CLERK'S OFFICE AMENDED AND APPROVED Date: / - 9 - 0 /

Submitted by:

Chairman of the Assembly at the

Request of the Mayor

Prepared by:

Office of Management & Budget

For Reading: JANUARY 9, 2001

ANCHORAGE, ALASKA 1 2 AR 2001-3 3 4 5 A RESOLUTION ADOPTING THE 2001 LEGISLATIVE PROGRAM FOR THE 6 MUNICIPALITY OF ANCHORAGE 7 8 WHEREAS, the Municipality of Anchorage has developed an overall Legislative Program, and 9 10 WHEREAS, the Legislative Program was developed following the guidelines and 11 criteria established by the Assembly through the passage of Assembly 12 Resolution 2000-337, and 13 14 WHEREAS, the Anchorage Municipal Assembly has reviewed and approved 15 each element of the Legislative Program. 16 17 NOW, THEREFORE, the Anchorage Municipal Assembly adopts the 2001 18 Municipality of Anchorage Legislative Program. 19 20 PASSED AND APPROVED by the Anchorage Assembly this 9th day of 21 January____, 2001. 22 23 24 Von Gemninger 25 26 27 28 ATTEST: 29 30 31 32 33



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 12-2001

Meeting Date: JANIIARY 9, 2001

1	FROM-	MAYOR		
3	SUBJECT	2001 Legislative Progra	m	
4 5 6 7 8	riogram. The pr	sembly Resolution adop ogram has been prep embly Resolution AR 200	ared following the gui	001 State Legislative idelines and criteria
9 10 11	The 70/30 Capital September 26, 20 the Capital Budget	Project Matching Grant 00 and the remaining caprocess.	requests were approved apital grant requests we	by the Assembly on re approved through
12 13 14 15	A separate Federa	al Legislative priority list	will be presented to the	Assembly at a later
16 17 18 19	THE ADMINISTE	RATION RECOMMEND ADOPT THE 2001 LEGIS	OS APPROVAL OF SLATIVE PROGRAM.	THE ATTACHED
20 21	Concurrence.		Prepared by:	
22 23) EC	0.00	Floque	
24 25	Harry Kieling Municipal Manager		Tim Rogers Capital Budget Office	ar
26 27 28 29	Respectfully submit	ted,	p.var Badget Office	J.
30 31	George Wuerch Mayor	rel		

MUNICIPALITY OF ANCHORAGE 2001 LEGISLATIVE PROGRAM

TABLE OF CONTENTS

Page Reference	
<u>neierence</u>	PRIORITY LEGISLATIVE ISSUES
	Municipal Dividend Program
1-2	GARVEE Bonds
	Tax Increment Financing
	E-911 Surcharge on Wireless Telephones
1-5	Amend Public Employees Pension Plans to Limit Basis of Computation of Retirement Benefits to Base Pay: Exclude Overtime that Inflates Future Pension Benefits.
	State Sales Tax and Property Tax
1-7	Mandates Legislation
	FUNDING ISSUES
	Operating Budget
2-1	Human Services Community Matching Grant and AHFC Weatherization Programs
	Capital Budget
2-2	Capital Matching Grant Program
	School Construction Debt Reimbursement
	Alaska Department of Environmental Conservation Municipal Matching Grants Program
	Transportation Funding

2-6 Co-location of UAA Health Sciences & Department of Health and Human Services Feasibility Study

State Capital Project Grant Request List (Priority Order)

State Capital Project Grant Request List (By House District)

Capital Grant Requests – Project Descriptions

LEGISLATIVE LOBBYING ISSUES

Other legislative issues of interest and/or concern to the Municipality of Anchorage

TITLE: Municipal Dividend Program

The Municipality supports the creation of a Community Dividend Program to replace the existing Safe Communities and Revenue Sharing Programs.

The Safe Communities (formerly Municipal Assistance) and Revenue Sharing programs have been reduced virtually every year since 1986. In fact, the combined programs have received cuts totaling 82% during that period.

As proposed in bills filed last session by Senator Kelly and Rep. Moses, the Community Dividend Program would provide a stable, non operating budget source of funding to assist Alaska cities provide essential services such as police and fire protection, emergency medical services, health services and roads to their residents.

The formula for funding would be based on a per capita formula for services provided. Beyond a minimum entitlement, municipalities would only receive funding for actual services provided thus offering incentive for cities to provide basic services rather than relying on the State to provide them.

As proposed, the program would provide an average of \$150 per capita per year to offset taxes and/or provide additional services to Alaskans.

Finally, the proposal would shift the funding away from the operating budget; thus freeing up dollars currently devoted to Safe Communities/Revenue Sharing for other uses.

The Municipal Dividend Program will help solve a long-standing funding problem for Alaska's Municipalities.

Contact: Cheryl Frasca

Office of Management and Budget Director

TITLE: GARVEE Bonds

Grant Anticipation Revenue Vehicles (GARVEE bonds) are general obligation bonds which allow the State to complete road projects sooner than using the conventional pay as you go method. The bonds are repaid using future federal highway funds to repay the debt.

The Governor plans to introduce legislation which would authorize a ballot proposition to approve GARVEE bonds for Alaska including over \$149,000,000 of Anchorage projects. The Anchorage project list was prepared with the consultation and concurrence of the Municipality of Anchorage.

Among the projects for Anchorage are:

C Street Extension, Phase III, Dimond to O'Malley with interchange at O'Malley

Glenn Highway reconstruction, Gambell Street to McCarrey Seward Highway reconstruction with International Airport Rd. grade separation, 92nd Avenue grade separation

West Frontage Road extension, Dimond to O'Malley. High priority pavement management needs including:

Lake Otis - Abbott to O'Malley & Debarr to N. Lights Blvd.

Mt. View Drive - Commercial to Glenn Hwy.

9th Ave. – L to Ingra

Bragaw – Glenn Hwy to Debarr Spenard Rd. – McRae to Fireweed

Dimond Blvd., Jewel Lake to New Seward Hwy.

Northern Lights/Benson Blvds. - Forest Park to Lake Otis

Old Seward Hwy, Huffman Rd. to Potter Valley Rd.

A/C Couplet – 6th Ave. to 40th Ave.

Anchorage supports the authorization of GARVEE Bonds with the inclusion of these projects.

Contact: Howard Holtan

Municipal Engineer

TITLE: Tax Increment Financing

Tax Increment Financing (TIF) is a development tool designed to help finance certain eligible improvements to property in designated redevelopment areas by utilizing the new, or incremental, tax revenues generated by the project after completion.

When a TIF district is established, the tax capacity of the properties located within the district are "frozen." For the district's duration, which may vary, the property taxes resulting from any increase in the tax capacity above the frozen level are available to the city or redevelopment authority to help finance the redevelopment project costs.

TIF has been successfully used in many states including Washington, Illinois, Maryland, California, Colorado, Missouri. Minnesota, and the District of Columbia. Among the notable redevelopment projects which have employed TIF are the Inner Harbor, Baltimore; the Stockyards, Chicago; and the Johnson Street Quarry, Minneapolis.

The Municipality supports the necessary changes to AS Titles 18, and 29 to allow for the creation and implementation of local tax increment financing districts.

Moved to Part 3, Legislative Lobbying Issues by Assembly Amendment.

Contact: Tim Rogers

Legislative Program Coordinator

TITLE: E-911 Surcharge on Wireless Telephones

In 1993, Anchorage installed an Enhanced 911 (E-911) emergency system. This system provides faster response time, automatic routing to the appropriate emergency response unit, visual display of the location and calling telephone number.

Since the installation of the E-911 system, usage of wireless communication devices, such as cellular telephones has resulted in quicker notification of emergencies, saving lives and resulting in faster apprehension of criminals. Today, over 25% of all calls to 911 originate with a cellular phone.

As usage of wireless devices increases, so do the number of calls to 911. Often, multiple calls are received regarding the same incident. An automobile accident on a busy road may result in 25 or more calls to 911, for example. These multiple calls often clog the E-911 system making it difficult for other emergencies to be reported.

Since 1993 there has been a \$.50 per month surcharge in Anchorage for each local exchange access line to help pay for the acquisition, maintenance and operation of the Enhanced 911 (E-911) emergency service. Wireless phones are not subject to the surcharge.

The Municipality of Anchorage supports amending AS 29.35.131 to authorize a 911 surcharge on wireless phones. The revenue from this amendment would help fund additional staff and equipment needed to effectively handle the additional calls originating from wireless telephones.

Contact: Mark Mew

Acting Police Chief

Phone: 786-8552

TITLE: Amend public employees pension plans to limit basis of

computation of retirement benefits to base pay. Exclude

overtime that inflates future pension benefits.

The current definition of compensation for the Public Employees Retirement System allows for the use of overtime in the calculation of pension benefits.

This definition invites abuse of the system through the use of overtime loading to inflate an employee's high three years. Salaries have been inflated by as much as \$40,000 to \$50,000 per year in extreme cases through the use of overtime. For example, an employee who eams \$60,000 per year and retires after 20 years of service can expect to receive a monthly pension of approximately \$2,125.00. If this same employee receives \$40,000 extra in overtime payments each year for three high years, the monthly pension jumps to \$3,540.00.

There is little doubt the overtime abuse increases the long-term liability to the State in its retirement systems. The Municipality supports legislation amending AS 39.35.680(8) to exclude overtime from the definition of "compensation" for all new employees.

Contact: Dave Otto

Director, Employee Relations

TITLE: State Sales Tax and Property Tax

As State oil revenues decline, there is discussion about alternative revenue sources. Statewide employment, income, sales & use, and property taxes have all been mentioned as potential candidates.

Unlike the State, local government is limited in the type of tax revenues it can generate. Property, sales & use taxes are the primary methods allowed by State law to be collected by municipalities.

If a statewide sales & use or property tax was implemented, it could have serious detrimental effects on the ability of local government to generate enough revenue to operate effectively. Therefore, the Municipality will oppose any attempts to impose a statewide sales & use or property tax.

If it is determined that the State needs to develop alternative revenue sources, it is strongly recommended that it be accomplished is such a way as to not impede local government's limited ability to generate tax revenue.

Contact: Cheryl Frasca

OMB Director

TITLE: Mandates Legislation

The Municipality of Anchorage supports legislation (or a constitutional amendment) which would require the State to provide full funding for State mandated municipal activities or services.

The Municipality is concerned about the potential future escalation of unfunded State mandates resulting from the pressure of declining State revenues. Legislation is needed so that future Legislatures will be discouraged from unfairly burdening local government with unfunded State mandates.

The proposed legislation should also require a State government agency which unilaterally transfers responsibility for a program to a municipality or imposes regulations on a municipality to reimburse the affected municipality for the costs of the transferred responsibility or the regulations.

The Municipality also supports a local option section to be included with proposed legislation, which would allow a municipality faced with an unfunded mandate to decide whether it will provide the activity or service from local funds. Essentially, the unfunded mandate would become an authorization for a Municipality to provide a service or activity at whatever level it deems appropriate.

Contact: Tim Rogers

Legislative Program Coordinator

OPERATING BUDGET

TITLE: Human Services Community Matching Grant and AHFC Weatherization Programs

The Municipality supports funding for the Anchorage Human Services Community Matching Grant in the minimum amount of \$1.4 million.

The Human Services Community Grant from the State has become an important funding source for local non-profit organizations. Any cuts will put a severe strain on the Anchorage non-profit human services system at a time when the demand for service has increased. Furthermore, the persons served by these programs are generally those who can least afford to lose the services. They include low-income women, children, senior citizens as well as the homeless.

Utilization of non-profits is an efficient means of delivering needed social services. In most cases, non-profits can provide the service at a substantially lower cost than local or state governments can. As an added benefit, non-profits raise millions of dollars in local contributions and can often use state grant funds to leverage federal grant funds, which would not otherwise be available. Thus, it is important to ensure that the nonprofit system remains intact.

The Municipality also supports funding the AHFC Weatherization Program at the \$4 million level in addition to the \$1 million in Federal funds. This program helps the lowest income Alaskans reduce their energy bills while increasing the health, safety and comfort of their homes.

The AHFC's mission is to provide all Alaskans access to safe, quality, affordable housing. The ability to properly diagnose and correct problems (i.e. health issues related to under-ventilated houses or high moisture in attics and crawl spaces, backdrafting, combustion appliances, etc.) allows residents to remain in their homes when they may otherwise be displaced, requiring them to seek public housing or even become homeless. Correcting health problems permits residents to continue working and helps avoid costly doctor and hospital visits, often paid for by other government agencies.

Contact: Jewel Jones

Director, Department of Health & Human Services

CAPITAL BUDGET

TITLE: Capital Matching Grant Program

The Municipality's capital grant request reflects one or more of the following criteria: projects which substantially benefit all of Anchorage, emphasize public health and safety, provide our youth with positive recreational opportunities, produce net long term positive economic results, reduce or maintain current operations and maintenance costs, and address Federal/State mandates.

The Municipality strongly supports continuation at least at the FY2000 funding level for the 70/30 statutory Capital Project Matching Grant Program since it represents a rational approach to allocating limited capital dollars based on the funding priorities assigned by local communities. The Municipality's support of this program is reflected in the fact that the 16 highest priority projects all propose local matches of 30% or more.

Contact: Tim Rogers

Legislative Program Coordinator

CAPITAL BUDGET

TITLE: School Construction Debt Reimbursement

A source of funding separate from the school funding formula should be made available for capital improvement projects each year to prevent a backlog of facility needs in the Anchorage School District and throughout Alaska. In 1998, and again in 2000, the Legislature re-instituted a debt reimbursement program which increased capital funding for schools. However, the state capital budget and current debt reimbursement program are still inadequate to fully meet current and future school district needs.

Contact: Cheryl Frasca

Director, Office of Management & Budget

CAPITAL BUDGET

TITLE: Alaska Department of Environmental Conservation Municipal Matching Grants Program

The Municipality of Anchorage strongly supports the continuation of the Alaska Department of Environmental Conservation's (ADEC) Municipal Matching Grants Program. This program has been beneficial to Anchorage Water and Wastewater Utility, Solid Waste Services, Department of Public Works and the Department of Health and Human Services. Projects identified for this program support the economic development of the Municipality of Anchorage and help provide funding to maintain and improve the local water and wastewater infrastructure and other quality of life essentials. Local job opportunities are provided for within the consulting engineering community, as well as those within the manufacturing and supply industry and construction industry.

This program provides funds for area-wide projects that have made it to the top of a priority list and have been determined to be of the greatest public benefit and need. The Municipality supports continued funding of the ADEC Municipal Matching Grants Program at the FY2000 funding level. This funding allows departments to stretch their area-wide project funds further to benefit a greater number of citizens and prolong the life of the Municipality's infrastructure.

Contact: Mark Premo

General Manager, Anchorage Water & Wastewater Utility

Phone: 786-5506

CAPITAL BUDGET

TITLE: Transportation Funding

Anchorage represents 41.7% of the population of Alaska and 42% of the state's registered vehicles yet receives less than 15% of state and federal highway transportation funding. The Municipality requests the legislature assist in obtaining a more equitable allocation of funding for transportation projects in Anchorage.

Contact: Tim Rogers

Legislative Program Coordinator

CAPITAL BUDGET

TITLE: Co-location of UAA Health Sciences & Department of Health & Human Services Feasibility Study

A grant in the amount of \$200,000 is requested to fund a study on the feasibility and needs assessment of constructing a building to colocate the Department of Health and Human Services (DHHS) and UAA Health Sciences on or near the UAA Campus.

Co-location would have many mutually beneficial opportunities for collaboration and assistance. Examples include research, internships, education, training, expanded client and health services, and community partnerships.

As envisioned, the facility would function as a health department and a University teaching facility. It would improve service and increase efficiency for both institutions as well as the public they serve. It would provide a valuable and unique service and learning environment for customers, students and employees.

Funding of the facility is expected to be through a state and local partnership with possible federal support.

Contact: Jewel Jones

Director, Department of Health & Social Services



State Capital Project Grant Request List PRIORITY ORDER

Rank	Project Title	Grant Requested	Page Numbe
1	Major Municipal Facility Upgrade Projects	\$1,250,000	2-11
2	Eagle River/Chugiak Road and Drainage Rehab	\$350,000	2-13
3	Girdwood Road Service Area Road and Drainage System	\$70,000	2-15
4	Elmore Road Upgrade - Huffman Road to Dearmoun Road	\$350,000	2-17
5	Renovation of Existing Fire Facilities	\$1,000,000	2-19
6	AFD/EMS Communications Upgrade	\$350,000	2-21
7	Alaska Center for the Performing Arts Rehearsal Hall	\$525,000	2-23
7	ADA Improvements to Parks & Recreation Facilities	\$245,000	2-25
9	ARDSA Area Road and Drainage System Rehab	\$350,000	2-27
10	Eagle River/Chugiak Road and Drainage Rehab	\$350,000	2-29
11	South Anchorage Sports Park	\$455,000	2-31
12	Coastal Trail Rehabilitation	\$500,000	2-33
13	Hiland Road Improvements-South Fork Of Eagle River (MP 6)	\$140,000	2-35
14	The Cuddy Family Mid-town Park Development	\$245,000	2-37
15	Anchorage Park & Greenbelt Acquisition	\$775,000	2-39
16	Heights Hill Road Rehabilitation	\$140,000	2-41
17	Glen Alps Road Service Area (Toilsome Hill)	\$105,000	2-43
18	Girdwood Water & Sewer	\$490,000	2-45
19	Anchorage LRSA's Road and Drainage System Rehab	\$70,000	2-47
20	Water and WasteWater Projects (ADEC 50/50)	\$2,000,000	2-49
21	Water Quality Upgrade on Storm Drain Outfalls (ADEC 50/50)	\$1,000,000	2-51
22	Hillside Limited Road Service Areas (LRSA) Road and Drainage System Rehabilitation	\$140,000	2-53
23	Lower Hillside Area Storm Drainage	\$140,000	2-55
24	Fire Lake Dam	\$240,000	2-57
25	Skate Park Upgrade	\$300,000	2-59
26	Creekside Park/Creekside Elementary Master Plan	\$125.000	2-61
27	Jade Park	\$250,000	2-63



State Capital Project Grant Request List PRIORITY ORDER

Rank	Project Title	Grant Requested	Page Number
28	Rabbit Creek Area Acquisition	\$250,000	2-65
29	Eagle River Commons	\$500,000	2-67
30	Girdwood Bike Trail/Walkway	\$400,000	2-69





State Capital Project Grant Request List BY HOUSE DISTRICT

House District	Project Title	Grant Requested	Page Number
10, 18	Lower Hillside Area Storm Drainage	\$140,000	2-55
10-23	ADA Improvements to Parks & Recreation Facilities	\$245,000	2-25
10-23	ARDSA Area Road and Drainage System Rehab	\$350,000	2-27
10-23	Coastal Trail Rehabilitation	\$500,000	2-33
10-23	Renovation of Existing Fire Facilities	\$1,000,000	2-19
10-23	South Anchorage Sports Park	\$455,000	2-31
10-23	Water Quality Upgrade on Storm Drain Outfalls (ADEC 50/50)	\$1,000,000	2-51
10-24	AFD/EMS Communications Upgrade	\$350,000	2-13
10-24	Anchorage Park & Greenbelt Acquisition	\$775,000	2-21
10-25	Alaska Center for the Performing Arts Rehearsal Hall	\$525,000	2-23
10-25	Major Municipal Facility Upgrade Projects	\$1,250,000	2-11
10-25	Water and WasteWater Projects (ADEC 50/50)	\$2,000,000	2-49
12	Jade Park	\$250,000	2-63
13	Skate Park Upgrade	\$300,000	2-59
13	The Cuddy Family Mid-town Park Development	\$245,000	2-37
18	Anchorage LRSA's Road and Drainage System Rehab	\$70,000	2-47
18	Elmore Road Upgrade – Huffman Road to Dearmoun Road	\$350,000	2-17
18	Girdwood Bike Trail/Walkway	\$400,000	2-69
18	Girdwood Road Service Area Road and Drainage System	\$70,000	2-15
18	Girdwood Water & Sewer	\$490,000	2-45
18	Glen Alps Road Service Area (Toilsome Hill)	\$105,000	2-43
18	Heights Hill Road Rehabilitation	\$140,000	2-41
18	Hillside Limited Road Service Areas (LRSA) Road and Drainage System Rehabilitation	\$140,000	2-53
18	Rabbit Creek Area Acquisition	\$250,000	2-65
23	Creekside Park/Creekside Elementary Master Plan	\$125,000	2-6
24	Hiland Road Improvements-South Fork Of Eagle River (MP 6)	\$140,000	2-3
24, 25	Eagle River Commons	\$500,000	2-6



State Capital Project Grant Request List BY HOUSE DISTRICT

House District	Project Title	Grant Requested	Page Number
24, 25	Fire Lake Dam	\$240,000	2-57
24, 25, 26	Eagle River/Chugiak Road and Drainage Rehab	\$350,000	2-13
24, 25, 26	Eagle River/Chugiak Road and Drainage Rehab	\$350,000	2-29