



# Municipality of Anchorage



MAYOR DAN SULLIVAN  
State of City Address





"We will continue to provide reliable and affordable public services so all of our residents can enjoy Anchorage's great quality of life."

Mayor Dan Sullivan

*Dan Sullivan*



MAYOR DAN SULLIVAN  
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# Financial Report Highlights

- **Four Consecutive Years with Budget Surplus**
- **Maintained Upgraded AA+ Bond Rating**
  - Achieved in 2012- One of Few Cities to Receive Upgrade
- **MOA Trust Fund Earned 12.98%**
  - 12 Months through 6/30/12
  - Beat All Other Major Alaska Investment Funds



# Financial Report

## 2014 Budget



### **Proposed 471 Million**

- Down 5 Million from 2012
- Efficiencies Showing Results
- Fewer One Time Expenses-Paid From Budget Surplus

### **Property Taxes**

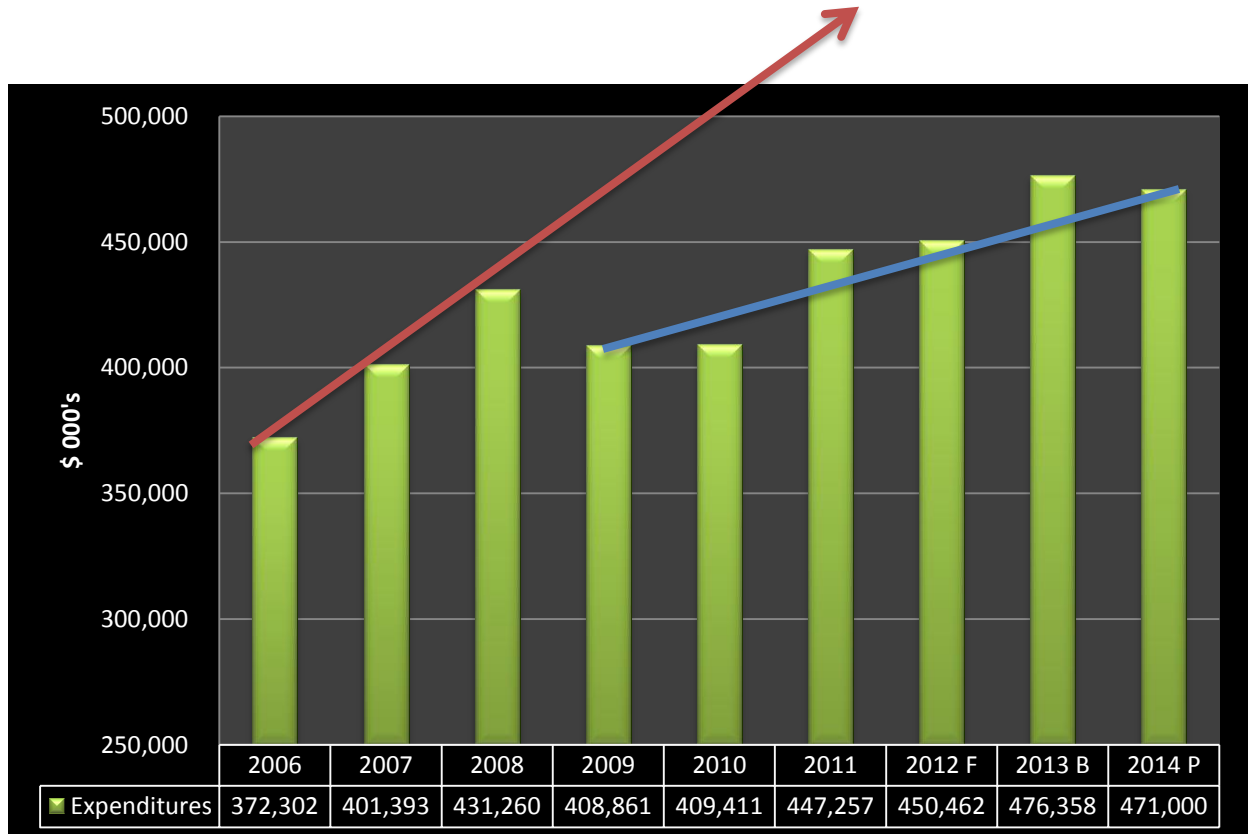
- 1.6% Increase

Other Revenue Sources Down



# 2007 to 2012 Historical Expenditure Trends \*

## General Government



- Budget Grew \$142M from 2003 (\$89M) to 2008 (\$431M)
- Budget Grew Only \$40M from 2008 to 2014(proposed)



# 2010 to 2013 Property Tax Cap Impacts





# Property Tax Relief

- **Debt Refinancing**

- \$27 Million in Savings

- **Restoring Tax Cap**

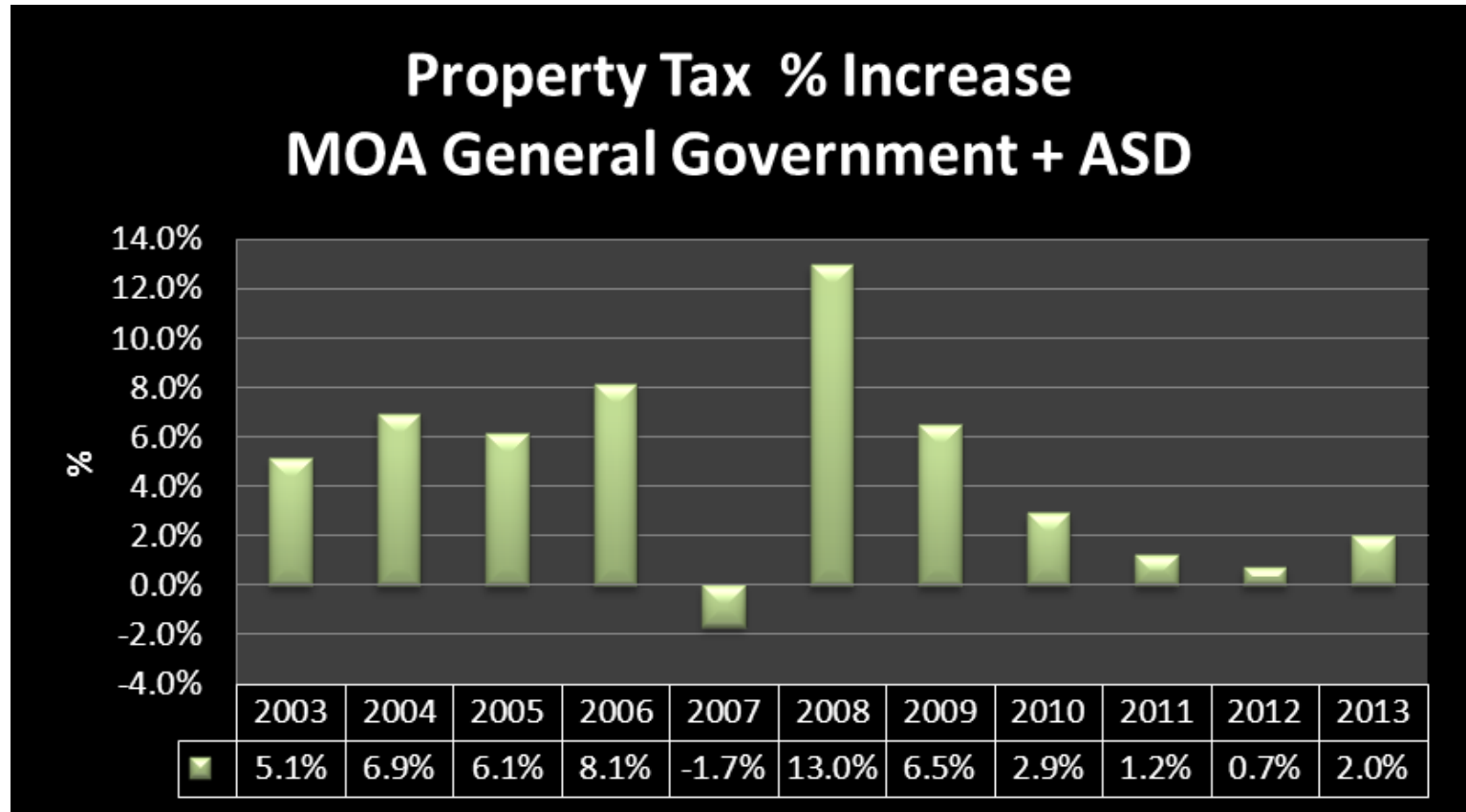
- Utility Payments Back Under Cap
  - \$61M in Property Tax Replacement

- **Taxing Below the Cap**

- 21 Million Since 2010 Permanent Tax Relief
  - 2012 Ordinance Restores Practice of Calculating Following Years Tax Cap With What Was Actually Collected, Not What Could Have Been Collected.

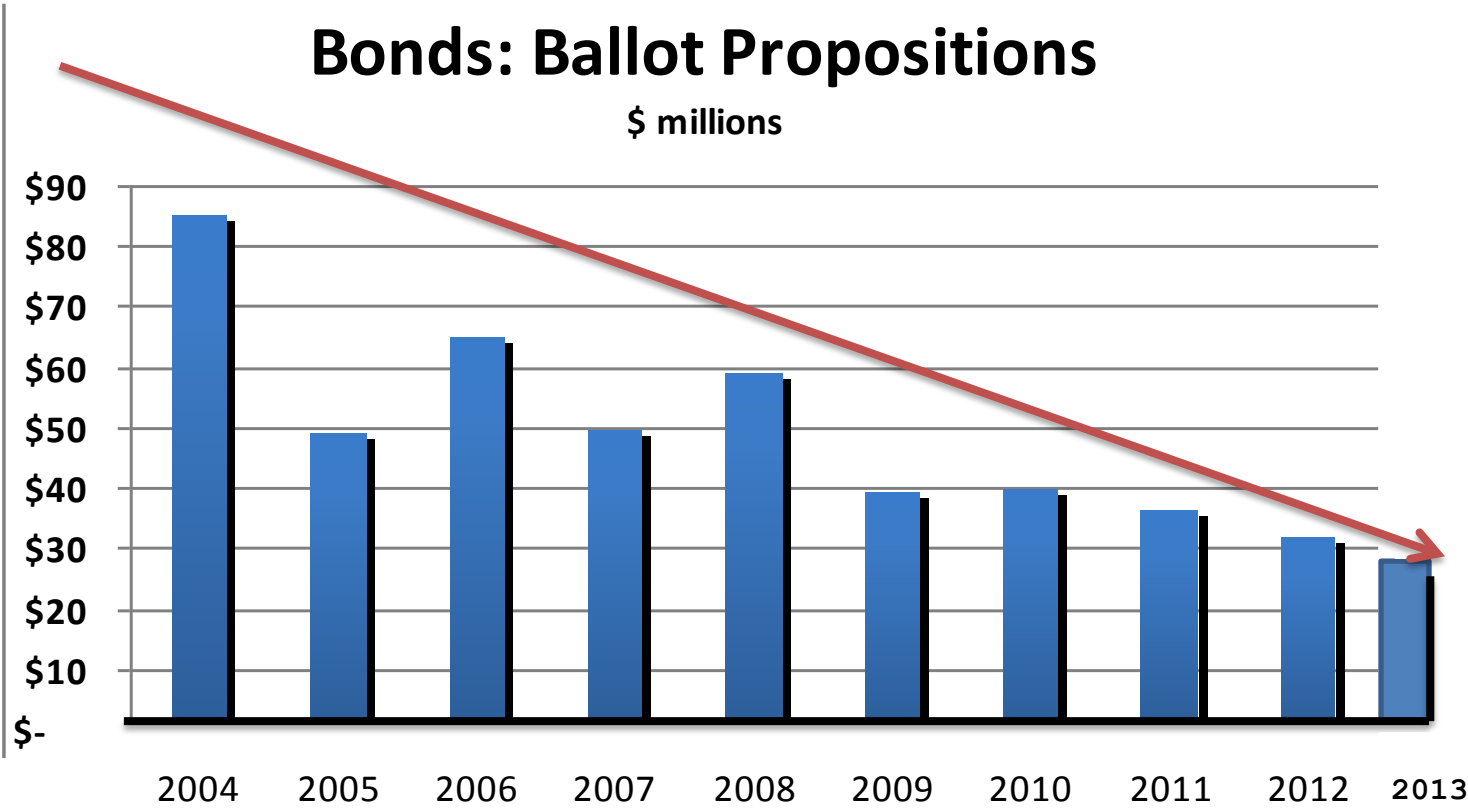


# Total Property Tax (MOA+ASD)





# Goal: Decreasing New Debts



# Capital Budget 2013 Highlights

## State of Alaska \$143 Million Total

- Project 80's \$37M
- UMED Northern Access \$20M
- O'Malley Road Reconstruction \$20.5M
- South Central Tactical Range \$5M
- Pavement Rehab Matching Program \$3M

## Local Bonds-ALL Bonds Approved!

- \$20.5M Road & Drainage
  - Pavement Rehab Matching Program \$4M
  - Pedestrian Safety Rehab Program \$1M
  - Flooding Glaciation and Drainage Matching Program \$3M
  - ARDSA Storm Drain Rehab \$1M
  - ARDSA Road and Drainage System Rehab \$1M
  - Recycled Asphalt Pavement (RAD) \$1M
  - Street Maintenance Heavy Equipment \$1M
- \$2.5M Parks & Recreation
  - Veterans Memorial, Trail Bridges, Park Upgrades, Tennis Court Replacement
- \$2.6M Area wide EMS, Public Safety, Public Transportation
  - Bus Stop Improvements, Ambulance Replacement, Para Transit Vehicles, etc.



# Public Safety: Anchorage Police

- Crime Has Declined Three Consecutive Years 2009-2011
- 2012 Statistics Still Analyzed –Trending Upwards.
- Fewer Crimes Reported in 2012 than 30 years ago.
- Ongoing Police Academy
  - 19 New Recruits Starts Nov. 4
  - 28 person Academy scheduled for May 2014
- 2014 Police Academy in Budget New Equipment: Tasers, Cameras, Computers
- Tactical Range: \$5M Funded in 2013 (\$8.2M total, need \$11M)
- Tobacco Tax Evasion Case Approximately \$1.3M
- Rollins, Keyes and Mora-Lopez brought to JUSTICE



Making Anchorage Safe

# Public Safety: Anchorage Fire

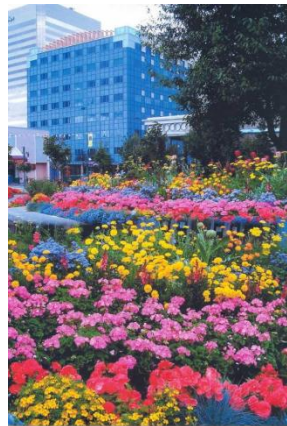
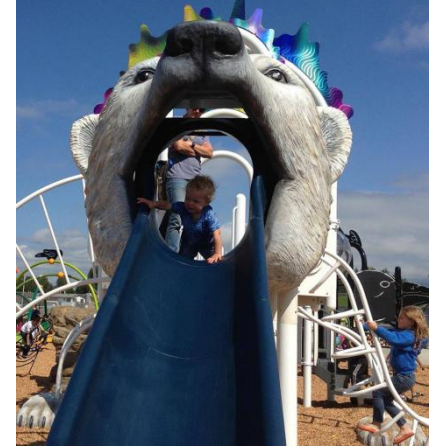
- Concluded 2011 SAFER Grant that paid for 26 firefighters and 3 Safety Officers reducing our overtime costs
- Applied for 2013 SAFER Grant for 10 additional firefighters with anticipation of reducing our overtime costs
- Opened rebuilt Fire Station 5 in Spenard
- Replaced 3 ambulances at Fire Station 12 at Dimond and Old Seward, Fire Station 7 in Jewel Lake and Fire Station 3 in Airport Heights
- Added 2 Personal Water Rescue Craft for Cook Inlet Water rescues
- New Stations in 2014: Huffman, Apt Heights, Mt. View





# Parks and Recreation: 2013 Highlights

- 7 Miles of Coastal Trail Re-Paved
- More than 40 Park Improvements Projects (more than \$6 million dollars), leveraging a combination of public and private investments
- Includes 6 renovated playgrounds, 2 of them are 100% accessible
- Funding for Non Profit Recreation Facilities
  - New YMCA Pool \$6 Million
  - Boys and Girls Club \$2.3 Million
  - Multi Use Sports Facility for Tennis, Volleyball, Basketball
  - Nordic Ski Club \$900k
- Fenced the Arctic Benson dog park, will install safety fencing at Connor's Bog Dog Park next
- Ice Rink Assessments Complete- Repairs in 2014 including dashers, glass and refrigeration systems.



Get Out and Play

# Economic Development

- \$19M New office building at International & C Street
- \$18.4M New Cabela's sporting goods store
- \$17.4M New UAA Engineering & Industry building
- \$15.6M in renovations to Alaska Regional Hospital
- \$15.4M Parking garage for Alaska Native Tribal Health Consortium
- \$15.2M TDX Aviation Park
- \$11.8M Remodel UAA Beatrice McDonald Hall
- \$11.1M Townplace Suites (being built behind Embassy Suites)
- \$11.1M Providence Transitional Care
- \$10.1M New Blood Bank of Alaska building



Bass Pro Shops  
Glenn Square



Blood Bank of Alaska



TDX Aviation Park



Steadily Growing



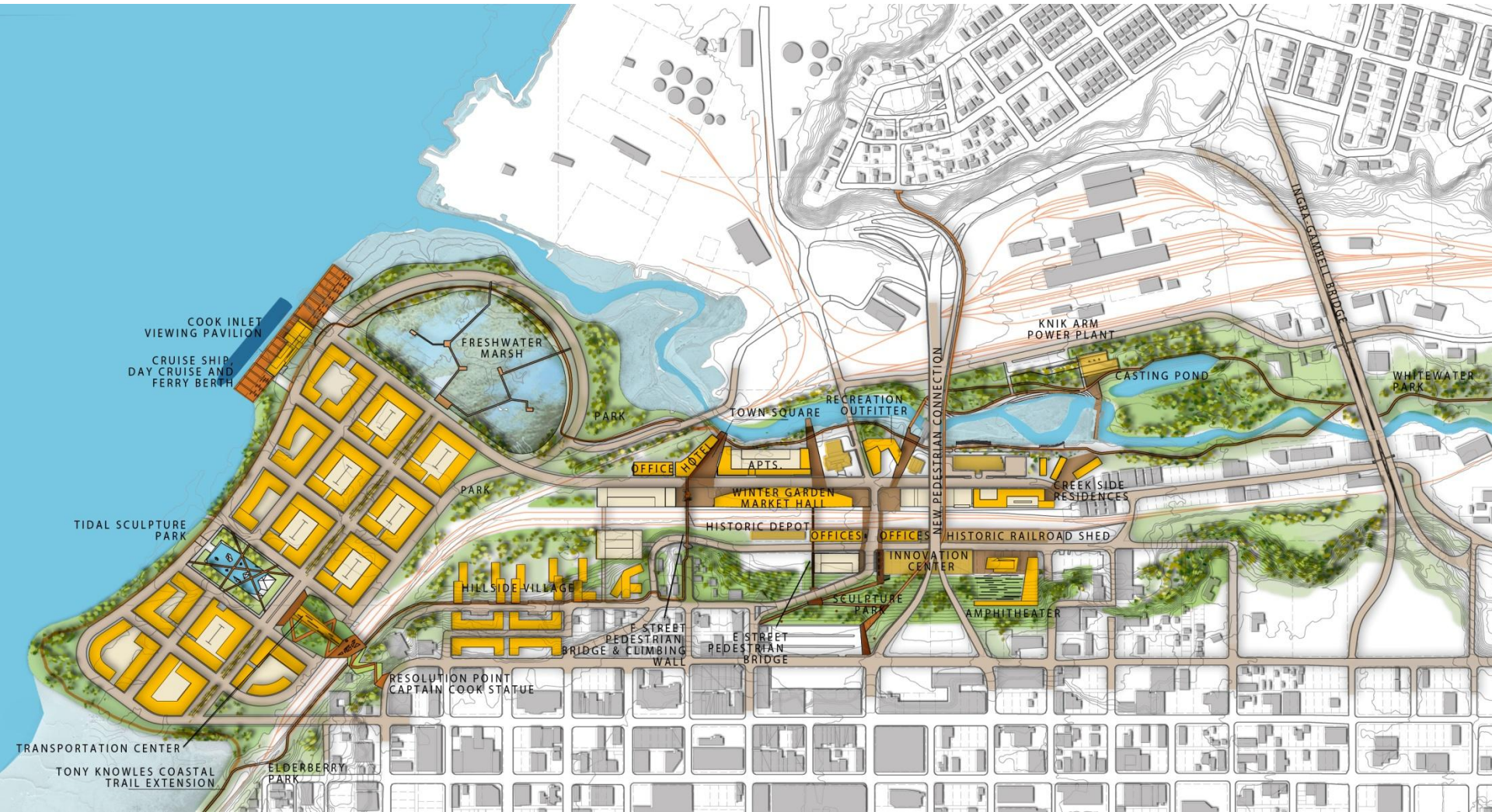
# Ship Creek Planning



Economic Development



# Ship Creek Final Concept



Economic Development



# Ship Creek Waterfront



Economic Development

# 49<sup>th</sup> State Angel Fund

- \$13.2M allocation from US Treasury
- Has committed \$2.09M of investment, including:
  - \$2M into the Anchorage Opportunity Fund
  - \$90,000 into mobile medical app CallDr
- \$8.2M of additional investments recommended & now in due diligence
- Final Round Application Period: Aug 1 – Oct 27



Get information, propose funds, apply for startup financing

[www.49saf.com](http://www.49saf.com)



# Anchorage Centennial

Anchorage celebrates its 100 year anniversary in 2015, and a host of over 100 events will fill 2013-2015.



Susan Duck, Director

[ducksl@muni.org](mailto:ducksl@muni.org)

[www.anchoragecentennial.org](http://www.anchoragecentennial.org)

907-343-7112

## Legacy Projects:

- **Anchorage Centennial Book** by Flip Todd Communications
- **Documentary film** by Alaska Video Postcards team, including John Tracy and Emmy award-winning broadcast journalist John Larson.
- **Anchorage Centennial App & Online Archive** created by Alaska Channel
- **Community Grants** cycle open September 15<sup>th</sup>.



FROM TENT CITY TO INTERNATIONAL METROPOLIS





# Centennial Museum Exhibits



## **2013 Arctic Flight:**

100 Years of Alaska Aviation (exhibition) and Alaska and the Airplane: A Century of Flight (publication)

## **2013-2014 Dena'inaq' Huch'ulyeshi:**

The Dena'ina Way of Living, the first comprehensive exhibition and publication about Dena'ina Athabascan people

## **March-August 2015 Arctic Ambitions:**

Captain Cook and the Northwest Passage

## **1915/2015**

A large-scale exhibition, which will look at the history of Anchorage through artwork, objects, historical photographs and artwork from the Museum's collection.

Susan Duck, Director

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[www.anchoragecentennial.org](http://www.anchoragecentennial.org)

907-343-7112



FROM TENT CITY TO INTERNATIONAL METROPOLIS



# Olympic Winter Games Exploratory Committee

Comprised of experts, leaders and visionaries from our community, the committee is tasked with assessing the feasibility of a host city bid for the **2026 Olympic Winter Games**.

- Identify **financial, logistic and operational** issues
- Examine **challenges and opportunities**
- Measure potential **economic and community impact**
- Report findings for **decision on path forward**

## Lengthy Bid Process

- 2 year process to the United States Olympic Committee
- 9 year process to the International Olympic Committee
- Tokyo Awarded 2020 Summer Games



Learn more at [www.muni.org](http://www.muni.org)



# Education Summit Follow Up

- The Summit was an initiative to improve education performance for all students in Anchorage public schools
- Education Summit: 2012-2012
  - Meetings with Teachers, Civic Leaders, Lawmakers.
- Oct. 2012 Non-Profit formed Education Matters, Inc.
- April 2013: Great Teacher Colloquium
- Presentations by:
  - Pasi Sahlberg, Master of Education, Finland
  - El Ling Low, Singapore



View reports online:  
[www.anchorage-education.com](http://www.anchorage-education.com)



Education Matters

# Homelessness Relief & Advocacy

- Issues Related to Homelessness – DHHS continues to act as lead
- Mayor’s Kitchen Cabinet on Homelessness
  - Two Task Forces – Housing and Substance Abuse Treatment
- Expanding Cold Weather Shelter Program
- Community Development Block Grants (CDBG)
  - Brother Francis Shelter – Provided \$30K
  - Covenant House
  - Clare House
- Continued Clearing of Illegal Camps
- Karluk Manor
- Other Recent Community Collaborations Include:
  - Project Homeless Connect
  - Change for the Better Campaign
- AFD, APD, and Anchorage Safety Center Dispatch all calls now route through 911 for prioritization and correct resource dispatch



Join and Help



# Sales Tax Community Discussions

## Do you want a sales tax?

- 4 Previous attempts on ballot
- 9 civic groups interviewed during summer



## Join in, share your thoughts.

- Tuesday, Oct. 29 - Anchorage Senior Center
- Wednesday, Oct. 30 - Eagle River Lions Club
- Wednesday, Nov. 13 - Bayshore Club House
- Thursday, Nov. 14 - Embassy Suites



Your Voice, Your Future.

# Energy Solutions

- **Energy Watch campaign**
- **Critical legislation**
  - HB280 Natural Gas Storage
  - SB309 Cook Inlet tax credit
- **Cook Inlet Renewal**
- **Gas Storage**
- **Smaller independent companies finding gas now!**
- **Export**
- **Agrium**



# Southcentral Power Project

May 9, 2013



The Southcentral Power Project (SPP) is a very efficient, 183-megawatt, gas-fired power plant built by Chugach Electric Association and Municipal Light & Power. Chugach owns 70 percent of the plant and ML&P 30 percent. It is the state's most efficient gas-fired thermal power plant serving electric utility customers.

Solid Waste Services won the Solid Waste Association of North America (SWANA)  
2012 Silver Award for Landfill Gas Utilization





# Challenges Ahead

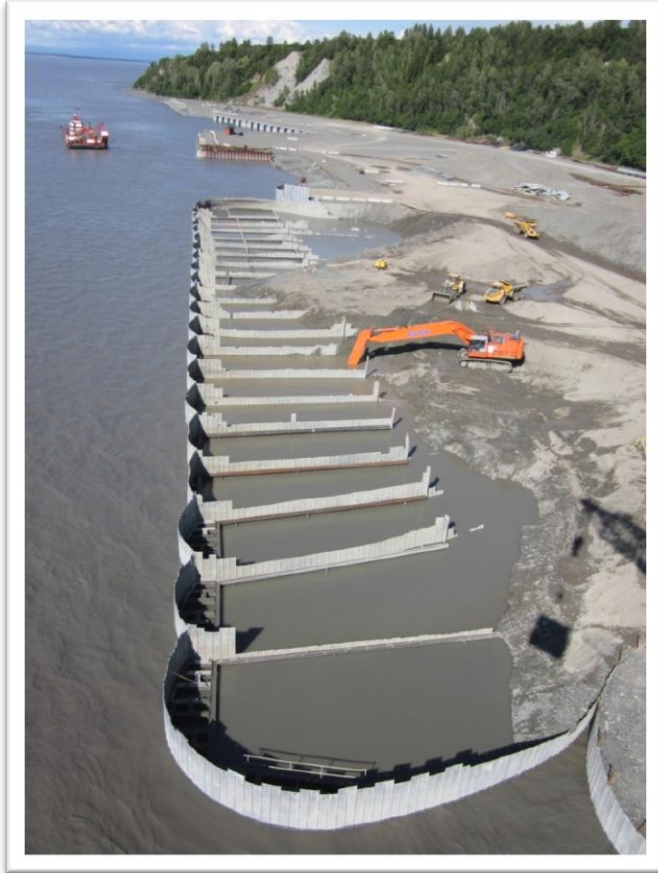
## Implementing a New Operating System

- **SAP Selected through RFP**
  - **World Leader in Operating Systems**
- **Implementation behind schedule but within budget**
- **Currently \$15M investment**
- **Replacing PeopleSoft (Defunct System)**
  - **Implementation cost \$18M 15 years ago**
- **Targeting May 2014 to go live!**



# Port of Anchorage

## Alaska's Lifeline



### The Path Forward:

- DOT Inspector General report shows that the Maritime Administration (MARAD) failed to properly manage the project. MARAD will not manage project going forward.
- Forensic Audit of the port design confirms CH2MHILL analysis that the open cell sheet pile is inappropriate for the Port Intermodal Expansion Project (PIEP).
- RFP for new project management team to oversee future final design and construction.
- Financing the Project: \$130M in hand.
- Meeting with federal, state and local leaders to review funding options.



# AO 37: The Responsible Labor Act

- Passes Assembly March 28, 2013
- Sets New Parameters for Labor Negotiations
- Standardized Benefits
  - Overtime
  - Holidays
  - Health & Benefits Plans
- Eliminate Right to Strike
  - No Binding Arbitration
  - Managed Competition (Not Privatization!)
  - Eliminate Performance Incentive Pay (PIP)
  - Union Work Paid by Union Dues, Not Taxpayers
  - Total Compensation Limited to CPI plus 1%





# AO 37: The Responsible Labor Act

## Referendum

- Court Said Signatures can be Collected
- Opens Up Possibility of Other Similar Efforts

## Initiative

- Eliminates Dues Check Off



# Anchorage Accolades

## 9<sup>th</sup> Best Place to Live 2013

Based on good jobs, reasonably priced homes, decent schools, great healthcare and a manageable size. (Kiplinger.com)

## 5<sup>th</sup> State with Highest Rate of Entrepreneurial Activity

Based on yearly national survey of adults aged 20 to 64 who start a business each month with 15 or more hours worked. (Kauffman Index)

## #12 Best Midsize City for Jobs 2013

Unemployment rate is 4.7% while the national unemployment rate is 7.3% (Forbes.com)

## Alyeska Resort

#2 Top 25 Ski Resorts in the World  
(Snow Addicted)

#9 Top 10 Bike Parks in North America  
(Cycle Brains)



Anchorage is Amazing

# State of the City

- Financially Sound
- Well Maintained
- Vibrant Economy
- Challenges into Opportunities



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Thank You

