

Submitted by: Chair of the Assembly at the  
request of the Mayor  
Prepared by: Maintenance & Operations Dept  
For reading: January 7, 2025

**ANCHORAGE, ALASKA**  
**AO No. 2025 - 7**

1 **AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS RESIDING IN THE**  
2 **CHUGIAK, BIRCHWOOD, EAGLE RIVER RURAL ROAD SERVICE AREA**  
3 **(CBERRRSA) AT THE REGULAR MUNICIPAL ELECTION ON APRIL 1, 2025, A**  
4 **BALLOT PROPOSITION TO PROVIDE A MAXIMUM MILL LEVY OF 2.40 MILLS**  
5 **FOR THE CBERRRSA FOR ROAD AND DRAINAGE MAINTENANCE, AND**  
6 **AMEND ANCHORAGE MUNICIPAL CODE SECTIONS 27.30.215,**  
7 **RETROACTIVE TO JANUARY 1, 2025.**

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8  
9 **WHEREAS**, the Chugiak, Birchwood, Eagle River Rural Road Service Area  
10 (CBERRRSA) Board of Supervisors passed a motion to request a ballot proposition  
11 at the April 1, 2025, Municipal general election for the service area to increase the  
12 maximum mill rate to 2.40 mills, an increase of 0.30 mill, for road and drainage  
13 maintenance; and,

14  
15 **WHEREAS**, the CBERRRSA almost exclusively relies on RRSA tax dollars for road  
16 and drainage maintenance and capital improvements; and,

17  
18 **WHEREAS**, it is feasible, practical, and reasonable to increase the maximum  
19 allowable mill rate to 2.40 mills to provide a predictable, reliable revenue increase to  
20 fund road and drainage maintenance services within the CBERRRSA; and,

21  
22 **WHEREAS**, AS 29.35.450(a) requires a ballot proposition be passed by a majority  
23 vote of the qualified voters residing in the CBERRRSA for the 0.30 mill increase to  
24 the maximum mill levy to become effective, and only affects the residents of the  
25 CBERRRSA: now, therefore,

26  
27 **THE ANCHORAGE ASSEMBLY ORDAINS:**

28  
29 **Section 1.** Pursuant to Anchorage Municipal Charter 9.01(a), a ballot proposition  
30 in substantially the following form shall be submitted to the qualified voters residing in  
31 the CBERRRSA at the regular Municipal election April 1, 2025:

32  
33 **Proposition \_\_\_\_\_**

34  
35 **CHUGIAK, BIRCHWOOD, EAGLE RIVER**  
36 **RURAL ROAD SERVICE AREA (CBERRRSA)**  
37 **MILL RATE ADJUSTMENT**

38  
39 Shall a maximum mill levy of 2.40 mills be set for the Chugiak,  
40 Birchwood, Eagle River Rural Road Service Area (CBERRRSA),  
41 with no more than 1.4 mills to be used for road and drainage  
42 maintenance and no more than 1.0 mill to be used for capital  
43 improvements, effective retroactive to January 1, 2025?  
44

1 The existing maximum mill rate in the CBERRRSA is 2.10 mills;  
2 no more than 1.1 mills may be used for road and drainage  
3 maintenance, and no more than 1.0 mill shall be for capital  
4 improvements.

5  
6 If this proposition is approved, the maximum mill rate will  
7 increase to 2.40 mills, with limitation that no more than 1.4 mills  
8 shall be for road and drainage maintenance, and no more than  
9 1.0 mill shall be for capital improvements—an increase of 0.30  
10 mills for road and drainage maintenance.

11  
12 The roads affected are all within the CBERRRSA. The intent of  
13 this proposition is to provide additional local funding for road and  
14 drainage maintenance. Local tax funding is almost exclusively  
15 the funding source for road and drainage maintenance. The  
16 additional tax funds will provide a more predictable and reliable  
17 revenue stream to reduce long-term road maintenance costs,  
18 maintain year-round drivable roads, and alleviate unsafe road  
19 environments. Subject to the maximum mill rate, the  
20 CBERRRSA Board of Supervisors will determine the actual mill  
21 rate each year.

22  
23 If approved, property owners within the CBERRRSA may incur  
24 an increase in property taxes of up to \$30 per \$100,000  
25 assessed value beginning in tax year 2025.

26  
27  
28 Yes [ ] No [ ]

29  
30 **Section 2.** Anchorage Municipal Code section 27.30.215. is amended to read as  
31 follows (underlined portions are added and portions in brackets are deleted):

32  
33 **27.30.215 - Chugiak, Birchwood, Eagle River Rural Road Service Area**  
34 **(CBERRRSA).**

- 35  
36 A. There is established, pursuant to section 9.01 of the Charter, a service  
37 area within the municipality designated the Chugiak, Birchwood, Eagle  
38 River Rural Road Service Area of the municipality (CBERRRSA), as  
39 outlined on the map located in section 27.30.700. The Chugiak  
40 Birchwood, Eagle River Rural Road Service Area shall include the  
41 areas formerly known as the Chugiak, Birchwood, Eagle River and  
42 Eagle River Valley Limited Road Service Areas.
- 43  
44 B. Subject to review and prioritization by the board of supervisors as  
45 provided for in Anchorage Municipal Code 27.30.135, the Chugiak,  
46 Birchwood, Eagle River Rural Road Service Area shall provide capital  
47 improvements for roads and drainage and the maintenance thereof  
48 within and over road rights-of-way in the service area including street  
49 light capital improvements and street light operation and maintenance

1 at special sites outside the Eagle River Street Light Service Area  
2 which enhance public safety, but excluding capital improvements for  
3 and maintenance and operation of: 1) traffic engineering; 2) park and  
4 recreational services; 3) water, sewer, telephone, electric, gas and  
5 other utility improvements and services; 4) off-road mass transit  
6 facilities and signs; 5) fire hydrants and parking meters. The service  
7 area also shall be authorized to operate and maintain street lights at  
8 special sites outside of the Eagle River Street Light Service Area for  
9 purposes of enhancing public safety. The mill rate for services  
10 provided in the service area shall not exceed 2.40 [2.10] mills in any  
11 calendar year. No more than 1.4 [1.1] mills shall be for road and  
12 drainage maintenance and no more than 1.0 mill shall be for capital  
13 improvements.

14  
15 (AO No. 84-169(S-A); AO No. 85-112; AO No. 88-43(S); AO No. 88-116; AO  
16 No. 90-96; AO No. 91-100; AO No. 96-45(S), § 2, 4-16-96)

17  
18 **Section 3.** Section 2 of this ordinance shall become effective retroactive to January  
19 1, 2025, if, and only if, the ballot proposition in Section 1 is passed by a majority vote  
20 of the qualified voters residing in the CBERRRSA. All other sections of this ordinance  
21 shall become effective upon passage and approval by the Anchorage Assembly.

22  
23 PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_\_ day of  
24 \_\_\_\_\_, 2025.

25  
26  
27  
28 \_\_\_\_\_  
29 Chair of the Assembly

30 ATTEST:

31  
32  
33 \_\_\_\_\_  
34 Municipal Clerk



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM NO. 43 - 2025

Meeting Date: January 7, 2025

1  
2 **FROM: MAYOR**

3  
4 **SUBJECT: AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS**  
5 **RESIDING IN THE CHUGIAK, BIRCHWOOD, EAGLE RIVER**  
6 **RURAL ROAD SERVICE AREA (CBERRRSA) AT THE REGULAR**  
7 **MUNICIPAL ELECTION ON APRIL 1, 2025, A BALLOT**  
8 **PROPOSITION TO PROVIDE A MAXIMUM MILL LEVY OF 2.40**  
9 **MILLS FOR THE CBERRRSA FOR ROAD AND DRAINAGE**  
10 **MAINTENANCE, AND AMEND ANCHORAGE MUNICIPAL CODE**  
11 **SECTIONS 27.30.215, RETROACTIVE TO JANUARY 1, 2025.**

12  
13 The Chugiak, Birchwood, Eagle River Rural Road Service Area (CBERRRSA)  
14 Board of Supervisors approved a motion for a ballot proposition to consider  
15 increasing the maximum mill rate for road and drainage maintenance from 1.1  
16 mills up to 1.4 mills, leaving capital improvements at 1.0 mill, subject to approval of  
17 qualified voters at the April 1, 2025, Municipal general election. This ordinance  
18 creates the ballot proposition for qualified voters residing in the road service area  
19 to vote on the code amendment to increase the maximum mill rate to 2.40 mills, an  
20 increase of 0.30 mill, and amends Anchorage Municipal Code section 27.30.215,  
21 retroactive to January 1, 2025, if the ballot proposition is approved by the voters.  
22

23 The current maximum mill rate of 2.1 is split with no more than 1.1 mills shall be  
24 for road and drainage maintenance and no more than 1.0 shall be for capital  
25 improvements. The proposed increase to the maximum mill rate to 2.4 would  
26 increase the road and drainage maintenance allowable maximum from 1.1 mills to  
27 1.4 mills with the capital improvements remaining at 1.0 mill.  
28

29 In order to continue to provide the same level of road and drainage maintenance,  
30 the service area needs additional funds. The financial resources of rural road  
31 service areas are primarily dependent on local property tax revenues generated by  
32 the mill rate for the local road service area.  
33

34 The maximum mill rate of 2.10 was set in 1991. With historical inflation and rising  
35 cost of goods and services, the service area has had to utilize fund balance  
36 reserves to accomplish annual road and drainage maintenance activities since  
37 2020. The remaining fund balance reserves can no longer sustain supplementing  
38 the annual road and drainage services. Subject to this maximum mill rate, the  
39 CBERRRSA Board of Supervisors will determine the actual mill rate each year.  
40

41 The proposed 0.30 mill rate increase for the CBERRRSA is feasible, practical, and  
42 reasonable to fund needed road and drainage maintenance, maintain year-round  
43 drivable roads, and alleviate any unsafe road environment.

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**THE ADMINISTRATION RECOMMENDS APPROVAL.**

Prepared by: Courtney Petersen, Manager, PW Administration  
Recommended by: Shay Throop, Director, Maintenance & Operations  
Concur: Lance Wilber, Director, Planning, Development & Public  
Works  
Concur: Philippe D. Brice, CFO  
Concur: Ona R. Brause, Director Management & Budget  
Concur: Eva Gardner, Municipal Attorney  
Concur: William D. Falsey, Chief Administrative Officer  
Concur: Rebecca A. Windt Pearson, Municipal Manager  
Respectfully submitted: Suzanne LaFrance, Mayor

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- General Government**

AO Number: 2025-7

Title: **AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS RESIDING IN THE CHUGIAK, BIRCHWOOD, EAGLE RIVER RURAL ROAD SERVICE AREA (CBERRRSA) AT THE REGULAR MUNICIPAL ELECTION ON APRIL 1, 2025, A BALLOT PROPOSITION TO PROVIDE A MAXIMUM MILL LEVY OF 2.40 MILLS FOR THE CBERRRSA FOR ROAD AND DRAINAGE MAINTENANCE, AND AMEND ANCHORAGE MUNICIPAL CODE SECTIONS 27.30.215, RETROACTIVE TO JANUARY 1, 2025.**

Sponsor: **MAYOR**  
 Preparing Agency: Public Works, Administration  
 Others Impacted: Maintenance & Operations

<b>CHANGES IN EXPENDITURES AND REVENUES:</b>		(In Thousands of Dollars)				
	FY25	FY26	FY27	FY28	FY29	
<b>Operating Expenditures</b>						
1000 Personal Services						
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
<b>TOTAL DIRECT COSTS:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
<b>FUNCTION COST:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>REVENUES:</b>	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	
<b>CAPITAL:</b>	N/A	N/A	N/A	N/A	N/A	
<b>POSITIONS: FT/PT and Temp</b>	N/A	N/A	N/A	N/A	N/A	

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Increasing the maximum allowable mill rate from 2.1 to 2.4 will provide the availability of an additional estimated \$1,300,000. CBERRRSA maximum mill levy of 2.4 mills and the 2024 assessed valuation of the service area of \$4,312,756,975 would produce a potential estimated \$1,300,000 tax revenue. However, subject to the maximum mill rate, the CBERRRSA Board of Supervisors will determine the actual mill rate each year.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Increasing the maximum allowable mill rate from 2.1 to 2.4 will provide the availability of an additional estimated \$1,300,000. CBERRRSA maximum mill levy of 2.4 mills and the 2024 assessed values of \$4,312,756,975 would produce a potential estimated \$1,300,000 tax revenue.

If approved, the affected private property owner within the affected service area could pay up to \$30 of property taxes per \$100,000 assessed value annually. However, subject to the maximum mill rate, the CBERRRSA Board

Prepared by: Courtney Petersen, Public Works Administration      Telephone: 343-8191

2020

<u>parcel #</u>	<u>tax value</u>
1716118000	\$ 557,800
1716119000	\$ 159,900
1716120000	\$ 733,400
1716121000	\$ 543,300
1716122000	\$ 638,700
1716123000	\$ 198,800
	<u>\$ 2,831,900</u>