

MUNICIPALITY OF ANCHORAGE

ANCHORAGE ASSEMBLY

Special Meeting of April 17, 1997

1. **CALL TO ORDER:**

The meeting was convened at 12:00 p.m. by Chairman Mark Begich in the Mayor's Conference Room, 632 West 6th Avenue, Anchorage, Alaska.

2. **ROLL CALL:**

Present: Bob Bell, Pat Abney (12:05 p.m.), Dan Kendall, George Wuerch, Mark Begich, Kevin Meyer, Cheryl Clementson, Ted Carlson, Joe Murdy.

Absent: Charles Wohlforth (excused,) Fay Von Gemmingen (excused.)

3. **ITEMS OF BUSINESS:**

A. **ORDINANCES AND RESOLUTIONS FOR INTRODUCTION:**

1. Ordinance No. AO 97-69, an ordinance of the Municipality of Anchorage, Alaska, authorizing the **Anchorage Parking Authority** to enter into a parking violation contract and authorizing the execution and delivery of a lease between the Anchorage Parking Authority and the Municipality of Anchorage relating to a portion of the 6th Avenue Garage, Legal Department. public hearing 4-29-97.
 - a. Assembly Memorandum No. AM 347-97.

Mr. Wuerch, Ms. Clementson and Mr. Bell joined in introducing this ordinance. The public hearing was scheduled for April 29, 1997.

Chairman Begich clarified introduction by the three sponsors did not necessarily indicate support for the ordinance. Introduction was at the request of the Mayor.

In response to Mr. Wuerch, Municipal Manager Larry Crawford summarized the purpose of the ordinance and the reason for introduction on this date. He said the administration wanted to avoid any speculation or uncertainty about the ability of the Municipality to pay the bonds for the parking garage. He said costs of defaulting on the bonds were too high to allow that to occur. The proposed ordinance, if adopted, would provide a mechanism to prevent default on the bonds. He discussed various other provisions in the ordinance. Mr. Crawford added the administration did not yet have recommendations on other issues raised by passage of Proposition #3, including what kind of parking enforcement for downtown will be provided, and at what cost. He proposed holding a work session on the ordinance before the public hearing. He said the administration was working to implement the changes mandated by Proposition #3 in a manner least costly to the taxpayers.

In response to Mr. Wuerch, Mr. Crawford indicated the administration would involve the Assembly in consideration of alternatives to the current method of parking enforcement.

In response to Mr. Bell, Chief Fiscal Officer Jerry Anderson said if parking violation revenues do not entirely pay the cost of the debt, Municipal property taxes would be used to make up the difference.

In response to Chairman Begich, Mr. Crawford noted the bond debt was \$1.3 million per year through the year 2005. He said this amount was for the parking garage alone. There are many other areas of enforcement in various departments which will be impacted by the proposition. Costs are still being evaluated.

In response to Mr. Meyer, Mr. Anderson clarified the \$1.3 million annual debt was for the 6th & G garage only. He said a sale price of \$7.5 million for the facility would be necessary to defease the outstanding bond debt.

Mr. Crawford explained the process of defeasement.

Mr. Meyer recommended investigating what kind of demand exists for the garage if it were put up for sale.

In response to Mr. Kendall, Mr. Anderson explained the bonds could not be paid off until the last two years of the life of the bond.

In response to Ms. Abney, Municipal Attorney Mary Hughes confirmed the proposed ordinance was formulated by the Municipality's bond counsel.

4. **ADJOURNMENT:**

The meeting adjourned at 12:45 p.m.

Chairman

ATTEST:

Municipal Clerk

Date Minutes Approved: August 19, 1997

VC/db

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