

Municipal Clerk's Office

**Approved**

Date: **January 21, 2025**

Requested by: Assembly Member Meg

Zaletel

Prepared by: Cynthia M. Weed, Bond

Counsel, K&L GATES LLP

For Reading: January 21, 2025

**MUNICIPALITY OF ANCHORAGE  
AO No. 2025-14(S)**

1 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED  
2 VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION  
3 OF THE ISSUANCE OF NOT TO EXCEED NINE MILLION FOUR HUNDRED  
4 THOUSAND DOLLARS (\$9,400,000)~~FIVE MILLION FOUR HUNDRED~~  
5 ~~THOUSAND DOLLARS (\$5,400,000)~~ OF GENERAL OBLIGATION BONDS OF  
6 THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE  
7 PUBLIC SAFETY IMPROVEMENTS, AND THE QUESTION OF AN INCREASE IN  
8 THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS  
9 AND MAINTENANCE COSTS AREAWIDE, AT THE ELECTION TO BE HELD IN  
10 THE MUNICIPALITY ON APRIL 1, 2025.

11  
12 **WHEREAS**, the best interest of the citizens and property owners in the Municipality  
13 of Anchorage, Alaska (the "Municipality") require the Municipality to acquire new  
14 replacement ambulances, replace the fire alarm system panels at major  
15 municipal facilities, undertake facility safety/code upgrades, undertake signal  
16 system, signage, traffic calming and safety improvements, and undertake school  
17 zone safety improvements (the "Projects"), and

18  
19 **WHEREAS**, in order to provide financing for the Projects, it is deemed necessary  
20 and advisable that the Municipality issue and sell its general obligation bonds in the  
21 principal amount of not to exceed \$9,400,000~~[\$5,400,000]~~ (the "Bonds"); now,  
22 therefore,

23  
24 **THE ANCHORAGE ASSEMBLY ORDAINS:**

25  
26 **Section 1. Purpose.** The Assembly hereby determines that the Projects are  
27 needed throughout the Municipality. The Assembly hereby determines that the best  
28 interest of the residents and property owners within the Municipality require the  
29 Municipality to undertake the Projects at the time and in the order and in the manner  
30 deemed most necessary and advisable by the Municipality. The estimated cost of  
31 the Projects, including incidental costs and costs related to issuing and selling the  
32 Bonds as provided in this ordinance, is estimated to be \$9,400,000~~[\$5,400,000]~~.

33  
34 The Projects are described in more detail in the attachment to the Assembly  
35 Memorandum accompanying this ordinance. The cost of all necessary planning,  
36 acquisition of property for, site preparation, construction, installing and equipping of  
37 the Projects, architectural, engineering, design, and other consulting services,  
38 inspection and testing, administrative expenses, costs of issuance of the Bonds and  
39 other costs incurred in connection with the Projects shall be deemed to be costs of

1 the approved Projects. The approved Projects may be completed with all necessary  
2 equipment and appurtenances.

3  
4 The Municipality shall determine the application of available moneys between  
5 the various Projects so as to accomplish, as nearly as may be, the Projects  
6 described or provided for in this section.

7  
8 If the Municipality shall determine that it has become impractical to  
9 accomplish any portion of the approved Projects by reason of changed conditions  
10 or needs, incompatible development or costs substantially in excess of those  
11 estimated, the Municipality shall not be required to accomplish such portions and  
12 shall apply Bond proceeds as set forth in this section.

13  
14 If the approved Projects have been completed in whole or in part, or their  
15 completion duly provided for, or their completion found to be impractical, the  
16 Municipality may apply Bond proceeds or any portion thereof to other Municipality  
17 Areawide Public Safety capital improvements at its sole discretion. Otherwise, the  
18 Municipality shall apply such remaining proceeds solely to payment of principal or  
19 interest on the Bonds, as provided in the Home Rule Charter. In the event that the  
20 proceeds of sale of the Bonds, plus any other monies of the Municipality legally  
21 available, are insufficient to accomplish the approved Projects, the Municipality shall  
22 use the available funds for paying the cost of those portions of the approved Projects  
23 deemed by the Municipality most necessary and in the best interest of the  
24 Municipality. No Bond proceeds shall be used by the Municipality for any purpose  
25 other than a capital improvement of the Municipality.

26  
27 For the purpose of providing funds for the undertaking of the Projects, which  
28 are hereby found to be a public purpose and in the public interest, the Municipality  
29 hereby proposes to issue general obligation bonded indebtedness in an amount not  
30 to exceed **Nine Million Four Hundred Thousand Dollars (\$9,400,000)**~~**Five**~~  
31 ~~**Million Four Hundred Thousand Dollars (\$5,400,000)**~~.

32  
33 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at  
34 such time or times as deemed necessary and advisable by the Assembly and as  
35 permitted by law and shall mature over a period of up to 20 years from date of issue.  
36 The Bonds shall be issued in an aggregate principal amount of not to exceed  
37 **\$9,400,000**~~**\$5,400,000**~~. The Bonds shall bear interest to be fixed at the time of  
38 sale or sales thereof. The exact form, terms, conditions, contents, security, options  
39 of redemption, and such other matters relating to the issuance and sale of said  
40 Bonds as are deemed necessary and advisable by the Assembly shall be as  
41 hereinafter determined and/or delegated by ordinance and/or resolution of the  
42 Assembly.

43  
44 The full faith and credit of the Municipality is pledged for the payment of the  
45 principal of and interest on the Bonds, and ad valorem taxes upon all taxable

1 property in the Municipality shall be levied without limitation as to rate or amount to  
2 pay the principal and interest on the Bonds when due.

3  
4 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified  
5 voters of the Municipality the proposition of whether the Municipality should issue  
6 the Bonds for the purpose of financing the costs of the approved Projects at the  
7 regular municipal election to be held on April 1, 2025.

8  
9 The Clerk shall prepare the ballot proposition to be submitted to the voters  
10 as provided by this ordinance and the Municipal Code and shall perform all  
11 necessary steps in accordance with law to place this proposition before the voters  
12 at the regular election. The proposition must receive an areawide majority vote of  
13 those in the Municipality voting on the question to be approved. The proposition  
14 shall be substantially in the following form:

15  
16 PROPOSITION NO. \_\_\_\_\_

17  
18 **AREAWIDE PUBLIC SAFETY CAPITAL IMPROVEMENT BONDS**

19  
20 For the purpose of acquiring new replacement  
21 ambulances, **replacing the fire alarm system panels**  
22 **at major municipal facilities, undertaking facility**  
23 **safety/code upgrades,** undertaking signal system,  
24 signage, traffic calming and safety improvements, and  
25 undertaking school zone safety improvements in  
26 Anchorage as provided in AO 2025-14(S), shall  
27 Anchorage borrow money and issue up to  
28 **\$9,400,000**~~**\$5,400,000**~~ in principal amount of general  
29 obligation bonds and increase the municipal tax cap by  
30 an annual amount not to exceed \$152,000 to pay for  
31 associated annual operations and maintenance costs?

32  
33 Voter approval of this bond proposition authorizes for  
34 each \$100,000 of assessed taxable property value  
35 (based on the estimated 2025 areawide assessed  
36 valuation in Anchorage): (i) an annual increase in taxes  
37 of approximately **\$1.68**~~**\$0.96**~~ to retire the proposed  
38 bonds, and (ii) an annual increase in the municipal tax  
39 cap (Charter 14.03(b)(2)) of approximately \$0.37 to pay  
40 for annual operation and maintenance costs related to  
41 the proposed capital improvements.  
42





# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 95-2025

Meeting Date: January 21, 2025

1 **From:** Assembly Member Meg Zaletel

2  
3 **Subject:** AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE  
4 QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE,  
5 ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO  
6 EXCEED NINE MILLION FOUR HUNDRED THOUSAND DOLLARS  
7 (\$9,400,000)~~FIVE MILLION FOUR HUNDRED THOUSAND~~  
8 ~~DOLLARS (\$5,400,000)~~ OF GENERAL OBLIGATION BONDS OF  
9 THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF  
10 AREAWIDE PUBLIC SAFETY IMPROVEMENTS, AND THE  
11 QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP  
12 LIMITATION TO PAY ASSOCIATED OPERATIONS AND  
13 MAINTENANCE COSTS AREAWIDE, AT THE ELECTION TO BE  
14 HELD IN THE MUNICIPALITY ON APRIL 1, 2025.

15  
16 The attached (S) version of the ordinance is introduced to move the Facility  
17 Safety/Code Upgrades Annual Program and Major Municipal Facility Fire Alarm  
18 System Panel Replacement projects from the 2025 Community Facilities bond  
19 project list to the Areawide Public Safety Improvements bond project list, increasing  
20 the amount of the general obligation bond proposition for Areawide Public Safety  
21 Improvements by \$4,000,000, from \$5,400,000 to \$9,400,000.

22  
23 Please see the attached updated Project List, attached as Exhibit A.

24  
25 Prepared by: Assembly Member Meg Zaletel  
26 Acknowledged by: Philippe D. Brice, CFO  
27 Acknowledged by: William D. Falsey, Chief Administrative Officer  
28 Acknowledged by: Eva R. Gardner, Municipal Attorney  
29 Acknowledged by: Ona R. Brause, OMB Director  
30 Acknowledged by: Rebecca A. Windt Pearson, Municipal Manager  
31 Submitted by: Assembly Member Meg Zaletel

**EXHIBIT A**  
**(for AO 2025-14(S))**

**Areawide Public Safety Capital Improvements**  
**2025 Bond Project List**  
**(000)'s**

<u>Project</u>	<u>Amount</u>	<u>O&amp;M</u>
AMATS: Mountain Air Dr – Rabbit Creek Rd to E 164 <sup>th</sup> Ave	\$ 150	-
Anchorage Signal System, Signage & Safety Improvements Annual Program	1,500	\$ 80
Fire Ambulance Replacement Annual Program	750	-
School Zone Safety Annual Program	1,000	2
Traffic Calming and Safety Improvements Annual Program	2,000	70
<b><u>Facility Safety/Code Upgrades Annual Program</u></b>	<b><u>2,000</u></b>	<b><u>-</u></b>
<b><u>Major Municipal Facility Fire Alarm System Panel Replacement</u></b>	<b><u>2,000</u></b>	<b><u>-</u></b>
<b>Total</b>	<b><u>\$9,400</u></b> <del><b><u>\$5,400</u></b></del>	<b><u>\$152</u></b>

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects - General Government**

AO Number: 2025-14(S) Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED **NINE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$9,400,000)**~~**FIVE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$5,400,000)**~~ OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE PUBLIC SAFETY IMPROVEMENTS, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS AREAWIDE, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2025.

Sponsor: Assembly Member Meg Zaletel  
 Preparing Agency: Assembly Member Meg Zaletel and Public Finance Division  
 Others Impacted: Areawide: Safety

**CHANGES IN EXPENDITURES AND REVENUES:** (Thousands of Dollars)

	FY25	FY26	FY27	FY28	FY29
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	--	152.0	152.0	152.0	152.0
4000 Debt Service	--	<del>684.1</del> <del>[393.0]</del>	<del>684.1</del> <del>[393.0]</del>	<del>684.1</del> <del>[393.0]</del>	<del>684.1</del> <del>[393.0]</del>
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	--	<del>836.1</del> <del>[545.0]</del>	<del>836.1</del> <del>[545.0]</del>	<del>836.1</del> <del>[545.0]</del>	<del>836.1</del> <del>[545.0]</del>
ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
<b>FUNCTION COST:</b>	--	<del>836.1</del> <del>[545.0]</del>	<del>836.1</del> <del>[545.0]</del>	<del>836.1</del> <del>[545.0]</del>	<del>836.1</del> <del>[545.0]</del>
<b>REVENUES:</b>					
<b>CAPITAL:</b>					
<b>POSITIONS:</b> FT/PT and Temp.					

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of ~~\$684,141~~~~[393,017]~~ assumes bonds are sold as a single bond issue with an interest rate of 3.877% with bond repayments corresponding to the expected life of the assets financed up to 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$152,000.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately ~~\$684,141~~~~[393,017]~~ equate to an estimated property tax increase of ~~0.0168~~~~[0.0096]~~ mills or ~~\$1.68~~~~[0.96]~~ per year on \$100,000 of assessed valuation in the Municipality areawide.

When fully operational, increased annual operations and maintenance costs are estimated at \$152,000 and equate to an estimated property tax increase of 0.0037 mills or \$0.37 per year on \$100,000 of assessed valuation in the Municipality areawide and an increase in the Municipal tax cap limitation.

The total private sector economic effect would therefore be a total of ~~\$2.05~~~~[1.33]~~ per \$100,000 of assessed valuation in the Municipality areawide.