

Requested by: Assembly Member Karen
Bronga, Assembly Member
Zac Johnson, Assembly
Member Randy Sulte
(S) Prepared by: Cynthia M. Weed, Bond
Counsel
K&L GATES LLP
(S) For Reading: January 7, 2025

MUNICIPALITY OF ANCHORAGE
AO No. 2025-16(S)

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 ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000) [THREE HUNDRED THOUSAND DOLLARS (\$300,000)] OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ACCESS IMPROVEMENTS IN THE CHUGACH STATE PARK ACCESS SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2025, AND APPROVING AN INCREASED BOND AMOUNT FOR THE BASHER TRAILHEAD PARKING LOT PROJECT IN THE 2025 CAPITAL IMPROVEMENT BUDGET.

WHEREAS, the best interest of the citizens and property owners in Chugach State Park Access Service Area (“CASA”) and the Municipality of Anchorage, Alaska (the “Municipality”) require the Municipality to acquire access improvements (the “Projects”); and

WHEREAS, Municipality voters have overwhelmingly shown support for increased access to Chugach State Park by their vote to establish the CASA and most recently to fund improvements to access on Canyon Road; and

WHEREAS, Basher Road parking provides the closest access to the Chugach State Park for east Anchorage residents, and this parking is limited and substandard; and

WHEREAS, providing east Anchorage access to the park helps area residents less likely to have vehicles; and

WHEREAS, Chugach State Park has expressed interest in entering a memorandum of understanding (“MOU”) to maintain and potentially help engineer the design for the expanded parking; and

WHEREAS, it is the administration’s intention to create a six year process for moving forward CASA projects and a proposed list has been generated using

1 **input from Limited Road Service Areas (LRSA's) and various trail user groups,**
2 **with Basher Road parking being a top priority; and**

3
4 **WHEREAS, the Assembly may alter the 2025 Capital Improvement Budget**
5 **("CIB") by majority vote; and**

6
7 **WHEREAS, the Assembly desires to alter the 2025 CIB to include the**
8 **increased bond amount for the Basher trailhead parking lot project to include**
9 **both design and build costs; and**

10
11 **WHEREAS**, in order to provide financing for the Projects, it is deemed necessary
12 and advisable that the Municipality issue and sell its general obligation bonds in the
13 principal amount of not to exceed **\$1,500,000[~~\$300,000~~]** (the "Bonds"); now,
14 therefore,

15
16 **THE ANCHORAGE ASSEMBLY ORDAINS:**

17
18 **Section 1. Purpose.** The Assembly hereby determines that the Projects are
19 needed throughout the CASA. The Assembly hereby determines that the best
20 interest of the residents and property owners within CASA require the Municipality
21 to undertake the Projects at the time and in the order and in the manner deemed
22 most necessary and advisable by the Municipality. The estimated cost of the
23 Projects, including incidental costs and costs related to issuing and selling the
24 Bonds as provided in this ordinance, is estimated to be **\$1,500,000[~~\$300,000~~]**.

25
26 The Projects are described in more detail in the attachment to the Assembly
27 Memorandum accompanying this ordinance. The cost of all necessary planning,
28 acquisition of property for, site preparation, construction, installing and equipping of
29 the Projects, architectural, engineering, design, and other consulting services,
30 inspection and testing, administrative expenses, costs of issuance of the Bonds and
31 other costs incurred in connection with the Projects shall be deemed to be costs of
32 the approved Projects. The approved Projects may be completed with all necessary
33 equipment and appurtenances. All components of the Projects shall be situated on
34 property situated within the boundaries of the Municipality, and shall be owned by
35 the Municipality.

36
37 The Municipality shall determine the application of available moneys for the
38 Projects so as to accomplish, as nearly as may be, the Projects described or
39 provided for in this section.

40
41 If the Municipality shall determine that it has become impractical to
42 accomplish any portion of the approved Projects by reason of changed conditions
43 or needs, incompatible development or costs substantially in excess of those
44 estimated, the Municipality shall not be required to accomplish such portions and
45 shall apply Bond proceeds as set forth in this section.

1 If the approved Projects have been completed in whole or in part, or their
2 completion duly provided for, or their completion found to be impractical, the
3 Municipality may apply Bond proceeds or any portion thereof to other Municipality
4 capital improvements within the Chugach State Park Access Service Area at its sole
5 discretion. Otherwise, the Municipality shall apply such remaining proceeds solely
6 to payment of principal or interest on the Bonds, as provided in the Home Rule
7 Charter. In the event that the proceeds of sale of the Bonds, plus any other monies
8 of the Municipality legally available, are insufficient to accomplish the approved
9 Projects, the Municipality shall use the available funds for paying the cost of those
10 portions of the approved Projects deemed by the Municipality most necessary and
11 in the best interest of the Municipality. No Bond proceeds shall be used by the
12 Municipality for any purpose other than a capital improvement of the Municipality.

13
14 For the purpose of providing funds for the undertaking of the Projects, which
15 is hereby found to be a public purpose and in the public interest, the Municipality
16 hereby proposes to issue general obligation bonded indebtedness in an amount not
17 to exceed **One Million Five Hundred Thousand Dollars (\$1,500,000)**~~Three~~
18 ~~Hundred Thousand Dollars (\$300,000)~~.

19
20 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at
21 such time or times as deemed necessary and advisable by the Assembly and as
22 permitted by law and shall mature over a period of up to 20 years from date of issue.
23 The Bonds shall be issued in an aggregate principal amount of not to exceed
24 **\$1,500,000**~~(\$300,000)~~. The Bonds shall bear interest to be fixed at the time of sale
25 or sales thereof. The exact form, terms, conditions, contents, security, options of
26 redemption, and such other matters relating to the issuance and sale of said Bonds
27 as are deemed necessary and advisable by the Assembly shall be as hereinafter
28 determined and/or delegated by ordinance and/or resolution of the Assembly.

29
30 The full faith and credit of the Municipality is pledged for the payment of the
31 principal of and interest on the Bonds, and ad valorem taxes upon all taxable
32 property in the Municipality shall be levied without limitation as to rate or amount to
33 pay the principal and interest on the Bonds when due. The principal of and interest
34 on the Bonds are to be paid first from ad valorem taxes levied and collected within
35 the CASA.

36
37 **Section 3.** Ballot Proposition. The Assembly hereby submits to the qualified
38 voters of the Municipality the proposition of whether the Municipality should issue
39 the Bonds for the purpose of financing the costs of the approved Projects at the
40 regular municipal election to be held on April 1, 2025.

41
42 The Clerk shall prepare the ballot proposition to be submitted to the voters
43 as provided by this ordinance and the Municipal Code and shall perform all
44 necessary steps in accordance with law to place this proposition before the voters
45 at the regular election. The proposition must receive a majority vote of those in the

1 Municipality voting, both in the CASA and areawide, on the question to be approved.
2 The proposition shall be substantially in the following form:

3
4 PROPOSITION NO. _____

5
6 CHUGACH STATE PARK ACCESS SERVICE AREA BONDS

7
8 For the purpose of providing public access
9 improvements to the parking lot at the Basher Drive
10 Trailhead within the Chugach State Park Access Service
11 Area, as provided in AO 2025-16(S), shall Anchorage
12 borrow money and issue up to \$1,500,000~~[\$300,000]~~ in
13 principal amount of general obligation bonds?

14
15 Voter approval of this bond proposition authorizes for
16 each \$100,000 of assessed taxable property value
17 (based on the estimated 2025 assessed valuation in the
18 Chugach State Park Access Service Area) an annual
19 increase in taxes of approximately \$0.31~~[\$0.06]~~ to retire
20 the proposed bonds.

21
22 The debt shall be paid from real and personal property
23 taxes levied and collected within the Chugach State
24 Park Access Service Area, without cost to properties in
25 Chugiak, Eagle River, Girdwood, and other properties
26 outside the Service Area. The Municipality will also
27 pledge its full faith and credit for payment of the debt.

28
29 YES NO

30
31 **Section 4. 2025 CIB. The Assembly hereby alters the 2025 CIB for the**
32 **Basher trailhead parking lot project to include both design and build costs,**
33 **and increase the amount of the 2025 CIB by One Million Two Hundred**
34 **Thousand Dollars (\$1,200,000).**

35
36 **Section 5[4]. Effective Dates.** Section 2 of this ordinance shall become effective
37 only if the proposition described in Section 3 is approved by a majority of the
38 qualified voters voting on the proposition at the regular election held on April 1, 2025.
39 The remaining sections of this ordinance shall become effective upon passage and
40 approval by the Assembly.
41

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12

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

No. AM 69-2025

Meeting Date: January 7, 2025

1 **From:** Assembly Member Karen Bronga

2

3 **Subject:** AO 2025-16(S): AN ORDINANCE PROVIDING FOR THE

4 SUBMISSION TO THE QUALIFIED VOTERS OF THE

5 MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION OF

6 THE ISSUANCE OF NOT TO EXCEED ONE MILLION FIVE

7 HUNDRED THOUSAND DOLLARS (\$1,500,000)~~[THREE~~

8 ~~HUNDRED THOUSAND DOLLARS (\$300,000)]~~ OF GENERAL

9 OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE

10 TO PAY THE COSTS OF ACCESS IMPROVEMENTS IN THE

11 CHUGACH STATE PARK ACCESS SERVICE AREA AT THE

12 ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2025,

13 AND APPROVING AN INCREASED BOND AMOUNT FOR THE

14 BASHER TRAILHEAD PARKING LOT PROJECT IN THE 2025

15 CAPITAL IMPROVEMENT BUDGET.

16

17 The attached (S) version of the ordinance is introduced to alter the Basher Road

18 trailhead parking lot project to include both design and build costs, and increase the

19 amount of the general obligation bond proposition for the Chugach State Park

20 Access Service Area from \$300,000 to \$1,500,000.

21

22 The 2025 Capital Improvement Budget (“CIB”) will be amended as follows with the

23 passage of the attached ordinance by the addition of the following bond amount:

24

25 **Basher trailhead parking lot - \$1,200,000**

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

27

28

29 Prepared by: Assembly Member Karen Bronga

30 Acknowledged by: Philippe D. Brice, CFO

31 Acknowledged by: William D. Falsey, Chief Administrative Officer

32 Acknowledged by: Eva R. Gardner, Municipal Attorney

33 Acknowledged by: Ona R. Brause, OMB Director

34 Acknowledged by: Rebecca A. Windt Pearson, Municipal Manager

35 Submitted by: Assembly Member Karen Bronga

**EXHIBIT A
(for AO 2025-16(S))**

**Chugach State Park Access Service Area
2025 Bond Projects List
(000)'s**

<u>Project</u>	<u>Amount</u>	<u>O&M</u>
Basher Trailhead Parking Lot	<u>\$1,500</u> (\$300)	-
Total	<u>\$1,500</u> (\$300)	-

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2025-16(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 ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000)~~THREE HUNDRED THOUSAND DOLLARS (\$300,000)~~ OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ACCESS IMPROVEMENTS IN THE CHUGACH STATE PARK ACCESS SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2025, **AND APPROVING AN INCREASED BOND AMOUNT FOR THE BASHER TRAILHEAD PARKING LOT PROJECT IN THE 2025 CAPITAL IMPROVEMENT BUDGET.**

Sponsor: Assembly Member Karen Bronga
 Prepared By: Assembly Member Karen Bonga and Public Finance Division
 Others Impacted: Chugach State Park Access 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	--	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>
5000 Capital Outlay					
TOTAL DIRECT COSTS:	--	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>

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

FUNCTION COST:	--	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>	<u>109.2[21.8]</u>
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REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of \$109,171[21,834] 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 \$109,171[21,834] equate to an estimated property tax increase of 0.0031[0.0006] mills or \$0.31[0.06] per year on \$100,000 of assessed valuation in the Chugach State Park Access Service Area.