

**OCTOBER 1, 2025
CITY COUNCIL MEETING
ADDITIONAL MATERIAL/REVISIONS**

REQUESTED ADDITIONS TO THE PACKET:

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MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Terry Eubank, City Manager

DATE: September 30, 2025

SUBJECT: Upcoming Community Survey

On July 8, 2025, the City issued a Request for Proposals (RFP) to conduct a statistically valid and representative community survey. The purpose of the survey is to gather resident feedback and measure satisfaction with City services, quality of life, and other community priorities. Fourteen proposals were received, and Probolsky Research was selected as the highest-ranked firm.

The Administration worked with Probolsky and City Department Heads to finalize the survey questions, and the survey will begin next week with mailed postcards to selected residents, who may also receive follow-up invitations by email, text, or phone call. Contact information for residents was obtained from government and consumer databases, and the consultant will not use autodialing or bulk texting, but may contact individuals directly in compliance with FCC regulations. Each survey takes approximately 15 minutes and can be completed by phone or online. Invitations will include unique links or codes to ensure responses are counted only once. Because the survey uses a random sampling method rather than a self-selected approach, not every resident will be contacted, and some households may receive multiple calls if interviewers are attempting to reach a specific participant. Participation is voluntary.

The results will provide City Council and the Administration with reliable, representative data to inform decisions, guide community priorities, and support strategic planning. After the statistically valid survey is complete, an open-link version will be posted on the City's website for residents who were not selected in the random sample. These responses will be reported separately, providing additional community perspective.

Results are expected in mid to late November and will assist Council and the Administration in making informed decisions that reflect the perspectives and priorities of the community.

Please contact me if you have any questions.

MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Scott Bloom, City Attorney

DATE: September 30, 2025

SUBJECT: Challenger Center

As Council is aware, the Alaska Challenger Center for Space Science Technology, Inc. ("Challenger Center") has very recently provided verbal notice to the City that it intends to cease operations and terminate its lease with the City at the end of this calendar year. After meeting on this issue with the City Manager, Planning Director, and Public Works Director we concluded it would be beneficial for Council and the public to have some background information on the property and very general legal process anticipated moving forward. In the meantime, Administration is working cooperatively with the representatives of the Challenger Center during this transition and the City Manager may provide additional information on this effort separately.

In 1997, the City and Challenger Center entered into a Memorandum of Agreement planning for the future facility to house the Challenger Center. Essentially, the Agreement provided the City would provide the land and the Challenger Center would raise funds with the City acting as a pass-through agency for grant funding. At that time, it was envisioned that the City would manage the construction and own the improvements after completion and the Challenger Center would manage the facility. In January 1999, the Borough enacted an ordinance conveying land it received from the State Mental Health Trust to the City for both the City's Multi-Purpose facility and the Challenger Center facility. Similar to the subsequent deed from the Borough to the City, the conveyance was restricted within the ordinance to government land uses as defined by KPB 17.10.250.

In March 1999 a second Memorandum of Agreement was entered into between the City and Challenger Center defining the roles and responsibilities of the parties for construction of the Challenger Center facility. Next, in early May 1999 the Borough conveyed the property to the City where the facility sits today. The Quitclaim deed contained the following relevant restriction:

FURTHER SUBJECT TO restrictive covenant restricting the land to government purposes. Government purpose means lands that may be or are required for use by a federal, state, or local governmental entity. Such uses include existing and future school sites; sites for service area facilities; or, any governmental use determined to be beneficial to the public.

While Borough Code has changed since 1999, KPB 17.10.250 still carries a definition of "Government" nearly identical to the restrictive language in the 1999 Quitclaim deed.

The land on which the facility is located is currently zoned “Education”, which is intended primarily for education and related uses such as schools, dormitories for educational purposes, parks and recreation, libraries and museums.

On May 20, 1999, the City and Challenger Center entered into a 99-year land lease, for the operation of the “Challenger Learning Center” for the lease rate of one dollar per year. The lease provides that if the lease is in good standing, which it is, the lease may be cancelled upon mutual written agreement by the Lessee and City Council. It is anticipated that a Cancellation Agreement will be brought forward for Council Approval in the near future.

Upon the effective date of the mutual lease cancellation, expected to be December 31, 2025, the City will assume control over the building and be responsible for its maintenance. Any future use of the facility by the City or any third party, will need to comply with the deed restriction imposed by the Borough and the City’s zoning codes, unless changed or removed.

The City is currently unaware of any mortgage or other liens on the property. The lease provides that upon termination title to the buildings, improvements and building equipment shall automatically vest in the City without the requirement of any deed, conveyance or bill of sale. The City anticipates working cooperatively through this process with Challenger Center staff and the Board for as smooth a transition as possible.

Future plans and anticipated uses of the facility are being evaluated at this time.

