ON 1-11-11: REFERRED TO THE ECONOMIC DEVELOPMENT COMMITTEE Submitted by: Prepared by:

Assembly Member Birch

Dept. of Law For reading:

November 23, 2010

ANCHORAGE, ALASKA AO No. 2010-88

AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE AT THE REGULAR MUNICIPAL ELECTION ON APRIL 5, 2011, A BALLOT PROPOSITION AMENDING THE ANCHORAGE MUNICIPAL CHARTER ARTICLES II AND XIV TO AUTHORIZE A MAJORITY VOTE FOR A SALES TAX RESULTING IN A DOLLAR-FOR-DOLLAR REDUCTION IN ALLOWABLE PROPERTY TAX TO BE COLLECTED.

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THE ANCHORAGE ASSEMBLY ORDAINS:

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Pursuant to Anchorage Municipal Charter Article XVIII. a ballot proposition amending Anchorage Municipal Charter Article II, Bill of Rights, and Article XIV, Taxation, in substantially the following form and substance, shall be submitted to the qualified voters of the Municipality of Anchorage at the next regular Municipal election to be held on April 5, 2011:

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PROPOSITION NO.

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SHALL THE ANCHORAGE MUNICIPAL CHARTER BE AMENDED TO AUTHORIZE A MAJORITY VOTE FOR A SALES TAX RESULTING IN A DOLLAR-FOR-DOLLAR REDUCTION IN ALLOWABLE PROPERTY TAX TO BE COLLECTED, AS FOLLOWS (underlined language is new, and bracketed language is deleted):

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ARTICLE II

BILL OF RIGHTS

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This Charter quarantees rights to the people of Anchorage that are in addition to rights guaranteed by the Constitution of the United States of America and the Constitution of the State of Alaska. Among rights guaranteed by this Charter are:

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(4) The right of immunity from sales taxes, except upon approval by three-fifths (3/5) of the qualified voters voting on the [, EXCEPT T] The tax imposed by Charter Section 14.05, or a sales tax resulting in a dollar for dollar reduction in allowable property tax to be collected, shall be effective if approved by a majority (50 percent + one) of the qualified voters voting on the question.

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> (AO No. 93-51, prop. 2, 4-20-93; Prop. 1 of 4-15-97; AO No. 2005-17. § 1, 2-15-05)

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İ	ARTIC	CLE XIV	TAXATION
	Section	on 14.01.	Taxing authority.
	***	*** ***	
	(b)		x ordinance is valid until ratified by three-fifths (3/5)
ļ			ting on the question at a regular or special election.
			The tax imposed by Charter Section 14.05, or a
			esulting in a dollar-for-dollar reduction in allowable
			k to be collected, shall be effective if approved by a
		majority (50	percent + one) of the qualified voters voting on the
		question.	
	***	*** ***	
	(Prop	1 of 4 15 07	7 election, effective 5-30-97; AO No. 2005-17, § 1,
	2-15-0		r election, effective 3-30-97, AO No. 2003-17, § 1,
	2-10-0	,,,	
pa	ection 2. assage if, and the Munici	nd only if, sai	f this ordinance shall become effective immediately upon id Proposition is passed by a majority of the qualified voters horage voting on this Proposition on April 5, 2011.
P	ASSED AN	ND APPROV , 2010	/ED by the Anchorage Assembly this day of
	TTEOT.		Chair of the Assembly
IA	TTEST:		
 	unicipal Cle	ark.	
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MUNICIPALITY OF ANCHORAGE Summary of Economic Effects -- General Government

AO Number: 2010-88

Title: AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE AT THE REGULAR MUNICIPAL ELECTION ON APRIL 5, 2011, A BALLOT PROPOSITION AMENDING THE ANCHORAGE MUNICIPAL CHARTER TO AUTHORIZE A MAJORITY VOTE FOR A SALES TAX RESULTING IN A DOLLAR FOR DOLLAR REDUCTION IN ALLOWABLE PROPERTY TAX TO BE COLLECTED.

Sponsor:

Assembly Member Chris Birch

Preparing Agency:

OMB

Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:				(In Thousands of Dollars)							
	FY10		FY11		FY12		FY13		FY14		
Operating Expenditures					_						
1000 Personal Services	\$	-	\$	-	. \$	-	\$	-	\$	-	
2000 Non-Labor											
3900 Contributions		-		-		-		-		-	
4000 Debt Service						-					
TOTAL DIRECT COSTS:	\$	-	\$	_	\$	•	\$	-	\$		
Add: 6000 Charges from Others	\$	_	\$		\$		\$	-	\$		
Less: 7000 Charges to Others	\$	-		-	\$		\$	-		-	
FUNCTION COST:			\$						\$		
REVENUES:	\$	-	\$	-	\$		\$	-	\$		
CAPITAL:	\$	-	\$	-	\$	-	\$	-	\$		
POSITIONS: FT/PT and Temp	-	,	()	-	,)		0	

PUBLIC SECTOR ECONOMIC EFFECTS:

There are no direct public sector economic effects related to the passage of this ordinance.

PRIVATE SECTOR ECONOMIC EFFECTS:

There are no direct private sector economic effects related to the passage of this ordinance.

Prepared by: Dept. of Law Telephone: 343-4545

MUNICIPALITY OF ANCHORAGE ASSEMBLY MEMORANDUM

No. AM 628-2010

Meeting Date: November 23, 2010

From: **ASSEMBLY MEMBER BIRCH** 1 2 AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF Subject: 3 THE MUNICIPALITY OF ANCHORAGE AT THE REGULAR 4 MUNICIPAL ELECTION ON APRIL 5, 2011, A BALLOT 5 PROPOSITION AMENDING THE ANCHORAGE MUNICIPAL 6 CHARTER ARTICLES II AND XIV TO AUTHORIZE A MAJORITY 7 VOTE FOR A SALES TAX RESULTING IN A DOLLAR-FOR-8 DOLLAR REDUCTION IN ALLOWABLE PROPERTY TAX TO BE 9 COLLECTED. 10 11 This ordinance proposes an amendment to the Anchorage Municipal Charter, 12 Article II, Bill of Rights, and Article XIV, Taxation. The charter amendments reduce 13 the vote requirement of 60% plus one to approve a sales tax to a majority of voters 14 - 50% plus one. This reduction in the vote requirement applies when the sales tax 15 proceeds will result in a dollar-for-dollar reduction in allowable property taxes to be 16 17 collected. 18 As expressed during the Community Budget Dialogues in August, citizens want the 19 Municipality to diversify its revenue instead of funding services primarily from 20 property taxes. At the same time, many citizens are skeptical that property tax relief 21 will occur if other taxes are implemented. While this charter amendment reduces 22 the voter threshold required to make it easier to diversify municipal revenues, it also 23 assures voters there will be a corresponding dollar-for-dollar reduction in allowable 24 property taxes to be collected under the tax limit. 25 26 27 Department of Law Prepared by: 28 29

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31 32 Respectfully submitted:

Chris Birch, Assembly Member

Content ID: 009643

Type: Ordinance - AO

AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE AT THE REGULAR MUNICIPAL ELECTION TITLE: ON APRIL 5, 2011, A BALLOT PROPOSITION AMENDING THE ANCHORAGE MUNICIPAL CHARTER ARTICLES II AND XIV TO AUTHORIZE A MAJORITY

VOTE FOR A SALES TAX RESULTING IN A DOLLAR-FOR-DOLLAR REDUCTION IN ALLOWABLE PROPERTY TAX TO BE COLLECTED.

Author: westoverrf

Initiating Legal
Dept:

Review MuniManager Depts:

BALLOT PROP AMENDING CHARTER ARTICLES II & XIV TO AUTHORIZE

Description: MAJORITY VOTE FOR SALES TAX with DOLLAR-FOR-DOLLAR REDUCTION

IN ALLOWABLE PROPERTY TAX TO BE COLLECTED.

Keywords: Charter, sales tax, property tax

Date 11/19/10 11:12 AM **Prepared:**

Director Dennis A. Wheeler

Assembly 11/23/10 Meeting Date:

Public 12/07/10 Hearing Date:

Workflow Name	Action Date	Action	<u>User</u>	Security Group	Content ID	
Clerk_Admin_SubWorkflow	11/19/10 1:45 PM		Joy Maglaqui	Public	009643	
MuniManager_SubWorkflow	11/19/10 1:45 PM		Joy Maglaqui	Public	009643	
Legal_SubWorkflow	11/19/10 11:51 AM		Rhonda Westover	Public	009643	
AllOrdinanceWorkflow	11/19/10 11:19 AM	Checkin	Rhonda Westover	Public	009643	

Addendum - CONSENT AGENDA - INTRODUCTION