

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Dept. of Economic &  
Community Development  
For reading: February 3, 2004

**CLERK'S OFFICE**

**APPROVED**  
Date: 3-2-04

ANCHORAGE, ALASKA

AO NO. 2004- 54

AN ORDINANCE AUTHORIZING ELEMENTS FOR SITE SELECTION, SITE PLAN, LIMITED WAIVER OF TITLE 7 PROCEDURES AND ESTABLISHMENT OF BOUNDARIES FOR A NEW CONVENTION CENTER AND ESTABLISHING THE ANCHORAGE ASSEMBLY AS THE APPROVING AUTHORITY FOR SITE SELECTION AND SITE PLAN APPROVAL

WHEREAS, the current size constraints of the existing Egan Convention Center facility and the rise in bookings at the Sullivan Arena have begun to limit local meeting and convention opportunities in Anchorage;

WHEREAS, the current facility cannot be economically expanded at its current location to accommodate the current and future convention and event needs of Anchorage;

WHEREAS, there are recognized economic advantages to having a new convention facility located in the downtown business area;

WHEREAS, it is recognized that a new privately owned and operated convention facility, or a combination of private/public ownership has economical and beneficial advantages to citizens of Anchorage over one that is solely owned and maintained by the Municipality;

WHEREAS, current Anchorage Municipal Code Title 7 provisions limit the method of acquisition; and

WHEREAS, the Assembly will approve the site selection, the site plan, authorize limited revisions to Title 7 procedures and define the boundaries to which a new convention center can be built; now therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

**Section 1.** Anchorage Municipal Code (AMC) Title 21 provisions governing public facility site selection, site plan review, and public facility project landscaping review are hereby waived and made inapplicable to the site selection and site plan review for a new convention center facility.


**Section 2.** The Anchorage Assembly shall review and approve a site selection and site plan in conjunction with the award of a contract for a convention facility pursuant to the Request For Proposals (RFP) process. The final site plan, including landscaping, may be approved with the award of a contract or may be approved at a later date.

**Section 3.** For this convention facility, provisions detailed in AMC subsection 7.20.060 B., D., E., and section 7.20.130 shall be waived. The RFP shall allow for a two-step procurement process and allow the responses received in Step One to be open for review by the competing proposers, and the public, upon selection of the most responsive proposal(s) (up to a maximum of two). The appeals processes in Section 7.20.130 are made inapplicable to the selection process. All appeals shall be made in accordance with the appeal procedures and timelines established in the RFP and may be heard on an expedited basis. Publishing of the essential terms and conditions under the RFP shall be waived, however, the resulting terms and conditions of any agreement or contract between the successful proposer and the Municipality shall be subject to review and approval by the Assembly.

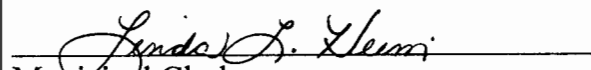
**Section 4.** For this RFP, the boundaries for a new convention facility shall be located within the boundaries of Ship Creek to the north; Gambell Street extended to the east; 9<sup>th</sup> Avenue to the south; and L Street to the west.

**Section 5.** This ordinance shall be effective immediately upon its passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 2nd day of March, 2004.

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

ATTEST:

  
\_\_\_\_\_  
Municipal Clerk  
*Deputy*



## MUNICIPALITY OF ANCHORAGE

### ASSEMBLY MEMORANDUM

No. AM 133-2004

**Meeting Date:** February 3, 2004

**FROM:** Mayor

**SUBJECT:** AN ORDINANCE AUTHORIZING ELEMENTS FOR SITE SELECTION, SITE PLAN, LIMITED WAIVER OF TITLE 7 PROCEDURES AND ESTABLISHMENT OF BOUNDARIES FOR A NEW CONVENTION CENTER AND ESTABLISHING THE ANCHORAGE ASSEMBLY AS THE APPROVING AUTHORITY FOR SITE SELECTION AND SITE PLAN APPROVAL

The existing Egan Convention Center is rapidly beginning to exceed its capacity. The existing facility does not meet the future convention or event needs of Anchorage for several reasons. Among those are:

*Functionality.* Local smaller civic events are being displaced by larger events that are booked several years out. Large trade shows currently held at the Sullivan Arena are beginning to displace sporting events. The Egan Center's size and site constraints limit its usefulness to groups over 1,500. Many larger conventions cannot be attracted to Anchorage. A new convention center can better serve these civic events, as well as allow access to a significant additional market of conventions hosting up to 5,000 delegates.

*Economic Considerations.* A new convention center may generate approximately \$100 million of construction. It may trigger approximately \$60 million in associated new hotel construction as additional rooms will be needed, along with approximately 800 construction jobs. A new privately owned convention center, along with projected new hotel construction will add significant revenue to the property tax roles. It could generate up to 40,000 convention delegates to Anchorage every year. Annually, this means approximately 700 new jobs, an additional \$2.3 million in bed taxes, \$32 million in direct spending to Anchorage businesses, 90,000 additional bed nights, and 27,000 additional airline round trips.

*Expanding the Existing Facility.* The expansion of the Egan Center was considered and found not to be feasible due to its location and configuration. It is surrounded by parks, historic buildings and quality urban fabric. The building footprint is too small, the building is not structurally designed to expand vertically and underground expansion is cost prohibitive.

*Location.* Civic and convention center success is directly attributable to close adjacency to key amenities such as hotels, shopping, dining, cultural activities and other areas of interest within a city. Downtown Anchorage is the only region in the city that has the necessary adjacencies. Also, Anchorage is a winter city for much of the convention season, and the need for close adjacencies is much greater.

In light of the existing facility's shortcomings, it is recommended that the Municipality seek proposals for a replacement convention center. It is desirable to expedite the procurement process to allow the voters of Anchorage to make a decision on whether a new convention center is in their best interests. However, certain provisions in Anchorage Municipal Code need to be waived to achieve the goal of placing a ballot issue in front of the voters on the State election in August 2004.

A crucial element of the project involves ownership rights to the facility and whether the facility would be classified as a public or private venture. The RFP is being developed to allow for a privately owned facility with potential Municipal contributions through increased bed taxes, or allow for a private/public ownership. If the successful proposal is strictly a privately owned and operated facility, Title 21 provisions regarding site selection and site plan reviews may not apply. However, if the successful proposal is a joint private/public ownership, those Title 21 provisions would apply. It is therefore recommended that the Title 21 waivers requested in the AO be approved.

Title 7 procedures contain restrictions on the procurement process that do not lend itself to the use for a project of this nature. Specifically, Title 7 has the following limitations that are recommended to be waived for this unique project;

Subsection 7.20.060B.:

Requires that the all contractual terms and conditions be published with the RFP. To allow for maximum flexibility, it is requested this requirement be waived and allow the Municipality and the successful proposer to negotiate a final contract subject to review and approval by the Assembly.

Subsection 7.20.060D.:

Does not allow for the disclosure of competing proposals to be released until after award of a contract. To ensure a fair and open process, it is recommended that all proposals (except for proprietary company financial information not generally available to the general public) be open for public inspection upon selection of the most qualified proposal(s) in step one.

Subsection 7.20.060E.:

Further prohibits the disclosure of proposals during the step-one process. It is recommended that this prohibition be removed consistent with the above.

Subsection 7.20.130:

Allows any person adversely affected by the procurement process to request the mayor or the Assembly to refer the matter to the Bidding Review Board. It is recommended that this subsection be waived and the process and timeline for any appeal be established in the RFP.

The boundaries for this project are Ship Creek to the north; Gambell Street extended to the east; 9<sup>th</sup> Avenue to the south; and L Street to the west. These boundaries are consistent with preservation and economic development of the core downtown business district and associated amenities.

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE FOR A NEW CONVENTION CENTER FACILITY.

Prepared by:	Mary Jane Michael, Executive Director, Office of Economic & Community Development
Concur:	Denis C. LeBlanc, Municipal Manager
Respectfully submitted:	Mark Begich, Mayor

**Content Information****Content ID :** 001501**Type:** Ordinance - AO

**Title:** An Ordinance Authorizing Elements for Site Selection, Site Plan, Limited Waiver of Title 7 Procedures and Establishment of Boundaries for a New Convention Center and Establishing the Anchorage Assembly as Approving Authority for Site Selection Approval

**Author:** barkleyva**Initiating Dept:** ECD

**Description:** Ordinance Authorizing Site Selection, Site Plan, Limited Waiver of Title 7 Procedures and Establishment of Boundaries for a new Convention Center

**Keywords:** Ordinance New Convention Center**Date Prepared:** 1/29/04 3:41 PM**Director Name:** Mary Jane Michael**Assembly****Meeting Date** 02/03/04**MM/DD/YY:****Public Hearing****Date MM/DD/YY:** 03/02/04

2004 JAN 30 PM 4:45  
CLERK'S OFFICE  
M.J.M.

**Workflow History**

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllOrdinanceWorkflow	1/29/04 4:09 PM	Checkin	barkleyva	Public	001501
ECD_SubWorkflow	1/29/04 4:17 PM	Approve	thomasm	Public	001501
OMB_SubWorkflow	1/30/04 10:45 AM	Approve	wiltsep	Public	001501
Legal_SubWorkflow	1/30/04 10:54 AM	Approve	bonessfh	Public	001501
MuniManager_SubWorkflow	1/30/04 11:30 AM	Approve	leblancdc	Public	001501
MuniMgrCoord_SubWorkflow	1/30/04 11:33 AM	Approve	katkusja	Public	001501

**ADDENDUM – CONSENT AGENDA-INTRODUCTION**