

Failed 8/28/01

Submitted by: Chairman of the Assembly at  
the Request of the Mayor  
Prepared by: Department of Law  
For reading: July 10, 2001

ANCHORAGE, ALASKA  
AO NO. 2001-129

AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE TO ENACT A NEW  
SECTION 6.50.070 ESTABLISHING A TRUST FUND FOR PROPERTY TAX RELIEF.

THE ANCHORAGE ASSEMBLY ORDAINS

**Section 1.** Anchorage Municipal Code is hereby amended by adding a new section 6.50.070 to  
read as follows:

**6.50.070      Trust Fund for Property Tax Relief.**

There is hereby established the Property Tax Relief Fund as Fund 732 to receive, invest and account  
exclusively for the proceeds derived from the settlement of the Municipality's claim against the Bank  
of America, such other funds as the Assembly may, from time to time appropriate thereto, and the  
earnings on the corpus of such Fund. The corpus and earnings of the Property Tax Relief Fund shall  
be appropriated solely for property tax relief.

**Section 2.** This ordinance shall become effective immediately upon its passage and approval by  
the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Chair of the Assembly

ATTEST:

\_\_\_\_\_  
Municipal Clerk

AM 586-2001

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects - General Government**

AO Number: 2000-129 Title: An Ordinance Amending Anchorage Municipal Code to Enact a New Section 6.50.070 Establishing a Trust Fund for Property Tax Relief

Sponsor: Mayor

Preparing Agency: Office of Management and Budget

Others Impacted: Finance

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**CHANGES IN EXPENDITURES AND REVENUES:** (Thousands of Dollars)

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	FY01	FY02	FY03	FY04	FY05
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
<b>FUNCTION COST:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>REVENUES:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**CAPITAL:**

**POSITIONS:** FT/PT and Temp.

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**PUBLIC SECTOR ECONOMIC EFFECTS:**

The proposed ordinance creates a new fund into which certain revenues can be deposited so they are available to reduce the level of property taxes required to support the following year's budget. This ordinance has no direct economic effect on the public sector.

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**PRIVATE SECTOR ECONOMIC EFFECTS:**

The proposed ordinance creates a new fund that will be used to reduce the amount of property taxes the Municipality will need to collect. Low tax rates benefit the private sector as they serve as an incentive for economic development. Increased economic development that results in improved infrastructure broadens Anchorage's tax base, which results in an overall increase in property tax revenue to the Municipality.

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Validated by OMB:	<u>Cheryl Frasca</u>	Date:	<u>6/28/01</u>
Approved by:	<u>Cheryl Frasca</u>	Date:	<u>6/28/01</u>
	(Director, Preparing Agency)		
Concurred by:	<u></u>	Date:	<u></u>
	(Director, Impacted Agency)		
Approved by:	<u></u>	Date:	<u>7/6/01</u>
	(Municipal Manager)		