

**MUNICIPALITY OF ANCHORAGE**

**ORDINANCE No. 2023-114(S-1)**

**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 DOLLARS (\$9,000,000)~~TWELVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$12,500,000)~~ OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AN AREAWIDE PUBLIC RESTROOM PROJECT, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 2, 2024 AND APPROVING AND ADDING A PROJECT TO THE AREAWIDE 2024 CIB TO INCLUDE THE PUBLIC RESTROOM PROJECT.**

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Prepared by

K&L GATES LLP

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ORDINANCE No. 2023-114(S-1)**

**TABLE OF CONTENTS\***

	<b>Page</b>
Section 1. Purpose.....	2
Section 2. Details of Bonds.....	3
Section 3. Ballot Proposition.....	3
Section 4. Areawide 2024 CIB .....	4
Section 5. Effective Dates.....	4

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\* This Table of Contents and the cover page are for convenience of reference and are not intended to be a part of this ordinance.

**LAI**D ON THE TABLE

Submitted by: Assembly Members  
Christopher Constant,  
Meg Zaletel and Anna  
Brawley

Prepared by: Cynthia M. Weed, Bond  
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K&L GATES LLP

(S-1) Prepared by: Assembly Counsel

(S-1) For Reading: December 5, 2023

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2023-114(S-1)**

**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 DOLLARS (\$9,000,000)~~TWELVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$12,500,000)~~ OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AN AREAWIDE PUBLIC RESTROOM PROJECT, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 2, 2024 AND APPROVING AND ADDING A PROJECT TO THE AREAWIDE 2024 CIB TO INCLUDE THE PUBLIC RESTROOM PROJECT.**

**WHEREAS**, the Municipality of Anchorage, Alaska (the "Municipality") is a home rule municipality, including powers to protect public health; and

**WHEREAS**, the best interest of the citizens and property owners in the Municipality require the Municipality to acquire and install areawide public restrooms, said restrooms will be standalone, durable-construction public restroom units (the "Project"); and

**WHEREAS**, the Assembly may alter the Areawide 2024 CIB by majority vote; and

**WHEREAS**, the Assembly desires to alter the Areawide 2024 CIB to include the Project; and

**WHEREAS**, in order to provide financing for the Project, it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds in the principal amount of not to exceed \$9,000,000~~(\$12,500,000)~~ (the "Bonds"); now, therefore,

1 **THE ANCHORAGE ASSEMBLY ORDAINS:**

2  
3 **Section 1. Purpose.** The Assembly hereby determines that the Project is needed  
4 throughout the Municipality. The Assembly hereby determines that the best interest  
5 of the residents and property owners within the Municipality require the Municipality  
6 to undertake the Project at the time and in the order and in the manner deemed  
7 most necessary and advisable by the Municipality. The estimated cost of the  
8 Project, including incidental costs and costs related to issuing and selling the Bonds  
9 as provided in this ordinance, is estimated to be **\$9,000,000**~~**\$12,500,000**~~.

10  
11 The Assembly hereby finds it necessary to alter the Areawide 2024 CIB to  
12 include the Project.

13  
14 The Project is described in more detail in the Assembly Memorandum  
15 accompanying this ordinance. The cost of all necessary planning, acquisition of  
16 property for, site preparation, construction, installing and equipping of the Project,  
17 architectural, engineering, design, and other consulting services, inspection and  
18 testing, administrative expenses, costs of issuance of the Bonds and other costs  
19 incurred in connection with the Project shall be deemed to be costs of the approved  
20 Project. The approved Project may be completed with all necessary equipment and  
21 appurtenances.

22  
23 The Municipality shall determine the application of available moneys for the  
24 Project so as to accomplish, as nearly as may be, the Project described or provided  
25 for in this section.

26  
27 If the Municipality shall determine that it has become impractical to  
28 accomplish any portion of the approved Project by reason of changed conditions or  
29 needs, incompatible development or costs substantially in excess of those  
30 estimated, the Municipality shall not be required to accomplish such portions and  
31 shall apply Bond proceeds as set forth in this section.

32  
33 If the approved Project has been completed in whole or in part, or its  
34 completion duly provided for, or its completion found to be impractical, the  
35 Municipality shall apply such remaining proceeds solely to payment of principal or  
36 interest on the Bonds, as provided in the Home Rule Charter. In the event that the  
37 proceeds of sale of the Bonds, plus any other monies of the Municipality legally  
38 available, are insufficient to accomplish the approved Project, the Municipality shall  
39 use the available funds for paying the cost of those portions of the approved Project  
40 deemed by the Municipality most necessary and in the best interest of the  
41 Municipality. No Bond proceeds shall be used by the Municipality for any purpose  
42 other than a capital improvement of the Municipality.

43  
44 For the purpose of providing funds for the undertaking of the Project, which  
45 is hereby found to be a public purpose and in the public interest, the Municipality  
46 hereby proposes to issue general obligation bonded indebtedness in an amount not

1 to exceed **Nine Million Dollars (\$9,000,000)**~~**Twelve Million Five Hundred**~~  
2 ~~**Thousand Dollars (\$12,500,000)**~~.

3  
4 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at  
5 such time or times as deemed necessary and advisable by the Assembly and as  
6 permitted by law and shall mature over a period of up to 20 years from date of issue.  
7 The Bonds shall be issued in an aggregate principal amount of not to exceed  
8 **\$9,000,000**~~**\$12,500,000**~~. The Bonds shall bear interest to be fixed at the time of  
9 sale or sales thereof. The exact form, terms, conditions, contents, security, options  
10 of redemption, and such other matters relating to the issuance and sale of said  
11 Bonds as are deemed necessary and advisable by the Assembly shall be as  
12 hereinafter determined and/or delegated by ordinance and/or resolution of the  
13 Assembly.  
14

15 The full faith and credit of the Municipality is pledged for the payment of the  
16 principal of and interest on the Bonds, and ad valorem taxes upon all taxable  
17 property in the Municipality shall be levied without limitation as to rate or amount to  
18 pay the principal and interest on the Bonds when due.  
19

20 **Section 3.** Ballot Proposition. The Assembly hereby submits to the qualified  
21 voters of the Municipality the proposition of whether or not the Municipality should  
22 issue the Bonds for the purpose of financing the costs of the approved Project at  
23 the regular municipal election to be held on April 2, 2024.  
24

25 The Clerk shall prepare the ballot proposition to be submitted to the voters  
26 as provided by this ordinance and the Municipal Code and shall perform all  
27 necessary steps in accordance with law to place this proposition before the voters  
28 at the regular election. The proposition must receive an areawide majority vote of  
29 those in the Municipality voting on the question to be approved. The proposition  
30 shall be substantially in the following form:  
31

32 PROPOSITION NO. \_\_\_\_\_

33  
34 **AREAWIDE PUBLIC RESTROOM BONDS**

35  
36 For the purpose of providing areawide public restrooms  
37 within the Municipality of Anchorage, of The Portland  
38 Loo type or similar, as provided in AO 2023-\_\_\_\_, shall  
39 Anchorage borrow money and issue up to  
40 **\$9,000,000**~~**\$12,500,000**~~ in principal amount of general  
41 obligation bonds **and increase the municipal tax cap**  
42 **by an annual amount not to exceed \$540,000**  
43 **/\$900,000/ to pay for associated annual operations**  
44 **and maintenance costs?**  
45

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2024 areawide assessed valuation in Anchorage): (i) an annual increase in taxes of approximately \$1.83~~[\$2.54]~~ to retire the proposed bonds, and (ii) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$1.43~~[\$2.38]~~ 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 areawide within Anchorage. The Municipality will also pledge its full faith and credit for payment of the bonds.

YES       NO

**Section 4.** Areawide 2024 CIB. The Assembly hereby alters the Areawide 2024 CIB to include the Project and increase the amount of the Areawide 2024 CIB by Nine Million Dollars (\$9,000,000)~~Twelve Million Five Hundred Thousand Dollars (\$12,500,000)]~~.

**Section 5.** Effective Dates. Section 2 of this ordinance shall become effective only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the regular election held on April 2, 2024. The remaining sections of this ordinance shall become effective upon passage and approval by the Assembly.

PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this \_\_\_ day of \_\_\_\_\_, 2023.

By \_\_\_\_\_  
Chair of the Assembly

ATTEST:

\_\_\_\_\_  
Municipal Clerk



# Municipality of Anchorage

## Assembly Memorandum

No. AM 951-2023

Meeting Date: December 5, 2023

Submitted by: **Assembly Members Chris Constant, Meg Zaletel and Anna Brawley**

Subject: AO 2023-114(S-1): 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 DOLLARS (\$9,000,000)**~~**TWELVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$12,500,000)**~~ OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AN AREAWIDE PUBLIC RESTROOM PROJECT, **AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS**, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 2, 2024 AND APPROVING AND ADDING A PROJECT TO THE AREAWIDE 2024 CIB TO INCLUDE THE PUBLIC RESTROOM PROJECT.

The attached (S-1) version of the ordinance is introduced to reduce the estimated annual operations and maintenance (O&M) costs of the public restrooms. There are several cities that have maintained and operated Portland Loo style public bathrooms for years, succinctly summarized in October 2019 report “Findings and Take-Aways for Washington DC From a Questionnaire Administered to Cities that Have Installed the Portland Loo.”<sup>1</sup> This report includes some annual O&M costs for that product, generally stating, in 2019, it was “\$12,000 to \$20,000 [to maintain] depending on location and daily use,”<sup>2</sup> and from cities that responded to a survey that installed them in city areas (as opposed to in parks) the number of times per day for cleaning was “[b]etween 1 and 3 times/day depending on use.”<sup>3</sup> There are several articles available online regarding the costs to maintain these public restrooms, and a common theme is an appropriate strategic location will make a difference in keeping that expense low.<sup>4</sup>

<sup>1</sup> See <https://dcpublicrestrooms.org/wp-content/uploads/2022/04/Portland-Loo-full-report-Oct.-2019.pdf> (accessed December 1, 2023).

<sup>2</sup> *Id.*, footnote 6.

<sup>3</sup> *Id.* at Attachment 3.

<sup>4</sup> San Diego: <https://www.sandiegoreader.com/news/2015/aug/15/stringers-san-diegos-portland-loo-price/>

1  
2 Finally, in correspondence with the sponsors, some other cities provided the  
3 following annual O&M per unit costs:  
4

<u>City</u>	<u>Cost Information Reported</u>	<u>Annual O&amp;M per unit</u>
Medford, OR	\$900 per month (contract + personnel)	<b>\$10,800</b>
Sumner, WA	1 city staff cleans once daily, \$60/hr takes 30 mins	<b>\$10,950</b>
Surrey, CA	2 Portland Loos, maintenance for both \$25,000 annually	<b>\$12,500</b>
Vancouver, WA	2 Portland Loos: contracted for cleaning: \$85 for 1 cleaning/day, additional \$70 per day May -September. \$44,378.00 for both yearly.	<b>\$22,189</b>

5  
6 The original O&M costs in AO 2023-114(S) were calculated by the Administration,  
7 which explained there was a similar bond proposition proposal for Portland Loo style  
8 public restrooms developed in 2021, and at that time the estimated O&M was based  
9 on \$5,000 for utilities, \$10,000 for anticipated repairs and maintenance of the  
10 equipment, and \$25,000 for cleaning. The cleaning cost estimate was based on  
11 assumptions of 4 cleanings per day with a crew of 2, 3.5 person-hours/day for one  
12 unit (with travel time), that equated to slightly less than 2 hours per crew per day  
13 each unit. The total then was \$40,000 per unit.  
14

15 We believe the assumptions were above the amount needed for a reasonable level  
16 of service, and well beyond typical service levels, based on information from other  
17 jurisdictions who already operate these units. While some public restrooms may  
18 need more than 1 cleaning per day due to location, the vast majority only require  
19 one. Using the assumption of \$10,000 per unit with an average of 1 cleaning per day,  
20 and allowing a contingency amount assuming that some units in more heavy-traffic  
21 areas will require additional cleanings, renders a more realistic estimate. We started  
22 with the 2021 estimate for utilities and repair maintenance as a base, then adjusted  
23 for the cumulative inflation rate since then (13.6%). This yields the following  
24 estimates:  
25

Utilities:	\$5,680
Maintenance/Repairs:	\$11,360
<u>Cleaning:</u>	<u>\$10,000</u>
Total:	\$27,040.

26 We have rounded up to \$30,000, for an approximate 10% contingency.  
27  
28  
29  
30  
31

32 Based on the assumptions of 18 standalone units in place and an annual O&M cost  
33 of \$30,000 per unit, we assume an increase in O&M of \$540,000 in the bond ballot  
34 proposition. This requires voter approval of an increase in the annual tax cap

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Jacksonville: <https://www.metrojacksonville.com/article/2012-feb-portland-loo-success-where-others-have-failed>



1 | limitation of \$1.43 per \$100,000 of assessed taxable property value in the  
2 | Municipality. These figures are indicated in the ballot proposition language on p. 3-  
3 | 4 of the (S-1) version of the ordinance, Exhibit A, and the revised SEE submitted  
4 | herewith.

5 |  
6 | Prepared by: Assembly Members Chris Constant,  
7 | Meg Zaletel and Anna Brawley  
8 | Acknowledged by: Alden Thern, CFO  
9 | Acknowledged by: Anne Helzer, Municipal Attorney  
10 | Acknowledged by: Sharon Lechner, Acting OMB Director  
11 | Acknowledged by: Kent E. Kohlhase, Municipal Manager  
12 | Submitted by: Assembly Members Chris Constant,  
13 | Meg Zaletel and Anna Brawley

**EXHIBIT A**  
**(for AO 2023-114(S-1))**

**Areawide Public Restrooms**  
**2024 Bond Project List**  
**(000)'s**

<b>Project</b>	<b>Amount</b>	<b>O&amp;M</b>
The Portland Loo, or similar, stand alone bathrooms	<del>\$9,000</del> <del>[\$12,500]</del>	<del>\$540</del> <del>[\$900]</del> <del>[-]</del>
<b>Total</b>	<del>\$9,000</del> <del>[\$12,500]</del>	<del>\$540</del> <del>[\$900]</del> <del>[-]</del>

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

AO Number: 2023-114(S-1) 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 DOLLARS (\$9,000,000)** ~~TWELVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$12,500,000)~~ OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AN AREAWIDE PUBLIC RESTROOM PROJECT, **AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS**, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 2, 2024 AND APPROVING AND ADDING A PROJECT TO THE AREAWIDE 2024 CIB TO INCLUDE THE PUBLIC RESTROOM PROJECT.

Sponsors: Assembly Members Chris Constant, Meg Zaletel and Anna Brawley  
 Prepared By: Assembly Members Chris Constant, Meg Zaletel and Anna Brawley and Public Finance Staff  
 Others Impacted: Areawide Service Area: Public Restrooms

**CHANGES IN EXPENDITURES AND REVENUES:**

(Thousands of Dollars)

	FY23	FY24	FY25	FY26	FY27
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	==	<u>540.0</u> <del>[900.0]</del>	<u>540.0</u> <del>[900.0]</del>	<u>540.0</u> <del>[900.0]</del>	<u>540.0</u> <del>[900.0]</del>
4000 Debt Service	--	<u>690.4</u> <del>[958.8]</del>	<u>690.4</u> <del>[958.8]</del>	<u>690.4</u> <del>[958.8]</del>	<u>690.4</u> <del>[958.8]</del>
5000 Capital Outlay					
		<u>1,230.4</u>	<u>1,230.4</u>	<u>1,230.4</u>	<u>1,230.4</u>
TOTAL DIRECT COSTS:--	<u>[1,590.4]</u> <del>[958.8]</del>	<u>[1,590.4]</u> <del>[958.8]</del>	<u>[1,590.4]</u> <del>[958.8]</del>	<u>[1,590.4]</u> <del>[1,590.4]</del>	<u>[958.8]</u>

ADD: 6000 Charge from Others  
 LESS: 7000 Charge to Others

FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of **\$690,366** ~~[\$958,842]~~ assumes bonds are sold as a single bond issue with an interest rate of 4.475% 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 \$540,000** ~~[\$900,000].~~

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately **\$690,366** ~~[\$958,842]~~ equate to an estimated property tax increase of **0.0183** ~~[0.0254]~~ mills or **\$1.83** ~~[\$2.54]~~ per year on \$100,000 of assessed valuation in the Municipality areawide.

**When fully operational, increased annual operations and maintenance costs are estimated at \$540,000** ~~[\$900,000] and equate to an estimated property tax increase of 0.0143~~ ~~[0.0238]~~ mills or **\$1.43** ~~[\$2.38]~~ 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 \$3.26** ~~[\$4.21]~~ per \$100,000 of assessed valuation.