

## **Component: Central Region Leasing and Property Management**

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### **Component Mission**

The mission of the Central 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**

- Provides a centralized location for any individual or company who wishes to use rural airport land for private or commercial enterprise.
- Answers questions as to the availability of airport land and whether the land in question can be used for the intended purpose.
- Receives and reviews applications from individuals or companies for compliance with land title restrictions, Federal Aviation Administration construction grant assurances, and airport development plans.
- Assists in the completion of building permit applications by answering questions regarding the requirements of other agencies or directing the applicant to the particular agency in question for more detailed answers.

### **Component Goals and Strategies**

Actively manage Central Region airport properties and harbor facilities:

- Effectively execute and administer leases and permits.
- Increase the frequency of inspections at airports to reduce the misuse and abuse of airport property.
- Actively pursue environmental concerns relative to fueling operations and hazardous substances to minimize the State's liability exposure.
- Continue to work with communities to assume ownership of their local harbors to reduce state liability and maintenance costs.

Enhance rural commerce:

- Promote developable lease properties for aviation and non-aviation businesses.
- Critically review airport improvement project plans and master plans for potential impacts to leaseholds and for the creation of new lease areas on airports.

Generate and optimize revenues:

- Assist in the rewrite of Title 17 regulations to bring lease rates closer to fair market rent and implement programs to generate new revenues.
- Advertise availability of new properties at rural airports to generate the maximum revenue possible for the state.
- Maximize revenue to offset maintenance and operations costs at rural airports.

### **Key Component Issues for FY2001 – 2002**

- Continued delays in the implementation of the Title 17 regulation rewrite have worked to reduce lease revenues. Lease rates at 6 Central Region airports were adjusted through the 1996 and 1999 market studies. However, only the rate reductions were implemented. The rate increases cannot be implemented until the rates have been adopted through the approval of the Title 17 regulation rewrite. The approval of the Title 17 regulation rewrite would also implement new programs that will enhance revenue.
- Coordination with the Department of Environmental Conservation to address the issue of remaining underground storage tanks.

- Closely examine the regulations for and address the environmental concerns relative to fueling operations and other sources of contamination.

### **Major Component Accomplishments for FY2000**

- Received and processed 107 applications and executed 89 new leases and permits.
- Completed major changes to 66 existing leases and permits and consented to 27 assignments.
- Reviewed, coordinated and approved 71 building permit applications.
- Closed 49 agreements.
- Inspected 18 airports.
- Reduced 90-day past due accounts to \$1,286.00 including bankruptcies, small claims actions, and collections.
- Conducted public workshops at two rural locations for pending rewrite of Title 17 regulations.
- Reviewed and coordinated on over 10 airport improvement projects.

### **Statutory and Regulatory Authority**

- AS 02 Aeronautics
- AS 30 Navigation Harbors and Shipping
- AS 35 Public Buildings and Improvements
- AS 36 Procurement/Supply
- AS 44 State Government
- 17AACC40 Leasing and Property Management

**Central Region Leasing and Property Management  
Component Financial Summary**

*All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	501.6	525.6	531.4
72000 Travel	19.8	12.3	15.3
73000 Contractual	37.3	55.0	45.6
74000 Supplies	18.7	6.0	3.0
75000 Equipment	4.6	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
<b>Expenditure Totals</b>	<b>582.0</b>	<b>598.9</b>	<b>595.3</b>
<b>Funding Sources:</b>			
1005 General Fund/Program Receipts	517.0	513.3	524.4
1007 Inter-Agency Receipts	65.0	70.3	70.9
1053 Investment Loss Trust Fund	0.0	15.3	0.0
<b>Funding Totals</b>	<b>582.0</b>	<b>598.9</b>	<b>595.3</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
General Fund Program Receipts	51060	2.5	0.0	0.0	0.0	0.0
Unrestricted Fund	68515	2.3	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>4.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>						
Interagency Receipts	51015	65.0	70.3	70.3	70.9	81.2
General Fund Program Receipts	51060	517.0	513.3	513.3	524.4	528.6
Investment Loss Trust Fund	51393	0.0	15.3	15.3	0.0	0.0
<b>Restricted Total</b>		<b>582.0</b>	<b>598.9</b>	<b>598.9</b>	<b>595.3</b>	<b>609.8</b>
<b>Total Estimated Revenues</b>		<b>586.8</b>	<b>598.9</b>	<b>598.9</b>	<b>595.3</b>	<b>609.8</b>

**Central Region Leasing and Property Management**

**Proposed Changes in Levels of Service for FY2002**

No change in level of service for FY2002.

**Summary of Component Budget Changes**

**From FY2001 Authorized to FY2002 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>528.6</b>	<b>0.0</b>	<b>70.3</b>	<b>598.9</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 2 Labor Costs - Net Change from FY2001	-4.2	0.0	0.6	-3.6
<b>FY2002 Governor</b>	<b>524.4</b>	<b>0.0</b>	<b>70.9</b>	<b>595.3</b>

**Central Region Leasing and Property Management**

**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	9	9	Annual Salaries	393,794
Part-time	0	0	COLA	5,426
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	146,806
			<i>Less 2.68% Vacancy Factor</i>	(14,626)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>9</b>	<b>9</b>	<b>Total Personal Services</b>	<b>531,400</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	1	0	0	0	1
Drafting Technician III	1	0	0	0	1
Leasing Officer II	4	0	0	0	4
Leasing Officer III	1	0	0	0	1
Leasing Officer IV	1	0	0	0	1
<b>Totals</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>