Propositions on the ballot of the April 4, 2023 Municipality of Anchorage Election

PROPOSITION NO. 1

CAPITAL IMPROVEMENTS FOR THE ANCHORAGE SCHOOL DISTRICT BONDS

For the purpose of providing educational capital improvements, construction, upgrades, design, and renovation of school facilities and educational facility building life extension projects within Anchorage, as provided in AO 2022-108, shall Anchorage borrow money and issue up to \$37,787,000 in principal amount of general obligation bonds?

The general obligation bond proceeds will be used to pay costs of constructing, renovating, installing, designing, acquiring and equipping educational capital improvement projects including, but not limited to, roof replacements and structural/seismic upgrades at College Gate, Kasuun, and Kincaid Elementary Schools and the Warehouse/Purchasing Building, construction of security vestibules and security improvements at Birchwood, Bowman, Northwood, Ocean View, Spring Hill and Trailside Elementary Schools, and safety improvements at East High School.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2023 assessed valuation) an annual increase in taxes of approximately \$8.03 to retire the proposed bonds.

The debt will be paid from real and personal property taxes levied and collected areawide in Anchorage. The Municipality will also pledge its full faith and credit for payment of the bonds. (AO 2022-108)

PROPOSITION NO. 2

AREAWIDE PUBLIC SAFETY AND TRANSIT CAPITAL IMPROVEMENT BONDS

For the purpose of upgrading the infrastructure of the Anchorage Area-Wide Radio Network, acquiring new replacement ambulances and fuel tanks, acquiring and replacing transit vehicles and support equipment and undertaking school zone safety improvements, bus stop improvements and improvements at transit facilities and centers, in Anchorage as provided in AO 2023-3, shall Anchorage borrow money and issue up to \$4,620,000 in principal amount of general obligation bonds? Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2023 areawide assessed valuation in Anchorage) an annual increase in taxes of approximately \$0.96 to retire the proposed bonds.

The debt shall be paid from real and personal property taxes levied and collected areawide within Anchorage. The Municipality will also pledge its full faith and credit for payment of the bonds. (AO 2023-3)

PROPOSITION NO. 3

ANCHORAGE ROADS AND DRAINAGE SERVICE AREA ROAD AND STORM DRAINAGE BONDS

For the purpose of providing roads and storm drainage capital acquisition, construction, renovation and upgrades in the Anchorage Roads and Drainage Service Area, as provided in AO 2023-1, shall Anchorage borrow money and issue up to \$34,500,000 in principal amount of general obligation bonds and increase the municipal tax cap by an annual amount not to exceed \$112,000 to pay for associated annual operations and maintenance costs?

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2023 assessed valuation in the Anchorage Roads and Drainage Service Area): (i) an annual increase in taxes of approximately \$9.33 to retire the proposed bonds, and (ii) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$0.39 to pay for annual operation and maintenance costs related to the proposed capital improvements.

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Roads and Drainage Service Area, without cost to properties in Chugiak, Eagle River, Girdwood and other areas outside the Service Area. The Municipality will also pledge its full faith and credit for payment of the debt. (AO 2023-1)

PROPOSITION NO. 4

ANCHORAGE FIRE SERVICE AREA FIRE PROTECTION BONDS

For the purpose of acquiring replacement fire engine trucks and making AFD facility improvements in the Anchorage Fire Service Area, as provided in AO 2023-5, shall Anchorage borrow money and issue up to \$2,625,000 in principal amount of general obligation bonds?

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2023 assessed valuation in the Anchorage Fire Service Area) an annual increase in taxes of approximately \$0.59 to retire the proposed bonds.

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Fire Service Area without cost to properties in Chugiak, Girdwood, and other areas outside the Service Area. The Municipality will also pledge its full faith and credit for payment of the bonds. (AO 2023-5)

PROPOSITION NO. 5

CHUGIAK FIRE SERVICE AREA FIRE PROTECTION BONDS

For the purpose of acquiring a rescue truck for the Chugiak Volunteer Fire Department in the Chugiak Fire Service Area, as provided in AO 2023-6, As Amended, shall Anchorage borrow money and issue up to \$450,000 in principal amount of general obligation bonds?

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2023 assessed valuation in the Chugiak Eagle River Service Area) an annual increase in taxes of approximately \$2.53 to retire the proposed bonds.

The debt shall be paid from real and personal property taxes levied and collected within the Chugiak Fire Service Area without cost to properties in Anchorage, Girdwood Valley and other areas outside the Service Area. The Municipality will also pledge its full faith and credit for payment of the debt. (AO 2023-6, As Amended)

PROPOSITION NO. 6

CREATION OF THE CHUGACH STATE PARK ACCESS SERVICE AREA

This proposition creates the Chugach State Park Access Service Area (CASA), to include all areas of the Municipality north of McHugh Creek, but excluding Fire Island, excluding areas currently contained within the Eagle River-Chugiak Park and Recreational and Girdwood Valley Service Areas, and excluding areas of the Municipality within Tax District 15 (which contains Rainbow, Indian, Bird Creek and Portage). Creation of the service area would allow the municipality to submit to voters bond propositions for projects that support access to portions of Chugach State Park that are located in the service area and ameliorate the neighborhood effects of access by park users. Projects could include road and parking improvements, park access, and

park-access-supporting amenities. The service area would not levy taxes upon approval of this proposition; taxes may only be levied if voters subsequently approve a proposition that authorizes levying and spending generally or for a particular project or projects and an annual tax levy for the maintenance and operations of the approved improvements constructed.

Shall the Chugach State Park Access Service Area be created as described above? (AO 2023-8, As Amended)

PROPOSITION NO. 7

GIRDWOOD VALLEY SERVICE AREA LOCAL HOUSING AND ECONOMIC STABILITY POWER

This proposition would add to the existing powers of the Girdwood Valley Service Area the power to provide services in support of policies that promote local housing and economic stability. This proposition would not authorize the Girdwood Valley Service Area to levy any additional taxes. Exercise of this new power, if approved, would be paid for by taxes levied under the service area's current maximum mill rate of 6.0 mills.

Shall this new power be added to the existing powers of the Girdwood Valley Service Area? (AO 2022-118, As Amended)

PROPOSITION NO. 8

APPROVING ANNEXATION OF GRANDEUR SUBDIVISION LOT 1, LOT 2, LOT 3, LOT 4, AND LOT 5, TO THE RABBIT CREEK VIEW AND RABBIT CREEK HEIGHTS LIMITED ROAD SERVICE AREA (LRSA) AND AMENDING THE RABBIT CREEK VIEW AND RABBIT CREEK HEIGHTS LRSA BOUNDARIES IN ANCHORAGE MUNICIPAL CODE SECTION 27.30.700, EFFECTIVE RETROACTIVE TO JANUARY 1, 2023

The affected road is Paine Road (0.17 mile) within Grandeur Subdivision Addition 2.

The existing mill rate in the Rabbit Creek View and Rabbit Creek Heights LRSA is 2.50 mills. Property owners within Grandeur Subdivision Lot 1 (020-571-61-000), Lot 2 (020-571-62-000), Lot 3 (020-571-63-000), Lot 4 (020-571-64-000), and Lot 5 (020-571-65-000) will incur an increase in property taxes beginning with the tax year 2023.

Shall the Rabbit Creek View and Rabbit Creek Heights LRSA boundaries be amended by annexing Grandeur Subdivision Lot 1 (020-571-61-000), Lot 2 (020-571-62-000), Lot 3 (020-571-63-000), Lot 4 (020-571-64-000), and Lot 5 (020-571-65-000) to the Rabbit Creek View and Rabbit Creek Heights LRSA and amending Anchorage Municipal Code

section 27.30.700, effective retroactive to January 1, 2023? (<u>AO 2022-113, As</u> <u>Amended</u>)

PROPOSITION NO. 9

APPROVING ANNEXATION OF SPRUCE TERRACES SUBDIVISION TO THE SOUTH GOLDENVIEW RURAL ROAD SERVICE AREA (RRSA) AND AMENDING THE SOUTH GOLDENVIEW RRSA BOUNDARIES IN ANCHORAGE MUNICIPAL CODE SECTION 27.30.700, EFFECTIVE RETROACTIVE TO JANUARY 1, 2023

The affected roads to be constructed are Shaman Place (0.12 mile) and Avalanche Circle (0.38 mile) within Spruce Terraces Subdivision. Both roads will directly access existing South Goldenview RRSA roads.

The existing mill rate in the South Goldenview RRSA is 1.80 mills. Property owners within Spruce Terraces Subdivision parcels T11N R3W SEC 2 E2NW4NE4, (020-043-02-000), and T11N R3W SEC 2 W2NW4NE4, (020-043-03-000) will incur an increase in property taxes beginning with the tax year 2023.

Shall the South Goldenview RRSA boundaries be amended by annexing Spruce Terraces Subdivision parcels T11N R3W SEC 2 E2NW4NE4, (020-043-02-000), and T11N R3W SEC 2 W2NW4NE4, (020-043-03-000) to the South Goldenview RRSA and amending Anchorage Municipal Code section 27.30.700, effective retroactive to January 1, 2023? (AO 2022-114)

PROPOSITION NO. 10

APPROVING DE-ANNEXATION OF CROMWELL HEIGHTS BLOCK 1, LOTS 1 AND 2 FROM THE LAKEHILL LIMITED ROAD SERVICE AREA (LRSA) AND AMENDING THE LAKEHILL LRSA BOUNDARIES IN ANCHORAGE MUNICIPAL CODE SECTION 27.30.700, EFFECTIVE RETROACTIVE TO JANUARY 1, 2023

The affected area within the Lakehill LRSA and Cromwell Heights Subdivision do not receive direct road maintenance services from the Lakehill LRSA. The only access to the proposed Cromwell Heights properties is from State maintained Hillside Drive. The

reduction of annual tax revenues resulting from the proposed property de-annexation would be less than \$600 and will not have a material fiscal impact on Lakehill LRSA financial integrity.

The existing mill rate in the Lakehill LRSA is 1.50 mills. The property owner within Cromwell Heights Subdivision, Block 1, Lots 1 and 2 will incur a decrease in property taxes for road services beginning with the tax year 2023.

Shall the Lakehill LRSA boundaries be amended by de-annexing parcels Cromwell Heights Subdivision, Block 1, Lots 1 and 2 from the Lakehill LRSA and amending Anchorage Municipal Code section 27.30.700, effective retroactive to January 1, 2023? (AO 2022-112, As Amended)

PROPOSITION NO. 11

AMENDING ANCHORAGE CHARTER SECTION 13.11 TO CHANGE MANAGEMENT AUTHORITY FOR THE MUNICIPALITY OF ANCHORAGE (MOA) TRUST FUND FROM THE TREASURER TO A FIDUCIARY BOARD AND ESTABLISHING PRIMARY FIDUCIARY DUTIES AND RESPONSIBILITIES ASSOCIATED WITH BOARD MANAGEMENT OF THE MOA TRUST FUND

This proposition would amend the Anchorage Municipal Charter to read as follows (**underline and bolded words** are proposed new words; **[strikeouts in bold]** are proposed deletions):

Section 13.11 - Trust fund

(a) When a municipal owned utility is sold pursuant to section 16.02 of this Charter, the proceeds shall be used to:

(1) Retire the debt of that utility;

(2) Retire other municipal debt deemed appropriate by the assembly;

(3) Establish a trust fund with the balance of the proceeds.

(b) The trust fund shall be defined as an endowment fund with a controlled spending policy limiting dividend distributions and managed by

the MOA Trust Fund Board of Trustees consistent with the Uniform Prudent Investor Act as adopted by reference and amended in the municipal code [municipal treasurer under chapter 6.70 of the municipal code] with the following stipulations:

(1) The corpus, or a portion of the corpus, of this trust shall be maintained in perpetuity as an endowment. Any use of the corpus, or a portion of the corpus, separate from the controlled spending policy of the endowment, may only be used for purposes approved by a majority of the voters voting on a ballot proposition in a regular or special election;

(2) Under the endowment's-controlled spending policy an annual dividend may be appropriated by the assembly provided that the annual appropriation does not exceed five percent of the average asset balance of the trust.

(3) The MOA Trust Fund Board shall advise both the assembly and administration.

(c) The fund shall be invested and managed in accordance with chapter 6.50 of the Municipal Code.

If approved by a majority of the voters voting on the question at the April 4, 2023, Regular Election, the amendments to the Charter above shall be effective upon certification of the election and take full effect within a reasonable amount of time, not to exceed one (1) year, to effectuate an orderly transition in trust management.

Shall the Anchorage Municipal Charter be amended as set forth above? (<u>AO 2022-116</u>, <u>As Amended</u>)

PROPOSITION NO. 12

RESIDENTIAL REAL PROPERY TAX EXEMPTION INCREASE

This proposition would increase the residential real property tax exemption to 40% of the assessed value, up to a maximum of \$75,000. Currently, 20% of a residential real property's value may be exempt from taxation, up to a maximum of \$50,000.

Shall the residential real property tax exemption be increased, as described above? (<u>AO</u> <u>2022-75(S)</u>)

PROPOSITION NO. 13

AMENDING THE ANCHORAGE MUNICIPAL CHARTER REGARDING FILLING VACANCIES ON THE ASSEMBLY AND IN THE OFFICE OF THE MAYOR, and to exclude the costs for special elections for these offices from the tax increase limitation ("tax cap")

This proposition will amend the Anchorage Municipal Charter regarding filling vacancies on the assembly and in the office of mayor. It will (1) change the period for holding a special election to fill a vacancy on the Assembly from "not more than 60 days" after the occurrence of the vacancy to no sooner than 90 days, (2) revise the requirements for electing a successor when there is a vacancy in the office of the mayor, (3) allow the assembly to appoint a person to the chair's assembly district seat during service as acting mayor, (4) at the end of that service direct that the Assembly chair and vice chair positions return to those holding them at the time the vacancy in the office of mayor occurred, and (5) allow costs for special elections for these offices to be paid for by property taxes collected above the "Tax Cap," excluding these costs from the tax increase limitation calculation in Section 14.03 of the Charter.

The proposition would amend Anchorage Municipal Charter Sections 7.02 and 14.03(b) as follows (**underline and bolded words** are proposed new words; **[strikeouts in**

bold] are proposed deletions, unchanged current text of the Charter omitted indicated by ***):

Section 7.02. - Filling vacancies in elective office.

(b) If a vacancy occurs on the assembly, the remaining members may appoint a qualified person to fill the vacancy within 30 days. The person appointed shall serve until the next regular or special election, at which time a successor shall be elected to serve the balance of the term. If the vacancy occurs more than six months before the next regular election, the assembly shall provide for a special election to fill the vacancy **no sooner than 90** [not more than 60] days after the occurrence of the vacancy. If less than 30 days remain in a term when a vacancy occurs, the vacancy shall not be filled. However, if at any time, the membership is reduced to less [fewer] than a quorum, the remaining members, within seven days, shall appoint a number of qualified persons sufficient to constitute a quorum. (c) If [A vacancy in the office of mayor shall be filled at a regular or special election held not less than 90 days from the time the vacancy occurs. If less than 90 days remain in the term when the vacancy occurs, the vacancy shall not be **filled.** When] a vacancy occurs in the office of mayor, the chair of the assembly shall serve as acting mayor until a successor is elected and takes office. The acting mayor has the veto power but may not vote on assembly action. The assembly may appoint a person to temporarily fill the district seat to which the chair was elected during the time of the chair's service as acting mayor. When a successor mayor is elected and takes office, the chair shall return to the assembly district seat and as the chair, the person's temporary appointment is terminated, and the assembly's organization shall revert to the time the vacancy occurred. The assembly by ordinance shall provide for further succession to the office of acting mayor. An elected successor shall serve the balance of the term, except as otherwise stated in this section, and shall take office 30 days after certification of the election. If the vacancy occurs more than 270 days before the next regular election, the assembly shall call for a special election to fill the vacancy. The special election shall be held not less than 90 days and not more than 120 days after the occurrence of the vacancy. If a vacancy occurs less than 270 days before the next regular mayoral election but more than 90 days before the end of the mayoral term, the assembly may determine to fill the vacancy at a special election or the next regular mayoral election. If less than 90 days remain in the term when the vacancy occurs, the vacancy shall not be filled.

Section 14.03. - Tax increase limitation.

(b) The limitations set forth in subsection (a) do not apply to the following:

(7) Taxes required to pay the costs of special elections to fill vacancies in the office of mayor or the assembly.

Shall the Anchorage Municipal Charter be amended as set forth above? (<u>AO 2022-</u><u>77(S-1)</u>, <u>As Amended</u>)

PROPOSITION NO. 14

AMENDING THE ANCHORAGE MUNICIPAL CHARTER REGARDING THE MARIJUANA RETAIL TAX AND DEDICATING TAX PROCEEDS TO CHILD CARE AND EARLY EDUCATION

This proposition would establish dedicated funding for child care and early education, an Accountability Board of Child Care and Early Education, dedicate the net retail marijuana sales tax revenues to this board's budgeted activities, and move the marijuana sales taxes from under the tax increase limitation ("tax cap") calculation to be above the tax cap and lower the tax cap one time by one million dollars in 2024.

The proposition would amend the Anchorage Municipal Charter by adding the following new section to Article VI:

Section 6.06.- Dedicating retail marijuana sales tax net proceeds and the Accountability Board of Child Care and Early Education

(a) Dedicated retail marijuana sales tax net proceeds. The net proceeds of the retail marijuana sales tax shall be dedicated to:

(1) Creating access to child care and early education programs for the residents of Anchorage including foster children;

(2) Provide funding for reading programs for child care and early education programs;

(3) Provide resources to increase funding, livable wages, training and staffing for child care and early education programs; and

(4) Prioritize the utilization of existing school district facilities that are closed, scheduled to be closed, or underutilized for use for child care and early education programs, as long as they are economically feasible, before other facilities are considered for the use of these funds.

(b) Accountability Board of Child Care and Early Education; Composition and Purpose.

There is established an accountability board of child care and early education appointed by the mayor and confirmed by the assembly. The assembly shall establish by ordinance the board's responsibilities, composition and operation. The board's mission and activities shall be for the purpose of supporting and advancing child care and early education in Anchorage. No board member may serve in any elected office, except on a service area board established pursuant to section 9.01 of this Charter. The board shall advise the assembly and administration.

(c) Budget and Funding.

The board shall have a separate budget within the annual municipal budget and it shall be subject to Charter sections 13.03 through 13.08. The board shall prepare a proposed budget and submit it to the mayor and a copy to the assembly at least 120 days before the end of the municipal fiscal year. The budget may provide for investment of funds for use on capital projects or capital programs in future years. The mayor shall submit a proposed budget from the board to the assembly, and it shall be considered and approved separately from the municipal budget. The mayor shall describe any changes made to the budget proposed from the board in a report accompanying the mayor's proposed budget. The assembly shall establish a tax rate at a level sufficient for the approved budget and in accordance with Charter § 14.06. The funding provided under this section shall not duplicate existing funding under Charter § 14.07(b) but may be complementary.

(d) Expenditures and Administrative Limit.

The board may support and advance child care and early education in Anchorage in any manner not prohibited by law, including issuing grants, conducting studies or other research, and funding training or professional development. Grants and fund expenditures shall be used for nonsectarian purposes and may be issued to any public, private, or religious organization otherwise eligible to receive municipal grants and contracts. The board may spend no more than 10% of the funds received each year on its own administrative costs as defined by ordinance. The board shall each year publish a report describing the amounts spent and the results achieved, and other information as the assembly by ordinance may prescribe.

(e) Accountability Board Staff.

The board may, but is not required to, appoint a principal executive officer in consultation with the mayor. The principal executive officer shall serve at the pleasure of the board.

(f) The assembly shall implement this section by ordinance.

And the proposition would amend portions of Anchorage Municipal Charter § 14.03 and § 14.06 as follows (**underline and bolded words** are proposed new words; [strikeouts **in bold]** are proposed deletions; unchanged current text of the Charter omitted indicated by ***):

Section 14.03. Tax increase limitation.

(b) The limitations set forth in subsection (a) do not apply to the following:

(6) Taxes imposed pursuant to Charter § 14.06 prior to 2019 and subsequent to 2023.

(c) Any tax increases which result from the exceptions set forth in subsection (b)(1)—(3) shall be added to the base amount which is used in subsection (a) for the calculations of the subsequent year tax increase limit. Taxes collected pursuant to Charter § 14.06 in 2018 shall be added to the base amount which is used in subsection (a) for calculations

of the 2019 tax increase limit. Taxes collected pursuant to Charter § 14.06 in 2024 and subsequent years shall be in addition to taxes that can be levied pursuant to this section. To ameliorate the effect of excepting taxes in subsection (b)(6) subsequent to 2023, the total amount of municipal tax that can be levied as calculated under subsection (a) for 2024 only shall be reduced by one million dollars.

Section 14.06. - Retail marijuana sales tax.

(a) The assembly is hereby authorized, to the extent provided by law, to levy a tax on all retail sales of marijuana and marijuana products in an amount not to exceed ten percent (10%) [twelve percent (12%)] of the sales price. The initial rate of levy shall be five percent (5%) and may not be increased until after June 30, 2028.

(d) Beginning in 2024, the net receipts from the tax levied under this section, after payment of the costs of tax administration, collection and audit to the municipality, are dedicated and shall be available to use only for the purposes of Charter § 6.06.

Shall the Anchorage Municipal Charter be amended as set forth above, and the Accountability Board of Child Care and Early Education that advises the assembly and administration be established with the retail marijuana sales tax dedicated to child care and early education programs and moved outside the tax cap, and the municipal tax cap be lowered one time in 2024 by one million dollars (\$1,000,000)? (AO 2022-17(S-2), As Amended)

SPECIAL ELECTION PROPOSITION NO. A

ANCHORAGE PARKS AND RECREATION SERVICE AREA CAPITAL IMPROVEMENT BONDS

For the purpose of renovating and rehabilitating trails and parks, and making improvements at various parks and recreational facilities in the Anchorage Parks and Recreation Service Area, as provided in AO 2023-2(S), As Amended, shall Anchorage borrow money and issue up to \$3,950,000 in principal amount of general obligation bonds and increase the municipal tax cap by an annual amount not to exceed \$195,000 to pay for associated annual operations and maintenance costs?

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2023 assessed valuation in the Anchorage Parks and Recreation Service Area): (i) an annual increase in taxes of approximately \$0.96 to retire the proposed bonds, and (ii) an annual increase in the

municipal tax cap (Charter 14.03(b)(2)) of approximately \$0.62 to pay for annual operation and maintenance costs related to the proposed capital improvements.

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Parks and Recreation Service Area, without cost to properties in Chugiak, Eagle River, Girdwood, and other areas outside the Service Area. The Municipality will also pledge its full faith and credit for payment of the bonds. (AO 2023-2(S), As Amended) <~ AO coming soon!