

ANCHORAGE, ALASKA
AO No. 2025-117

AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE A BALLOT PROPOSITION AMENDING THE ANCHORAGE MUNICIPAL CHARTER TO ADOPT A TWO PERCENT (2%) TAX TO FUND PUBLIC INFRASTRUCTURE AND CAPITAL IMPROVEMENTS TO SUPPORT HOUSING CONSTRUCTION AND CULTURAL AND RECREATION FACILITIES, AND TO PROVIDE FOR APPROVAL BY A MAJORITY (FIFTY PERCENT PLUS ONE) OF QUALIFIED VOTERS VOTING ON THE QUESTION.

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Pursuant to state law and the Anchorage Municipal Charter, a ballot proposition in substantially the same form as appears in Section 2 below shall be placed on the ballot and submitted to the qualified voters of the Municipality at the regular municipal election to be held April 7, 2026.

Section 2. A ballot proposition shall be presented in substantially the following form:

PROPOSITION NO. __

CHARTER AMENDMENT TO AUTHORIZE AN ADDITIONAL 2% TAX TO THE HOTEL, MOTEL, AND BED AND BREAKFAST ROOM TAX.

The proposed Charter Amendment would authorize and enact an additional two percent (2%) hotel, motel, and bed tax within the Municipality of Anchorage, in addition to any other room tax applied to such transactions, which is currently a 12% tax. The proceeds of this additional tax would be dedicated equally to funding public improvements supporting housing construction (1%) and cultural and recreational facilities (1%).

The Anchorage Municipal Charter section 14.05. would be amended as follows (additions shown in underline and bold, deletions indicated by ~~[brackets, strikeouts in bold]~~):

Section 14.05. Hotel, motel and bed and breakfast room tax.

A. There is hereby levied a tax on all hotel, motel and bed and breakfast room rents in an amount equal to four percent of the room rent paid to an operator.

1. Revenues received from this tax are dedicated to financing the design, site acquisition,

construction, landscaping, bonded debt service or lease payments, carrying costs, and operation of a new civic and convention center, including parking facilities and renovation and operation of the existing Egan Civic and Convention Center.

2. If bonds are issued to finance the acquisition and construction of a new civic and convention center, the revenue derived from this tax shall first be used to pay annual principal, interest and other carrying costs of said bonds, until such bonds are paid in full.

- 3[B]. The assembly shall enact such additional provisions, not inconsistent with this section, as necessary or desirable to implement this section. Such enactments may include provisions to terminate or reduce the tax upon payment of all bond principal, interest and carrying costs, and appropriation of tax revenues, if any, excess to payment of the principal and interest on the bonds and support for operation of the convention center.

B. There is hereby levied a tax on all hotel, motel and bed and breakfast room rents in an amount equal to one percent of the room rent paid to an operator. Revenues received from this tax are dedicated to:

- 1. Public infrastructure improvements to support construction of new, or rehabilitation of existing housing; and**
- 2. Grants or loans toward defraying capital costs for housing.**

C. There is hereby levied a tax on all hotel, motel and bed and breakfast room rents in an amount equal to one percent of the room rent paid to an operator. Revenues received from this tax are dedicated to operations, maintenance and capital improvements for cultural and recreation facilities.

If approved by more than 50% of the qualified voters voting on the question at the April 7, 2026 Regular Election, the Charter amendments will become effective January 2, 2027 after certification of the election.

Shall the Charter be amended as shown above and become law, authorizing a dedicated additional 2% tax on hotel, motel, bed and breakfast room transactions?

YES [] NO []

Section 2. The Charter amendments set forth in the proposition in Section 1 of this ordinance shall become effective January 2, 2027 after certification of the election, if and only if, said proposition is approved by a majority of the qualified voters of the Municipality voting on the proposition during the regular Anchorage Municipal election held on April 7, 2026. The remainder of this ordinance shall be effective upon passage and approval by two-thirds of the total membership of the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2025.

Chair

ATTEST:

Municipal Clerk