

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 582-2000

Meeting Date: May 23, 2000

1 **FROM:** Mayor
2
3 **SUBJECT:** AN ORDINANCE EXTENDING ASSESSMENT DISTRICT 1SD97 AS A
4 SPECIAL ASSESSMENT DISTRICT FOR SERVICES WITHIN THE AREA OF DOWNTOWN
5 ANCHORAGE ESTABLISHED BY ANCHORAGE ORDINANCE 97-51 MORE SPECIFICALLY
6 SHOWN ON THE SPECIAL ASSESSMENT DISTRICT 1SD97 MAP ATTACHED TO THIS
7 ORDINANCE; AUTHORIZING SAID DISTRICT TO CONTINUE TO PROVIDE SPECIFIED
8 SAFE AND CLEAN SERVICES AND ESTABLISHING THE BASIS AND METHOD OF
9 ASSESSING, ALLOCATING AND APPORTIONING THE COSTS OF SERVICES AND THE
10 RULES AND PROCEDURES FOR ASSESSMENT CALCULATIONS, BILLINGS, PENALTIES,
11 INTEREST, COSTS, APPLICATION OF PAYMENTS AND ENFORCEMENT OF
12 ASSESSMENTS AND DETERMINING TO PROCEED.
13
14
15 Submitted is an ordinance extending Assessment District 1SD97, the Downtown Business
16 Improvement District (BID).
17
18 The petition to continue providing additional public services for the downtown area was filed
19 with the Municipal Clerk on May 2, 2000. The petition was signed in favor by property owners
20 that represent 276 properties and 65.61% of the estimated assessable service cost.
21
22 The petition is for the purpose of continuing to public services that are in addition to regular
23 Municipal services as authorized under Anchorage Ordinance 96-77(S-1) as amended, the
24 ordinance to provide for business improvement districts and other assessment districts for
25 services. These services will not reduce or eliminate services otherwise provided by the
26 Municipality.
27
28 The BID currently provides and will continue to provide the following services:
29
30 Uniformed downtown "ambassadors" trained to provide informational services and provide
31 safety and security assistance (not including law enforcement) to residents, businesses,
32 visitors, and downtown employees.
33
34 Uniformed cleaning crews to assure cleaned sidewalks, gutters, and alleys. This includes
35 power-cleaning sidewalks during the summer months and clearing alley entrances and
36 crosswalks in winter.
37
38 Graffiti removal in coordination with the Municipality of Anchorage.
39

1 Coordination with existing law enforcement and community service organizations to reduce
2 public inebriation, panhandling and street crime.

3
4 Active promotion of downtown to residents, visitors, and downtown employees. Assist,
5 coordinate and plan public events within the BID boundaries.

6
7 BID assessments total approximately \$437,000 per year and fund the specific services
8 provided by the BID. Additional funds are made available by Anchorage Downtown
9 Partnership and its affiliated charity, the Partners for Downtown Progress to effectively
10 supplement the BID assessments and services. These additional funds are received in the
11 form of donations and grants as well as dues paid by the members of the Anchorage
12 Downtown Partnership.

13
14 Under this ordinance, assessments are calculated upon the basis of real property tax valuation
15 for the prior tax year. Real property will be assessed at the rate of 1.5 mills of the prior year's
16 real property tax valuation, up to and including \$10,000,000 plus \$100 per \$1,000,000 of
17 assessed value in excess of \$10,000,000.

18
19 The ordinance excludes properties that are tax exempt, which include government, churches
20 and other non-profit organizations. In addition, the owners of qualified, owner-occupied,
21 single-family residences which have applied for exemption shall be exempt from the
22 Assessment District.

23
24 The petition resulted with 60 owners that applied for this owner-occupied exemption, which
25 represents 1.74% of the assessment total. The exemptions of these properties will not
26 increase the other assessments in the district.

27
28 With the exemptions recommended, the total annual amount collectable from the assessment
29 district, as presented in the petition roll, will be approximately \$437,000. Any further
30 exemptions will reduce the assessment revenue by the total amount of those exemptions.

31
32 The ordinance provides that not less that every five years, the assessment formula and/or the
33 assessment mill rate shall be reviewed and may be revised or amended upon approval of
34 property owners bearing more than 50% of the estimated assessable costs of the services. It
35 also provides that during the 10th calendar year after passage of the ordinance, property
36 owners within the assessment district shall be petitioned with the option of terminating or
37 reauthorizing the BID.

2000-98

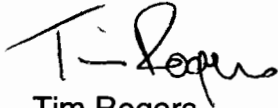
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THE ADMINISTRATION RECOMMENDS ADOPTION OF AO .


Recommended by:

Prepared by:


George Sakalis
Municipal Manager


Tim Rogers
Capital Budget Officer

Respectfully submitted,


Rick Mstrom
Mayor

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2000- 98 Title: AO EXTENDING ASSESSMENT DISTRICT 1SD97, THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

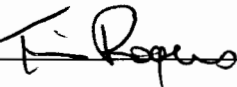

Sponsor: Manager
 Preparing Agency: Office of Management & Budget
 Others Impacted: None

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY00	FY01	FY02	FY03	FY04
Operating Expenditures					
1000 Personal Services	N/A				
2000 Supplies	N/A				
3000 Other Services-Contractual	437	437	437	437	437
4000 Debt Service					
5000 Capital Outlay					
TOTAL DIRECT COSTS:	437	437	437	437	437
Add: 6000 Charges from Others	N/A				
Less: 7000 Charges to Others	N/A				
FUNCTION COST:	N/A				
REVENUES:	437	437	437	437	437
CAPITAL:	N/A				
POSITIONS: FT/PT and Temp.	N/A				

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated assessments are \$437,000 per year for 10 years. The assessment formula and/or assessment mill rate shall be reviewed in 5 years, and may be revised or amended upon approval of property owners bearing more than 50% of the estimated assessable costs of the services. A contract to provide the services of the Business Improvement District will be let for the same amount.

Prepared by: Tim Rogers  Telephone: 343-4467
 Validated by OMB:  Date: 5-23-00
 Approved by: _____ Date: _____
 (Municipal Manager)