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SENATE

{ REPORT
{ 113-289

ANCHORAGE LAND CONVEYANCE ACT

DECEMBER 10, 2014.—Ordered to be printed

Ms. LANDRIEU, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany S. 182]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 182) to provide for the unencumbering of title to non-Federal land owned by the city of Anchorage, Alaska, for the purposes of economic development by conveyance of the Federal reversion interest to the City, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Anchorage Land Conveyance Act of 2014”.

SEC. 2. CONVEYANCE OF FEDERAL REVERSIONARY INTEREST IN LAND LOCATED IN ANCHORAGE, ALASKA.

(a) DEFINITIONS.—In this section:

(1) MUNICIPALITY.—The term “Municipality” means the municipality of Anchorage, Alaska.

(2) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(b) CONVEYANCE REQUIRED.—If, during the 1-year period beginning on the date of completion of the appraisal required by subsection (d), the Municipality submits to the Secretary an offer to acquire the Federal reversionary interest in all land described in subsection (c), the Secretary shall convey to the Municipality that reversionary interest by not later than 30 days after the date of receipt of the offer.

(c) DESCRIPTION OF LAND.—The land referred to in subsection (b) is described as follows:

(1) Block 42, Original Townsite of Anchorage, Anchorage Recording District, Third Judicial District, State of Alaska, consisting of approximately 1.93 acres, commonly known as “The Egan Center”, “Petrovich Park”, and “Old City Hall”.

(2) Lots 9, 10, and 11, Block 66, Original Townsite of Anchorage, Anchorage Recording District, Third Judicial District, State of Alaska, consisting of approximately 0.48 acres, commonly known as “the parking lot at 7th Avenue and I Street”.

(3) Lot 13, Block 15, Original Townsite of Anchorage, Anchorage Recording District, Third Judicial District, State of Alaska, consisting of approximately 0.24 acres of an unimproved vacant lot located at H Street and Christensen Drive.

(d) APPRAISAL.—

(1) IN GENERAL.—Subject to paragraph (2), not later than 180 days after the date on which the Secretary selects an appraiser that is mutually acceptable to the Secretary and the Municipality under paragraph (2)(A), the Secretary shall complete an appraisal of the Federal reversionary interest in the land described in subsection (c).

(2) REQUIREMENTS.—The appraisal under paragraph (1) shall be—

(A) conducted by an appraiser that is mutually acceptable to the Secretary and the Municipality; and

(B) completed in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions and the Uniform Standards of Professional Appraisal Practice.

(e) CONSIDERATION.—

(1) IN GENERAL.—As consideration for conveyance of the Federal reversionary interest under subsection (b), the Municipality shall pay to the Secretary an amount equal to the appraised value of the Federal reversionary interest, as determined by the appraisal under subsection (d).

(2) DEADLINE.—The consideration under paragraph (1) shall be paid not later than 30 days after the date of the conveyance.

(f) COSTS OF CONVEYANCE.—As a condition of the conveyance of the Federal reversionary interest under subsection (b), all costs associated with the conveyance, including the cost of the appraisal required by subsection (d), shall be paid by the Municipality.

PURPOSE

The purpose of S. 182 is to remove reversionary interests on three parcels of land that were originally conveyed by the Federal Government to the city of Anchorage, Alaska, to allow the City to use the parcels for purposes of economic.

BACKGROUND AND NEED

Between 1922 and 1982, the Bureau of Land Management issued title for three parcels of land to the City of Anchorage, with a requirement that the lands be used only for public purposes. The transfers were done using various administrative authorities and also legislative authority from Congress. Each of the deeds transferring title to the City of Anchorage included a reversionary clause providing that the lands would revert to the United States if they were not used for public purposes.

The parcels, all in downtown Anchorage, range in size from a quarter-acre to just under two acres, cumulatively totaling 2.65 acres. The parcels are currently used for a variety of public purposes such as the original City Hall, a public park, and a city parking facility.

The City of Anchorage believes that after decades of dedicated public use of these properties, the requirement that they be used for public purposes has been fulfilled. For example, one of the parcels is the 1.93-acre site in downtown Anchorage that since the early 1980s has been the site of the William A. Egan Convention Center. With the completion of the Dena'ina Civic and Convention Center in 2010, the tract is now surplus to municipal needs.

The City of Anchorage is interested in the economic development of these parcels of lands and would like to be able to sell them commercially, which is prohibited by the reversionary interests included in the legislative and administrative conveyances.

LEGISLATIVE HISTORY

Senators Murkowski and Begich introduced S. 182 on January 30, 2013. The Subcommittee on Public Lands, Forests, and Mining held a hearing on November 20, 2013 (S. Hrg. 113–342). At its business meeting on November 20, 2014, the committee ordered the bill favorably reported with an amendment in the nature of a substitute.

Similar legislation, H.R. 585, was introduced by Representative Don Young on February 6, 2013. The House Subcommittee on Public Lands and Environmental Regulation held a hearing on H.R. 585 on June 6, 2013. In the 112th Congress, a similar bill, S. 3633, was introduced by Senators Murkowski and Begich on November 15, 2013.

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in open business session on November 13, 2014, by a voice vote of a quorum present, recommended that the Senate pass S. 182, if amended as described herein.

COMMITTEE AMENDMENT

During its consideration of S. 182, the Committee adopted an amendment in the nature of a substitute containing technical changes to the bill.

SECTION-BY-SECTION ANALYSIS

Section 1 provides the short title, “Anchorage Land Conveyance Act of 2013.”

Section 2(a) defines key terms.

Subsection (b) directs the Secretary of the Interior to convey the reversionary interests of the United States in the identified three parcels of land to the City of Anchorage.

Subsection (c) describes the parcels.

Subsection (d) requires the Secretary to complete an appraisal of the reversionary interest.

Subsection (e) requires the City of Anchorage to pay to the Secretary the appraised value of the reversionary interest.

Subsection (f) requires the City to pay all costs associated with the conveyance.

COST AND BUDGETARY CONSIDERATIONS

The Congressional Budget Office estimate of the costs of this measure has been requested but was not received at the time the report was filed. When the Congressional Budget Office completes its cost estimate, it will be posted on the Internet at www.cbo.gov.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 182.

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 353, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

S. 182, as reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

The testimony provided by Steven A. Ellis, Acting Deputy Director for the Bureau of Land Management at the November 30, 2013, Subcommittee on Public Lands, Forests, and Mining hearing on S. 182 follows:

STATEMENT OF STEVEN A. ELLIS, ACTING DEPUTY DIRECTOR, BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

Thank you for inviting the Department of the Interior to testify on S. 182, the Anchorage Land Conveyance Act. The bill provides for the conveyance of the Federal government's reversionary interest in three parcels of land in downtown Anchorage, Alaska. The Bureau of Land Management (BLM) can support S. 182 if amended to ensure the payment of fair market value for the conveyance of reversionary interest in these parcels to the City of Anchorage, consistent with previous legislative proposals.

BACKGROUND

The BLM regularly transfers lands to local governments and nonprofits for a variety of public purposes. These are typically accomplished under the provisions of the Recreation and Public Purposes Act (R&PP) or through direction supplied through Acts of Congress. The R&PP Act is an extremely popular vehicle utilized by the BLM to help states, local communities, and nonprofit organizations obtain at no or low cost lands for important public purposes. Examples include parks, schools, hospitals and other health facilities, fire and law enforcement facilities, courthouses, social services facilities and public works. Because these lands are transferred at far below market value, R&PP conveyances and many legislated conveyances include a reversionary clause requiring that lands be used for public purposes or revert to the Federal government. Over the years, the BLM has addressed many requests to release the Federal government's reversionary interest in such lands and has consistently required the payment of fair market value for the reversionary interest.

Between 1922 and 1982, the BLM issued title for three parcels of land to the City of Anchorage for public pur-

poses. These were done under various authorities both administrative and legislatively directed by Congress. Each of the deeds transferring title to the City of Anchorage included a reversionary clause. At the present time, the parcels are used for a variety of purposes including the original City Hall, a small public park, a city parking facility and other governmental purposes.

It is our understanding that the City of Anchorage is interested in the economic development potential of each of these parcels of land and would like to be able to sell them commercially, something that is prohibited by the administrative and legislative mandates that transferred the lands to Anchorage. The parcels, all in downtown Anchorage, range in size from a quarter-acre to just under two acres.

S. 182

S. 182 would convey the remaining reversionary interest of the United States in these three parcels of land identified in the bill to the City of Anchorage at no cost and requires that Anchorage pay all costs associated with the conveyance.

The BLM supports the goal of conveying the reversionary interest on these parcels to the City of Anchorage. As with previous such proposals, we recommend amending the legislation to ensure the payment of fair market value for the reversionary interest and to ensure that the city's acceptance of the reversionary interest is voluntary. The value of the reversionary interest would be established through an appraisal by the Department of the Interior's Office of Valuation Services. Upon receiving that appraisal, the city could make a decision on purchasing the reversionary interest on any or all of the parcels, thus owning the land outright. All costs associated with this conveyance, including the appraisal, would be the responsibility of the City of Anchorage.

We note that Section 3(a) contains a broad waiver provision, which may be unnecessary. We would like to work with the sponsor and the committee to ensure that any barriers to completion of the transfer are addressed.

CONCLUSION

Thank you for the opportunity to testify. We look forward to working with the sponsor and the Committee to address the needs of the City of Anchorage.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by S. 182, as ordered reported.