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### **MEMORANDUM**

NOV 1 8 1998

State of Alaska

Department of Law

To:

John F. Bennett

**Engineering Supervisor** 

DOT&PF-Northern Region

Date:

November 16, 1998

AG File No:

Telephone No:

269-5162

Subject:

Vacation of right-of-way

From:

Ross Kopperud

Assistant Attorney General

Transportation Section, Anchorage

Attached are documents regarding the question of vacation of right-of-way regarding whether or not the City of Anchorage could vacate the state's right-of-way. The materials are as follows:

- Decision and Order
- State's Cross-Motion for Summary Judgment
- Safeway's Opposition to State's Cross-Motion for Summary Judgment
- State's Reply to Safeway's Opposition
- Schedules B

Please call me if you have any further questions.

RAK:bg

Atts.

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## IN THE SUPERIOR COURT FOR THE STATE OF ALASKA THIRD JUDICIAL DISTRICT

SAFEWAY, INC.,	)
	Post-it® Fax Note 7671 Dete 9 - 28 pages 5
Plaintiff,	5 Susan Unia From Judge Wolverton
***	Co./Dept. AGO J Co.
vs.	Phone # 269-5100 Phone # 264-0410
STATE OF ALASKA, DEPARTMENT	Fax# 279-5832 Fax# 264-0504
OF TRANSPORTATION AND PUBLIC FACILITIES,	)
Defendant.	}

Case No. 3AN-97-7188-CIVIL

#### DECISION AND ORDER

This case involves the rights to a relatively small parcel of land which is nevertheless very important to both parties. It is located in the New Seward Highway right-of-way on the southeast corner of the intersection with Tudor Road, adjacent to the land currently occupied by Tony Roma's Restaurant. Specifically, it involves land granted as a roadway and denominated as the "Becharof Easement."

Plaintiff, Safeway Inc., has moved for summary judgment declaring that: (1) the 1959 dedication of the Becharof Easement was a common law dedication which granted only an easement to the public while the fee title was retained by the original dedicators/grantors; (2) the State Department of Transportation/Public Facilities (DOTPF) failed to assert any interest in the easement area during the Municipality's 1983 vacation of the Becharof Easement and should now be prohibited under principles of estoppel and/or quasi estoppel from asserting any interest in the easement area; and (3) the State DOTPF has no claim of right, title or interest to the Becharof Easement.

The State DOTPF has filed a cross-motion for Summary Judgment, asserting that: (1) the Becharof Easement (which became Becharof Street) was never vacated as to the state, and the state therefore retains authority and control over the Becharof Easement; and (2)

alternatively, the vacation of the Becharof Easement resulted in the northernmost 110 feet of Becharof and at least the west 30 feet being vested in the state.

Based upon a review of the briefing filed in support of the motions and the oral argument presented, and upon a review of the entire record herein, the court:

- (1) agrees with Safeway's argument that the 1959 dedication of the Becharof Easement was a common law dedication which granted only an easement to the public while the fee title was retained by the original dedicators/grantors; and
- (2) agrees with the state that the Becharof Easement was never vacated as to the state, particularly with respect to the state's New Seward Highway right-of-way, and that the state therefore retains authority and control over the Becharof Easement.

#### <u>FINDINGS</u>

On September 15, 1959, the owners of the parcel, Modern Electric, Inc., and Mr. and Mrs. McCutcheon each dedicated and recorded a 30° strip of property for an easement and right-of-way for use by the public. This combined 60° right-of-way became Becharof Street, which was thereafter maintained by the Municipality of Anchorage as a city street.

On September 30, 1963, the McCutcheons deeded a portion of their land to the east of the Modern Electric by conveyance to Calais Co., Inc., (Calais) but specifically excepted the western 30 feet which had been dedicated to the public as a public roadway.

On June 24, 1964 the Greater Anchorage Borough approved plat number 64-50 by which Calais subdivided part of its property into Bancroft Subdivision. This plat makes specific reference to the Becharof Easement, and to Becharof Street.

On August 8, 1967, plat number 67-136 added Shelikof Street as a second access to Tudor, and the 60' area previously dedicated by Modern Electric and the McCutcheon's was again referred to as "Becharof Street."

In the 1960's the state had begun work on a design for the New Seward Highway, which was planned as a controlled access high speed highway with frontage roads on each side for

local access. In this process the state prepared a Right-of-Way Map, which the state asserts is the official document setting out the areas over which the state has control for the design, construction and maintenance of a public highway. This map includes all of Becharof Street within the public right-of-way available for state use.

The court agrees with the state's position that inclusion of Becharof Street on the Right-of-Way Map accomplished the state's formal acceptance of the Modern Electric/McCutcheon dedication of the easement to the pubic at large. The Right-of-Way Map of March 18, 1968 which included Becharof was followed by State Declarations of Taking dated July 29, and October 15, 1968, which included maps recorded with declarations showing Becharof included within the state right-of-way. On March 22, 1969, the Municipality of Anchorage and the State entered into a subordination agreement, (which was recorded) whereby the city assented and agreed that all municipal utility easements located within the right-of-way as set forth on the Right-of-Way Map would be subordinate to the state's rights in the property. Shortly thereafter, on May 15, 1969, the city entered into a utility relocation agreement requiring city powerlines to be moved because they were located within the state right-of-way which included Becharof.

The portion of Becharof at issue became part of the state right-of-way to allow for the diamond shaped, separated grade interchange constructed for the intersection of the New Seward Highway and the Tudor Road overpass. Calais, the successor in interest, was aware that Becharof was included within the state right-of-way in light of Declarations of Taking dated July 29 and October 15, 1968. Calais recognized this fact when, in a letter dated July 1, 1969, its attorney Ken Atkinson wrote to Assistant Attorney General Kaye Richey and referred to Becharof as being "now located within the constructed right-of-way of the New Seward Highway." On August 5, 1969 the state granted a permit to Calais which allowed Calais to extend Becharof Street further south in the state right-of-way.

In 1972 pursuant to a stipulation for a settlement and final judgment in a condemnation action, the State took all rights of access to and egress from Becharof.

In 1983 a lessee of Calais requested that the city vacate the portion of Becharof located just south of Tudor Road and adjacent to the Calais property. Once this request was brought to the State's attention, the State objected. On March 2, 1983, the State DOT Planning Staff advised the Municipality Platting Officer that:

This vacation request will be denied by DOT/PF pending the definition of a project to upgrade the Tudor Interchange. The scheduling of this project has not yet been determined. The applicant may wish to consult with DOT/PF Right-of-Way Section concerning a permit or lease for use of this area.

On April 12, 1983, the State again advised the Municipal Platting Officer of its objection to the vacation:

Please refer to our letter of March 2, 1983 concerning Plat S-6762 (copy attached). DOT & PF is opposed to the vacation of Becharof Street. The applicant may use that area by permit or lease from DOT & PF.

These objections by the State were recognized by the Municipal Platting Officer in a letter dated May 2, 1983 to the planning section of DOTPF. In the letter he referred to the dedications of easements for Becharof, but he did not refer to the State's 1968 Right-of-Way Map, the Utility Agreements, or the 1968 Condemnations and Takings.

The long and short of the remaining facts are that on July 26, 1983, the Municipality of Anchorage vacated its interests in the Becharof easement, over the objections previously raised by the State. Safeway, Inc., as a successor to Calais, is now claiming that it contacted various individual state employees who made representations upon which Safeway may now rely to assert its claims. The State disputes the representations made regarding the statements, and denies that they form any basis for reasonable reliance by Safeway.

#### **DISCUSSION**

The court agrees with the State's position that its 1968 Right-of-Way Map, which was repeatedly referred to and recorded as an attachment to various agreements with the Municipality, gave the State control and authority over the Becharof easement. The original common law dedication of this easement was to "the public," and while the city may have had the right to "vacate" any right, title or interest the city may have claimed in the easement, it

had no authority whatsoever -- particularly in light of state objections -- to vacate any and all interests the State had in the property.

The Right-of-Way Map the State submitted for the New Seward Highway Project served as public notice that the State was asserting its right of control and authority over any easement dedications - made either by common law or statutory dediaton - which were located within this right-of-way. The State objected to any vacation of the particular easement in question and never assented to it in any way.

Further, even if individual employees of the State made equivocal comments to Safeway regarding the easement -- comments which the State by no means agrees were made -- these statements could not serve to divest the State of its valid interests in the Becharof easement which was located in the New Seward Highway Right-of-Way Map of 1968.

As the State pointed out at oral argument on these motions, the State of Alaska holds many interest in property, whether in fee or otherwise, throughout the state. There is no basis in the law, reason, or logic to assume that any local governmental entity has the authority, particularly over State objection, to vacate any interest the State may have in any property in Alaska. Therefore,

#### IT IS HEREBY ORDERED that:

- 1. Plaintiff Safeway's Motions for Summary Judgment are **DENIED**; and
- 2. Defendant State of Alaska's Motion for Summary Judgment is **GRANTED**.

ENTERED this 23rd day of September, 1998, at Anghorage, Alaska.

dveiten

Superior Court Judge

I certify that on: 9-28-98

a copy of the above mailed to each of mailed to each of the following at their record.

addresses

Secretary/Clerk

PHONE: (907) 269-5100

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA THIRD JUDICIAL DISTRICT AT ANCHORAGE

SAFEWAY, INC.,

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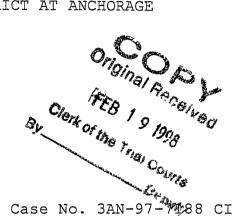
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Plaintiff.

vs.

STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES,

Defendant.



STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES' MEMORANDUM IN REPLY TO SAFEWAY'S OPPOSITION TO STATE'S CROSS-MOTION FOR SUMMARY JUDGMENT

#### INTRODUCTION

Contrary to Safeway's claim, the state is not trying to distract the court from the key issues. In a quiet title action the court may inquire into the whole title of the property in Davis v. Tant, 361 P.2d 763, 765 (Alaska 1961). question. the lengthy history of title requires some effort to digest, but that history, taken in context of the activity on the property surrounding the Becharof right-of-way, provides the basis for a sound decision.

Safeway, as Calais' lessee, has sued the state to quiet All transactions and conveyances affecting title, title. including declarations of taking filed in eminent domain actions, admissions by Calais made in documents filed with the court such

as pre-trial briefs and settlement agreements, and DOT&PF rightof-way permits applied for by Calais, are relevant to bar Safeway
from claiming it had no actual notice of the state's interest in
and authority over the Becharof right-of-way. The correspondence
surrounding the 1983 attempt to replat, in like manner, shows
clearly the state's opposition to vacation because the state
claimed the right-of-way. That documentation, together with the
actual terms of the ordinance attempting to vacate, is relevant.
There is simply no other way to ascertain the title on a parcel
than to examine the history of the real property, and surrounding
parcels, in context. The "context" is the series of relevant
legal principles that apply to that history of title.

Some of those principles are as follows. AS 09.45.010 provides that a person in possession of real property or a tenant of that person may bring a quiet title action. A quiet title action is not aimed at a particular instrument or conveyance, but is directed towards any person or instrument that might threaten title. The whole title of the property is at issue. See Davis v.

Safeway has submitted an affidavit of a title company employee who was unable to find recorded state interests. To the extent Safeway relied on a title company to ascertain the title to the Becharof right-of-way, that may be the basis for an action between Safeway, Calais and the title company. That dispute however, has no bearing on this action where the state has presented extensive evidence showing that Calais not only had record notice, but actual notice of the state's claim to Becharof, and, moreover, Calais had repeatedly acknowledged and assented to the state's claim, in court filings, in settlement agreements and in right-of-way permits. (Exhibits M, N, O).

Tant, 361 P. 2d 763, 765 (Alaska 1961), Miscovich v. Tryck, P.2d 1293, 1304 (Alaska 1994). Generally, no statute limitation applies to quiet title actions. Clary v. Stack Steel and Supply Corp., 611 P.2d 80, 83 (Alaska 1980). A party cannot prevail by simply attacking the title of another. party prevails through the strength of its own title and must demonstrate title or a substantial interest in the property which is superior to other title. Shilts v. Young, 643 P.2d 686, 689 A party's title or interest can be equitable or (Alaska 1981). Shope v. Sims, 658 P.2d 1336, 1339 (Alaska legal in nature. 1983).

#### II. FACTS

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facts lengthy, but important to are understanding of the status of title, although Safeway would like to ignore them. The transactions that occurred on the property abutting the Becharof right-of-way affected the interests in the The following short chronology summarizes the facts right-of-way. as supported by the exhibits, previously discussed at length in the state's memorandum in opposition to Safeway's motion for summary judgment.

patent -- 120 acres to McCutcheons (Exhibit A, 8/24/51 Illustration A).

warranty deed -- McCutcheon to Modern Electric, 8/24/59 Inc. (Exhibit B, Illustration B).

1	9/15/59	dedication of easement Modern and McCutcheon,
2		"to the public at large a permanent easement and
3		right-of-way for use by the public as a public
4		road" over 60' (one-half from each) (Exhibit C,
5		Illustration C).
7	9/30/63	warranty deed McCutcheons to Calais. "excepting
8		the West 30' heretofore dedicated to the
9		public as a public roadway." (Exhibit D,
10		Illustration D).
11	6/24/64	plat 64-50 for Calais' Bancroft subdivision
12		"existing 60' easement for Becharof". (Exhibit E,
13		Illustration E).
14	8/8/67	plat 67-136 for Calais; Bancroft subdivision,
15		addition no. 1; "Becharof St." (Exhibit F,
16		Illustration F).
17	3/18/68	Department of Highway plans include Becharof
18		within state right-of-way. (Exhibit G,
19		Illustration G).
20	7/29/68;	Declarations of Taking Calais, Modern maps
21	10/15/68	recorded with declarations show Becharof included
22		within state right-of-way. (Exhibits J, K,
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24	0 (0 7 ( 7 0	Illustration G).
25	3/25/69	standard subordination agreement City of
26	-	Anchorage to state for utility easements,

DEPARTMENT OF LAW OFFICE OF THE ATTORNEY GENERAL	ANCHORAGE BHANCH 1031 W. FOURTH AVENUE, SUITE 200	ANCHORAGE, ALASKA 99501	DEDONE: VOLVE SEG ET OF
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1		including state right-of-way maps showing state
2		right-of-way includes Becharof. Recorded.
3		(Exhibit H).
4	5/15/69	
5	3/13/69	Utility relocation agreement state with City,
6		Municipal Light and Power Department. Shows
7		Becharof within state right-of-way. (Exhibit I).
8	7/1/69	K. Atkinson letter to Asst. A.G. Kaye Richey.
9		Becharof "now located within the constructed
10		right-of-way of the New Seward Hwy." (Exhibit L).
11	8/5/69	Permit to construct roadway on public right-of-
12		way. DOT issues to Calais to extend Becharof
13		further south. (Exhibit M).
14	6/11/71	Stipulation for Dismissal of Appeal, Settlement,
15		Final Judgment and Disbursal of Funds - Calais,
16		parcel 317. Settled for \$21,590. (Exhibit Q).
17	9/12/71	Calais pre-trial brief, Parcel 307. "Before the
18		taking, Calais had public right-of-way access to
19		its land on the south and west. After the taking
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21		of parcel A-307, no right-of-way on the west
22		exists This right-of-way was taken as
23		a part of parcel 307 " (Exhibit O).
24	5/31/72; 6/2/72	Stipulation for Settlement and Final Judgment in
25	0/2//2	Condemnation Action - Calais, parcel 307 settled
26		for \$20,500. (Exhibits N and P).

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1	8/25/72	Final Judgment - Modern. \$140,700 plus interest,
2		costs and fees. <u>Taking includes</u> all <u>rights of</u>
3		access to and from Becharof. Attached here as
4		
5		Exhibit Z.
6	Spring 1983	Letters from DOT&PF objecting to vacation of
7		Becharof, requiring permit or lease for Calais'
8		lessee to be within state right-of-way. (Exhibits
9		R, S, U).
10	3/3/83	Platting Authority resolution to vacate Becharof.
11		(Exhibit V).
12	6/21/83	Mayor's memo to assembly objecting to vacation.
13		(Exhibit W).
14	7/26/83	Ordinance authorizing vacation of Municipality's
15		interest in Becharof, effective upon valid replat
16		pursuant to AMC 21.15.130. (Exhibit X).
17	- 100 / 0 <i>1</i>	
18	7/20/84	Municipality of Anchorage plat 84-221 ostensibly
19		vacating Becharof. No signature of state.
20		Right-of-way vacated in violation of AMC
		21.15.130. (Exhibit Y).

Safeway inaccurately represents the state's presentation of the facts on a number of matters. First, for the purposes of these cross-motions for summary judgment, the state does not claim that the Becharof right-of-way, as created by the

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The second inaccuracy is Safeway's claim that the state did not object to the 1983 vacation. Safeway ignores the three separate letters from DOT&PF to the Municipality discussed at pages 9-10 of the state's memorandum in opposition to Safeway's motion for summary judgment and in support of the state's cross-(Exhibits R, S, U). In those letters DOT&PF states "the motion. vacation request will be denied, ". "DOT&PF is opposed to the vacation of Becharof Street." And DOT&PF repeatedly state that an application could be made to DOT&PF for a lease or permit to use the area. The permit approach is the same method DOT&PF had previously used with Calais to pave Becharof one block south in the late 60's and early 70's. There was nothing more for DOT&PF to do to make its claim to Becharof clear.

Indeed, DOT&PF's position was sufficiently clear for Municipality of Anchorage Platting Officer, Jerry Weaver, He acknowledged DOT&PF's objections. Exhibit T. understand. Indeed the mayor and his executives, including the municipal manager and the director of community planning, all signed a memorandum to the assembly stating they did not concur in the objections. vacation of Becharof because of the state's Exhibit W.

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The third and fourth points, highlight Safeway's lack of knowledge and understanding of the facts. Safeway attacks the legitimacy of the state's Right-of-Way Maps. These Right-of-Way Maps are the documents regularly prepared by the state showing the location and extent of the state's interest in land on which millions of dollars of public improvements will be built. of-Way Maps such as those attached as Exhibit G are typically used to determine whether existing right-of-way is sufficient whether more must to be acquired and whether a project as designed will fit within the right-of-way. The maps are regularly used as the basis for determining which municipal utilities are in state right-of-way and whether they will have to be moved at state or municipal expense to accommodate construction.

Even if the Right-of-Way Maps here were not recorded until 1988, Calais was on actual notice of their contents. The maps or "schedules" attached to the state's 1986 declarations of taking for Calais are based on the Right-of-Way Maps and show the identical information which forms the basıs of the state's claim of an interest in the Becharof right-of-way: the edge of "R/W" on the maps state's right-of-way line (shown as schedules) encompasses Becharof and makes it part of the state Exhibit K, pages 4 and 7, Exhibit G, page 2. right-of-way. the pre-trial brief it later filed in the condemnation case,

Calais stated that the state had condemned Calais' interest in the Becharof right-of-way. Exhibit O.

Finally, Safeway makes reference to the proposed Tudor Safeway's Reply, page 7. upgrade never being built. Safeway may be confusing Tudor Road with the extension of International Airport Road to connect with the New Seward Highway, which has not In fact, Tudor has been upgraded. When the New Seward Highway was first built, its intersection with Tudor Road was not grade separated (i.e. traffic stopped at a traffic light at the intersection). Later, a grade separation project built the Tudor/New Seward Highway interchange as it exists today.

#### III. LEGAL ARGUMENT

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Α. Safeway Fails to Provide any Law that Controverts the Principle that the State of Alaska, as the Sovereign, has Ultimate Control of the Highways within the State.

As set out at length in the state's memorandum at pages 13-16, the attempt by Calais' lessor, Steve Noey, to vacate Becharof is ineffective for numerous reasons. One basic principle is that a local government such as the Municipality of Anchorage cannot vacate right-of-way claimed by the sovereign State of Control of highway right-of-way is a paramount state Alaska. power.

> this country the control of highways generally been regarded as primarily a state duty, which however, ordinarily is delegated, at least to some extent to municipal corporations or other within the limits agencies A variety of reasons constitutional requirements.

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have been advanced to support or explain this The use of the streets is general doctrine. designed for the public at large, as distinguished from the legal entity known as the city, municipal corporation and its residents.

Municipal home-rule provisions of constitutions do not ordinarily withdraw legislative power to enact general laws or laws relating to municipal streets and affecting their public use. This control has been held to be exclusive, and any surrender of control thereover must come from the legislature; nor may such surrender or relinquishment be otherwise than by affirmative action.

#### XXX

Aside from constitutional restriction, since the highways of the state, including streets public ways in cities, towns and villages under the primary and paramount control of the legislature, all municipal powers over them must depend upon the proper construction of the grant of authority contained in the charter of the municipal corporation and in the applicable Accordingly, a municipality has no statutes. inherent power of control over streets, but as mentioned, the state may surrender to municipality part or full control of the streets thoroughfares within its limits, thereby making the municipal corporation, with respect to the matters delegated to it, the state's agent.

Municipal control and regulation of streets must harmonize with the laws and policy of the state. This is so because all public highways are under the paramount control of the state, and municipal powers related thereto are mere delegations of of state authority. All power lesser municipalities such streets is simply over delegated power from the state whether exercised by the county, the city, or the town. It follows therefore that no municipality has power to make

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any law affecting public highways or their use which contravenes the policy of the state touching such control and use. Streets are for the public do not exist for the use municipality in which they are situated alone or its inhabitants. In numerous judicial decisions, this doctrine has been considered in relation to ordinances and statutes governing traffic operation of vehicles, mutual reciprocal rights of users of street, property rights in and along highways, and other matters.

(Footnotes, quote marks omitted). E. McQuillen, The Law of Municipal Corporations §§ 30.39, 30.40 (3rd ed. 1981). When the state designed the New Seward Highway right-of-way in the late 60's and incorporated the Becharof right-of-way into the state's design for a new highway, it was exercising its authority as the sovereign. AS 19.05.010, .030, .040, and .080.

When Becharof was subsumed into state right-of-way, it became an integral part of the design of the New Seward Highway. At its northern intersection with Tudor Road, Becharof was located at the eastern edge of the New Seward Highway right-of-way. However, at its southern edge, the Becharof right-of-way runs right through the middle of the New Seward Highway right-of-way. Illustration G.

If DOT&PF were to vacate any right-of-way in which it claimed an interest, the state is required by the constitution and by statute to give appropriate public notice and to execute and file a deed in the appropriate recording district. Alaska Const. art. VIII, § 10, AS 19.05.070. The specific method provided for

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Neither the passage of time nor inaction on the part of the sovereign can work to the state's detriment. For Safeway to prevail, the court must find that AS 38.95.010, which prohibits alienation of any title or interest in state land by adverse possession, does not protect the sovereign's interests in this Calais proceeded at "own risk with full knowledge previously had acceded to the state's interests in Becharof and with full knowledge of the state's objections. It filed a replat without DOT approval in violation of the municipal ordinance requiring all property owners to sign off.

facts fit exactly within the policy behind AS 38.95.010 barring adverse possession against the state. State of Alaska does not have to be vigilant everywhere at all times against its title being eaten away. The State of Alaska does not have to go into court repeatedly and continuously to protect its interests; that is the purpose of the statute.

Here, Safeway urges that the state should have taken steps to regain control of its right-of-way and that it should now In addition to the statute which be barred from doing so. protects the state from adverse possession claims, the Alaska Supreme Court has made clear that estoppel does not lie against

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The facts in State v. Simpson, 397 P.2d 288 (Alaska 1964) provide instruction as to the Alaska Supreme Court's bias against finding an estoppel as related to highway right-of-way. In Simpson, the state itself had actually levied and collected taxes land which dedicated on was as public right-of-way. а Nevertheless, the state was not estopped from asserting its rights in the parcel as against a private party who had constructed improvements in the right-of-way. Such affirmative acts would not bar ejectment of the private party. The tax payment offset the rent-free enjoyment and use of the controverted parcel.

Distinguish в. Attempts to Common Law Statutory Dedications Do Not Assist in the Determination of Ownership Upon Vacation.

Even if the court were to rule the 1984 vacation was effective, there is nothing in Safeway's repeated discussion of the Becharof dedication as being by common law which changes the result proffered by the state: that the abutting property owners -- the state on the west and Calais (Safeway) on the east -- will each get 30 feet, except at the top (northernmost) 110 feet of Becharof, which will go to the state as the abutting owner on both

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All the authorities relied on by Safeway (see Reply Brief, page 8) distinguish between the fee simple conveyance that occurs with a statutory or "plat" dedication of right-of-way and the conveyance of an easement that occurs where there is a dedication of right-of-way, made by a conveyance document, known as a "common law" dedication. But when Safeway examines the results of the vacation of right-of-way originally created by the two different methods it focuses on a distinction that makes no difference in this case. It doesn't matter whether the right-ofway is vacated to the original dedicators (or their successors) or the abutting owners. Here, the owners of the abutting land and the successors-in-interest to the original dedicators are one and the same -- Calais (Safeway) to the east and the state to the Not only is such a result anticipated by the authorities relied on by Safeway, at least one treatise discusses correctness of such a result.

> Traditionally, common law dedication grants to the public an easement in a roadway that will cease when the use of the roadway ceases. . . . This contrasts with the grant by a statutory dedication of a form of limited fee interest to the statutory grantee. When the roadway ceased to be used, the property used for the easement by common law dedication would then return to those from whom it had been dedicated, rather than the It would not be unreasonable, though, for courts to assume that the fee ownership would

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#### have passed with the adjoining land absent an explicit statement to the contrary.

(emphasis added). 7 Davis A. Thomas, Thompson on Real Property, \$ 60.03(a)(3)(ii) (1994).

This result is no different from that briefly mentioned in the 1983 attorney general's opinion so heavily relied on by Inf. Op. Att'y Gen., January 11, 1983, file no. 166-426-Safeway. Citing a previous edition of Powell on Real Property, the opinion states the accepted distinction between common law and statutory dedication (easement versus fee) and then later generally opines as to what the supreme court might determine.

Five years later the Alaska Supreme Court did address the difference between common law and statutory dedications, but as applied to the facts of this case, the result is again the If Becharof were to be vacated, it would go to Calais and the state as both the owners of the abutting land and the successors to the original dedicators. Grand v. Municipality of Anchorage, 753 P.2d 141, 143, n.2 (Alaska 1988).

C. The Court Can Rule that the State Inversely Condemned A Fee Simple Interest Along the Entire Length of the Becharof Right-of-Way when it Incorporated Becharof Into the Right-of-Way for the New Seward Highway.

An inverse condemnation occurs when a governmental entity with the power of eminent domain, such as the State of Alaska, takes or appropriates interests in real property without a formal condemnation action being filed. In State v. Crosby, 410

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P.2d 724 (Alaska 1966), the state mistakenly, but in good faith, believed it could rely on a reservation of a right-of-way in the patent owner's land. The failure to institute a to an condemnation action did not change the essential nature of the state's action in appropriating the owner's property:

> Such action was still the exercise of the power of eminent domain because private property was being taken by the state for a public use. Since under Art. 1, § 18 of the Alaska Constitution private property may not be taken or damaged for public use without just compensation, the fundamental basis of [the owner's] claim for damages is the constitutional provision mentioned, and the acts of the state in appropriating [the owners] are in the nature of inverse condemnation.

<u>Id.</u> at 728-729.

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Here, formal condemnation actions were filed to acquire Modern Electric's and Calais' real property interests sufficient to build the New Seward Highway and to pay just compensation for the interests taken. In Modern, the declaration of taking describes the acreage adjacent to the western 30 feet of Becharof Street and it specifically states that all of Modern's access along Becharof, except at certain points as determined by the state, was being acquired. (A limited access highway was built on The controlled access line is the western edge Modern's property. of Becharof). Exhibit J, pages 5 and 6. The acquisition of the Modern fee adjacent to the Becharof right-of-way, together with its access via Becharof, rendered the 30 strip on the west side of Becharof so without use or value as to constitute an appropriation

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of that strip by the state for public use. After a two-day trial, final judgment was entered for over \$141,000 for Modern. Exhibit 2. In the Calais condemnation, Calais recognized that any interest it had in Becharof was being acquired by the state. Exhibit O.

The actual Becharof right-of-way may not have been included in the state's declaration of taking documents because the state in good faith and with good reason determined that all the interests necessary to build the New Seward Highway were under However, even if Becharof was not acquired public control. through formal condemnation proceedings, there is no need for the state to initiate a new action.

> We believe that such a requirement is unrealistic. The property has already been taken. serve no useful purpose to insist now the state must initiate a condemnation action and take the initial steps as required by law and rule as a condition to the exercise of its power of eminent domain.

<u>Id.</u> at 729. In like manner, the time for Calais or Modern to raise any objection or to seek additional compensation has long since passed. See Weidner v. State, 860 P.2d 1205, 1212 (Alaska 1993). (After time to perfect prescriptive easement has run, landowner barred by statute of limitations from bringing an inverse condemnation action to seek just compensation).

The court can take the opportunity afforded by this litigation to clarify that the state has a fee simple interest along the entire length of the area formerly known as Becharof Such a result would avoid the occurrence of Street. uneconomic, non-utilitarian remnant of fee underlying an easement running through the middle of state right-of-way.

#### IV. CONCLUSION

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There are two bases upon which the court can quiet title in all 60 feet of the Becharof right-of-way in the state along its entire length. First, the state exercised its sovereign authority over right-of-way and incorporated the Becharof easement into state right-of-way for the New Seward Highway. Second, the state inversely condemned both the Becharof right-of-way and underlying fee.

If the court were to find the Municipality's later attempt to vacate Becharof was in some way effective, title as to the northernmost 110 feet of Becharof and the western 30 feet would vest in the state.

DATED this 19th day of February, 1998 at Anchorage, Alaska.

> BRUCE M. BOTELHO ATTORNEY GENERAL

By:

Urig

Assistant Attorney General

# IN THE SUPERIOR COURT OF THE STATE OF ALASKA THIRD JUDICIAL DISTRICT AT ANCHORAGE

Plaintiff,

vs.

STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES,

Defendant.

REGEIVE

FEB 1 7 1998

Department of Law Office of Attorney General 3rd Judicial District Anchorage, Alaska

Case No. 3AN-97-7188 CI

# OPPOSITION TO STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES' CROSS-MOTION FOR SUMMARY JUDGMENT AND REPLY TO OPPOSITION TO PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT

comes now Plaintiff, Safeway Inc., by and through its attorneys of record, PRICE & PRICE, in a combined pleading to oppose the State of Alaska, Department of Transportation and Public Facilities' (hereinafter "State") cross-motion for summary judgment and reply to opposition to Plaintiff's motion for summary judgment. As will be discussed below, the State avoids obvious principles of real estate law and concentrates on "facts" and "arguments" that are either irrelevant or simply incorrect.

## I. THE STATE'S RELIANCE ON IRRELEVANT MAPS AND AGREEMENTS IS MISPLACED.

The State distracts us from the real issue at hand by discussing a series of plat maps, an area right-of-way map and a utility agreement. Unfortunately for the State, none of these

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 1

PRICE & PRICE COUNSELORS & ATTORNEYS AT LAW SSO WEST SEVENTH AVENUE, SUITE 1370 ANCHORAGE, ALASKA 99501 PH. (907) 277-8666 • FAX (907) 277-6667 documents controverts the fact that the recorded dedication is the controlling document for the Court's title determination.

The dedication of easement at issue in this case conveyed to the public an "easement and right of way for use by the public as a public road." Fee simple title was not conveyed-rather, the document conveyed a limited right of use to the public. This grant to the public was accepted by the municipality and never relinquished. The State had no opportunity to "accept" the offer.

The State begins its parade of irrelevant facts by discussing Plat No. 64-50 which "referred" to the Becharof easement. Implicit in the State's argument ís that recordation of this plat instantaneously created both an offer and acceptance of a grant of fee title to the State. This argument is outrageous.1 First, a plat affects only that land contained within the boundary of the subdivided property, an obvious fact of real estate law. Roads shown outside the platted property are included for illustrative purposes only and are intended to show access routes to the property. The Municipal Code specifically provides in it platting requirements that "...the plat shall show all the names ōf streets within and peripheral to the subdivision." See AMC 21.15.120. Second, as is discussed in Safeway's motion, this suggestion violates the Municipal Code

<sup>&</sup>lt;sup>1</sup> To take the State's argument to its logical conclusion, one must ask, whether the State asserts that the person who submitted the plat for approval intended to impact Tudor Road, as the plat references Tudor Road?

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 2

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requirement that when a statutory dedication of land to the public is proposed, the final plat shall bear a statement of ownership the grantors. Code dedication signed by Moreover, the specifically provides that the dedication be the made to municipality.2 AMC 21.15.120. Finally, how does the believe it is a benefactor to a local street easement under municipal platting ordinances, especially when the street was maintained by the borough/city?

The State then moves to Plat No. 67-136. The purpose of this plat was to subdivided twenty-three lots and to dedicate Shelikof Street to the municipality. Here the McCutcheons and Calais Company, Inc. signed the certificate of ownership and dedication on the plat. The recordation of this plat, however, in no way affects the 60' strip of land formerly known as Becharof Street. Again, that is included for reference only. See argument above.

The State next argues its "official" 1967 Right-of-Way map included Becharof Street and, therefore, the right-of-way was available for State use. The State fails to mention that the Right of Way Map offered as Exhibit G to the State's Opposition, was not recorded until 1988, which is well after the municipality had vacated the easement. What happened to the Constitution and the principles of taking and condemnation? Surely, the State does not

<sup>&</sup>lt;sup>2</sup> Perhaps this simple fact clears up the controversy. It is the municipality that accepts an easement for a public right-of-way, and, therefore, is the proper entity to vacate the easement.

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 3

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assert that it can create its own map, call it official and magically take title to the land. It is legally impossible for this map to create the State's alleged interest in the property. The obvious reality is that the right-of-way map is irrelevant to the determination of title to the subject parcel. The map has no relevancy other than to show the audacity of the State. (Remember, in 1997, even the State did not think that it owned this parcel during discussions with Safeway Inc.)

The State then produces а 1969 standard utility subordination agreement between itself and the municipality and once again tries to breathe credibility into its argument that it somehow owns the vacated easement area. As was discussed above, the law is clear and unambiguous. The State cannot acquire by map that which it does not own. Similarly, documents of convenience municipality between the State and the that improperly characterize ownership cannot create any such ownership. The State had the opportunity to condemn the reversionary interest of the Becharof right-of-way along with the other condemned parcels, but (probably by mistake) it failed to do so. The State cannot attempt to "repair" its mistake by now arguing that fee title had been offered and that it accepted that offer.3 Facts indicate that the municipality accepted that offer. The State cannot

The State asserts at page 4 n.2, "Even if Becharof right-of-way was not formally dedicated in fee by the various plats, the easement with the assent of City and Calais became part of the State right-of-way for the Seward Highway and under State control." This assertion is unsupported by fact.

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 4

avoid the principles of taking nor the requirement of just compensation.

### II. THE STATE MISREPRESENTS THE LAW WITH REGARDS TO ADMISSIONS AGAINST INTEREST.

An admission against interest must be made voluntarily and deliberately and with full knowledge and understanding of its contents. Fuller v. U.S., 12 Alaska 170 (C.A.9 (Alaska) 1948).

The State relies solely on the strength of a letter written by attorney Kenneth R. Atkinson in 1969 in his capacity as counsel for Calais Company, Inc. The letter references the State's condemnation actions and discusses access to an unrelated portion of the property adjacent to the area the State acquired via an eminent domain action. Neither the letter, nor the access permit, refers to, or impacts, the parcel involved in this suit. Thus, this letter has no impact on the determination of title to the 60 foot strip.

This letter, however, does raise some unanswerable questions. If the letter and permit did concern the parcel at issue in this case, wouldn't the State have required Calais to grant a specific easement over this parcel? Moreover, why didn't the state know in 1997, that it had an easement over the entire length of Becharof? And most importantly, why didn't the State tell the municipality in 1983 during the vacation that it owned

the fee or easement right, not the city? Moreover, why didn't the State object to the 1984 replat until now?

Similarly, the condemnation actions are irrelevant to State's claim title to the subject parcel. The the of condemnation actions are telling, however, as to the boundaries of The one and only relevant fact concerning the the State land. condemnation actions is that they do not include the 60 foot strip of land at issue in this case. The State's hollow protestation found at page 24 of its Opposition that it would have to "pay again" for the parcel, is misguided at best and misrepresentation at worst. To date, the State has never "paid" for the parcel! On the other hand, Safeway did pay for the land in reliance upon the 1984 replat and after meeting with the State.

## III. SEARCH OF THE TITLE RECORDS INDICATES THAT THE STATE IS NOT THE RECORD OWNER OF THE VACATED EASEMENT AREA.

Despite the State's attempt to confuse the issue, this is a relatively simple case. One where the foundational principal of real estate law is at issue. Title to real property is finite and can be searched through the chain of title. All of the issues raised by the State in its lengthy brief violate this basic tenant. Most, if not all, the documents raised as "facts" by the State do not touch upon the real property involved in this suit. The State hopes to point to unrelated plats, unrecorded

<sup>4</sup> How can the State argue that Safeway Inc. is bound by the recorded documents yet it is not bound by the 1984 replat?

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 6

right-of way-maps and utility agreements that have nothing to do with the title to the 60 foot strip of land at issue in this case. Even more inappropriate, the State relies on highway maps it developed itself.<sup>5</sup>

Title to real property can be easily traced. The integrity of over 600 years of common law relies on this simple concept. A review of the chain of title to this parcel is not only critical, but should be the only issue before this Court. The State does not, and could not, refute the simple fact that the McCutcheons and Modern Electric Inc. dedicated, by common law, an easement over the parcel in question for a public roadway in 1959. Fee title never left the original grantor. What happens next in the chain of title is the real question. See affidavit of Bill G. McAdams attached hereto as Exhibit "A."

The answer is a vacation. Despite several fee title conveyances to the neighboring property, there has been no other change. Title was not impacted until the municipality of Anchorage vacated the Becharof easement. Consequently a replat was required. The parcel incorporating the vacated easement area became known as Tract 2A, Bancroft Subdivision.

It is telling that the State ignores the 1983 opinion of one of the best Assistant Attorney General's to ever work for the

<sup>&</sup>lt;sup>5</sup> The State offers "illustrations" of the proposed Tudor upgrade to the Court. Considering the fact that the Tudor interchange has not been upgraded and nearly thirty years have passed since the original drawings, these illustrations are irrelevant and inadmissible. The original recorded documents are sufficient.

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 7

State, Donald W. McClintock. This opinion is directly on point. It follows existing common law and recognized authors of every major treatise on real estate to conclude that when a common law dedicated easement is vacated, the fee title reverts to the original dedicator. Office of the Attorney General, 1983 WL 42450 File No. 166-426-83; State of Alaska v. Fairbanks Lodge Co. 1392, Loyal Order of Moose, 633 P.2d 1378 (Alaska 1981); see also, 4 Herbert T. Tiffany, The Law of Real Property, Sec. 1112 (1975); 7 Thompson, Thompson on Real Property, Sec. 60.03 (a)(3)(ii) (1994); Southwestern Bell Tel. Co. v. State Corp. Comm. of the State of Kansas, 664 P.2d 798, 800-01 (Kan. 1983); Terwelp v. Sass, 443 N.E.2d 804, 807 (III. App. 1982).

There is good reason for the fact, that until 1997 when approached by Safeway Inc. about access to its proposed store, the State did not think it owned the vacated easement area. (In fact, the State did not even think it held an easement over the area.) For fourteen years, the owners had been paying taxes on the parcel had exercised total control over the property since easement was vacated in 1983. The affidavit of Bill McAdams, an experienced title abstractor, demonstrates that there is absolutely nothing in the "chain of title" reflecting any claim of the State to the 60 foot strip of land in question. Exhibit "A" attached hereto.

Equally telling, the State allowed Stephen w. Noey and his successors to enter the Tudor property owned by the State and

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 8 Station ( . 200 )

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seal off the curb cut where Becharof met Tudor Road. Where was

the State when this occurred?

The legal principal is clear and simple, regardless of the State's attempt to obfuscate it. vacation by the Upon municipality, the fee reverted to the original dedicators, the McCutcheons and Modern Electric Inc. Safeway's lessor, Calais Co, Inc., is the successor to the McCutcheons and has since 1983 adversely possessed the 30 foot portion reverted to Modern Electric, Inc.. Never having condemned the parcel, the State does to be the owner of the vacated easement not, and cannot, claim Safeway is, as all citizens of this State should be, area. outraged that the State only now claims to be the owner of the vacated easement area, fifteen years after the property was legally vacated by the municipality, over the objection of the State.

## IV. THE 1983 VACATION OF THE EASEMENT WAS VALID AND PASSED TITLE TO THE ORIGINAL DEDICATORS.

Under the common law principles of dedication, the State has no right, title or interest in the vacated Becharof easement. The dedication by the McCutcheons and Modern Electric, Inc. specifically granted to the public a limited right to use the property. The easement was vacated in March of 1983 after the Anchorage Platting Authority determined that the right of way was of no substantial value to the municipality. All procedures necessary to vacate the easement area were followed, including

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 9

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public notice, comment and hearing. The State objected to the vacation, not because it owned the easement area, but because it might need the area during the Tudor Interchange upgrade. Despite this objection, the vacation was approved and granted. At the time of the vacation, the fee title reverted to the grantors. The State gained no right, title or interest to the vacated area.

V. THE STATE **FAILS** TO REFUTE SAFEWAY'S CONTENTION THAT THE PRINCIPLES ESTOPPEL/QUASI ESTOPPEL PREVENT THE STATE FROM TAKING A POSITION INCONSISTENT WITH ITS PREVIOUS POSITION.

The State attempts only to refute allegations concerning Safeway's preliminary meeting with the State. The State does not comment on its failure to object to the 1983 vacation on the grounds of its ownership to the easement area. It is curious why only recently the State raised this ownership argument.

The State is bound by it 1983 objection. It cannot now raise new objections. Safeway is prejudiced by the State's new objection based on a claim of ownership to the easement area. The State has not denied that Safeway officials met with State representatives prior to purchase of the leasehold estate and that the State representative did not assert any ownership right to the vacated easement area at the time of the meetings. Only after

<sup>&</sup>lt;sup>6</sup> The State objects the vacation/1984 replat on two grounds. One, that Jerry Weaver, the Municipal Platting Officer, in approving the 1984 replat, failed to consider the various plat maps, right of way map and utility documents. (Why, then didn't the State file suit on this issue years ago?) Second, the State DOTPF had thousands of other matters before it at this time. It is shocking the State even asserts this "excuse," it is irrelevant how many other platting matters were before the State.

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 10

Safeway invested significant time and money into the project did the State raise its new claim of ownership.

Applying the principles used by the Alaska Supreme Curt in Dressel v. Weeks, 779 P.2d 324 (Alaska 1989), the State is prevented from asserting is new found claim of ownership. The time for the State to have raised this objection was in 1983. The State did not have to permit Mr. Noey to seal off the curb cut for the old Becharof Street. Moreover, the State should have filed suit on this issue years ago. At the very least, the State could have recorded a notice of objection to the vacation or replat in the land records. It did not and more than fourteen years have The State had not once acted as if it was the owner of passed. the vacated parcel.

There is no issue as to any material fact that until recently the State never objected the 1984 replat or use of the vacated easement area. Safeway Inc. is entitled to judgment as a matter of law that this behavior (and Safeway's reliance thereon) is grounds for application of estoppel and/or quasi estoppel.

### VI. CONCLUSION.

Safeway Inc. has met its burden entitling it to judgment as a matter of law that: (1) a dedication of the Becharof easement was a common law easement where the fee remained with the dedicator/grantor; and (2) the State is prohibited under theories of estoppel and quasi estoppel from taking a position inconsistent with its earlier position.

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 11

Respectfully submitted at Anchorage, Alaska, this <u>/3</u> day of February, 1998.

PRICE & PRICE

Attorneys for Safeway Inc.

Ву:

Michael W. Price

I HEREBY CERTIFY that on the indicate of February, 1998, a true and accurate copy of the foregoing was mailed to:

Susan L. Urig Assistant Attorney General 1031 West 4<sup>th</sup> Avenue, Suite 200 Anchorage, AK 99510-1994

Sabrina E. L. Fernandez

85-68-46 SJ Memo

Joint Opposition to the State's Cross-Motion for Summary Judgment and Reply to Opposition to Safeway's Motion for Summary Judgment - 12

### IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT AT ANCHORAGE

SAFEWAY, INC.,

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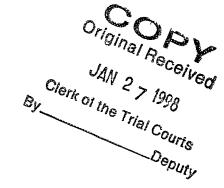
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Plaintiff,

vs.

STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES,

Defendant.



Case No. 3AN-97-7188 CI

### CROSS-MOTION FOR STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES FOR SUMMARY JUDGMENT

State of Alaska, Department of Transportation and Public Facilities requests this court to grant summary judgment as follows:

- The right-of-way known as Becharof Street was never vacated and the state retains authority and control over Becharof Street.
- 2. Alternatively, the vacation of the Becharof right-of-way resulted in the northernmost 110 feet of Becharof and at least the west 30 feet being vested in the state.

This motion is supported by the attached memorandum, exhibits and affidavits.

DATED this 27th day of January, 1998 at Anchorage, Alaska.

BRUCE M. BOTELHO ATTORNEY GENERAL

By: Susan L. Uriq

Assistant Attorney General

### IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT AT ANCHORAGE

SAFEWAY, INC.,

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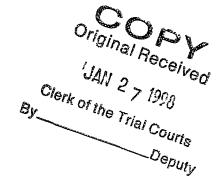
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Plaintiff,

vs.

STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES,

Defendant.



Case No. 3AN-97-7188 CI

MEMORANDUM OF STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES IN OPPOSITION TO SAFEWAY'S MOTION FOR SUMMARY JUDGMENT AND STATE'S CROSS-MOTION FOR SUMMARY JUDGMENT

-In 206 borx 8 I. INTRODUCTION

The history of title of the property which is in dispute in this case is rather lengthy and complex, requiring a measured discussion of the documents supporting the transfer of real property interests in, and the control of, public right-of-way. The State of Alaska, Department of Transportation and Public Facilities ("the state," "the Department," or "DOT&PF") does not dispute the discussion by Safeway, Inc. ("Safeway")1 of the legal standards for summary judgment applicable to the facts. The state does dispute a number of the statements presented by Safeway as

Safeway's status as plaintiff apparently is based on a lease of property from Calais Co. Inc. ("Calais"). Safeway and Calais are filing a Ratification Agreement with the court by which Calais as the fee owner agrees to be bound by the outcome of this Otherwise, it is the state's position that this action could not go forward without Calais as an indispensable party. Alaska Rules of Civil Procedure 17(a) and 19(a).

Additionally, the state will present facts, supported undisputed. by admissible evidence, which support a summary judgment finding that the 60 foot right-of-way, formerly occupied by Becharof Street, remains public right-of-way.

#### STATEMENT OF FACTS II.

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The real property at issue is located at what is now the southeast quadrant of the New Seward Highway/Tudor Road interchange, near the Tony Roma's Restaurant in Anchorage, Alaska. In 1951, Hubert and Elaine McCutcheon received patent to 120 acres of real property located at the south side of Tudor Road and a short distance east of the Seward Highway in the Greater Anchorage The New Seward Highway had not yet been built. Area Borough. Warranty Deed attached as Exhibit A. Illustrative maps showing the area over time are included with the affidavit of surveyor Johnson, also attached to this memorandum. See Norman Illustration A for a depiction of the McCutcheon patent.

On August 24, 1959, the McCutcheons deeded an eastern portion of their land to Modern Electric, Inc. Exhibit B, September Weeks 15, В. later, on 1959, McCutcheons and Modern Electric, conveyed "to the public at large a permanent easement and right-of-way for use by the public as a public road" totaling 60 feet, running north and south along their shared property line. Modern Electric dedicated 30 feet from its

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eastern boundary and the McCutcheons dedicated 30 feet from their Exhibit A attached to the complaint and western boundary. attached again here, for convenience, as Exhibit C. See also Illustration C.

On September 30, 1963, the McCutcheons deeded a portion of their land to the east of the Modern Electric conveyance to Calais Co., Inc. (Calais), specifically excepting the west 30 feet "heretofore dedicated to the public as a public roadway." Exhibit D, and Illustration D.

On June 24, 1964, the Greater Anchorage Area Borough approved plat number 64-50 by which Calais subdivided a portion of its property into Bancroft subdivision. The plat refers to "existing 60' easement Becharof Street," in the area where the dedication of the 60 foot easement had been made by Modern Electric and the McCutcheons. Becharof Street provided all the access for the subdivision. Exhibit E, Illustration E.

In 1967, plat number 67-136 was approved, adding Shelikof Street as a second access to Tudor and a row of lots to the subdivision. The 60 foot area previously dedicated by Modern and the McCutcheons was again referred to as "Becharof Street" on the plat.<sup>2</sup> Exhibit F, Illustration F.

Safeway's argument, set out in section B of its brief at pages 8-12, that the various plats do not accomplish (continued...)

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In the 1960's, the state was beginning work on a design for the New Seward Highway, which was to be a controlled access high speed highway with frontage roads on each side for local The state's Right-of-Way Map, which is the official access. document setting out the areas over which the state has control for the design, construction and maintenance of a public highway, includes all of Becharof Street within the public right-of-way available for state use.

Inclusion of Becharof on the Right-of-Way Map accomplished the state's formal acceptance of the Electric/McCutcheon dedication of the easement to the public at large. The map shows "R/W," or "R/W line" at intermittent points along a bold black line running east and west just south of the existing Tudor right-of-way, then angling down to include the eastern edge of Becharof, continuing south over Campbell Creek and then flaring out to accommodate a diamond shaped interchange for

<sup>&</sup>lt;sup>2</sup>(...continued)

dedication of Becharof Street is not necessary to resolution of the ownership of the area formerly occupied by Becharof Street. The state is not conceding Becharof was not a platted street and therefore not dedicated in fee. But even if the Becharof rightof-way was not formally dedicated in fee by the various plats, the facts show that the easement, with the assent of the City of Anchorage and Calais Co., became part of the state right-of-way for the New Seward Highway and under state control. attempted replat to vacate the public right-of-way in Becharof could not be effective as to the state's interest without the state's concurrence, which was never given. See argument below.

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the then-proposed extension of International Airport Road to the

The state Right-of-Way Map was used repeatedly as the basis for identifying the respective interests of the state, the borough and the city in the public right-of-way in the area around and including Becharof Street. For example, the City of Anchorage assented to the state's exercise of authority and control over the Becharof right-of-way by agreeing that municipal utility easements located within the right-of-way line as set out on the Right-of-Way Map would be subordinate to the state's rights in the property "as shown on the Right-of-Way Map of State Project No. F-031-2(18)" attached to the agreement and made part of it. The subordination agreement between the city and the state is dated March 22, 1969 and recorded at Misc. Book 171, pages 96-129, Anchorage Recording District, including pages 24 and 25 of the

The International Airport Road extension was not built, but the later extension of Becharof south into this area follows the flared out shape of the right-of-way. Illustration H. letter of Kenneth Atkinson, Calais attorney, requesting permission to be in state right-of-way to extend Becharof and state permit to Calais subsequently issued by state authorizing Becharof extension within state right-of-way attached as Exhibit L and discussed in greater\_detail\_below.

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Right-of-Way Map. The subordination agreement with the relevant pages 24 and 25 of the Right-of-Way Map attached to the agreement, are attached here as Exhibit H. Again, on May 15, 1969, the city signed a utility relocation agreement requiring city power lines to be moved at city expense under AS 19.25.020,4 because they were "located ... within a state right-of-way." The maps attached to the agreement show Becharof Street within state right-of-way. Exhibit I.

Becharof, in the area of Tudor, became part of state right-of-way to accommodate the "flair out" or diamond shaped, separated grade interchange designed and constructed for the New Seward Highway- Tudor Road intersection. Tudor Road crosses over the New Seward Highway. The New Seward Highway has on/off ramps in addition to the frontage road that must be accommodated within the right-of-way, requiring the "V" shaped acquisition on each side of the Highway. See the 1968 Right-of-Way Map, Exhibit G.

incident to the construction of a highway project, the department determines and orders that a utility facility located across, along, over, under, or within a state right-of-way must be changed, relocated, or removed, the utility owning the maintaining facility shall relocate, or remove it in accordance with the order.

(emphasis added)

AS 19.25.020 provides, in part:

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Private property was also required to design Actions in eminent domain were filed to acquire land interchange. from both Modern Electric on the west of Becharof and Calais on the east. Two different parcels (numbers 307 and 317) were acquired from the Calais property. Exhibits J (Modern Electric) and K (Calais), declarations of taking with real property maps identified as schedules "A" - "C." On the Calais property to the north adjacent to Tudor, the right-of-way was required for the Tudor/New Seward Highway interchange. Τo the south, acquisition was for the interchange for the proposed extension of International Airport Road and the New Seward Highway. Illustration G.

Calais understood the consequences of the state's acquisitions in the area and the state's taking control of the the Becharof right-of-way. In a letter from Calais attorney, Kenneth Atkinson, dated July 1, 1969, to Assistant Attorney General Kaye Ritchey, Calais sought permission for Calais to extend Becharof south within what had become the state right-of-way. Exhibit L. The letter refers to parcel number 307 to the south, but the nature of the interest acquired in Becharof in parcel number 317 to the north by Tudor Road is identical, the Becharof right-of-way having been created along its entire length by the August 1959 dedication of easement between Modern and the

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Mr. Atkinson refers to "Becharof Street which was a 60 foot dedicated public street used for north-south access to Bancroft subdivision," and that the street, as dedicated, extended the full depth of Calais' real estate. "It is now within the constructed right-of-way of the New Seward Highway," admits Atkinson.5

On August 5, 1969, the state granted a permit to Calais to construct and maintain a roadway along Becharof Street within subdivision with the the public right-of-way and Bancroft permittee, Calais, indemnifying the state. Exhibit M. As part of the later condemnation action settlement, Calais was released from its indemnification obligations under the permit, but there was no change related to DOT&PF's management and control of the Becharof right-of-way. Exhibit N. The settlement amount for parcel 307 was \$20,500 and for parcel 317 was \$21,590. Exhibits P and Q, respectively.

About ten years later in 1983, a request (identified as plat number S-6762) was before the Municipality to vacate the portion of Becharof just south of Tudor Road adjacent to Calais. The request was made by Stephen Noey, apparently a lessee of State planners contacted the Municipal Platting Officer,

Calais makes the same admission that Becharof was part of right-of-way in the pretrial brief it filed the condemnation case on December 9, 1971. Exhibit O.

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Jerry Weaver, objecting to the vacation of Becharof and asserting the state's interest in the right-of-way.

On March 2, 1983, DOT&PF planning staff wrote to Mr. Weaver, specifically to amend a previous response to plat number S-6762. Staff wrote:

> This vacation request will be denied by DOT/PF pending the definition of a project to upgrade the Tudor Interchange. The scheduling of this project has not yet been determined. The applicant may wish to consult with DOT&PF Right-of-Wav Section concerning a permit or lease for use of this area.

Exhibit R. (emphasis added)

Again on April 12, 1983, DOT&PF repeated its objection to the vacation of Becharof Street to Mr. Weaver, stating:

> Please refer to our letter of March 2, concerning Plat S-6762 (copy attached). DOT&PF is opposed to the vacation of Becharof Street. applicant may use that area by permit or lease from DOT&PF. Tract 2A should have only one access to Tudor, at a point near the existing building, and no access to the New Seward off a ramp.

(emphasis added) Exhibit S, page 3.

All platting matters within the Municipality of Anchorage are presented to a small DOT&PF Central Region staff for review and In addition, platting matters for the Kenai Matanuska-Susitna and Kodiak Island Boroughs, and other cities such as Dillingham and Bethel are presented to DOT&PF for review. In 1983, when the replat proposal was presented for review and comment, thousands of such matters crossed the desks of those assigned to review them. For example, the April 12, 1983 letter, Exhibit S, contains 42 other platting matters submitted to DOT&PF for review at that time.

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On May 2, 1983, Mr. Weaver wrote to the planning section Exhibit T. He acknowledged DOT&PF's objection to the proposed vacation and requested more information about DOT&PF's Weaver provided the dedication of easement documents position. the McCutcheons and Modern in 1959, but he did not signed by reference the state's 1968 Right-of-Way Map that the utility agreements, or the 1968 condemnation acquisitions or their terms. On May 20, 1983, DOT&PF responded, discussing the status of DOT&PF's future construction plans for the area, and again recommending no vacation of Becharof Street. Exhibit U.

The Municipal Platting Authority had previously passed a resolution approving the vacation of Becharof as having "no Municipality." resolution substantial value to the The incorrectly described Becharof as a 60 foot right-of-way along the west boundary of Tract 2, Bancroft Subdivision, Addition Number 1 (the Calais property), when in fact the 60 foot right-of-way straddled the Calais western property line, so that only 30 feet In a June 21, 1983 was on the Calais property lot. Exhibit V. memorandum from the mayor to the assembly, the mayor, municipal manager and the director of community planning did not concur in the request to vacate Becharof, because information had

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been provided by the state "indicating the vacation request should be denied." Exhibit W.

Nevertheless, on July 26, 1983, the Municipal Assembly passed an ordinance entitled, "An ordinance authorizing a conveyance by the municipality of certain interests in the vacation of: 15 foot screening easement and a 60' right-of-way known as Becharof Street along the west property line of Tract 2, Bancroft subdivision, Addition No. 1.7 Exhibit X. The ordinance provides that the conveyance of the Municipality's interest in the right-of-way

> shall be accomplished by, and effective upon, the recording of the approved final plat depicting the subject vacation in accordance with the requirements of the subdivision regulations.

Plat number 84-221, approved by Jerry Weaver and signed by representatives of Calais, was recorded on July 7, 1984. Exhibit Y. The plat does not contain the signature of a DOT&PF representative as a record owner of the property to be replatted as required by AMC 21.15.120(4)(c). (A copy of the ordinance is attached to this memorandum for ease of reference.) disagreement as to the effect of this plat which is the basis of this litigation.

Again, the reference to all 60 feet of Becharof being located along the western property line of Becharof only, is incorrect. Only 30 feet of the Becharof easement was located on Calais property.

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and quasi-estoppel. The facts related to those issues are provided in the affidavits of Keith Morberg, recently retired Preconstruction Engineer for the Central Region of DOT&PF, and John Jensen, Chief of the Right-of-Way Section for the Central Region, attached here.

In summary, the affidavits show there was more to Keith

Calais also alleges additional counts based on estoppel

In summary, the affidavits show there was more to Keith Morberg's statements than recalled by Tim Potter, and that Keith Morberg made no hard promises on which it would have been reasonable for any owner to rely. Importantly, Morberg states he has not changed his view, which is, that if the triangular fee parcel acquired as part of the Calais 1968 condemnation ("the triangle") is not adjacent to state right-of-way, the state is willing to initiate its disposal process as to that triangle. However, additional research has shown otherwise.

In addition, John Jensen told Safeway's representative, Tim Potter, that DOT&PF staff were required to follow a public process for disposing of right-of-way and that the final outcome could not be determined until after that public comment period. There were no statements made to Safeway or its representatives by

It is the state's understanding that Safeway is not claiming title to the triangle, despite Safeway's position that the 1984 plat is otherwise effective to divest the state of its interests in the Becharof right-of-way.

DOT&PF employees which can form the basis for estopping the state from claiming its interest in the Becharof right-of-way.

#### ARGUMENT II.

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- The 1984 Attempt to Replat is Ineffective.
- No Proper, Valid Plat, Complying with the Requirements of the Anchorage Municipal Code, has been Recorded.

The state requests that the court quiet title in the parties according to their interests as they existed prior to the 1983-84 attempt to vacate Becharof. First, no plat "depicting the in accordance with the subdivision [Becharof] vacation regulations" as required by the ordinance authorizing the replat been filed. Exhibit W. Anchorage Municipal § 21.15.120(B)(4)(c) requires all "owners of record, including all parties holding any recorded equitable or beneficial interest in the land being platted" to sign the certificate to plat. result of the 1968 condemnation of Calais parcel number 317, the state owns the fee in a triangular-shaped piece of property at the east corner of the Becharof-Tudor intersection. Additionally, the 1968 Right-of-Way Map, which was repeatedly relied on and recorded as an attachment to various agreements with the city, gave the state control and authority over the Becharof right-of-way. The signature of a representative of DOT&PF was required to comply with the requirements of the ordinance and the municipal code.

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2. The Municipality Cannot Vacate Right-of-Way over the Objection of the Sovereign State of Alaska.

The State of Alaska, Department of Transportation and Public Facilities, is responsible for supervision of the highway AS 19.05.010 provides that the Department "is svstem in Alaska. responsible for the planning, construction, maintenance, protection, and control of the state highway system." As part of its duties, the Department is obligated to "direct approved highway planning and construction and maintenance, protection and control of highways." AS 19.05.030. Under its enumerated powers, the Department may "acquire property," AS 19.05.040. "As part of the cost of constructing or maintaining a highway," the Department "may . . . acquire [or] take over land in fee simple or easements that it considers necessary. . . . " AS 19.05.080.

Using its statutorily authorized powers to meet its statutory duties and obligations, the Department acquired control and responsibility for the Becharof right-of-way in 1968 when it incorporated Becharof into the right-of-way for the New Seward Highway. The original dedication in the right-of-way easement from the McCutcheons and Modern Electric did not limit the governmental entity which could accept the dedication "to the public at large." Exhibit C. Although the local government may have accepted the dedication previously, the state was not barred from accepting, as well, by taking control in 1968.

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Nothing that occurred afterwards shows that the state relinquished that control. In written statements between the state and both the adjacent owner, Calais, and the Municipality, and acknowledged by both, DOT&PF has stated its interests, and stated that a lease or a permit was required to be within the state right-of-way. Exhibits N, R and S.

Before the state can transfer orrelinquish its interests, it must follow both the Alaska Constitution and the appropriate statutes. Article VIII, section 10 of the Alaska Constitution states:

> No disposals or leases of state Public Notice. lands or interests therein, shall be made without prior public notice and other safeguards of the public interest as may be prescribed by law.

After the requisite public notice, the Department may vacate rights in land acquired for highway purposes by executing and recording a deed.

> Upon filing, title to the vacated land or interest in land inures to the owners of the adjacent real property in the manner and proportion considered equitable by the commissioner and set out in the deed.

AS 19.05.070. <u>See also</u> AS 29.40.160.

The Attorney General's opinion (1987 Alaska Op. Att'y Gen. Inf. 17) relied on by Safeway at p. 13 of its brief addresses a factual situation different from the one here, although many of the same statutes apply. The question addressed there was whether the state could choose to transfer control of part of the state highway system to a local government. The question here is whether a local government can wrest control from the state.

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The Municipality of Anchorage, as a creation of the State of Alaska, may have had the power to vacate whatever interest it may have had in the Becharof right-of-way in 1984. Indeed, the ordinance is actually limited to authorizing vacation of the Municipality's interest only. The Municipality had no authority to vacate the state's interests in right-of-way, and certainly no authority to do so over the state's objections.

The Ordinance Authorizes Municipal Interests Only to be Vacated.

The 1983 ordinance ostensibly vacating Becharof only speaks to the interests of the Municipality in Becharof Street. It authorizes "a conveyance by the Municipality of Anchorage of certain interests." The Assembly ordered that "vacation of certain portions of a municipal right-of-way . . . may be accomplished through the conveyance and relinquished by the Municipality of its interests in the said right-of-way." The ordinance correctly does not address the interests of the state.

- В. Even if the Plat were in Some Way Found to be Effective and Becharof Vacated, the State is the Property Owner to at Least the Western 30 feet and all Northernmost 110 feet of Becharof Must be Vacated.
- The Plat Provides for the Becharof Right-of-Way to be Vacated to the Adjacent Property Owners.

1983 Ordinance Authorizes the Vacation of the Municipality's Interests in Becharof "to those parties receiving the benefits of the said vacation under the terms of AMC

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21.15.130. Section 130 concerns approvals of vacations. Subsection 21.15.130(D) addresses title to the vacated area:

> The title to the street or other public right-ofway vacated on a plat attaches to the lot or lands bordering on the area in equal proportions, except that if the area was originally dedicated by different persons, original boundary lines should be adhered to so that the street area which lies on one side of the boundary line shall attach to the abutting property on that side, and the street area which lies on the other side of the boundary line shall attach to the property on that side.

AMC 21.15.130 is attached to this brief.

In directing that any vacation of Becharof be made according to AMC 21.15.130, the Assembly ordained that when Becharof was vacated, the Municipality's interests would attach in equal parts to the adjacent or abutting land on each side of In this case, that allocation is also in keeping with Becharof. the original dedication which come in equal parts from Modern and from the McCutcheons. As successors in interest to Modern and the McCutcheons, the state and Calais, respectively would each take 30 feet of the 60 foot vacated right-of-way.

C. Even If Neither the State Statute Relevant to the Vacation of Real Property nor the Municipal Code Section Applicable to the Vacation of Real Property Apply Here, Common Law Principles for the Vacation of Right-of-Way Provide that the State is the Property Owner to which at Least the Western 30 feet and all the Northernmost 110 feet of Becharof Must be Vacated.

19.05.070, like AMC 21.15.130 discussed above, provides that if DOT&PF determines it will vacate land or rights

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in land acquired for highway purposes, it will be deeded to the owners of the adjacent real property in the manner and in the proportion considered equitable by the Commissioner of DOT&PF. Safeway argues that such legislatively enacted vacation procedures would not apply here, apparently despite the Assembly's specific reference to the municipal ordinance procedure for vacating in AMC Safeway argues that common law principles apply. 21.15.130.

Even assuming Safeway's approach, the proper result, if a vacation of right-of-way was found to be proper here, would be for the eastern 30' of the Becharof to go to the state as the successor-in-interest to original dedicator, Modern, and most of the western 30' of Becharof to go to Calais as the successor to the original dedicator, the McCutcheons. As to the northernmost 110 feet of Becharof, however, the entire 60' would also be vacated to the state, since the state also has the fee adjacent to Becharof on the west via the triangle obtained from Calais in the 1968 condemnation. See Schedule "B-2," attached to Declaration of Taking, Exhibit K for dimensions of triangular parcel.

The dominant public policy, repeatedly addressed by the courts when quieting title in right-of-way, is to avoid long, skinny strips of land in ownership other than the adjacent owners. Thus, when the treatises and cases examine subsequent transfers of

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the real property from which a common law dedication had previously been made by the original dedicators, they conclude the fee underlying the right-of-way does not remain with dedicator, but generally is conveyed together with the abutting the right-of-way. Specific language to the contrary is Roger A. Cunningham, et al., The Law of Property, § 11.6 (2d ed. 1993). Under a section entitled, "Relinquishment of Dedicated Land," Professor Cunningham and his colleagues address the disputes that often arise after public land is vacated:

> If the public's interest was only an easement, the land is simply freed of the servitude and the owners of the servient estate (usually those who now have unencumbered own the abutting lots) But if the public interest was a possession. possessory fee simple, the cases are divided as between the original donor and the owners of the abutting land. The donor will usually prevail if she expressly reserved a reversionary If this was not done, the courts often interest. find a way to award the land to the abutting This result is sometimes hard to explain in theoretical terms, but it generally represents sounder policy, particularly in the case of a long, thin strip of land created by the vacation of a street.

Support for the proposition that upon vacation, rightof-way reverts to original abutting owners, unless the original dedicators specifically reserved the underlying fee, also can be found in Powell on Real Property. 6A Richard R. Powell, Powell on Real Property, § 926[2], p. 84-110 (1982). One treatise on the

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law of surveying and boundaries has stated that upon vacation of a right-of-way

> the land is freed from the burden of user of the public and the right to exclusive possession is restored to the original dedication or those claiming under him.

(emphasis added). F. Clark Law of Surveying and Boundaries, § 642 (4th ed. 1976).

It is not clear why Safeway limits its argument that the right-of-way reverts to the original dedicator. If that were the case, the western Becharof right-of-way would revert to the McCutcheons or their heirs, and not to Calais.

Neither the Facts, nor the Law Supports the Reasonable D. Reliance, or Unconscionability Requirements Estoppel or Quasi-estoppel to Exist.

The facts here do not show that the state ever asserted any position concerning the Becharof right-of-way or the triangular area on which it would have been reasonable for Safeway or its development expert, Tim Potter of DOWL Engineering, to experienced The parties here were sophisticated, professionals. Keith Morberg, the Preconstruction Engineer for DOT&PF, who attended many such meetings with developers, cautioned that he could not speak for the Department. Morberg opined that, if the facts were as Potter presented them, Morberg thought personally, that the Department "would likely be willing to initiate the disposal process." However, as the Department began

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own title research, the facts were found not to Affidavit of Keith Morberg attached. presented.

Mr. Potter also spoke with John Jensen, Chief Right-of-Way, Central Region. John Jensen reminded Mr. Potter of the public notice and opportunity for public comment requirements prior to disposal of right-of-way and that no decision could be made until the close of the public comment period. Affidavit of John Jensen attached.

There is reasonable basis for no converting preliminary, exploratory, informal meeting with a DOT&PF staff member who disclaimed any authority to speak officially on behalf of the Department and who had only the developer's version of the facts before him, into an official position taken on behalf of DOT&PF on which to solely rely in going forward with a large commercial transaction. Moreover, DOT&PF clarified that any disposal of right-of-way was subject to a public process.

It is important to note that Mr. Morberg stresses that DOT&PF has not changed its position: If the triangular piece of property is not adjacent to state right-of-way (i.e. if Becharof has been properly vacated, and if the state has not interest in Becharof as vacated), then the state is willing to recommend the disposal process, subject to public notice and comment. There has been no change in position by the state.

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Aside from the factual considerations, the parties here were discussing interests in real property, which fall under the statute of frauds. Alaska's statute of frauds requires that alleged agreements to convey interests in land must be in writing to be enforceable. AS 9.25.010(a)(6). In addition, since interests in public land are at issue, the Alaska Constitution, Article VIII, section 10, requires notice to the public before any King v. Alaska State Housing Authority, 512 P.2d 887, transfer. 891 (Alaska 1973). (State not estopped to deny preference to who expended funds in reliance former owners on representations, since state housing authority not empowered to grant a preference.)

As to any contention that the state is estopped from claiming under the 1968 Right-of-Way Plans, the opinion of the Alaska Supreme Court in <u>State v. Simpson</u>, 397 P.2d 288 (Alaska 1964) is dispositive. Even a lengthy failure by many governmental officers to assert rights in a street could not form the basis to estop the state from asserting title against occupying landowners.

After the state had made its objection to the 1984 replat and notified the Municipality that any use of the Becharof right-of-way would require a lease or a permit from the state, and after those responsible for the plat failed to present it to the state for signing as a fee owner of the triangle, with an interest

## ANCHORAGE BRANCH 1031 W FOURTH AVENUE, SUITE 200 ANCHORAGE, ALASKA 99501 DEPARTMENT OF LAW

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in the Becharof right-of-way, the state was required to do no In the years following the 1984 attempted replat, the passage of time did not work to deprive the state of its interest in Becharof.

One legal principle that is of prime importance here is that there can be no adverse possession against the state. appears Safeway may be confusing its estoppel claims with an adverse possession cause of action, which is unavailable as to the state. AS 38.95.010 provides:

> State's interest may not be obtained by adverse possession or prescription. No prescription or statute of limitations runs against the title or to interest of the state land under jurisdiction of the state. No title or interest to land under the jurisdiction of the state may be acquired by adverse possession or prescription, or in any other manner except by conveyance from the state.

See also AS 9.45.052 (no presumption of title as against the State of Alaska); Classen v. State, Dept. Of Highways, 621 P.2d 15, (Alaska 1980), (An easement may not be acquired by prescription against the state.)

In fact, the passage of time has worked to the state's To the extent the state acquired interests in the advantage. Becharof right-of-way in 1968, it is accurate to describe such acquisition as an inverse condemnation in terms of the fee interests of Modern Electric and Calais (or any others claiming

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the fee) underlying the Becharof right-of-way. The statute of limitations for such a taking has long since passed.

#### IV. CONCLUSION

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The state will be damaged if the 1984 attempt to replat is found to be effective as to Becharof Street. If the state were required to reacquire an interest in Becharof, any commercial enterprise operating on the site and the landowner would claim business damages for decreased parking and overall utility of the site. The state could be forced to pay again for the interests it had within its right-of-way in 1968. The state has an obligation to protect its right-of-way and the public fisc.

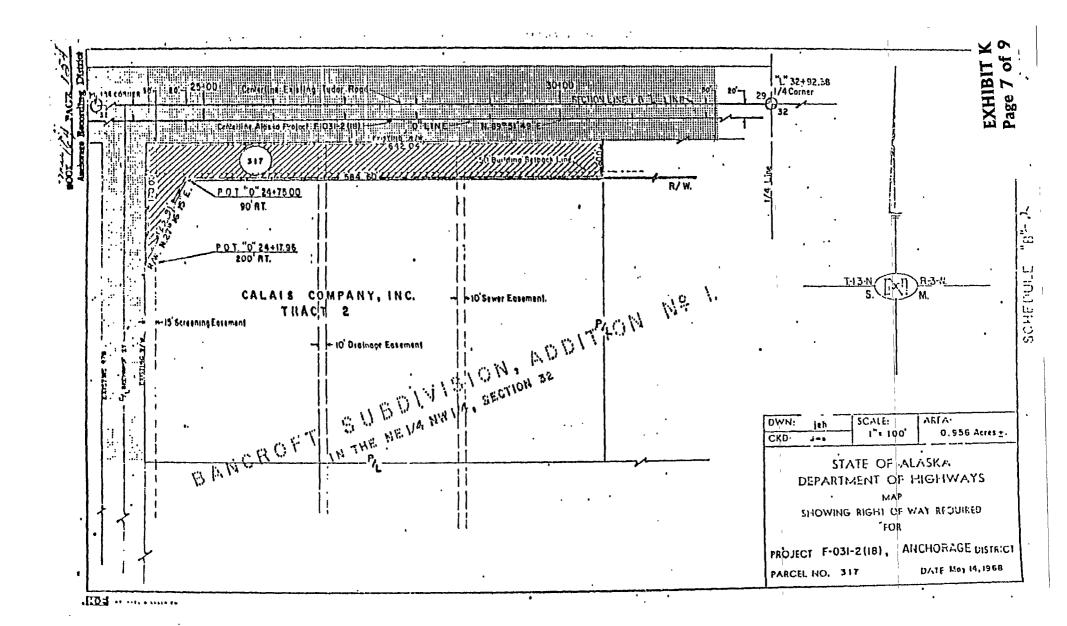
DATED this 27th day of January, 1998 at Anchorage, Alaska.

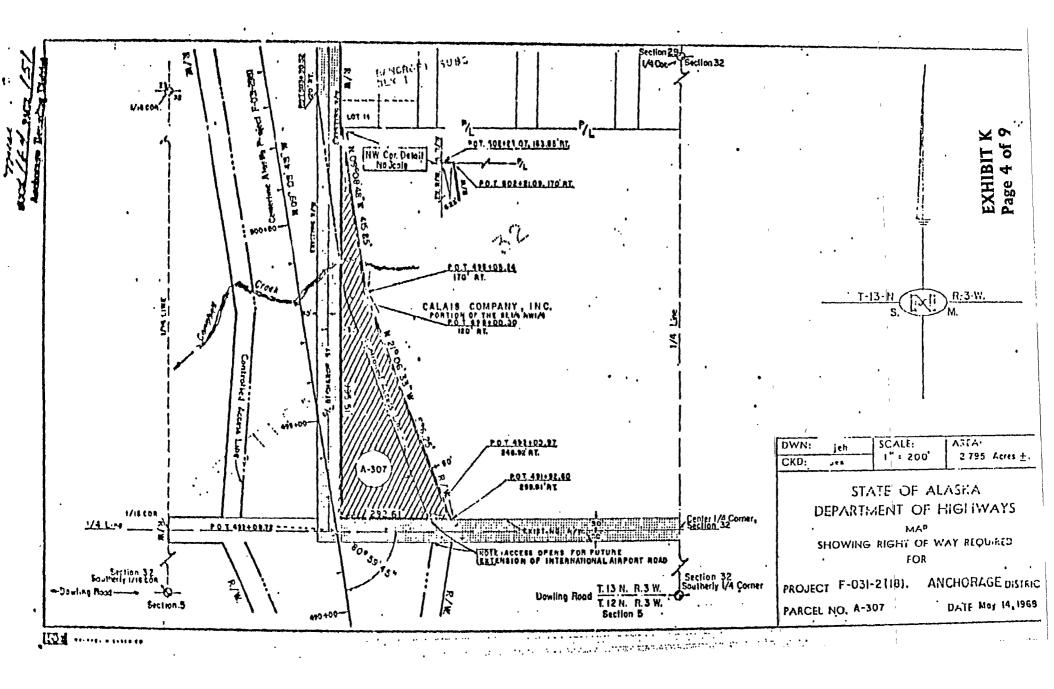
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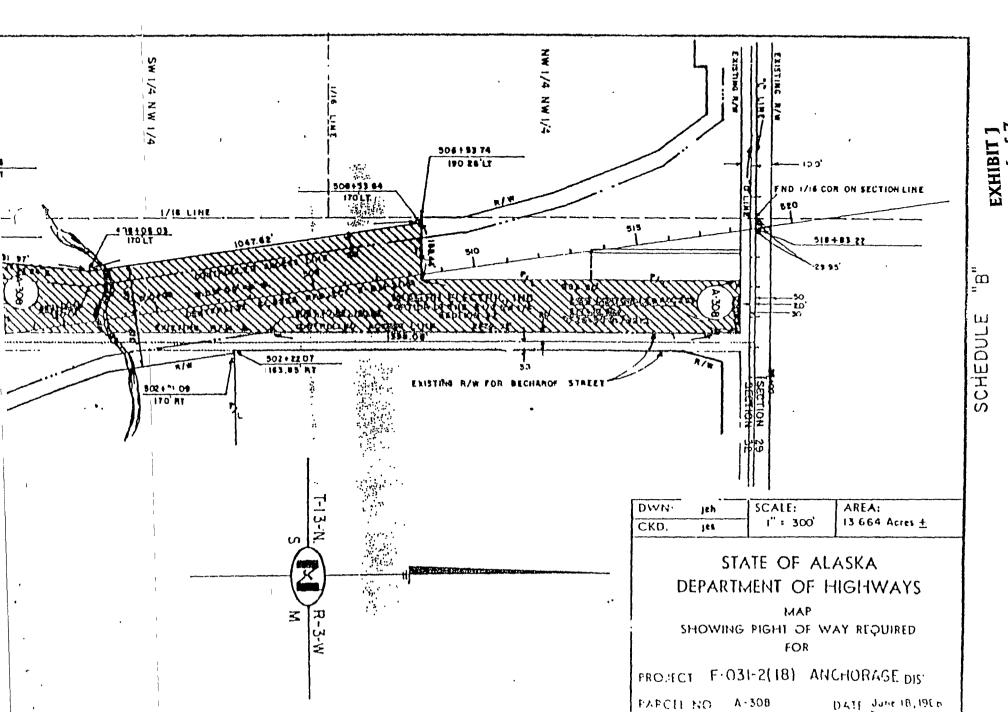


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