

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2013-127

Title: **AN ORDINANCE APPROVING ACQUISITION OF REAL PROPERTY AT 4551 AND 4571 FAIRBANKS STREET FOR A PURCHASE PRICE NOT TO EXCEED TWO MILLION THREE HUNDRED THOUSAND DOLLARS (\$2,300,000) PLUS CLOSING COSTS; WAIVING THE PUBLIC FACILITY SITE SELECTION REQUIREMENTS OF TITLE 21; AUTHORIZING AND APPROPRIATING AN INTER-FUND LOAN FROM THE HERITAGE LAND BANK FUND (221) IN AN AMOUNT NOT TO EXCEED ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$1,700,000) TO THE EQUIPMENT MAINTENANCE OPERATING FUND (601); AND APPROPRIATING SAID FUNDS AND SIX HUNDRED THOUSAND DOLLARS (\$600,000) FROM THE EQUIPMENT MAINTENANCE OPERATING FUND (601), UNRESTRICTED NET ASSETS ACCOUNT, TO THE EQUIPMENT MAINTENANCE CAPITAL FUND (606), ALL WITHIN THE PUBLIC WORKS DEPARTMENT.**

Sponsor: **MAYOR**
 Preparing Agency: Real Estate Department
 Others Impacted: Public Works - O&M

CHANGES IN EXPENDITURES AND REVENUES:		(In Thousands of Dollars)			
	FY13	FY14	FY15	FY16	FY17
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor ¹		49.3	49.3	49.3	59.3
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	0.0	49.3	49.3	49.3	59.3
Add: 6000 Charges from Others		-124.2	-124.2	-124.2	-124.2
Less: 7000 Charges to Others					
FUNCTION COST:	0.0	-74.9	-74.9	-74.9	-64.9
REVENUES ² :	0.0	52.5	0.0	0.0	0.0
CAPITAL:					
POSITIONS: FT/PT and Temp					

¹ These expenses represent interest payments and maintenance costs.

² These revenues represent forecasted lease payments from two other existing tenants.

PUBLIC SECTOR ECONOMIC EFFECTS:

Annual interest payments are subject to the General Cash Pool Rate of Return plus 1/2%. Annual principal payments are expected to be \$85,000. Annual operations and maintenance costs are forecasted to be \$29,300. The existing lease payment of \$124,163 will be extinguished upon purchase of the property.

PRIVATE SECTOR ECONOMIC EFFECTS:

Purchase of MOA maintenance/tire shop will place it under municipal ownership and management.