

*Postponed
indefinitely*

ANCHORAGE, ALASKA
AO NO. 2000-136

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING
ANCHORAGE MUNICIPAL CODE SECTION 10.45.050 REGARDING SURCHARGES
ON TICKETS SOLD AT THE GEORGE M. SULLIVAN SPORTS ARENA

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1: That Section 10.45.050 of the Anchorage Municipal Code is amended
to read as follows:

A. There is hereby imposed upon every person who pays an admission charge to
any amusement, entertainment or event held in the George M. Sullivan Sports Arena for
which a firm booking was made after December 31, 2000, a surcharge as follows:

1. A \$1.00 surcharge for all tickets issued to a spectator event, except for
promoter comps at a number equal to 2% of building capacity for the
event, and except for trade shows and family shows;
2. A \$0.50 surcharge for all adult tickets issued for family shows. Family
shows are defined as events that are expected to be attended by at
least one-third children, and have discounted (or free) admission for
children 12 and under. No surcharge shall be assessed against
children's tickets to family shows;
3. A \$0.50 surcharge against the drop count and/or attendance at non-
spectator and trade show events. For religious and educational events,
the surcharge will be capped at \$500.00;
4. Waive surcharge on children attending family shows (as identified in #2
above), and for all participants in Sullivan Arena youth camp activities.

[DECEMBER 31, 1985, A SURCHARGE OF \$0.25 ON TICKETS WITH A SALES PRICE
OF \$10.00 OR LESS, AND \$0.50 ON TICKETS WITH A SALES PRICE IN EXCESS OF
\$10.00.] Every person receiving an admission charge upon which surcharge is imposed
under this section shall collect the amount of surcharge imposed upon the person paying
an admission charge. The surcharge shall be deemed to be held in trust by the person

required to collect the surcharge until remitted to the municipality as provided by regulation. The surcharge imposed under this section shall be collected at the time the admission charge is paid **or at the time of event settlement when no admission is paid.**

B. The director of property and facility management shall, subject to section 6.30.060, be responsible for carrying out and enforcing the payment, collection and remittance of the surcharge imposed in this section.

C. **The surcharge collected under subsection A. shall be distributed to capital and operating accounts as follows:**

1. Fifty percent shall be distributed to the Sullivan Arena Capital Reserve Fund; and

2. Fifty percent shall be distributed to operational revenues.

[ALL FUNDS COLLECTED UNDER THIS SECTION SHALL BE CONSIDERED MISCELLANEOUS REVENUES OF THE MUNICIPALITY, AND NOT REVENUES OF THE GEORGE M. SULLIVAN SPORTS ARENA.]

Section 2: Upon passage and approval, this ordinance shall be effective January 1, 2001

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2000.

Chair

ATTEST:

Municipal Clerk



MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM
NO. 789-2000

Meeting Date: AUGUST 29, 2000

From: Assemblymember Fairclough
Subject: REVISION OF THE USE POLICIES AT THE GEORGE M. SULLIVAN
SPORTS ARENA SPECIFICALLY RELATED TO INCREASES IN USE
FEES AND TICKET SURCHARGES

The two ordinances, AO 2000-136 (amending AMC 10.45.050) and AO 2000-137 (amending AMCR 25.11), modify the fee structure at the George M. Sullivan Sports Arena.

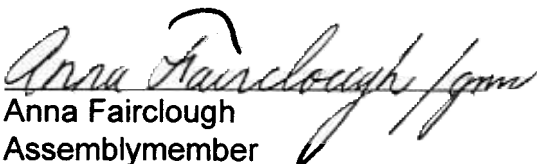
The fees at the George M. Sullivan Sports Arena have not changed since the Arena opened in 1983. During the first 17 years of Arena operations, the original fee structure was adequate because revenues were increasing as a result of increasing business and the new facility required minimal major repair work.

Currently, the George M. Sullivan Sports Arena is fully utilized and in February entered its 18th year of operation. Since the Arena is at or near capacity, revenues are flat and are projected to remain so. This, combined with the fact that the facility is aging and requires increased levels of major maintenance projects, prompted the Arena staff and the Public Facilities Advisory Commission to recommend fee and surcharge increases at the Sullivan Arena. The combination of fee and surcharge increases proposed in these ordinance revisions would increase annual revenues by \$250,000 - \$300,000. This amount, along with current revenue generated by operations, is sufficient to fund an annual major maintenance and repair capital program of approximately \$450,000 per year, plus reduce the tax subsidy of the Sullivan Arena.

At a public hearing before the Public Facilities Commission, most users of the Arena expressed understanding of the need to increase the fees to cover additional facility costs.

In order to allow users time to plan for the proposed fee and surcharge increases, they would not become effective until January 2001.

Respectfully submitted,


Anna Fairclough
Assemblymember

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO 2000-136, Amending AMC 10.45.050, Sullivan Arena Ticket Surcharge
AO 2000-137, Amending AMCR 25.11, Sullivan Arena Use Policy

Sponsor: *Assemblymember Fairclough*

Preparing Agency: *Assembly Office* **Others Affected:** *P&FM*

CHANGES IN EXPENDITURE AND REVENUES (Thousands of Dollars)

Operating Expenditures	FY 94	FY 95	FY 96	FY 97	FY 98
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					
TOTAL DIRECT COSTS:					

ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
FUNCTION COSTS:					

REVENUES:					
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CAPITAL:					

POSITIONS: FT/PT and Temp.					

Public Sector Economic Effects:

According to P&FM, the revised surcharges and fees in these two ordinances will result in an estimated annual increase of \$250,000 - \$300,000 in revenues - to assist in funding annual major maintenance of the Sullivan Arena, plus reduce the tax subsidy of the Arena.

Private Sector Economic Effects:

Surcharge and fee increases will result in increased ticket costs and rental costs for events at the Sullivan Arena.

**Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
AGENDA DOCUMENT CONTROL SHEET**

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1	SUBJECT OF AGENDA DOCUMENT	DATE PREPARED 8-24-00
	AO 2000-136 Amending AMC 10.45.050 Regarding Surcharges on Tickets Sold at Sullivan Arena	INDICATE DOCUMENTS ATTACHED AO, AM, SEE
2	DEPARTMENT NAME Assembly	DIRECTOR'S NAME
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY	HIS/HER PHONE NUMBER
4	COORDINATED WITH AND REVIEWED BY	INITIALS
	Mayor	
	Municipal Clerk	
	Municipal Attorney	
	Employee Relations Director	
	Municipal Manager	
	Finance	
	Community Development and Planning	
	Property and Facility Management	
	Management Information Systems	
	Office of Management and Budget	
	Purchasing	
	Operations Manager	
	Cultural and Recreational Services	
	Fire	
	Health and Human Services	
	Police	
	Public Works	
	Transit	
	Merrill Field (Airport)	
	Municipal Light and Power	
	Anchorage Water and Wastewater	
	Port	
	Solid Waste Services	
5	SPECIAL INSTRUCTIONS/COMMENTS	
	7.B.3. Introduction	

AUG 24 PM 1:32
 M.O.A.
 CLERK'S OFFICE