

Requested by: Chair of the Assembly at
the request of the Mayor
Prepared by: Cynthia M. Weed, Bond
Counsel
K&L GATES, LLP
For Reading: January 7, 2025

**MUNICIPALITY OF ANCHORAGE
AO No. 2025-15**

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 THREE MILLION DOLLARS (\$3,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD SAFETY IMPROVEMENTS IN THE GIRDWOOD VALLEY SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2025.

WHEREAS, the best interest of the citizens and property owners in Girdwood Valley Service Area and the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to construct road safety improvements (the "Projects"); and

WHEREAS, in order to provide financing for the Projects, it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds in the principal amount of not to exceed \$3,000,000 (the "Bonds"); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly hereby determines that the Projects are needed throughout the Girdwood Valley Service Area. The Assembly hereby determines that the best interest of the residents and property owners within the Girdwood Valley Service Area require the Municipality to undertake the Projects at the time and in the order and in the manner deemed most necessary and advisable by the Municipality. The estimated cost of the Projects, including incidental costs and costs related to issuing and selling the Bonds as provided in this ordinance, is estimated to be \$3,000,000.

The Projects are described in more detail in the attachment to the Assembly Memorandum accompanying this ordinance. The cost of all necessary planning, acquisition of property for, site preparation, construction, installing and equipping of the Projects, architectural, engineering, design, and other consulting services, inspection and testing, administrative expenses, costs of issuance of the Bonds and other costs incurred in connection with the Projects shall be deemed to be costs of the approved Projects. The approved Projects may be completed with all necessary equipment and appurtenances. All components of the Projects shall be situated on

1 property situated within the boundaries of the Municipality, and shall be owned by
2 the Municipality.

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

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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 capital improvements within the Girdwood Valley Service Area at its sole discretion.
18 Otherwise, the Municipality shall apply such remaining proceeds solely to payment
19 of principal or interest on the Bonds, as provided in the Home Rule Charter. In the
20 event that the proceeds of sale of the Bonds, plus any other monies of the
21 Municipality legally available, are insufficient to accomplish the approved Projects,
22 the Municipality shall use the available funds for paying the cost of those portions of
23 the approved Projects deemed by the Municipality most necessary and in the best
24 interest of the Municipality. No Bond proceeds shall be used by the Municipality for
25 any purpose other than a capital improvement of the Municipality.

26
27 For the purpose of providing funds for the undertaking of the Projects, which
28 is 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 Three Million Dollars (\$3,000,000).

31
32 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at
33 such time or times as deemed necessary and advisable by the Assembly and as
34 permitted by law and shall mature over a period of up to 20 years from date of issue.
35 The Bonds shall be issued in an aggregate principal amount of not to exceed
36 \$3,000,000. The Bonds shall bear interest to be fixed at the time of sale or sales
37 thereof. The exact form, terms, conditions, contents, security, options of
38 redemption, and such other matters relating to the issuance and sale of said Bonds
39 as are deemed necessary and advisable by the Assembly shall be as hereinafter
40 determined and/or delegated by ordinance and/or resolution of the Assembly.

41
42 The full faith and credit of the Municipality is pledged for the payment of the
43 principal of and interest on the Bonds, and ad valorem taxes upon all taxable
44 property in the Municipality shall be levied without limitation as to rate or amount to
45 pay the principal and interest on the Bonds when due. The principal of and interest

1 on the Bonds are to be paid first from ad valorem taxes levied and collected within
2 the Girdwood Valley Service Area.

3
4 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified
5 voters of the Municipality the proposition of whether or not the Municipality should
6 issue the Bonds for the purpose of financing the costs of the approved Projects at
7 the 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 a majority vote of those in the
13 Municipality voting, both in the Girdwood Valley Service Area and areawide, on the
14 question to be approved. The proposition shall be substantially in the following form:

15
16 PROPOSITION NO. _____

17
18 GIRDWOOD VALLEY SERVICE AREA BONDS

19
20 For the purpose of providing road safety improvements
21 to Timberline Road within the Girdwood Valley Service
22 Area, as provided in AO 2025-____, shall Anchorage
23 borrow money and issue up to \$3,000,000 in principal
24 amount of general obligation bonds?

25
26 Voter approval of this bond proposition authorizes for
27 each \$100,000 of assessed taxable property value
28 (based on the estimated 2025 assessed valuation in the
29 Girdwood Valley Service Area) an annual increase in
30 taxes of approximately \$24.35 to retire the proposed
31 bonds.

32
33 The debt shall be paid from real and personal property
34 taxes levied and collected within the Girdwood Valley
35 Service Area, without cost to properties in Chugiak,
36 Eagle River, the Anchorage Bowl, and other properties
37 outside the Service Area. The Municipality will also
38 pledge its full faith and credit for payment of the debt.

39
40 YES NO

41
42 **Section 4. Effective Dates.** Section 2 of this ordinance shall become effective
43 only if the proposition described in Section 3 is approved by a majority of the
44 qualified voters voting on the proposition at the regular election held on April 1, 2025.
45 The remaining sections of this ordinance shall become effective upon passage and
46 approval by the Assembly.

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PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this
___ day of _____, 2025.

By _____
Chair of the Assembly

ATTEST:

Municipal Clerk



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 60 - 2025

Meeting Date: January 7, 2025

1 **FROM: MAYOR**

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 THREE MILLION DOLLARS (\$3,000,000) OF GENERAL**
7 **OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE**
8 **TO PAY THE COSTS OF ROAD SAFETY IMPROVEMENTS IN THE**
9 **GIRDWOOD VALLEY SERVICE AREA AT THE ELECTION TO BE**
10 **HELD IN THE MUNICIPALITY ON APRIL 1, 2025.**

11
12 The attached ordinance will place a general obligation bond proposition for the
13 Girdwood Valley Service Area on the ballot for the regular Municipal election to be
14 held on April 1, 2025.

15
16 The Administration recommends scheduling a public hearing for this bond ordinance
17 on January 21, 2025.

18
19 The Girdwood Valley Service Area bond proposal will implement the priorities
20 established in the recently approved 2025-2030 Capital Improvement Program.
21 Please see the attached Project List, attached as Exhibit A.

22
23 **THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.**

24
25 Prepared by: Ross Risvold, Public Finance & Investments Manager
26 Approved: Philippe D. Brice, CFO
27 Approved: William D. Falsey, Chief Administrative Officer
28 Concur: Eva R. Gardner, Municipal Attorney
29 Concur: Ona R. Brause, OMB Director
30 Concur: William D. Falsey, Chief Administrative Officer
31 Concur: Rebecca A. Windt Pearson, Municipal Manager
32 Respectfully submitted: Suzanne LaFrance, Mayor

EXHIBIT A

**Girdwood Valley Service Area
2025 Bond Projects List
(000)'s**

<u>Project</u>	<u>Amount</u>	<u>O&M</u>
Timberline Road Safety Improvements	\$3,000	-
Total	\$3,000	-

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2025-15 **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 THREE MILLION DOLLARS (\$3,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD SAFETY IMPROVEMENTS IN THE GIRDWOOD VALLEY SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2025.**

Sponsor: Mayor
 Prepared By: Public Finance Division
 Others Impacted: Girdwood Valley Service Area

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY25	FY26	FY27	FY28	FY29
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	--	218.3	218.3	218.3	218.3
5000 Capital Outlay					
TOTAL DIRECT COSTS:	--	218.3	218.3	218.3	218.3
ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
FUNCTION COST:	--	218.3	218.3	218.3	218.3

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of \$218,343 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.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$218,343 equate to an estimated property tax increase of 0.2435 mills or \$24.35 per year on \$100,000 of assessed valuation in the Girdwood Valley Service Area.