

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.

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