

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY REAPPROPRIATING \$200,000 FROM THE FY22 PORT OPERATING BUDGET TO THE PORT BUSINESS DEVELOPMENT AND MARKETING PROJECT AND EXTENDING THE PROJECT COMPLETION DATE TO JUNE 30, 2025.

AGENDA OF: April 5, 2022

ASSEMBLY ACTION:

*Adopted & Amended
Without Objection
4-19-22*

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY MICHAEL BROWN, BOROUGH MANAGER: *MB*

Route To:	Department/Individual	Initials	Remarks
	Originator - T. Dolan	<i>TD</i>	
	Community Development Director	<i>EP</i>	
	Finance Director	<i>CY</i>	
	Borough Attorney	<i>NS</i>	
	Borough Clerk	<i>SM 3/28/22</i>	<i>[Signature]</i>

ATTACHMENT (S) : Fiscal Note: YES X NO _____
Ordinance Serial No. 22-037 (2 pp)
Attachment: Resolution Serial No. 22-020 (3 pp)

SUMMARY STATEMENT: The FY22 Operating Budget for Port MacKenzie included \$200,000 dollars for marketing and business development. To date, none of these funds have been expended. Current efforts have focused on working with the International Association of Maritime and Port Executives (IAMPE) on assessing the port and developing a strategic plan. Moving these funds from the Port's operating budget, Fund 520, to Fund 450, Project No. 70007, with a current balance of \$25,158.50, will preserve these funds for use in exploring the possibility of an Economic Development Zone within the Port MacKenzie Port District in accordance with Resolution 22-020 (attached).

At this time, the funds in project 70007-2400-2401 are set to

expire on June 30, 2022. The attached ordinance will, if approved, extend the fund of this project to June 30, 2025.

RECOMMENDATION OF ADMINISTRATION: Approve this legislation.

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: April 5, 2022

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY REAPPROPRIATING \$200,000 FROM THE FY22 PORT OPERATING BUDGET TO THE PORT BUSINESS DEVELOPMENT AND MARKETING PROJECT AND EXTENDING THE PROJECT COMPLETION DATE TO JUNE 30, 2025.

ORIGINATOR: Therese Dolan

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$200,000	FUNDING SOURCE Port Operating
FROM ACCOUNT # 520.100.112 426.900	PROJECT
TO ACCOUNT: 450.000.000 322.222	PROJECT # 70007
VERIFIED BY: <i>Kevin Westlund</i>	CERTIFIED BY:
DATE: 3-17-22	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL		200.0				
---------	--	-------	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other		200.0				
TOTAL		200.0				

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: _____ PHONE: _____
 DEPARTMENT: *Chapman* DATE: _____
 APPROVED BY: *Chapman* DATE: *3/17/22*

Adopted: 02/15/22

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 22-020**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY DIRECTING ADMINISTRATION TO EXPLORE THE FORMATION OF A REGIONAL PORT AUTHORITY AND/OR CREATING AN ECONOMIC DEVELOPMENT ZONE AT PORT MACKENZIE; AND REPORT TO THE ASSEMBLY.

WHEREAS, the Borough owns and operates Port MacKenzie; and

WHEREAS, the Municipality of Anchorage owns and operates the Port at Anchorage which they have called the port of Alaska; and

WHEREAS, the Alaska Governor's preliminary budget released in December 2021 contains a line item of \$175,000,000 for Knik Arm Port Infrastructure; and

WHEREAS, a recent study of Port MacKenzie recommended formation of a port authority; and

WHEREAS, AS 29.35.600-730 is the Municipal Port Authority Act and allows for one or more municipalities to create port authorities; and

WHEREAS, the formation of a regional port authority in Upper Cook Inlet may be beneficial to taxpayers, consumers, and all of Alaska; and

WHEREAS, there are many details under AS 29.35.600-730 to be addressed in forming a port authority; and

WHEREAS, the Matanuska-Susitna Borough Assembly believes adequate time and resources should be devoted to exploring the

OK 22-037
Im 22-076

viability of a Regional Port Authority in upper cook inlet to include the Matanuska-Susitna Borough and Anchorage ports; and

WHEREAS, an economic development zone for Port MacKenzie could also be beneficial; and

WHEREAS, an economic development zone for Port MacKenzie would include state and local tax incentives to encourage private investment; and

WHEREAS, forming an economic development zone might require changes to State law or Borough code; and

WHEREAS, the Assembly believes adequate time and resources should be devoted to exploring the viability and any necessary changes to State law or Borough code to create an economic development zone at Port MacKenzie.

NOW, THEREFORE, BE IT RESOLVED, the Assembly directs Administration to direct the appropriate time and resources and engage with the Municipality of Anchorage to explore the formation of a regional port authority to include, at a minimum, the ports in the Borough and Municipality of Anchorage.

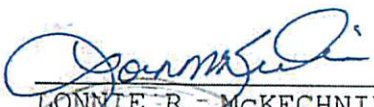
BE IT FURTHER RESOLVED, the Assembly directs Administration to direct the appropriate time and resources to exploring the formation of an economic development zone for Port MacKenzie and also pursue any changes to State law or Borough code necessary to form such a zone.

BE IT FURTHER RESOLVED, that Administration is directed to provide periodic reports to the Assembly updating the Assembly as to the status of such exploration.

ADOPTED by the Matanuska-Susitna Borough Assembly this 15 day of February, 2022.


EDNA DeVRIES, Borough Mayor

ATTEST:


LONNIE R. MCKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Hale, Nowers, McKee, Yundt, Tew, Sumner, and Bernier

OK 22-037
IM 22-076