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**MUNICIPALITY OF ANCHORAGE
ANCHORAGE ASSEMBLY**

**Assembly Chambers, Z. J. Loussac Library
3600 Denali Street, Anchorage, Alaska**

Minutes for Regular Meeting of January 23, 2007

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1. CALL TO ORDER

18 The Assembly Meeting was convened by Chair Sullivan at 5:04 p.m. in Assembly Chambers, Room 108 of the
19 Loussac Library, 3600 Denali Street in Anchorage, Alaska.

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2. ROLL CALL A Quorum was achieved with Assemblymembers present.

23 PRESENT: Allan Tesche, Janice Shamberg, Paul Bauer, William Starr, Dan Sullivan, Debbie Ossiander, Chris
24 Birch, Dan Coffey, Ken Stout, Dick Traini and Pamela Jennings.

25 ABSENT: None.

26
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28

3. PLEDGE OF ALLEGIANCE Boy Scout Troop 116 led the pledge.

29 Troop 116 included Scouts Aaron, Nick, Joseph, Connor, Scott, Josh, Ronald, James, Thomas and Kevin, who were
30 accompanied by Scoutmaster Ted Archer, Assistant Scoutmaster Kevin Erling and Merit Badge Counselor Jim
31 Rowland. To Star Scout Kevin, Chair Sullivan responded that to reduce gang violence the Assembly made tough laws
32 to make sure there were consequences and to enabled the Anchorage Police Department to enforce the laws.

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35

4. MINUTES OF PREVIOUS MEETINGS There were none.

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37

5. MAYOR'S REPORT

38 Municipal Manager Denis LeBlanc reported that Mayor Begich was attending the Winter Conference of Mayors in
39 Washington D.C. Mr. LeBlanc distributed a recent update on the Dena'ina Civic and Convention Center and stated the
40 project was on track and on budget.

41
42 Deputy Municipal Manager Michael Abbott introduced newly appointed members to the Historic Preservation
43 Commission present that evening, including Barbara Sweetland Smith, Mark Lutz, Lora Johnson, Sam Combs and
44 Thomas Pease. Chair Sullivan thanked the newly appointed and reappointed members for their service.

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6. ASSEMBLY CHAIR'S REPORT

48 Chair Sullivan stated that he would be traveling to Juneau the following morning to meet with key government leaders
49 to discuss the Legislative Priorities of the Municipality of Anchorage.

50
51 Chair Sullivan welcomed new Assemblymember William Starr to his first full meeting and stated that Chugiak-Eagle
52 River would be well represented.

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7. COMMITTEE REPORTS

56 Mr. Bauer reported the Public Safety Committee and Anchorage Police Department (APD) Captain Cobb met to
57 discuss intentions of getting uninsured drivers off the road and address gang and youth violence. The APD 2006
58 figures on gang and youth violence would be used to determine crime trends. Captain Cobb reported on the 2007
59 APD Legislative Priorities which dealt with bail conditions, sentencing for juvenile offenders, violent crimes and gun
60 laws, more resources for the state justice system and narrowing the scope of defense and self-defense. Mr. Bauer
61 announced the Public Safety Committee would meet on February 8, 2007 to discuss bars, liquor establishments and
62 information sharing and would include community concerns. The meeting would be publicly noticed.

63
64 Mr. Coffey reported the Title 21 Committee met January 10th and 12th to discuss provisions of Chapters 1, 2, 8 and 13.
65 They had completed discussion on 1, 2 and 13 and would continue discussion on Chapter 8. He would announce the
66 date and time of the next Committee Meeting, which would be publicly noticed. Ms. Ossiander stated it was important
67 to anticipate how long the committee process would take, to be able to determine a postponement date on the
68 Assembly schedule. Mr. Coffey and Chair Sullivan concurred.

69
70 Mr. Birch, Chair of the Audit Committee, reported the 2007 Audit Plan was before the Assembly for consideration and
71 a special study for non-profit, charitable contributions had been added. Assemblymember Starr had requested review
72 of intergovernmental charges, which could be added when this item was pulled for discussion. Mr. Birch supported Mr.
73 Starr's request because of the IGC's impact to smaller service areas.

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8. ADDENDUM TO AGENDA

1 Chair Sullivan called for a motion and read the Addendum items. He called for additional items and AO 2007-19, AO
2 2007-23, AO 2007-25(S), AO 2007-32, AIM 24-2007 and AIM 23-2007 were added and assigned Agenda Numbers
3 9.F.4, 9.F.3, 9.F.2.a, 9.F.5, 11.D and 9.E.5, respectively. There were no additional items and Chair Sullivan called for
4 a vote to incorporate the Addendum items into the Consent Agenda.
5

6 Ms. Jennings moved, to approve the inclusion of the Addendum items
7 Mr. Coffey seconded, into the Consent Agenda,
8 and this motion was passed.
9

10 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
11 NAYES: None.
12

13 Chair Sullivan called for a motion on the Consent Agenda.
14

15 Mr. Bauer moved, to approve the Consent Agenda,
16 Mr. Coffey seconded,
17

18 Chair Sullivan called for Assemblymembers to request items be pulled and moved to the Regular Agenda for
19 discussion.
20

21 9. CONSENT AGENDA

22 9.A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS There were none.
23

24 9.B. RESOLUTIONS FOR ACTION - OTHER

25 9.B.1. Resolution No. AR 2007-14, a resolution of the Municipality of Anchorage providing for the
26 appropriation of a grant totaling \$20,000 dollars from the National Endowment for the Arts and a
27 contributed operating budget match of \$26,000 from the Office of Economic and Community
28 Development 2007 Operating Budget (Fund 101) to the State Categorical Grant Fund (231) for the **Big**
29 **Read Program**; Office of Economic & Community Development Department/Library.
30 a. Assembly Memorandum No. AM 51-2007.

31 9.B.2. Resolution No. AR 2007-15, a resolution of the Municipality of Anchorage appropriating to the
32 Miscellaneous Capital Project/Pass-Thru Fund (Fund 409) a \$40,000 contribution of tax revenues
33 approved in the BP2007 Glen Alps Service Area General Government Operating Budget (Fund 105)
34 for road and drainage capital improvement projects within the **Glen Alps Service Area**; Maintenance
35 & Operations Department.
36 a. Assembly Memorandum No. AM 52-2007.

37 9.B.3. Resolution No. AR 2007-16, a resolution of the Municipality of Anchorage appropriating \$30,000 from
38 the **Upper O'Malley Limited Road Service Area** (LRSA) Fund Balance (Fund 143) to the Upper
39 O'Malley LRSA BP2006 Operating Budget (Fund 143) for received BP2006 year end snow removal and
40 sanding services; Maintenance & Operations Department.
41 a. Assembly Memorandum No. AM 53-2007.

42 9.B.4. Resolution No. AR 2007-17, a resolution of the Municipality of Anchorage appropriating \$3,000 from
43 the **Birch Tree/Elmore Limited Road Service Area** (LRSA) Fund Balance (Fund 111) to the Birch
44 Tree/Elmore LRSA BP2006 Operating Budget (Fund 111) for received BP2006 year end snow
45 removal and sanding services; Maintenance & Operations Department.
46 a. Assembly Memorandum No. AM 54-2007.

47 9.B.5. Resolution No. AR 2007-18, a resolution of the Anchorage Municipal Assembly authorizing Municipal
48 Light and Power to transfer, not to exceed \$200,000 to the **Alaska Railbelt Energy Authority**, a Joint
49 Action Agency, to pay its share of administrative, overhead, and project specific costs for Fiscal Year
50 2007; Municipal Light & Power.
51 a. Assembly Memorandum No. AM 55-2007.
52

53 Mr. Birch requested this item be pulled for review on the Regular Agenda. (See item 10.B.5)
54

55 9.B.6. Resolution No. AR 2007-32, a resolution of the Anchorage Municipal Assembly stating its temporary
56 non-objection to transfer of a beverage dispensary license from the current licensee Woodrow &
57 Chong Sanders d/b/a Anna's Place, located at 3313 Spenard Road, to licensee Tempura Kitchen LLC,
58 d/b/a **Tempura Kitchen**, located at 3826 Spenard Road; Assemblymember Traini. (**Laid on the**
59 **Table**)
60

61 Mr. Traini moved to introduce AR 2007-32, seconded by Mr. Tesche and Ms. Jennings was the concurring third.
62

63 9.C. BID AWARDS

64 9.C.1. Assembly Memorandum No. AM 56-2007, recommendation of award to Consolidated Contracting &
65 Engineering, Inc. for the **Transit Maintenance air compressor replacement** for the Municipality of
66 Anchorage, Maintenance and Operations Department (ITB 26-C080) (\$108,692); Purchasing.

67 9.C.2. Assembly Memorandum No. AM 57-2007, recommendation of award to Cascadia International, LLC to
68 furnish an eight yard **sanding truck with belly blade** to the Municipality of Anchorage, Merrill Field
69 Airport (ITB 26-B089) (\$165,813); Purchasing.

70 9.C.3. Assembly Memorandum No. AM 58-2007, recommendation of award to Delta Star Inc. to provide a
71 **power transformer** to the Municipality of Anchorage, Municipal Light & Power Utility (ITB 26-B081)
72 (\$1,132,132); Purchasing.
73

74 9.D. NEW BUSINESS

75 9.D.1. Assembly Memorandum No. AM 59-2007, **Platting Board** appointment (Benjamin Roll); Mayor's
76 Office.
77

1 Mr. Coffey requested this item be pulled for review on the Regular Agenda. (See item 10.D.1)

- 2
3 9.D.2. Assembly Memorandum No. AM 60-2007, **Historic Preservation Commission** appointments (Sam
4 Combs, Mark Lutz, Jan Pennington, Pam Tesche, Barbara Sweetland Smith, Lora Johnson, Dan Alex,
5 Susan Reeves, William Parker, Thomas Pease, Julie Jessen); Mayor's Office.
6

7 Mr. Tesche declared a conflict of interest and requested to bifurcate AM 60-2007, separating and abstaining on the
8 portion pertaining to the appointment of Pam Tesche. Chair Sullivan ruled that Mr. Tesche did have a conflict of
9 interest with that portion and requested that he abstain from participating. Mr. Tesche requested to support the
10 remainder of the memorandum.
11

- 12 9.D.3. Assembly Memorandum No. AM 61-2007, **2007/2008 Liquor License Renewals**: JJ's Sports Center
13 #569, Birchwood Saloon #758, The Woodshed #1244, The Cabin Tavern #970, Brown Bear Saloon &
14 Motel #1987, Crosspoint #1798, William Egan Center #3234, Garcia's Cantina #2275 – Beverage
15 Dispensary; Yamaya Restaurant #3728, Peggy's Restaurant #1821 – Restaurant/Eating Place; V.F.W.
16 Post 9785 #1204, B.P.O. Elks Lodge 2682 #3241 – Club; Liquor Locker #757 – Package Store
17 (Downtown, Chugiak, Northeast, Sand Lake); Clerk's Office.
18 9.D.4. Assembly Memorandum No. AM 72-2007, **Wok Express** #2099 – Transfer of a Restaurant/Eating
19 Place Liquor License (Sand Lake Community Council); Clerk's Office.
20 9.D.5. Assembly Memorandum No. AM 62-2007, proprietary purchase of **computer software maintenance**
21 from SirsiDynix Corporation for the Municipality of Anchorage, Department of Economic and
22 Community Development, Loussac Library (\$56,357); Purchasing.
23 9.D.6. Assembly Memorandum No. AM 63-2007, approval of Amendment No. 2 to the Contract (PO No.
24 261272) with GLS, LLC, increasing the contract by \$5,000 for a contract amount NTE \$55,000 for
25 short term snow and ice removal and chip sanding services within the **South Goldenview Limited**
26 **Road Service Area** (LRSA); Maintenance & Operations Department.
27 9.D.7. Assembly Memorandum No. AM 64-2007, Change Order No. 2 to Purchase Order No. 254283 with
28 Titan Enterprises LLC., for furnishing **snow plowing, removal and sanding services** to the
29 Municipality of Anchorage, Municipal Light & Power Utility (ML&P) (\$225,000); Purchasing.
30 9.D.8. Assembly Memorandum No. AM 65-2007, approval to enter into **grant agreements** with the ARC of
31 Anchorage (\$98,000), Northeast Community Center (\$131,430) and the Boys and Girls Club of
32 Greater Anchorage–Mountain View Recreation Center (\$250,250); Anchorage Parks & Recreation
33 Department.
34

35 Mr. Bauer requested this item be pulled for review on the Regular Agenda. (See item 10.D.8)

- 36
37 9.D.9. Assembly Memorandum No. AM 66-2007, Amendment No. 1 to the grant contract and the Dimond
38 West Little League for the purpose of reimbursement for materials and subcontracted services for the
39 **Little League and Soccer Field Improvements to Jade Park** for \$29,406; Anchorage Parks &
40 Recreation Department.
41 9.D.10. Assembly Memorandum No. AM 67-2007, proprietary contract award to Koonce Pfeffer Bettis Inc. for
42 providing professional design services of the **F Street Connectivity Project** for the Municipality Of
43 Anchorage; Project Management & Engineering (PM&E) (\$332,000).
44 9.D.11. Assembly Memorandum No. AM 68-2007, Amendment No. 4 to 2004 professional **structural**
45 **engineering services** contract with USKH, Inc. (\$100,000); Project Management & Engineering.
46 9.D.12. Assembly Memorandum No. AM 69-2007, approval of reimbursement to the State of Alaska,
47 Department of Transportation & Public Facilities (ADOT) for **Tudor Road and Piper Street**
48 **Intersection Project** for the Municipality of Anchorage, Project Management and Engineering
49 Department (\$75,000); Purchasing.
50 9.D.13. Assembly Memorandum No. AM 70-2007, Change Order No. 6 to contract with Palmerco
51 Construction, Inc., **Creekside Town Center Road Improvements, Phase I, 16th Avenue and**
52 **Muldoon Road Intersection**, Project No. 02-12 (\$14,806); Project Management & Engineering.
53

54 Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (See item 10.D.13)

- 55
56 9.D.14. Assembly Memorandum No. AM 71-2007, proprietary purchase of **copier maintenance services**
57 from Royal Business Systems, Inc. for the Municipality of Anchorage; Purchasing Department
58 (\$75,000).
59 9.D.15. Assembly Memorandum No. AM 78-2007, **Ka'nsha Japanese Restaurant #4688** – New
60 Restaurant/Eating Place Liquor License (Taku/Campbell Community Council); Clerk's Office.
61 **(Addendum)**
62 9.D.16. Assembly Memorandum No. AM 79-2007, **Sushi King #4685** – New Restaurant/Eating Place Liquor
63 License (Taku/Campbell Community Council); Clerk's Office. **(Addendum)**
64

65 **9.E. INFORMATION AND REPORTS**

- 66 9.E.1. Information Memorandum No. AIM 3-2007, Internal Audit Report 2007-1 – **2006 Payroll, Finance**
67 **Department**; Internal Audit Department.
68 9.E.2. Information Memorandum No. AIM 4-2007, **Internal Audit Department 2006 Annual Report**.
69 9.E.3. Information Memorandum No. AIM 5-2007, Notice of Award to Municipal Emergency Services, Inc. for
70 furnishing **turn out gear** to the Municipality of Anchorage, Anchorage Fire Department, (RFQ 26-
71 Q155) (\$323,090.81); Purchasing.
72 9.E.4. Information Memorandum No. AIM 6-2007, **contracts awarded between \$50,000 and \$100,000**
73 **through formal competitive processes** for the months of November and December 2006;
74 Purchasing.
75 9.E.5. Information Memorandum No. AIM 23-2007, Request to **Postpone Indefinitely Action on AO 2007-**
76 **21**; Mayor Begich. **(Laid on the Table)**
77

1 Mr. Birch requested this item be pulled for review on the Regular Agenda. (See item 10.E.5)

2
3 **9.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION**

- 4 9.F.1. Ordinance No. AO 2007-24, an ordinance of the Anchorage Municipal Assembly amending Anchorage
5 Municipal Code Section 4.05.035 to require members of **municipal advisory boards and**
6 **commissions** other than the Youth Advisory Commission to be at least 18 years of age;
7 Assemblymember Traini. (Public Hearing 2-13-07) (**Addendum**)
8 a. Assembly Memorandum No. AM 76-2007.

9
10 Mr. Coffey requested this item be pulled for review on the Regular Agenda. (See item 10.F.1)

- 11
12 9.F.2. Ordinance No. AO 2007-25, an ordinance of the Anchorage Municipal Assembly amending Anchorage
13 Municipal Code Section 21.15.150, **Improvements Associated with Building and Land Use**
14 **Permits**, and providing for determination by the Municipal Engineer; Assembly Chair Sullivan,
15 Assemblymembers Bauer and Coffey. (**Addendum**)
16 a. Ordinance No. AO 2007-25(S), an ordinance of the Anchorage Municipal Assembly amending
17 Anchorage Municipal Code Section 21.15.150, Improvements Associated with Building and
18 Land Use Permits, and providing for determination by the Municipal Engineer;
19 Assemblymembers Sullivan, Bauer and Coffey. (To be Referred to the Planning & Zoning
20 Commission) (**Laid on the Table**)

21
22 Mr. Coffey moved to introduce AO 2007-25(S), seconded by Mr. Bauer and Ms. Ossiander was the concurring third.

23
24 Mr. Coffey requested this item be pulled for review on the Regular Agenda. (See item 10.F.2)

- 25
26 9.F.3. Ordinance No. AO 2007-23, an ordinance of the Anchorage Municipal Assembly amending Anchorage
27 Municipal Code Chapter 21.87, **Subdivision Agreements**, to specify use of stop work orders in the
28 enforcement of subdivision agreements, add provisions to the subdivision agreements, and provide for
29 enforcement jurisdiction by the Building Board; Amending Chapter 23.10, Anchorage Administrative
30 Code, to add specificity to stop work orders and to authorize the building board to hear appeals under
31 subdivision agreements and stop work orders, with judicial appeal to the superior court; and setting a
32 time certain for the production of regulations establishing the timetable and schedule for review and
33 approval of engineering design plans for work under subdivision agreements; Assembly Chair
34 Sullivan, Assemblymembers Coffey and Bauer. (To Be Referred to the Planning and Zoning
35 Commission and the Building Board.) (**Laid on the Table**)
36 a. Assembly Memorandum No. 74-2007. (**Laid on the Table**)

37
38 Mr. Bauer moved to introduce AO 2007-23 and AM 74-2007, seconded by Ms. Ossiander and Mr. Coffey was the
39 concurring third.

- 40
41 9.F.4. Resolution No. AR 2007-19, a resolution of the Anchorage Municipal Assembly amending Title 23
42 Building Safety Regulation 23.10, **Building Board Rules of Procedure**, to give the Building Board
43 authority to hear subdivision agreement appeals, to give priority hearing to stop work order appeals,
44 and to provide notice to time in which to file appeal to the Superior Court; Assembly Chair Sullivan,
45 Assemblymembers Coffey and Bauer. (To Be Referred to the Planning and Zoning Commission and
46 the Building Board.) (**Laid on the Table**)

47
48 Mr. Bauer moved to introduce AR 2007-19, seconded by Ms. Ossiander and Mr. Coffey was the concurring third.

- 49
50 9.F.5. Ordinance No. AO 2007-32, an ordinance submitting to the Qualified Voters of the Municipality of
51 Anchorage at the Regular Municipal Election April 3, 2007, a ballot proposition authorizing disposal by
52 exchange, based on fair market value, of approximately one acre of dedicated municipal park land
53 located in **Jacobson Park**, Tract A-1, College Village #9 Subdivision, for Lot 14, Block 14, College
54 Village #9 Subdivision, in Anchorage; Assemblymembers Traini and Coffey. (**Laid on the Table**)

55
56 Mr. Traini moved to introduce AO 2007-32, seconded by Mr. Coffey and Mr. Bauer was the concurring third, with Public
57 Hearing scheduled for February 13, 2007.

58
59 Chair Sullivan called the Question on the remainder of the Consent Agenda.

60
61 and this motion, as amended, was passed,
62 with Mr. Tesche abstaining on the portion of 9.D.2 which pertained with Pam Tesche,
63 and Mr. Coffey abstaining on the portion of 9.D.8, pertaining to the Northeast Community Center.

64
65 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
66 NAYES: None.

67
68 The amended Consent Agenda was approved and Chair Sullivan led the body into discussion of the pulled items.

69
70 **END OF CONSENT AGENDA**

71
72 **10. REGULAR AGENDA**

73 **10.A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS** There were none.

74
75 **10.B. RESOLUTIONS FOR ACTION - OTHER**

76 10.B.5. Resolution No. AR 2007-18, a resolution of the Anchorage Municipal Assembly authorizing Municipal
77 Light and Power to transfer, not to exceed \$200,000 to the **Alaska Railbelt Energy Authority**, a Joint

1 Action Agency, to pay its share of administrative, overhead, and project specific costs for Fiscal Year
2 2007; Municipal Light & Power.

3 a. Assembly Memorandum No. AM 55-2007.

4
5 Ms. Ossiander moved, to approve AR 2007-18,
6 Mr. Coffey seconded,

7
8 Mr. Birch stated that Chugach Electric Association, the state's largest electric utility, was not a contributing member to
9 the Alaska Railbelt Energy Authority and he was concerned that the Municipal Light and Power (*ML&P*) may be drawn
10 further into additional costs and obligations. ML&P Director James Posey responded the appropriation included ML&P
11 working on wind power and other energy projects. Chugach Electric had indicated they would be joining and
12 supported using wind power.

13
14 Ms. Ossiander stated that she appreciated Mr. Posey's efforts in resolving the recent power outages in Eagle River.

15
16 and this passed without objection.

17
18 **10.C. BID AWARDS** None were pulled for review.

19
20 **10.D. NEW BUSINESS**

21 10.D.1. Assembly Memorandum No. AM 59-2007, **Platting Board** appointment (Benjamin Roll); Mayor's
22 Office.

23
24 Mr. Coffey moved, to approve AM 59-2007,
25 Mr. Stout seconded,

26
27
28 Mr. Coffey moved, *to postpone* AM 59-2007 to February 13, 2007,
29 Ms. Ossiander seconded, allowing the ten-day public comment period,

30
31 Mr. Coffey requested that the applications for this position be reviewed, to determine suitable qualifications. Chair
32 Sullivan stated that more information could be requested with the application process, or an Assemblymember could
33 meet with the potential appointees, or the candidate could be invited before the Assembly, to discuss qualifications.

34
35 and this was passed without objection.

36
37 10.D.8. Assembly Memorandum No. AM 65-2007, approval to enter into **grant agreements** with the ARC of
38 Anchorage (\$98,000), Northeast Community Center (\$131,430) and the Boys and Girls Club of
39 Greater Anchorage–Mountain View Recreation Center (\$250,250); Anchorage Parks & Recreation
40 Department.

41
42 Mr. Coffey declared a conflict of interest, due to his part ownership of the Northeast Community Center Facility. Chair
43 Sullivan ruled that Mr. Coffey did have a conflict of interest and ordered that he abstain on that matter, but stated that
44 Mr. Coffey could participate in the remaining two items in the memorandum.

45
46 Mr. Bauer moved, *to bifurcate* the Northeast Community Center
47 Ms. Jennings seconded, from AM 65-2007,
48 with Mr. Coffey abstaining,

49
50 Mr. Bauer had requested more information on the grant to the Northeast Community Center, which involved audit
51 discrepancies in salaries and benefits being paid by the grant funds, equipment not inventoried, budget categories
52 exceeded by more than 10% without approval, contracts over \$500 not having competitive bidding, unused portions of
53 the grant funds not being returned, no formal written contracts between users and complete and accurate quarterly
54 reports not being submitted a timely fashion. He had requested information on past years appropriations and
55 information that would warrant approval of the grant. Economic and Community Development Director Mary Jane
56 Michael responded that the concerns had been corrected and the Northeast Community Center was in compliance
57 with the issues. A report would be distributed to Assemblymembers by the end of the week.

58
59 Ms. Ossiander stated these concerns had been on-going for the past two years.

60
61 Ms. Ossiander moved, *to postpone* the portion of AM 65-2007 concerning the
62 Mr. Bauer seconded, Northeast Community Center until their questions were
63 and this was approved without objection, answered,
64 with Mr. Coffey abstaining.

65
66 Ms. Ossiander moved, to approve the remaining two portions of AM 65-2007,
67 Mr. Bauer seconded, involving the ARC and the Boys and Girls Club,
68 and this was approved without objection.

69
70 10.D.13. Assembly Memorandum No. AM 70-2007, Change Order No. 6 to contract with Palmerco
71 Construction, Inc., **Creekside Town Center Road Improvements, Phase I, 16th Avenue and**
72 **Muldoon Road Intersection**, Project No. 02-12 (\$14,806); Project Management & Engineering.

73
74 Ms. Ossiander moved, to approve AM 70-2007,
75 Mr. Stout seconded,

76
77 Ms. Ossiander requested a brief summary of the finances for the road improvements, showing details of this project.

1
2 and this was approved without objection.

3
4 **10.E. INFORMATION AND REPORTS**

5 10.E.5. Information Memorandum No. AIM 23-2007, Request to **Postpone Indefinitely Action on AO 2007-**
6 **21**; Mayor Begich. (**Laid on the Table**)

7
8 Mr. Birch moved, to accept AIM 23-2007,
9 Ms. Ossiander seconded,

10
11 To Mr. Birch, Municipal Attorney Jim Reeves responded the new arrangement was in order. Deputy Municipal
12 Manager Michael Abbott responded the actual agreement between the two parties had been signed and was being
13 prepared to close in 70 days. There was no municipal role in the ownership, management or liability associated with
14 the 4th Avenue Theatre.

15
16 Chair Sullivan stated that this new item had been added to the Agenda as item 14.K.2, and because it had been
17 publicly noticed, he recommended it be combined with 14.K, for Public Hearing, discussion and action. Mr. Birch
18 concurred. Mr. Coffey requested a complete explanation of the changes and the new agreement. Mr. Tesche
19 responded the Assembly had legal power to postpone indefinitely. Mr. Reeves concurred. Chair Sullivan stated that
20 while the Assembly had legal authority, it was not good public policy, because it had been publicly noticed as 14.K.2,
21 and there may be people who expected it would be addressed that evening.

22
23 Mr. Birch explained the memorandum was a request to postpone indefinitely action on an ordinance authorizing a
24 purchase and sale agreement for the 4th Avenue Theatre. The agreement was now between private parties, as
25 recognized by the Municipal Attorney.

26
27 To Mr. Traini, Mr. Reeves responded that he would respond in writing to Assemblymember's questions.

28
29 Mr. Traini moved, to postpone AIM 23-2007 [~~until the Assembly had the~~
30 Chair Sullivan seconded, ~~Municipal Attorney's written response to their questions~~]
31 and take up with 14.K.,

32
33 Ms. Ossiander opposed. Mr. Traini stated that he had heard of this memorandum at nine o'clock the previous evening
34 and he had questions on the new agreement and city's liability.

35
36 Mr. Coffey urged consideration of postponing this item until the Assembly addressed item 14.K. Mr. Traini accepted
37 this as a friendly amendment.

38
39 and the motion to approve the Traini motion, as amended, was approved without objection.

40
41 **10.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION**

42 10.F.1. Ordinance No. AO 2007-24, an ordinance of the Anchorage Municipal Assembly amending Anchorage
43 Municipal Code Section 4.05.035 to require members of **municipal advisory boards and**
44 **commissions** other than the Youth Advisory Commission to be at least 18 years of age;
45 Assemblymember Traini. (*Public Hearing 2-13-07*) (**Addendum**)

46 a. Assembly Memorandum No. AM 76-2007.

47
48 Mr. Coffey moved, to introduce AO 2007-24, with Mr. Coffey added as a
49 Mr. Traini seconded, cosponsor and with Public Hearing set for February 13, 2007,
50 and this was approved without objection.

51
52 10.F.2. Ordinance No. AO 2007-25, an ordinance of the Anchorage Municipal Assembly amending Anchorage
53 Municipal Code Section 21.15.150, **Improvements Associated with Building and Land Use**
54 **Permits**, and providing for determination by the Municipal Engineer; Assemblymembers Sullivan,
55 Bauer and Coffey. (**Addendum**) (*To be Referred to the Planning & Zoning Commission*)

56 1. Ordinance No. AO 2007-25(S), an ordinance of the Anchorage Municipal Assembly amending
57 Anchorage Municipal Code Section 21.15.150, Improvements Associated with Building and
58 Land Use Permits, and providing for determination by the Municipal Engineer;
59 Assemblymembers Sullivan, Bauer and Coffey. (**Laid on the Table**)

60
61 Mr. Coffey stated that the newly introduced Substitute Version (*S-version*) was the version that needed to be referred
62 to the Planning and Zoning Commission. Mr. Bauer and Ms. Ossiander concurred.

63
64 Mr. Coffey moved, to approve [~~AO 2007-25~~] AO 2007-25(S) and refer to
65 Mr. Bauer seconded, the Planning and Zoning Commission,
66 and this was approved without objection.

67
68 **11. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS**

69 11.A. Assembly Memorandum No. AM 32-2007, **Community Development Authority Board of Directors**
70 appointment (Jana Hayenga); Mayor's Office. (*Postponed from 1-9-07*)

71
72 Chair Sullivan read the memorandum title and stated there was a motion on the floor to approve.

73
74 Ms. Jennings had moved, to approve AM 32-2007,
75 Mr. Stout had seconded,

76

1 Mr. Coffey stated that he and Mr. Stout, who served as ex-officio members to the board, had worked with Ms. Hayenga
2 and supported the reappointment. Mr. Stout concurred.

3
4 and this motion was approved without objection.

5
6 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini, and Jennings.
7 NAYES: None.

8
9 11.B. Assembly Memorandum No. AM 33-2007, Zoning Board of Examiners and Appeals appointment
10 (Donna Williams); Mayor's Office. (*Postponed from 1-9-07*)

11
12 Chair Sullivan read the memorandum title and stated there was a motion on the floor to approve.

13
14 Ms. Jennings had moved, to approve AM 32-2007,
15 Mr. Stout had seconded,
16 and this motion was approved, 11-0.

17
18 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini, and Jennings.
19 NAYES: None.

20
21 11.C. Resolution No. AR 2006-314, a resolution of the Anchorage Municipal Assembly approving the revised
22 (schematic) design for the **Clark Middle School Renewal Project**; Anchorage School District.
23 1. Assembly Memorandum No. AM 877-2006. (*Postponed from 12-19-06*)
24 2. Resolution No. AR 2006-314(S), a resolution of the Anchorage Municipal Assembly approving
25 the revised (schematic) design for the Clark Middle School Renewal Project; Anchorage
26 School District. (**Addendum**)
27 3. Assembly Memorandum No. AM 877-2006(A). (**Addendum**)
28

29 Chair Sullivan read the resolution title, stated there was a Substitute Version (S-version) and called the Question.

30
31 Ms. Ossiander moved, to approve AR 2006-314(S),
32 Mr. Traini seconded,

33
34 To Ms. Ossiander, Municipal Engineer Howard Holtan responded the Municipality had worked successfully with the
35 Anchorage School District (ASD) to come up with a drainage solution that would be successful. Mr. Holtan responded
36 the costs of those improvements would be shared between the ASD and the Municipality and already-budgeted
37 drainage funds would apply to the project.

38
39 Ms. Jennings supported the ASD and the adjacent properties for their combined efforts to improve the vegetative
40 buffering and visual enhancement planning.

41
42 Mr. Coffey stated that with the unresolved dispute with drainage at Yosemite Drive (*involving the Eagle River High*
43 *School and the adjacent neighborhood*), he was concerned with approving a design plan with outstanding matters.
44 Deputy Municipal Manager Michael Abbott responded there were a number of site preparation issues and the
45 Municipality needed to work together with the ASD. Mr. Coffey requested that the Assembly be informed of cost
46 allocations before having to consider a complex site plan design with multiple variables. Mr. Abbott responded this
47 matter and a school maintenance package for facility improvements would be before the Assembly again, in the form
48 of bond propositions and again in the form of an appropriation process, when the Assembly could further address
49 concerns.

50
51 Mr. Starr concurred with Mr. Coffey's concerns. He and Ms. Ossiander were continuing to work with the ASD with the
52 drainage concerns with Yosemite Drive in Eagle River. He supported finding resolve before final approval of a site
53 design plan.

54
55 and this motion was approved, 10-0.

56
57 AYES: Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini, and Jennings.
58 NAYES: None.

59 (*Clerk's Note: Mr. Tesche was temporarily out of Chambers at the time of the vote.*)

60
61 11.D. Ordinance No. AO 2006-155, an ordinance of the Anchorage Municipal Assembly amending
62 Anchorage Municipal Code Sections 28.60.040 and 28.60.050 regarding **Special Needs ballots** to
63 hospital patients, allowing personal representative assistance to disabled voters, and requiring one
64 attestation on an absentee ballot by mail; Assemblymembers Stout and Tesche.
65 1. Assembly Memorandum No. AM 829-2006.
66 2. Ordinance No. AO 2006-155(S), an ordinance of the Anchorage Municipal Assembly
67 amending Anchorage Municipal Code Sections 28.60.040 and 28.60.050 regarding Special
68 Needs ballots to hospital patients, allowing personal representative assistance to disabled
69 voters, and requiring one attestation on an absentee ballot by mail; Assemblymembers Stout
70 and Tesche.
71 3. Assembly Memorandum No. AM 917-2006.
72 4. Ordinance No. AO 2006-155(S-1), an ordinance of the Anchorage Municipal Assembly
73 amending Anchorage Municipal Code Sections 28.60.040 and 28.60.050 regarding Special
74 Needs ballots to hospital patients, allowing personal representative assistance to disabled
75 voters, and requiring one attestation on an absentee ballot by mail; Assemblymembers Stout
76 [and], Tesche, Ossiander and Jennings. (**Addendum**)
77 5. Assembly Memorandum No. AM 77-2007. (**Addendum**)

- 1 6. Information Memorandum No. AIM 24-2007, Summary of Economic Effects for AO 2006-
2 155(S-1); Assemblymembers Stout and Tesche. (**Laid on the Table**)
3 (*Public Hearing was Closed 12-12-06; Action was Postponed from 12-12-06 and 1-9-07*)
4

5 Mr. Tesche moved, seconded by Mr. Stout, *to accept* AIM 24-2007. Chair Sullivan read the ordinance title and stated
6 there was a motion on the floor from Ms. Ossiander, seconded by Mr. Birch, to approve AO 2006-155. Ms. Ossiander
7 responded that an S-1 Version was completed and urged consideration. Mr. Stout and Mr. Tesche concurred. Ms.
8 Ossiander moved to substitute AO 2006-155(S-1) and Mr. Birch concurred.

9
10 Ms. Ossiander moved, to approve [~~AO 2006-155~~] "AO 2006-155(S-1),"
11 Ms. Jennings seconded,
12

13 Ms. Ossiander requested that she and Ms. Jennings be added as cosponsors to the S-1 Version.
14

15 Ms. Jennings stated this version of the ordinance limited the numbers of people a personal representative could
16 represent and it limited who could have a personal representative.
17

18 To Mr. Coffey, Municipal Elections Coordinator Guadalupe Marroquin responded the S-1 Version matched the State's
19 language and was a little bit stronger.
20

21 and this motion was approved, 11-0.
22

23 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini, and Jennings.
24 NAYES: None.
25

26 **12. APPEARANCE REQUESTS** There were none.
27

28 **13. CONTINUED PUBLIC HEARINGS**

29 13.A. Ordinance No. AO 2006-172, an ordinance amending Anchorage Municipal Code Title 21 to adopt new
30 **Chapters 21.01, 21.02, 21.08, and 21.13**; Planning Department.

- 31 1. Assembly Memorandum No. AM 853-2006. (*Continued from 1-9-07*)
32

33 Mr. Coffey requested that the Public Hearing be Continued to March 13, 2007, allowing time for additional
34 worksessions. Chair Sullivan concurred and opened Continued Public Hearing.
35

36 COREY HINES, with Chugach Park Access Coalition, supported the language for pedestrian easements and stated
37 that the Municipality needed to be responsible for providing public park access, limited parking and costs. To Mr.
38 Coffey, he responded that the Coalition supported the State's recommendation of providing legal, on- or off-street
39 parking at each access site. Mr. Coffey stated that the city and the State needed to work together. To Ms. Ossiander,
40 Mr. Hines responded that he would work with the State Parks, which would develop a park access plan by 2008. He
41 responded he would the parking requirement left in Title 21, with the specifics resolved by the Platting Board. Mr.
42 Birch stated that he had concerns with the taking of private property to provide parking and encouraged Mr. Hines to
43 continue working with the State Parks. To Ms. Jennings, Mr. Hines responded that he supported amenable
44 agreements with developers. He preferred multiple smaller lots, rather than one large one, similar to the method used
45 by Stuckagain Heights.
46

47 ANDRE CAMARA, Local Issues Coordinator with the Alaska Center for the Environment (*ACE*), supported the P&Z
48 Commission recommendations. The Title 21 Rewrite needed to maintain the quality of life, balance the needs of
49 Anchorage's diverse population and permit development that would be esthetically integrated into a natural setting,
50 maintaining the unique character of the city. Title 21 must support the implementation of Anchorage 2020's visions,
51 goals and objectives. Ms. Ossiander thanked Mr. Camara for his dedicated support. Ms. Jennings stated the
52 Assembly continued to closely review the P&Z recommendations.
53

54 TOM MEACHAM, Chugach Park Access Coalition member, stated the Coalitions park access inventory needed
55 updating. Additional access points and parking sites needed to be determined, including requirements in small
56 subdivisions for access, reviewed by the Platting Board and preserved in the master plan. They had prepared detailed
57 sites access points, including aerial photos showing boundaries, to consider many factors.
58

59 MARC COTTINI, an engineer with Quest Engineering, made recommendations for improvements to Chapter 8. He
60 distributed the recommendations and references in the document. Recommendations included requiring a registered
61 engineer, changing the return-for-correction timeline, add a section on erosion-control plantings and the waiver of
62 storm drains in justified conditions. To Mr. Coffey, Mr. Cottini responded he supported engineers being reviewed by
63 peers. He supported qualifications of engineers having insurance and being registered for 5 years. To Ms. Ossiander,
64 he responded that there were currently requirements for two time periods and a performance guarantees and a
65 warranty guarantee, which were held for 4-5 years. To Mr. Birch, he recommended additional improvements,
66 concerning lengthy time periods and financial guarantees. To Ms. Jennings, Mr. Cottini responded there was no clear
67 explanation why it took so long to release a warranty guarantee, even if the requirements were completed. There was
68 nothing in place for conflict resolution.
69

70 SUZANNE COMELLAS, representing the Rabbit Community Council, supported unanimously the P&Z
71 recommendations, including methods of development in steep, wet topography and the retention of vegetation. The
72 council supported the safe pedestrian walkways and trails, connectivity and access to park and walkway easements
73 with designation for future use. Developers and the Municipality must be held accountable and people needed to trust
74 good building standards. The council supported conservation subdivisions, taking into account open space and
75 neighboring developments. To Ms. Shamberg, Ms. Comellas responded posting signage was important to let people
76 know of development and who owned the land.
77

1 JIM SAWHILL, with Lounsbury and Associates, made recommendations for improvements to the Title 21 Chapters,
2 including deletion a section in 21.80.050, involving improvement requirements, to lessen the time period involving
3 warranties. Mr. Sawhill made recommendations on a process to deal with problem developers. To Mr. Coffey, he
4 responded there would be no risk of the new policies, if the Municipality would enforce the regulation and the process.
5 He supported improvements to the conflict resolution and appeals process. To Ms. Ossiander, Mr. Sawhill responded
6 there were areas within the Anchorage Bowl that should not require sidewalks, including smaller cul-de-sacs and
7 lesser-used streets. Sidewalks should be addressed in Chapter 7.

8
9 BJARNE HOLM, representing Hillside East and Mid-Hillside Community Councils, made recommendation for
10 additional language for improvements concerning water and sewage default systems and public systems.

11
12 WALTER PARKER, representing Anchorage Citizens Coalition and Anchorage Trails and Greenway Coalition, and
13 former Anchorage Assemblymember, stated the Comprehensive Plan needed to be the governing plan, with Title 21
14 providing the details.

15
16 JOE BURNHAM, a hillside land owner, was concerned with the new provisions because he would not be able to
17 develop his 40 acres because of the steep slopes and the lengths of driveways. Mr. Coffey stated that a special,
18 engineered design for his roads on a steep slope might be needed.

19
20 ROBERT MILLER, property owner next to Chugach Park in Potter Valley, testified that developing park access sites
21 was a state issue and the MOA should not be burdened with the matter. Private property should not be taken without
22 compensation. To Mr. Birch, Mr. Miller responded was concerned that his property was not connected with the
23 subdivision and would be dedicated for public use.

24
25 With no additional public testimony, Chair Sullivan proposed to continue Public Hearing to March 13th.

26
27 Mr. Coffey moved, *to Continue Public Hearing to March 13, 2007,*
28 Ms. Ossiander seconded,
29 and this was approved without objection.

30
31 Mr. Coffey moved, *to Change the Order of the Day to take up 14.K and 14.L.,*
32 Mr. Birch seconded,
33 and this was approved without objection.

34
35 **14. NEW PUBLIC HEARINGS**

- 36 14.A. Ordinance No. AO 2007-1, an ordinance authorizing a non-exclusive natural gas easement across
37 municipal property to ENSTAR Natural Gas Company, within **Tract 3B, International East**
38 **Subdivision**, Plat No. 99-10, at the Kloop Station Sand Storage Facility located near West
39 International Airport Road and Northwood Street, Tax #010-531-04; Project Management &
40 Engineering.
41 1. Assembly Memorandum No. AM 13-2007.

42
43 Chair Sullivan read the ordinance title and opened Public Hearing. With no public testimony, Chair Sullivan closed
44 Public Hearing and called the Question.

45
46 Ms. Shamberg moved, *to approve AO 2007-1,*
47 Mr. Coffey seconded,
48 and the motion was passed, 11-0.

49
50 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
51 NAYES: None.

- 52
53 14.B. Resolution No. AR 2007-6, a resolution appropriating \$298,704 of revenue from the State of Alaska
54 Department of Transportation & Public Facilities to the State Categorical Grant Fund 231 to the Project
55 Management & Engineering Department for **National Pollutant Discharge Elimination System**
56 (NPDES) permit services provided in 2007; Project Management & Engineering.
57 1. Assembly Memorandum No. AM 6-2007.

58
59 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
60 Public Hearing and called the Question.

61
62 Ms. Jennings moved, *to approve AR 2007-6,*
63 Mr. Coffey seconded,
64 and the motion was passed, 11-0.

65
66 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
67 NAYES: None.

- 68
69 14.C. Resolution No. AR 2007-4, a resolution approving the acceptance and appropriation of State of Alaska
70 grant funds in the amount of \$2,760,490 from the Department of Environmental Conservation
71 Matching Grant Program to be applied toward the **Anchorage Loop Water Transmission Main**
72 **Phase IV Project** (SB231); Anchorage Water & Wastewater Utility.
73 1. Assembly Memorandum No. AM 4-2007.

74
75 Chair Sullivan read the resolution title and opened Public Hearing. With no one to testify, Chair Sullivan closed Public
76 Hearing and called the Question.

1 Mr. Traini moved, to approve AR 2007-4,
2 Ms. Shamberg seconded,
3 and the motion was passed, 11-0.

4
5 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
6 NAYES: None.

7
8 14.D. Resolution No. AR 2007-5, a resolution of the Municipality of Anchorage, Alaska, accepting and
9 appropriating a State of Alaska Drinking Water Fund loan offer in the amount of \$1,000,000 for
10 financing a portion of the costs of the **Pine Street Water Upgrade Project**; Anchorage Water &
11 Wastewater Utility.
12 1. Assembly Memorandum No. AM 5-2007.

13
14 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
15 Public Hearing and called the Question.

16
17 Mr. Traini moved, to approve AR 2007-5,
18 Ms. Ossiander seconded,
19 and the motion was passed, 11-0.

20
21 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
22 NAYES: None.

23
24 14.E. Resolution No. AR 2007-7, a resolution authorizing the Municipality of Anchorage, Public
25 Transportation Department, to enter into a Transfer of Responsibilities Agreement in the amount of
26 \$385,096 with the Department of Transportation and Public Facilities, State of Alaska, for the
27 **Municipal Share-A-Ride Program** and appropriating these funds to the State Categorical Grants
28 Fund (231); Public Transportation Department.
29 1. Assembly Memorandum No. AM 7-2007.

30
31 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
32 Public Hearing and called the Question.

33
34 Ms. Jennings moved, to approve AR 2007-7,
35 Mr. Coffey seconded,
36 and the motion was passed, 11-0.

37
38 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
39 NAYES: None.

40
41 14.F. Resolution No. AR 2007-8, a resolution authorizing the Municipality of Anchorage, Public
42 Transportation Department, to enter into a Transfer of Responsibilities Agreement (TORA) in the
43 amount of \$259,940 with the State of Alaska, Department of Transportation and Public Facilities, for
44 financing the implementation of a **Public Transportation Marketing Program** and appropriating
45 these funds to the State Categorical Grants Fund (231); Public Transportation Department.
46 1. Assembly Memorandum No. AM 8-2007.

47
48 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
49 Public Hearing and called the Question.

50
51 Ms. Shamberg moved, to approve AR 2007-8,
52 Ms. Jennings seconded,
53 and the motion was passed, 11-0.

54
55 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
56 NAYES: None.

57
58 14.G. Resolution No. AR 2007-9, a resolution of the Municipality of Anchorage authorizing the acceptance of
59 an Alaska Mental Health Trust Authority (AMHTA) grant and appropriating \$120,000 from the Alaska
60 Mental Health Trust Authority through State of Alaska, the Department of Transportation and Public
61 Facilities, to the Public Transportation Capital Improvement Fund (485) as the required local match for
62 the 2006 purchase of ten **paratransit vehicles**; Public Transportation Department.
63 1. Assembly Memorandum No. AM 9-2007.

64
65 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
66 Public Hearing and called the Question.

67
68 Ms. Jennings moved, to approve AR 2007-9,
69 Mr. Coffey seconded,
70 and the motion was passed, 11-0.

71
72 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
73 NAYES: None.

74
75 14.H. Resolution No. AR 2007-10, a resolution of the Municipality of Anchorage appropriating \$1,000,000 as
76 a grant from the **Denali Commission** to the Areawide General CIP Fund (401) for the Girdwood
77 Community Center and Library construction project; Office of Economic & Community Development.

1 1. Assembly Memorandum No. AM 10-2007.
2

3 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
4 Public Hearing and called the Question.

5
6 Ms. Shamberg moved, to approve AR 2007-10,
7 Mr. Birch seconded,

8
9 Ms. Shamberg thanked the Denali Commission for the generous grant for Girdwood.

10 and the motion was passed, 11-0.

11
12
13 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
14 NAYES: None.

15
16 14.I. Resolution No. AR 2007-11, a resolution of the Municipality of Anchorage appropriating \$314,449 as a
17 grant from the **Rasmuson Foundation** to the Areawide General CIP Fund (401) for the Girdwood
18 Community Center and Library construction project; Office of Economic & Community Development.
19 1. Assembly Memorandum No. AM 11-2007.

20
21 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
22 Public Hearing and called the Question.

23
24 Ms. Jennings moved, to approve AR 2007-11,
25 Ms. Shamberg seconded,
26 and the motion was passed, 11-0.

27
28 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
29 NAYES: None.

30
31 Chair Sullivan returned the body to 14.A, to continue the Regular Order of the Day.

32
33 14.J. Ordinance No. AO 2007-2, an ordinance amending Anchorage Municipal Code Title 25 to add a new
34 chapter for the **Anchorage Museum at Rasmuson Center** and repealing Section 4.60.020, Historical
35 and Fine Arts Commission, retroactive to January 1, 2007; Office of Economic & Community
36 Development.
37 1. Assembly Memorandum No. AM 14-2007.

38
39 Chair Sullivan read the ordinance title and opened Public Hearing.

40
41 JOHN REEDER, Historic Fine Arts Commission Chair, testified the commission supported and recommended
42 approval. The ordinance was in accord with the agreement the Assembly had approved a year ago and would serve
43 the Museum well. To Ms. Jennings, Mr. Reeder responded that the Museum Foundation was formed to receive funds
44 and could receive donations under various conditions. Donations could be also made to the American Association of
45 Museums (AMA). The Anchorage Museum Collections Committee accepted donations of artwork or artifacts for
46 collections under specific requirements and standards. To Ms. Jennings, PAT WOLFE responded that the Municipality
47 owned the museum, the building and the property and held in trust the collections for the people of Anchorage.
48

49 With no additional public testimony, Chair Sullivan closed Public Hearing and called the Question.

50
51 Mr. Coffey moved, to approve AO 2007-2,
52 Mr. Tesche seconded,
53 and the was passed without objection.

54
55 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
56 NAYES: None.

57
58 Mr. Coffey moved, seconded by Mr. Traini, to Change the Order of the Day to take up 14.I. There were no objections.

59
60 14.K. Ordinance No. AO 2007-21, an ordinance authorizing a **purchase and sale agreement for the 4th**
61 **Avenue Theater**, located at 630 West 4th Avenue, Legal Description Lots 3 and 4, Block 41, Original
62 Townsite of Anchorage, excepting the East 5 Feet of the North 101 Feet of Lot 3 and the West 7.5
63 Feet of Lot 4, subject to obtaining tax credit financing; and assignment of the agreement to a single
64 purpose entity; Office of Economic & Community Development.
65 1. Assembly Memorandum No. AM 73-2007.
66 2. Information Memorandum No. AIM 23-2007, Request to **Postpone Indefinitely Action on AO**
67 **2007-21**; Mayor Begich. (**Laid on the Table**)

68
69 Mr. Birch had moved to accept AIM 23-2007, which had been seconded by Ms Ossiander. (*Clerk's Note: See 9.E.5*)

70
71 Chair Sullivan read the ordinance title and explained there would be Combined Public Hearing on the matters
72 concerning the 4th Avenue Theatre. (*Clerk's Note: See item 14.L for Combined Public Hearing and related debate*
73 *and action.*)

74
75 Mr. Tesche moved, to postpone indefinitely AO 2007-21,
76 Ms. Ossiander seconded,

77

1 Mr. Traini stated it was the Administration's intent to postpone this item, which he supported.

2
3 and this motion was approved without objection.

- 4
5 14.L. Resolution No. AR 2007-12, a resolution of the Anchorage Municipal Assembly appropriating
6 \$250,000 from the Historic Preservation Fund (Fund 740) for costs associated with the **4th Avenue**
7 **Theatre**; and appropriating a \$600,000 restricted contribution to the Anchorage Community
8 Development Authority (Fund 598) for costs associated with the 4th Avenue Theatre; Office of
9 Economic & Community Development.

- 10 1. Assembly Memorandum No. AM 12-2007.

11
12 Chair Sullivan read the titles of AO 2007-21 and AR 2007-12 in 14.K. and 14.L and stated the Assembly had
13 previously introduced and combined AIM 23-2007 with 14.K. He opened Combined Public Hearing on all items.

14
15 MALCOM ROBERTS, Senior Fellow at the Institute of the North, read a prepared testimony from Governor Hickel, in
16 support of saving the 4th Avenue Theatre. He described Anchorage as a diamond in the north, and the 4th Avenue
17 Theatre as a symbol and icon. It was vital that the Municipality take action to preserve and maintain it. Long-time
18 Alaskans understood the importance of retaining history wherever possible. Governor Hickel commended the
19 Administration and saluted the Rasmussen Foundation for stepping forward. The 4th Avenue Theater, an architectural
20 treasure, must not be lost. To Mr. Birch, Chair Sullivan responded the Captain Cook Hotel was not in the boundaries
21 of the Downtown Partnership.

22
23 ARLISS STURGULEWSKI supported the innovated plan, to save the 4th Avenue Theatre, which was a landmark in the
24 city. She supported other preserving valuable historic buildings, including the Pioneer School Building and the
25 Wendler Building now known as Club 25. She urged approval.

26
27 JUDY BITNER, Alaska Historian Preservation Officer with the Department of Natural Resources, testified in support of
28 the preservation of the 4th Avenue Theatre, which was a downtown landmark. The proposed financing and use were
29 sound. She wanted to add the 4th Avenue Theatre to the current list of five active historic buildings qualifying for
30 historic preservation tax credits.

31
32 VIVIAN MENDENHALL supported saving the 4th Avenue Theatre. Formerly from the East Coast, she understood the
33 important of historic preservation efforts.

34
35 GAVIN, a 10-year-old girl, liked the 4th Avenue Theatre and thought that it was important to save.

36
37 JANE ANVIK supported preserving the 4th Avenue Theatre. She was formerly with Friends of the 4th Avenue Theatre
38 and the Anchorage Historic Properties, and had worked save the theatre. Ms. Anvik supported the Mayor, the
39 Administration and the Rasmuson Foundation and requested guests in the audience to stand to show their support.
40 *(Clerk's Note: A large group, numbering over 50, stood in support.)*

41
42 JANET McCABE formerly with Anchorage Historic Properties, supported the preservation effort of 4th Avenue Theatre
43 and the use of money appropriated from the Historic Preservation funds. She stated that many considered the art
44 deco structure Alaska's premier historic building and was the symbol of the heart of downtown and the icon of the city.

45
46 WAYNE CURLEY opposed the city's efforts to save the 4th Avenue Theatre and stated the voters of Anchorage voted
47 down the ballot proposition last April. He stated that no more city time and money should be spent on the matter. He
48 stated the theatre was very nice, but the theatre's artwork could be should be moved to the new convention center.

49
50 GARRET WONG, board member and representing the Downtown Partnership, urged support of the preservation
51 efforts and the proposed partnership. To Mr. Coffey, he responded that both the Rasmuson Foundation and Wells
52 Fargo had approved the partnership and acquisition. The total funding would be \$4.5 million. To Mr. Birch, he
53 responded the 4th Avenue was right in the middle of the Downtown Partnership boundaries. To Ms. Jennings, he
54 responded the Downtown Partnership was a 501-C3 non-profit organization and the collected money was used to
55 improve downtown. Mr. Wong responded their organization had been in contact with the Rasmuson Foundation. To
56 Mr. Coffey, he responded the Downtown Partnership had other sources of revenue aside from the Business
57 Improvement District. There were rumors of concerns from downtown businesses, but he emphasized how important
58 the restoration was to improve the district. The agreement with the Rasmuson Foundation was complex, but the
59 sources were reasonable and conservative. To Mr. Traini, Mr. Wong responded seventeen of the twenty-five
60 members had attended the Downtown Partnership Board Meeting when the partnership had been decided, with the
61 balance of members responding by email. They were requesting no city money outside of the proposed appropriation
62 and it was their intention to have the building declared tax-free. Ms. Ossiander stated she had talked with many
63 people who were worried that the city would somehow be involved. Mr. Wong responded they would not be asking the
64 city for any additional money and it was anticipated there would be minimal concern on the asbestos matter. He
65 understood the Assembly would have to approve a tax exempt status. Mr. Starr stated they had discussed the matter
66 and property taxes would remain. To Mr. Stout, Mr. Wong responded the liquor license was separate from the building
67 and not part of the deal. Chair Sullivan clarified that tax-exempt status was decided by the Municipal Assessor.
68 Downtown businesses paid additional property tax and the city contracts with the Partnership to manage the program.
69 Executive Director Downtown Partnership Becky Beck responded there was a majority approval on the resolution and
70 sales agreement. The Partnership had not had time to poll its members. A 10-year business plan was established,
71 which the board had reviewed and the basic concepts would work. Mr. Wong responded if there was not enough net
72 revenue, the building would be given back to the bank, but he was optimistic that the building would be utilized.
73 Heritage Land Bank Executive Director Robin Ward responded there were 2200 square feet in the Penthouse, 4000
74 square feet of office space and 4000 square feet of potential use in the basement. Mr. Wong responded renting out
75 space was not in conflict with other commercial businesses. Mr. Wong responded the Partnership would be working
76 with Anchorage Convention and Visitor's Bureau and SMG. Economic and Community Development Director Mary
77 Jane Michael responded that SMG was going to charge \$55, 000 per year for theatre management and marketing.

1 JEFF CLARK, with the Rasmuson Foundation, commended the Downtown Partnership for their support. He stated
2 that Mr. Wong was incorrect with the status of the Rasmuson Foundation having agreed to continue with the financing.
3 The Foundation had already spent \$20,000 of due diligence costs with the city, and because of the new deal, their
4 participation would be renegotiated and was subject to change. To Mr. Coffey, Mr. Clark responded that the original
5 special-purpose management agreement involved the Municipality as a 99% stakeholder for the duration of the loan
6 obligation. Now the Municipality was not involved at all, and their consideration of an agreement would start over
7 again. He responded their consideration of due diligence would not begin until the appropriations were approved that
8 evening. Ms. Jennings stated that she was disappointed. She appreciated what the Foundation needed to do and
9 hoped that it would come together. Chair Sullivan stated that it would be difficult for the Assembly to appropriate
10 money for a deal that did not exist. Mr. Clark responded that with the change the market plan may be reviewed, with
11 consideration of the theatre better served by a private provider instead of a nonprofit.

12
13 To Mr. Coffey, Mr. Clark responded that Mr. Gottstein appeared to be motivated to move forward with the deal. To Mr.
14 Traini, Ms. Michael responded that the \$600,000 was due to the Anchorage Community Development Authority, which
15 would make the contribution to the investment fund. It was critical to the success of the project to get approval on as
16 many funding sources possible. Postponing one would create a domino effect. Mr. Coffey, Chief Fiscal Officer Jeff
17 Sinz concurred with a conditional basis, if the revenue did not materialize as anticipated, there would be no
18 corresponding expenditures. Chair Sullivan concurred. Mr. Starr proposed putting the \$250,000 into an escrow fund
19 versus a general use fund for the possibility of the project. Mr. Clark concurred and responded their due diligence
20 process was supported privately.

21
22 BRAD SHOYER, Downtown Partnership member and business owner of residential rentals, opposed the Partnership
23 being involved with the preservation of the 4th Avenue Theatre. Businesses that were members of the Partnership
24 would end up paying.

25
26 NELSON PAIGE supported the restoration and agreed that preservation would enhance the economy development for
27 Anchorage. All partners needed to be comfortable with the changes. He urged support.

28
29 With no additional public testimony, Chair Sullivan closed Public Hearing and called the Question.

30
31 Mr. Coffey moved, to approve AR 2007-12,
32 Mr. Tesche seconded,

33
34 Mr. Coffey moved, to amend AR 2007-12 on Page 1, Lines 13 to 15 *by changing*
35 Ms. Ossiander seconded, to read: Section 2. That "upon receipt of" a SIX HUNDRED
36 and this was approved without objection. THOUSAND DOLLAR (\$600,000) restricted contribution "as
37 provided in the purchase and sale agreement, the funds"
38 shall be appropriated to the Anchorage Community
39 Development Authority (Fund 598) for costs associated with
40 the 4th Avenue Theater.;

41
42 To Mr. Starr, Mr. Sinz responded the funds would reside in a restricted municipal Historic Preservation Fund and the
43 Administration was comfortable with the current structure. The authorization would be established upon Assembly
44 approval for their specified purpose.

45
46 Mr. Starr stated that the memorandum indicated the appropriation would cover cost associated with purchase,
47 maintenance and renovations of the theatre. Mr. Sinz responded the city intended that during the interim period of
48 occupancy there may be some maintenance expenditures necessary with use of the historic preservation fund
49 appropriation. Restricting the money would limit those intentions and pre-closing costs.

50
51 Mr. Starr moved, to amend AR 2007-12 on Page 1, at the end of Line 11, *by*
52 Mr. Coffey seconded, *adding* to read: Section 2: That upon receipt of a SIX
53 HUNDRED THOUSAND DOLLAR (\$600,000) restricted
54 contribution as provided in the purchase and sale agreement
55 the funds shall be appropriated to the Anchorage community
56 Development Authority (Fund 598) for costs associated with
57 the 4th Avenue Theatre "and that no more than \$50,000 of
58 this appropriation shall be used for pre-closing costs."

59
60 Mr. Starr stated it was his intent to move this out of the public domain and into a private entity. The appropriation
61 allowed support and did not use taxpayer dollars.

62
63 and this was approved without objection.

64
65 To Mr. Traini, Municipal Attorney Jim Reeves responded the Municipality was not a party to the purchase and sale
66 agreement. The Municipality had no contractual obligation under the agreement. The Municipality would not be an
67 owner or an owner or member of the LLC.

68
69 To Ms. Ossiander, Mr. Sinz responded the process for determining the tax status of a property involved a
70 determination by the Municipal Assessor based on ownership and use. Non-profit organizations were also required to
71 complete an application, which was reviewed by the Assessor. Once ownership was obtained, the partnership would
72 determine if they wanted to apply for tax exempt status. He had requested the Assessor review the property to
73 determine if this property should remain tax-free. He had requested the Assessor to make a preliminary determination
74 of eligibility.

75
76 Mr. Birch supported the use of Historical Preservation Funds and no liability or risk to the Municipality and the
77 taxpayers. He had recently reviewed a rehabilitation cost analysis that indicated the project would cost between \$6

1 and \$8 million, which had been completed a month before the Assembly worksession, but was not made available to
2 the Assembly, which was a serious matter. The deal being a private matter would be a good investment.

3
4 To Mr. Coffey, Mr. Sinz responded the Assessor's assessment would available to the Assembly when it was
5 completed.

6
7 Mr. Traini stated that the Assessor's determination was absolute.

8
9 To Mr. Bauer, Mr. Sinz responded there were many businesses in the city that had been granted tax exempt status for
10 their property taxes, and gave examples.

11
12 Mr. Tesche recognized the work of the Administration staff and the Downtown Partnership for a job well done putting
13 together a very creative package with private sector and state grant funds. It was important to preserve the 4th Avenue
14 Theatre.

15
16 Mr. Coffey stated there were many who were interpreting what it meant when the voters had voted down using the city
17 bonds to pay for the 4th Avenue Theatre. He understood the property taxpayers did not want to be assessed for the
18 purchase. He was hopeful that the Rasmuson Foundation would remain at the table and fund the deal. The
19 Municipality was being supportive, allowing them to proceed with due diligence. He would support.

20
21 Mr. Traini stated that he would support AR 2007-12, as it exists, with the confirmation from the Municipal Attorney that
22 the city would not own the building and it would not come back to the city.

23
24 Mr. Starr stated that he would support the resolution. This business needed to be a private entity, functioning on its
25 own. The success would be conditioned on people being involved and using the facility, which was the message that
26 he had been receiving from community members and business owners. He had researched the State grant and it was
27 not created by property tax and supported its use, for this specific use.

28
29 Chair Sullivan stated that he supported the use of the historical preservation grant, but he thought the private sector
30 had not had the opportunity to be heard or considered to operate and manage the facility. He and everyone he talked
31 with agreed that the 4th Avenue Theatre needed to be preserved. The Downtown Partnership had become included at
32 the last minute and he concurred with Mr. Clark, that the deal had changed and the Rasmuson Foundation's
33 association would need to be reexamined. Nor did he support the ACVB operating the facility. Entities subsidized with
34 public money did not need to be in competition with private sector for the rental of office space. He opposed the
35 resolution.

36
37 Mr. Tesche stated that there would not be many more options for a better deal and he urged a YES-vote. Chair
38 Sullivan responded there had been no study and the private sector had not had the opportunity to be heard. He put
39 the Question.

40
41 and the main motion, as amended, was passed, 9-2.

42
43 AYES: Tesche, Shamberg, Starr, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
44 NAYES: Bauer and Sullivan.

45
46 Mr. Tesche moved for immediate reconsideration and urged a NO-vote.

47
48 Mr. Tesche moved, *for immediate reconsideration of AR 2007-12, as amended,*
49 Ms. Jennings seconded,
50 and this motion failed, 2-9.

51
52 AYES: Bauer and Sullivan.
53 NAYES: Tesche, Shamberg, Starr, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

54
55 Ms. Jennings moved, seconded by Mr. Tesche, to Change the Order of the Day to take up 14.J. and there were no
56 objections.

- 57
58 14.M. Resolution No. AR 2006-324, a resolution appropriating \$865,110 of Heritage Land Bank Fund
59 Balance (221) to the Heritage Land Bank Fund (221), Heritage Land Bank Department 2006 General
60 Government Operating Budget as a contribution to the Heritage Land Bank Capital Improvement Fund
61 (421) for land acquisition expense and appropriating \$1,635,320 of land sales proceeds revenue to the
62 Areawide General Fund (101), Heritage Land Bank Department 2006 Operating Budget for **land**
63 **acquisition expense**; Heritage Land Bank.
64 1. Assembly Memorandum No. AM 912-2006.

65
66 Chair Sullivan read the resolution title and opened Public Hearing. With no public testimony, Chair Sullivan closed
67 Public Hearing and called the Question.

68
69 Ms. Jennings moved, *to approve AR 2006-324,*
70 Ms. Shamberg seconded,
71 and the motion was passed, 11-0.

72
73 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
74 NAYES: None.

75
76 **15. SPECIAL ORDERS** None.
77

1 **16. UNFINISHED AGENDA** None.

2
3 **17. AUDIENCE PARTICIPATION**

4
5 PAUL D. KENDALL recommended creating an opportunity for the general public to participate in open, free speech.
6 He proposed a business plan, with use of Municipal capital, to use the Marston Theatre one day per week, allowing a
7 person the opportunity to speak publicly for 20 minutes on Channel 10.

8
9 **18. ASSEMBLY COMMENTS**

10 Mr. Birch distributed copies of an email from Anchorage Fire Chief Craig Goodrich on the Fire Department's priorities
11 of locating sites for fire stations. His district had interest in an additional station in the vicinity of DeArmoun Road.

12
13 Mr. Bauer introduced two foreign exchange students attending East High School, including Julano Gomez from
14 Columbia and Siorta Inuvnalao from Uzbekistan, sponsored by Linda Hunter. To Chair Sullivan, both girls thanked the
15 Assembly for the recognition and responded they had not seen snow before they came to Anchorage.

16
17
18 **19. EXECUTIVE SESSIONS** None.

19
20 **20. ADJOURNMENT**

21 Chair Sullivan called for a motion to adjourn the meeting.

22
23
24 Mr. Traini moved, to adjourn the Regular Assembly Meeting,
25 Mr. Coffey seconded,
26 and this motion was passed.

27
28 AYES: Tesche, Shamberg, Bauer, Starr, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

29 NAYES: None.

30
31 The Regular Assembly Meeting was adjourned at 10:30 p.m.

32
33
34
35
36 *See Archived Document for signatures*

37
38 _____
39 DAN SULLIVAN, Assembly Chair

40 ATTEST:

41
42
43
44 *See Archived Document for signatures*

45
46 _____
47 BARBARA GRUENSTEIN, Municipal Clerk

48 Date Minutes Approved: March 27, 2007.

49 MC/BG

50
51 *(Copies of Approved Meeting Minutes are available from the Municipal Clerk's Office, 632 West 6th Avenue, Suite 250, Anchorage,*
52 *Alaska, (907)343-4505, or on the Municipal Web Site, www.muni.org ~Assembly~Minutes~year~month~day)*

53
54
55