

## Proposed Amendment #1 to AO 2024-105

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED PROPERTY TAX MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAXES OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, ....

Submitted by: Assembly Chair Constant

### PROPOSED AMENDMENT

**Purpose/Summary of Amendment:** The proposed amendment to would limit the property tax relief proposed by the sales and usage tax to be dedicated only to providing a tax credit to taxable owner-occupied residential properties, as determined by the Municipal Assessor. It would be the same class of properties that qualify for the residential property tax exemption under AMC 12.15.015E.1.

### TEXT OF AMENDMENT

(adding new language, [DELETING CURRENT CODE LANGUAGE] and [~~Deleting words proposed by the unamended AO that are not in current code~~])

AO Title, p. 1, beginning at line , amending as follows:

... COMPRISED OF A TWO PERCENT (2%) TAX DEDICATED FOR THE SOLE PURPOSE OF PROVIDING A TAX CREDIT FOR TAXABLE OWNER-OCCUPIED RESIDENTIAL PROPERTIES [~~REDUCING PROPERTY TAXES~~] PROPORTIONATELY THROUGHOUT THE MUNICIPALITY OUTSIDE [~~WITHIN~~] THE "TAX CAP" CALCULATION, AND A ONE PERCENT (1%) TAX OUTSIDE OF THE TAX CAP DEDICATED FOR ESTABLISHMENT OF A TRUST FUND TO PAY FOR VOTER APPROVED ...

AO preamble, p. 2, beginning at line 23, amending as follows:

**WHEREAS**, forecasted annual revenue from the tax, based on the mid-range of estimates, is expected to be \$180 million with two-thirds going to owner-occupied residential property for tax relief and, one-third going to Municipal Area Projects approved by the voters after payment of costs of administration, collection and audit of the tax; and

**WHEREAS**, the amount of owner-occupied residential property tax relief is forecasted to be 29% [~~16%~~] or approximately \$476 [~~\$265~~] for each \$100,000 of assessed home value in the Municipality, which is a reduction of approximately

\$2,142 [~~-\$1,195~~] to the property tax bill for an average home valued at \$450,000;  
and

**AO Section 2, p. 3, beginning at line 28, amending as follows:**

**TO AUTHORIZE THE LEVY OF A 3% SALES AND USE TAX, COMPRISED OF 2% DEDICATED FOR OWNER-OCCUPIED RESIDENTIAL PROPERTY TAX RELIEF AND OUTSIDE [REDUCTION UNDER] THE "TAX CAP," AND 1% DEDICATED TO FUNDING...**

**AO Section 2, p. 3, beginning at line 28, amending as follows:**

1) A two percent (2%) sales and use tax dedicated to providing a tax credit for relief to taxable owner-occupied residential [the reduction of] property and excluded from [taxes under] the tax cap. The full amount of this tax revenue, after 2/3 of cost of administration, collection and audit to the Municipality for the 2% sales tax, will be [utilized in the tax increase limitation calculation of Anchorage Municipal Charter section 14.03 (commonly referred to as the "Tax Cap"), and] dedicated to providing a tax credit for relief to taxable owner-occupied residential property, distributed proportionally throughout the municipality [reduction of property taxes, dollar for dollar]. This is estimated to reduce the overall owner-occupied residential property tax burden by approximately \$120 million, or 29% [16%] of an average residential property tax bill. Tax proceeds from one fiscal year will be applied to provide [reduce] the owner-occupied residential property tax credit in the following fiscal year. The tax shall be first levied no earlier than July 1, 2026 and no later than July 1, 2027 as determined by the assembly, and for that first partial calendar year the Municipality will also collect property taxes without the tax credit relief [reduction].

**Section 2, p. 5, beginning at line 7, amending as follows:**

**Section 14.03. - Tax increase limitation.**

*[Subsection (a) to be omitted, no changes proposed thereto]*

~~[(a) — Except as provided in this section, the total amount of municipal tax that can be levied during a fiscal year shall not exceed the total amount approved by the assembly for the preceding year by more than a percentage determined by adding the average percentage increase in the Federal Consumer Price Index for Anchorage from the preceding five fiscal years plus the average percentage growth or loss in the Anchorage municipal population over the preceding five fiscal years as determined by the state department of community and regional affairs.~~

~~(1) — The "total amount of the municipal tax that can be levied during a fiscal year" and the "total amount approved by the assembly for the preceding year" in subsection (a) of this section shall include~~

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all payments in lieu of taxes paid or to be paid by any Municipality of Anchorage utility, department, agency or public corporation or authority.

~~(2) The “total amount approved by the assembly for the preceding year” shall be the total amount of the taxes and payments in lieu of taxes approved by the assembly for collection in the preceding year.~~

~~**(3) For 2027, the “total amount of the municipal tax that can be levied during [the] fiscal year” shall be reduced by an amount equal to the gross receipts of the two percent (2%) sales and use tax collected after 2/3 of costs of administration, collection and audit to the Municipality pursuant to Charter § 14.08 in 2026.**~~

~~**(4) For 2028 through 2034, “the total amount approved by the assembly for the preceding year” shall be considered to include gross receipts of the two percent (2%) sales and use tax collected after 2/3 of costs of administration, collection and audit to the Municipality pursuant to Charter § 14.08 the year prior to the year for which the increase limitation is calculated; and the resulting “total amount of the municipal tax that can be levied during [the] fiscal year” shall be adjusted by the same amount.**~~

- (b) The limitations set forth in subsection (a) do not apply to the following:
- (1) Taxes on new construction or property improvements which occur during the current fiscal year.
  - (2) Taxes required to fund additional services mandated by voter approved ballot issues.
  - (3) Special taxes authorized by voter approved ballot issues.
  - (4) Taxes required to fund the costs of judgments entered against the municipality or to pay principal or interest on bonds, including revenue bonds.
  - (5) Taxes required to fund the cost of an emergency ordinance enacted pursuant to 10.03 of the Municipal Charter.
  - (6) Taxes imposed pursuant to Charter § 14.06 prior to 2019 and subsequent to 2023.
  - (7) Taxes imposed pursuant to Charter § 14.08.**
  - (8) Taxes imposed pursuant to Charter § 14.09.**

*[Subsection (c) to be omitted, no changes proposed thereto]*

- ~~[(c) Any tax increases which result from the exceptions set forth in subsection (b)(1)–(3) shall be added to the base amount which is used in subsection (a) for the calculations of the subsequent year tax increase limit. Taxes~~

~~collected pursuant to Charter § 14.06 in 2018 shall be added to the base amount which is used in subsection (a) for calculations of the 2019 tax increase limit. Taxes collected pursuant to Charter § 14.06 in 2024 and subsequent years shall be in addition to taxes that can be levied pursuant to this section. To ameliorate the effect of excepting taxes in subsection (b)(6) subsequent to 2023, the total amount of municipal tax that can be levied as calculated under subsection (a) for 2024 only shall be reduced by one million dollars.]~~

**Section 2, p. 6, beginning at line 31, amending as follows:**

**Section 14.08. - Sales and Use Tax Dedicated to *Owner-Occupied Residential Property Tax Relief.***

**Section 2, p. 7, beginning at line 1, amending as follows:**

- (b) The proceeds of the 2% sales and use tax authorized by this section in one fiscal year after payment of the 2/3 costs of administration, collection and audit to the municipality for the 2% sales and use tax are dedicated to *providing a tax credit for relief to taxable owner-occupied residential property [tax reduction] in the following year. [This reduction shall be accomplished by expenditure of the gross receipts in place of property taxes in any manner for which property taxes are authorized.]***

**Section 3, p. 10, beginning at line 29, amending as follows:**

municipality, except as provided in this chapter. This consists of two separate sales and use taxes, one of two percent (2%) for **owner-occupied residential** property tax relief, and one of one percent (1%) for funding Municipal Area . . .

**Section 3, p. 11, beginning at line 30, amending as follows:**

receipts of the two percent (2%) sales and use tax, after payment of the 2/3 of costs of administration and collection for sales taxes, shall be applied to reduce **owner-occupied residential** property taxes equally and uniformly throughout the municipality so the benefits of the reduction in . . .

- A. *Property Tax Relief.* A purpose of this chapter is to provide dedicated property tax relief to the **[property]** owners of **taxable owner-occupied residential property in** the municipality. The net receipts of the two percent (2%) sales and use tax, after payment of the 2/3 of costs of administration and collection for sales taxes, shall be applied to **provide a tax credit distributed proportionally [reduce property taxes equally]**

and uniformly to taxable owner-occupied residential property throughout the municipality so the benefits of the owner-occupied residential ~~[reduction in]~~ property tax ~~relief is[es are]~~ shared throughout the municipality. The two percent (2%) sales and use tax obtained by the municipality in one fiscal year shall be restricted to application to the following fiscal year's tax credit distribution ~~[budget by appropriations. The amount of the two percent (2%) sales and use tax obtained by the municipality in one fiscal year shall be included in the tax increase limitation computation for the next fiscal year as an offset amount of the real and personal property taxes to be collected for that fiscal year.]~~

**Section 3, p. 15, beginning at line 31, amending as follows:**

The two percent (2%) sales and use tax levied by Section 12.80.010 and authorized by Charter § 14.08, after 2/3 of the costs of administration, collection, and audit to the municipality for the tax, is solely dedicated to providing a tax credit for owner-occupied residential property tax relief ~~[and in substitution of other taxes]. . .~~

**Section 3, p. 24, beginning at line 26, amending as follows:**

- a. Real property and personal property taxes to be collected for the current fiscal year ~~[reduced by the amount of 2% sales and use taxes collected in the prior year, if any].~~

**Section 3, p. 24, beginning at line 44, amending as follows:**

- 8. The gross receipts from the two percent (2%) sales and use tax under chapter 12.80 and authorized by Charter § 14.08~~[, except as required for the calculation under this section].~~

**Will there be any public or private economic effect to the proposed amendment?**

YES  NO (check one) **If yes, please detail below.**

The proposed amendment will provide greater property tax relief to residential property owners, for property owned by them and occupied as their primary residence and permanent place of abode, in the form of a tax credit. The net proceeds of the 2% sales tax dedicated to property tax relief will be distributed proportionally amongst all taxable owner-occupied residential property, and other residential, commercial, and industrial property would not receive any property tax relief.

## Proposed Amendment #2 to AO 2024-105

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED PROPERTY TAX MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAXES OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, ...

Submitted by: Assembly Chair Constant

### PROPOSED AMENDMENT

**Purpose/Summary of Amendment:** The proposed amendment would exempt marijuana and alcohol sales from the proposed sales tax, as both these items are already taxed at the point of sale. The taxes on these products have already been approved by voters for the very specific purposes currently allowed in charter.

### TEXT OF AMENDMENT

(adding new language, [DELETING CURRENT CODE LANGUAGE] and [~~Deleting words proposed by the unamended AO that are not in current code~~])

Section 2, p. 4, beginning at line 44, amending as follows:

additional exemptions. Note that, with the exception of marijuana and marijuana products, and alcoholic beverages, transactions already subject to a specific retail sales tax by the Municipality (room rentals, and motor vehicle rentals[, ~~marijuana and marijuana products, and alcoholic beverages~~]) are not exempt and will have this additional retail sales and use tax applied.

Section 2, p. 7, beginning at line 9, amending as follows:

(d) The retail sales transactions subject to the tax levies imposed by Charter §§ 14.06 and 14.07 are exempt from the tax imposed by this section. The assembly may prescribe additional exemptions to the tax imposed by this section by ordinance, and shall enact such additional provisions, not inconsistent with this section, as necessary or desirable to implement this section.

~~[(e) Notwithstanding Charter §§ 14.06 and 14.07, the tax levied under this section applies to goods taxed by those sections, unless exempted by the assembly by ordinance.]~~

Section 2, p. 8, beginning at line 33, amending as follows:

~~[(d) Notwithstanding Charter §§ 14.06 and 14.07, the tax levied under this section applies to goods taxed by those sections, unless exempted by the assembly by ordinance.]~~

Section 3, p. 20, beginning at line 21, amending as follows:

11. The sale of contracts of insurance.
12. Retail sales of alcoholic beverages as defined in chapter 12.65, and marijuana or marijuana products as defined in chapter 12.50.

**Will there be any public or private economic effect to the proposed amendment?**  
 YES  NO (check one) **If yes, please detail below.**

The proposed amendment would reduce the amount of anticipated revenue that would be available to reduce property taxes and devote to capital projects as proposed by this ordinance.

## **Proposed Amendment #3 to AO 2024-105**

**AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED PROPERTY TAX MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAXES OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, ...**

Submitted by: Assembly Member Bronga

### **PROPOSED AMENDMENT**

**Purpose/Summary of Amendment:** The proposed amendment would remove the poverty level exemption to those purchasing alcohol, marijuana, marijuana products, e-cigarettes, and tobacco products. For ease of implementation and interpretation the definitions of these products in other chapters of Title 12, Taxation, are cross referenced.

### **TEXT OF AMENDMENT**

(adding new language, [DELETING CURRENT CODE LANGUAGE] and [~~Deleting words proposed by the unamended AO that are not in current code~~])

**Section 3, p. 21, beginning at line 1, amending as follows:**

- G. The Administration shall establish a Universal Application process allowing households to qualify for Hardship Relief. Households with incomes below the federal level of eighty percent (80%) poverty shall be exempt from ~~[the provisions of]~~ this sales tax on retail purchases, except for purchases of alcoholic beverages as defined in chapter 12.65, marijuana or marijuana products as defined in chapter 12.50, and cigarettes and other tobacco products as defined in chapter 12.40.

**Will there be any public or private economic effect to the proposed amendment?**

YES  NO (check one) **If yes, please detail below.**



## Proposed Amendment #4 to AO 2024-105

**AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED PROPERTY TAX MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAXES OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, ...**

Submitted by: Assembly Member Bronga

### PROPOSED AMENDMENT

**Purpose/Summary of Amendment:** The proposed amendment would exempt taxation on supplies purchased for classroom use by a buyer presenting a teacher certificate or school teacher identification. The qualified supplies and purchasers will be similar to the educator expense deduction for out-of-pocket classroom expenses the IRS provides for income taxes.

### TEXT OF AMENDMENT

(adding new language, [DELETING CURRENT CODE LANGUAGE] and [~~Deleting words proposed by the unamended AO that are not in current code~~])

**Section 3, p. 20, beginning at line 5,** amending as follows:

11. The sale of contracts of insurance.
- 12. Sale of school classroom items and professional development courses or other goods or services qualifying for the federal income tax educator expense deduction, to those presenting a valid teacher's identification or certificate.**

**Will there be any public or private economic effect to the proposed amendment?**

YES  NO (check one) **If yes, please detail below.**

## Proposed Amendment #5 to AO 2024-105

**AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED PROPERTY TAX MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAXES OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, ...**

Submitted by: Assembly Member Bronga

### PROPOSED AMENDMENT

**Purpose/Summary of Amendment:** The proposed amendment would exempt purchases of products for contraceptive use.

### TEXT OF AMENDMENT

~~(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO that are not in current code])~~

**Section 3, p. 20, beginning at line 6, amending as follows:**

7. Licensed childcare services, childcare products, **[and]** menstrual hygiene products, **and contraceptives**.

**Will there be any public or private economic effect to the proposed amendment?**

YES  NO (check one) **If yes, please detail below.**

## Proposed Amendment #3 to AO 2024-105(S)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED SALES [PROPERTY] TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAX OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OR USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, A MAXIMUM TAX AMOUNT PER TRANSACTION, COMPRISED OF ...

Submitted by: Assembly Member Brawley

### PROPOSED AMENDMENT

#### Purpose/Summary of Amendment:

This amendment removes the \$1,000 transaction cap. The section of proposed code where this appears does have helpful examples of what constitutes a single transaction, such as a lease of personal property, or installment payments for one purchase, so the wording below reworks this section into simply defining specific transactions.

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

AO preamble, p. 2, beginning at line 16, amending as follows:

*[WHEREAS, there will be a \$1,000 cap on the amount of a purchase transaction subject to the sales and use taxes, limiting the amount of tax paid to a maximum of \$30 per transaction; and]*

AO Section 3, p. 18, beginning at line 32, amending as follows:

B. *[Maximum t]Tax per transaction. Transactions shall be subject to sales tax levied under this chapter. Transactions involving multiple installment payments shall be defined as follows: [Only the first \$1,000.00 of the price in each transaction shall be subject to sales tax levied under this chapter, the amount in excess in each transaction is excluded and not taxable. This rule applies as follows in the circumstances described:]*

1. The payment of rent for personal property ~~[in excess of \$1,000,]~~ and for more than one month shall be treated as separate transactions covering the rental for one month each. A transaction involving payment for services to be rendered or delivered over a period of more than one month ~~[for a consideration in excess of \$1,000]~~ shall

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**Brawley Amendment No. 3**

be treated as separate transactions occurring one each month over the period of time that the service is rendered.

2. Each night of each individual room rental shall be considered a separate transaction and ~~[therefore the maximum tax computation]~~ shall be calculated on a per room per night basis.
3. Capital Leases. Contracts to purchase the property at the end of a lease shall be treated as a sale on the effective date of the contract ~~[and are subject to the maximum tax per transaction pursuant to subsection (A) of this section].~~

...

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| <p><b>Will there be any public or private economic effect to the proposed amendment?</b><br/><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (check one) <b>If yes, please detail below.</b></p> |
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No

## Proposed Amendment #5 to AO 2024-105(S)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED SALES [PROPERTY] TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAX OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OR USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, A MAXIMUM TAX AMOUNT PER TRANSACTION, COMPRISED OF ...

Submitted by: Assembly Member Brawley

### PROPOSED AMENDMENT

#### Purpose/Summary of Amendment:

This amendment removes the fleet vehicle items as allowed uses for dedicated funding, and replaces those with other community needs: using this new funding for maintaining what we have, and making improvements to existing facilities (new #1), and funding for housing-related needs (new #2).

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

**AO Section 2, p. 4, beginning at line 3, amending as follows:**

1. Major maintenance, repairs, and improvements to existing municipal facilities that serve the public. ~~[Public Safety Vehicle Fleet – replace vehicles to improve public safety response capabilities.]~~
2. Housing construction, rehabilitation and repairs, related capital improvements and infrastructure, and investments to reduce housing cost burdens. ~~[Snow Plowing and Removal Heavy Equipment Fleet – improve snow plowing by replacing aging equipment.]~~

**AND AO Section 3, p. 16, beginning at line 1, amending with the exact same changes as above.** The project list is identical currently, and the proposed amendments are identical as well.

**AND AO Section 3, p. 16, beginning at line 35, amending as follows:**

- D. ~~[No more than 10% of the net receipts of the MAPs 1% sales and use tax 2 funds shall be used to fund vehicle and heavy equipment fleet investments.]~~  
A minimum of 5% and not more than 15% of the net receipts of the MAPs 1% sales and use tax funds shall be invested to fund the operations, maintenance and safety costs of MAPs projects.

**Agenda Item No. 13.A.2**  
**Brawley Amendment No. 5**

**Will there be any public or private economic effect to the proposed amendment?**  
 YES  NO (check one) **If yes, please detail below.**

No

## Proposed Amendment #6 to AO 2024-105(S)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED SALES [PROPERTY] TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAX OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OR USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, A MAXIMUM TAX AMOUNT PER TRANSACTION, COMPRISED OF ...

Submitted by: Assembly Member Brawley

### PROPOSED AMENDMENT

#### Purpose/Summary of Amendment:

This amendment allows the MAPs trust fund to be used to secure debt by removing the prohibition on it, and removes the requirement for a project to have 80% construction funding before a project can break ground.

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

AO preamble, p. 2, beginning at line 42, amending as follows:

~~*[WHEREAS, MAPs will be required to have 80% of funding in place prior to the commencing of field or site work in order to ensure projects are funded from MAPs Fund and Trust reserves; and*~~

~~*WHEREAS, under this proposal the MAPs Fund and Trust reserves shall not be used to secure general obligation bond debt;*~~ now, therefore

AO Section 2, p. 7, beginning at line 19, amending as follows:

- (ii) Appropriations from the trust corpus are authorized for costs of funding design, development, and construction of a project on the MAPs list; ~~provided that no initial appropriation for a project's construction costs is permitted unless the project is 80% funded or more, regardless of source.~~

AO Section 3, p. 11, beginning at line 13, amending as follows:

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**Brawley Amendment No. 6**

- B. *Municipal Area Projects (MAPs):* A purpose of this chapter is to provide funding for Municipal Area Projects (MAPs) recommended and desired by the public. The net receipts of the one percent (1%) sales and use tax, after payment of the one-third (1/3) of costs of administration and collection for sales and use taxes, shall be dedicated and restricted to funding of Municipal Area Projects for the benefit of the Municipality, including trust fund reserves to generate investment earnings to pay for operations, maintenance, and safety improvements. ~~[No project shall commence construction until a minimum of 80% of funding required for that project has been appropriated. MAPs fund and trust reserves shall not be used to secure general obligation bond debt.]~~

**Will there be any public or private economic effect to the proposed amendment?**  
 YES  NO (check one) **If yes, please detail below.**

No



## Proposed Amendment #7 to AO 2024-105(S)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED SALES ~~[PROPERTY]~~ TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAX OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OR USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, A MAXIMUM TAX AMOUNT PER TRANSACTION, COMPRISED OF ...

Submitted by: Assembly Member Brawley

### PROPOSED AMENDMENT

#### Purpose/Summary of Amendment:

This amendment removes the sunset on the sales and use tax, so it would be permanent.

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

AO preamble, p. 2, beginning at line 42, amending as follows:

*~~[WHEREAS, the term of the tax would be limited to no more than seven (7) full calendar years from the start of the tax levy and collections, excluding the initial partial year; and]~~*

AO Section 2, p. 3, beginning at line 19, amending as follows:

The proposed Charter Amendment and Assembly Ordinance 2024-\_\_\_\_ would authorize and enact an an ~~[seven (7) calendar year term limited]~~ aggregated three percent (3%) sales and use tax on the sale or use of goods and services...

AO Section 2, p. 7, beginning at line 38, amending as follows:

(c) The taxes authorized by this section shall first be levied no earlier than July 1, 2026 and no later than July 1, 2027, as determined by the assembly by ordinance. [The tax levies shall sunset and be repealed effective at 11:59 p.m. on December 31 of the seventh full calendar year following the date the tax was first levied.]

**AO Section 2, p. 8, beginning at line 42,** amending as follows:

than July 1, 2027, with the date of initial levy to be established by the Anchorage Assembly by ordinance. ~~[The sales and use tax levy will be repealed automatically on December 31 of the seventh full calendar year after it is first levied.]~~

Shall the Charter be amended as shown above and become law, authorizing a ~~[temporary,]~~ dedicated-use aggregated 3% sales and use tax, and the MAPs listed above be authorized?

**AO Section 3, p. 10, beginning at line 28,** amending as follows:

- E. The aggregated sales and use taxes levied by this section shall be collected ~~[for a limited term]~~ beginning at 12:01 a.m. on July 1, 2026~~[, for the remainder of that year, plus seven (7) full calendar years until 11:59 p.m. on December 31, 2034 when it shall be repealed by operation of law].~~

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| <p><b>Will there be any public or private economic effect to the proposed amendment?</b><br/><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (check one) <b>If yes, please detail below.</b></p> |
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No

## Proposed Amendment #8 to AO 2024-105(S)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED SALES ~~[PROPERTY]~~ TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAX OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OR USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, A MAXIMUM TAX AMOUNT PER TRANSACTION, COMPRISED OF ...

Submitted by: Assembly Member Brawley

### PROPOSED AMENDMENT

#### Purpose/Summary of Amendment:

This amendment places all costs of collection as special taxes that will be added to the tax cap base after the first year of collecting the tax. The 2% tax for property tax reduction already classifies its portion as special taxes under Charter 14.03(b)(3). This amendment adds the same language to the 1% tax for MAPs, for the portion of it collected and used to pay for costs of collection and administration.

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and ~~[Deleting words proposed by the unamended AO or AO(S)]~~)*

AO preamble, p. 2, beginning at line 42, amending as follows:

~~*[WHEREAS, the term of the tax would be limited to no more than seven (7) full calendar years from the start of the tax levy and collections, excluding the initial partial year; and]*~~

AO Section 2, p. 6, beginning at line 46, amending as follows:

pay the costs for operations, maintenance and safety for constructed MAPs and related improvements, and to funding development and construction costs of MAPs. The taxes collected used for payment of two-thirds of the costs of administration, collection and audit of the taxes authorized by this section shall be "special taxes" under Charter § 14.03(b).

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**Brawley Amendment No. 8**

**Will there be any public or private economic effect to the proposed amendment?**  
 YES  NO (check one) **If yes, please detail below.**

No

## Proposed Amendment #1 to AO 2024-105(S)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED SALES [PROPERTY] TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAX OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OR USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, A MAXIMUM TAX AMOUNT PER TRANSACTION, COMPRISED OF ...

Submitted by: Assembly Members Rivera and Sute

### PROPOSED AMENDMENT

#### Purpose/Summary of Amendment:

This amendment removes the fleet vehicle replacements from the MAPs list, and makes other modifications to the projects in the list.

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

AO Section 2, p. 4, beginning at line 3, amending as follows:

- ~~1. Public Safety Vehicle Fleet – replace vehicles to improve public safety response capabilities.~~
- ~~2. Snow Plowing and Removal Heavy Equipment Fleet – improve snow plowing by replacing aging equipment.]~~
- 1[3]. Kincaid Trailside Facility – full-service indoor facility with space for year-round recreation amenities like food and beverage concessions, outdoor gear rentals, and gathering space.
- 2[4]. Goose Lake Trailside Facility – replacement of existing structure with full-service indoor facility with space for year-round recreation amenities like food and beverage concessions, outdoor gear rentals, and gathering space.
- 3[5]. Westchester Lagoon Trailside Facility - full-service indoor facility with space for year-round recreation amenities like food and beverage concessions, outdoor gear rentals, and gathering space.
- 4[6]. Downtown Arts and Entertainment Redevelopment – upgrade the Performing Arts Center and improve downtown core pedestrian experience with lighting, wayfinding, walkways, and other pedestrian infrastructure.
- 5[7]. East Anchorage Sports Center – indoor sports center including an indoor track, open turf space, court space, and other features.
- 6[8]. Anchorage Children’s Museum – a facility offering exhibits and programs designed for children.

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7[9]. Chester Creek Sports Complex Redevelopment – a sports facility offering indoor space and other amenities complementing the area’s revitalization, which may include mixed use development with affordable housing.

8[10]. Eagle River Sports Center – indoor sports center including a track, open turf space, court space, and other features for sporting activities.

9[11]. Girdwood Arts & Recreation District – a community space for art, special events, and an RV park.

10. Improvements or repairs of municipal facilities prioritizing those facilities open to the public that residents can access.

**AND AO Section 3, p. 16, beginning at line 1 through line 30, amending with the exact same changes as above. The project list is identical currently, and the proposed amendments are identical as well.**

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| <p><b>Will there be any public or private economic effect to the proposed amendment?</b><br/><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (check one) <b>If yes, please detail below.</b></p> |
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No

## Proposed Amendment #4 to AO 2024-105(S)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A DEDICATED PROPERTY] TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT A SALES AND USE TAX OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS, ....

Submitted by: Assembly Members Littlefield and Brawley

### PROPOSED AMENDMENT

**Purpose/Summary of Amendment:** This amendment removes the fleet vehicle items as allowed uses for dedicated funding. The Mayor has proposed special levies specifically for the Muni's police and maintenance fleet for the April 1, 2025 ballot, this use of sales tax would be redundant.

Moreover, the proposed amendment would remove any relation to the use of the proposed sales tax for the purpose of replacing the aging snow removal vehicle fleet. This specific project line provides benefit to the residents of the ARDSA road system only and isolates the Limited Road Service Areas and the Rural Road Service Area that comprises of a populace of over 50,000 residents.

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

#### **4A.**

**AO Section 2, p. 4, striking lines 6-9 and renumbering the list, as follows:**

- ~~*1. Public Safety Vehicle Fleet – replace vehicles to improve public safety response capabilities.*~~
- ~~*2. Snow Removal Heavy Equipment Fleet – improve snow plowing by 8 replacing aging equipment!*~~

**AO Section 3, p. 16, beginning at line 1-4 and renumbering the list, as follows:**

- ~~*1. Public Safety Vehicle Fleet – replace vehicles to improve public safety response capabilities.*~~
- ~~*2. Snow Removal Heavy Equipment Fleet – improve snow plowing by 8 replacing aging equipment!*~~

#### **4B.**

**AO Section 3, p. 16, beginning at line 35, amending as follows:**

D. ~~[No more than 10% of the net receipts of the MAPs 1% sales and use tax 2 funds shall be used to fund vehicle and heavy equipment fleet investments.]~~

**Will there be any public or private economic effect to the proposed amendment?**

YES  NO (check one) **If yes, please detail below.**

No



## Proposed Amendment to AO 2024-105(S-2A)

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A SALES ~~[DEDICATED PROPERTY]~~ TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT [A] SALES AND USE TAXES OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE AND USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS,...

Submitted by: Assembly Member Bronga

### PROPOSED AMENDMENT

**Purpose/Summary of Amendment:** Replacing “public purpose” with “Community Needs,” and “dedicated to general fund” with “Community Need.” Also adding a list to define what types of uses of the funds are “Community needs.”

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

AO Title, p. 1, beginning at line 20, amending as follows:

DEDICATED TO FUNDING COMMUNITY NEEDS ~~[ANY PUBLIC PURPOSE];~~

AO Section 2, p. 2, beginning at line 16, amending as follows:

APPROVED BY THE MAJORITY OF VOTERS, 0.75[2]% FOR COMMUNITY NEEDS AS DEFINED, [ANY PUBLIC PURPOSE] [AND INCREASING THE “TAX CAP,”] AND 0.75[4]% DEDICATED TO VOTER APPROVED CAPITAL PROJECTS ABOVE THE TAX CAP

AO Section 2, p. 4, beginning at line 5, amending as follows:

(4) A three-fourths of one percent (0.75%) sales and use tax dedicated to community needs, as defined in the Charter amendments. ~~[the general fund. The full amount of this tax revenue, after the cost of administration is dedicated as revenue to spent for any public purpose but should be prioritized for the following purposes:~~

- ~~1. Expanding existing benefit programs to residents that leverage state and federal funding to ensure sufficient capacity based on identified need;~~
- ~~2. Improvements or repairs of municipal facilities prioritizing those that residents can access; and~~

~~3. Addressing identified community needs not adequately funded through other municipal sources]~~

AO Section 2, p. 8, beginning at line 45 (new Charter 14.08(d)), amending as follows:

within the municipality dedicated as revenue [to spent] for community needs, which are defined as follows [any public purpose and shall be prioritized for the following]:

- (1) Public support for housing construction, rehabilitation and repairs, related capital improvements and infrastructure, and investments to reduce housing cost burdens;
  - (2) Financing for improvements to public property to support small business development;
  - (3) Expansion of service, capital and operational improvements for public transportation;
  - (4) Construction, rehabilitation and repairs, and other improvements to public facilities and civic institutions serving the public;
  - (5) Improvements that maintain, enhance, or increase the public's access to and utilization of, public facilities and amenities;
  - (6) Operations, maintenance, and safety funds for public facilities, amenities, and infrastructure created or improved through this fund.
- ~~[(1) Expanding existing benefit programs to residents that leverage state and federal funding to ensure sufficient capacity based on identified need;~~
- ~~(2) Improvements or repairs of municipal facilities prioritizing those that residents can access; and~~
- ~~(3) Addressing identified community needs not adequately funded through other municipal sources]~~

AO Section 3, p. 13, beginning at line 31, amending as follows:

- D. Community needs. [General Fund:] A purpose of this chapter is to provide funding for [existing benefit programs to residents that leverage state and federal funding to ensure sufficient capacity based on] identified community needs, including [, as well as] upgrades or repairs of municipal facilities[, and addressing identified unmet community needs not adequately funded through other municipal sources]. The net receipts of this three-fourths of one percent (0.75%) sales and use tax, after

payment of the 1/4 of costs of administration and collection for sales and use taxes, shall be restricted to funding **community needs, defined in section 12.80.070.[:]**

- ~~1. The supplementation or expansion existing benefit programs to residents receiving state and federal funding, to ensure sufficient capacity based on identified need,~~
- ~~2. Improvements or repairs of municipal facilities prioritizing those facilities open to the public that residents can access; or~~
- ~~3. Addressing identified needs not adequately funded through other municipal sources.]~~

AO Section 3, p. 21, beginning at line 9, amending as follows:

**12.80.070 Community needs [General] 0.75% sales and use tax.**

A. The net receipts of the general three-fourths of one percent (0.75%) sales and use tax levied by section 12.80.010D. and authorized by Charter § 14.08(d)(b) for Municipal Area Projects, after payment or transfer for one-fourth of the costs of administration, collection, and audit to the municipality for the tax], shall be available **for community needs, defined as [any public purpose but should prioritize the following]:**

- 1. Public support for housing construction, rehabilitation and repairs, related capital improvements and infrastructure, and investments to reduce housing cost burdens;**
  - 2. Financing for improvements to public property to support small business development;**
  - 3. Expansion of service, capital and operational improvements for public transportation;**
  - 4. Construction, rehabilitation and repairs, and other improvements to public facilities and civic institutions serving the public;**
  - 5. Improvements that maintain, enhance, or increase the public's access to and utilization of, public facilities and amenities; and**
  - 6. Operations, maintenance, and safety funds for public facilities, amenities, and infrastructure created or improved through this fund.**
- ~~1. The supplementation or expansion existing benefit programs to residents receiving state and federal funding, to ensure sufficient capacity based on identified need,~~

- ~~2. Improvements or repairs of municipal facilities prioritizing those facilities open to the public that residents can access; or~~
- ~~3. Addressing identified needs not adequately funded through other municipal sources.]~~

Will there be any public or private economic effect to the proposed amendment?  
 YES  NO (check one) If yes, please detail below.

## Proposed Amendment #2 to AO 2024-105(S-2A)

**AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROPOSING A SALES [~~DEDICATED PROPERTY~~] TAX AND ECONOMIC DEVELOPMENT MEASURE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE MUNICIPALITY THAT WOULD ENACT [A] SALES AND USE TAXES OF THREE PERCENT (3%) IN THE AGGREGATE ON THE SALE AND USE OF GOODS AND SERVICES WITHIN THE MUNICIPALITY, WITH CERTAIN EXEMPTIONS,...**

Submitted by: Assembly Vice Chair Zaletel

### PROPOSED AMENDMENT

#### Purpose/Summary of Amendment:

This will modify the language of the exemption for certain households based on the AMI so it is at 60% and if the federal HUD changes the metric it uses in the future the Assembly is authorized to also change this by ordinance. It also corrects an overlooked section to change in the definitions on page 15, to align with the AMI metric.

### TEXT OF AMENDMENT

*(adding new language, [DELETING CURRENT CODE LANGUAGE] and [Deleting words proposed by the unamended AO or AO(S)])*

**AO Section 2, p. 9, beginning at line 23, amending as follows:**

- (h) Purchases by qualifying households shall be exempt from the sales tax. Households earning sixty [eighty] percent (60% [80%]) or less of the federal Housing and Urban Development (HUD's) median household income for the Anchorage area qualify for this exemption, unless the assembly by ordinance specifies different qualifications [shall be exempt from the sales tax].**

**AND AO Section 3, p. 15, beginning at line 42, amending as follows:**

***Household exemption*** shall mean the exemption of households with annual income at or below sixty percent (60%) or less of the federal Housing and Urban Development (HUD) median household income for the Anchorage area [federal level of eighty percent (80%) poverty] from the provisions of this sales and use tax.

**AND AO Section 3, p. 25, beginning at line 7, amending as follows:**

3. Sale of goods to members of households earning sixty ~~[eighty]~~ percent (60% ~~[80%]~~) or less of the federal Housing and Urban Development (HUD's) median household income for the Anchorage area shall be exempt from the sales tax.

**AND AO Section 3, p. 25, beginning at line 26, amending as follows:**

- A. The administration shall coordinate across its departments to create a standardized application process for residents seeking a certificate of exemption based on their household income being equal to or less than 60% ~~[80%]~~ of the federal Housing and Urban Development (HUD's) median household income for the Anchorage area.

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| <p><b>Will there be any public or private economic effect to the proposed amendment?</b><br/><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (check one) <b>If yes, please detail below.</b></p> |
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No