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2  
3 CLERK'S OFFICE  
4 **AMENDED AND APPROVED**  
5 Date: 2-3-09  
6  
7

Requested by: Chair of the Assembly at the  
Request of the Acting Mayor  
Prepared by: Cynthia M. Weed, Bond Counsel  
K&L PRESTON GATES ELLIS LLP  
For Reading: January 20, 2009

8 **MUNICIPALITY OF ANCHORAGE**  
9 **ORDINANCE No. AO 2009-12**  
10

11  
12 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED  
13 VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF  
14 NOT TO EXCEED FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS  
15 (\$4,500,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF  
16 ANCHORAGE TO PAY THE COSTS OF FACILITIES RENOVATIONS AND  
17 RELATED CAPITAL IMPROVEMENTS, AND THE QUESTION OF AN INCREASE  
18 IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS  
19 AND MAINTENANCE COSTS AT THE ELECTION TO BE HELD IN THE  
20 MUNICIPALITY ON APRIL 7, 2009.  
21

22 **WHEREAS**, the best interest of the citizens and property owners in the Municipality of  
23 Anchorage, Alaska (the "Municipality") require the Municipality to construct, equip,  
24 renovate, replace and make improvements to libraries and the Public Health Facility, and

25 **WHEREAS**, the Assembly of the Municipality have identified necessary public  
26 improvement projects including libraries and the Public Health Facility within the  
27 Municipality; and

28 **WHEREAS**, in order to provide funds to perform the necessary construction, equipping,  
29 renovations, replacements and improvements as further described in Section 1 of this  
30 ordinance (the "Projects"), it is deemed necessary and advisable that the Municipality issue  
31 and sell its general obligation bonds (the "Bonds"); now, therefore,

1 **THE ANCHORAGE ASSEMBLY ORDAINS:**

2 **Section 1.** Purpose. The Assembly hereby determines that the Municipality is in need  
3 of construction, equipping, renovations, replacements and improvements to libraries ~~and~~  
4 ~~the Public Health Facility~~, and related public facility capital improvements (the  
5 “Projects”). The Assembly of the Municipality hereby determines that the best interest of  
6 the residents and property owners within the Municipality require the Municipality to  
7 undertake the Projects at the time and in the order and in the manner deemed most  
8 necessary and advisable by the Municipality. The estimated cost of the Projects, including  
9 incidental costs and costs related to issuing and selling the Bonds as provided in this  
10 ordinance, is estimated to be ~~\$4,500,000~~ \$1,500,000.

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

19 The Municipality shall determine the application of available moneys as between  
20 the various Projects so as to accomplish, as nearly as may be, all of the Projects described  
21 or provided for in this section.

22 If the Municipality shall determine that it has become impractical to accomplish  
23 any portion of the approved Projects by reason of changed conditions or needs,

1 incompatible development or costs substantially in excess of those estimated, the  
2 Municipality shall not be required to accomplish such portions and shall apply Bond  
3 proceeds as set forth in this section.

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

15 For the purpose of providing funds for the undertaking of the Projects, which are  
16 hereby found to be a public purpose and in the public interest, the Municipality hereby  
17 proposes to issue general obligation bonded indebtedness in an amount not to exceed  
18 ~~Four~~One Million Five Hundred Thousand Dollars (~~\$4,500,000~~\$1,500,000) (the "Bonds").

19 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at such  
20 time or times as deemed necessary and advisable by the Assembly and as permitted by law  
21 and shall mature over a period of 20 years from date of issue. The Bonds shall be issued in  
22 an aggregate principal amount of not to exceed ~~\$4,500,000~~\$1,500,000. The Bonds shall  
23 bear interest to be fixed at the time of sale or sales thereof. The exact form, terms,

1 conditions, contents, security, options of redemption, and such other matters relating to the  
2 issuance and sale of said Bonds as are deemed necessary and advisable by the Assembly  
3 shall be as hereinafter determined and/or delegated by ordinance and/or resolution of the  
4 Assembly.

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

9 **Section 3.** Ballot Proposition. The Assembly hereby submits to the qualified electors  
10 of the Municipality the proposition of whether or not the Municipality should issue the  
11 Bonds for the purpose of financing the costs of the approved Projects at the regular  
12 municipal election to be held on April 7, 2009.

13 The Clerk shall prepare the ballot proposition to be submitted to the voters as  
14 provided by this ordinance and the Municipal Code and shall perform all necessary steps in  
15 accordance with law to place this proposition before the voters at the regular election. The  
16 proposition must receive an areawide majority vote of those in the Municipality voting on  
17 the question to be approved. The proposition shall be substantially in the following form;  
18 provided, however, the title of the ballot proposition may be reviewed and revised by the  
19 Clerk and Municipal Manager consistent with the terms of this ordinance:

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

PUBLIC FACILITY CAPITAL IMPROVEMENT BONDS

To provide for construction, equipping, renovations, replacement, improvements and maintenance of Anchorage libraries ~~and the Public Health Facility~~ and related public facility capital improvements, shall Anchorage issue up to ~~\$4,500,000~~ \$1,500,000 in principal amount of general obligation bonds and increase the municipal tax cap by an amount not to exceed \$475,000 to pay annual operations and maintenance costs? The proposed capital improvements would be located within Anchorage.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated total 2009 areawide assessed valuation in Anchorage) (i) an annual increase in taxes of approximately ~~\$1.190.40~~ \$1.50 to retire the proposed bonds, and (ii) an annual increase in the Municipal Tax Cap (Charter 14.03(b)(2)) of approximately \$1.50 to pay for annual operations 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. Anchorage will also pledge its full faith and credit for payment of the bonds.

(No. AO 2009-12)

**Section 4.** Submission of Question to Voters. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other general obligation bond propositions, and the following words shall be added as appropriate and next to a square provided for marking the ballot or voting by a machine:

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

BONDS, YES

BONDS, NO

**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

1 voting on the proposition at the regular election held on April 7, 2009. The remaining  
2 sections of this ordinance shall become effective upon passage and approval.

3 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this 3<sup>rd</sup>  
4 day of February, 2009.

5  
6 By   
7  
8 Chair of the Assembly

9 ATTEST:

10   
11  
12 Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. AO 2009-12

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FACILITIES RENOVATIONS AND RELATED CAPITAL IMPROVEMENTS, 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 7, 2009.

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Prepared by

K&L PRESTON GATES ELLIS LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. AO 2009-12**

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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.



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

AO Number: 2009-12

Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FACILITIES RENOVATIONS AND RELATED CAPITAL IMPROVEMENTS, 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 7, 2009

Sponsor: Acting Mayor

Preparing Agency: Finance

Others Impacted: Economic Development

<b>CHANGES IN EXPENDITURES AND REVENUES:</b>					
	(Thousands of Dollars)				
	FY09	FY10	FY11	FY12	FY13
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	475	475	475	475	475
4000 Debt Service	377	377	377	377	377
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	<b>852</b>	<b>852</b>	<b>852</b>	<b>852</b>	<b>852</b>
ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
<b>FUNCTION COST:</b>					
<b>REVENUES:</b>					
<b>CAPITAL:</b>					
<b>POSITIONS: FT/PT and Temp.</b>					

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of \$376,557 assumes bonds are sold as a package @ 5.50% interest, with bond repayments corresponding to the expected life of the assets financed of up to 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$475,000.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$376,557 equate to an estimated property tax increase of .0119 mills or \$1.19 per year on \$100,000 of assessed valuation Areawide.

When fully operational, increased annual operations and maintenance costs are estimated at \$475,000 and equate to an estimated property tax increase of .0150 mills or \$1.50 per year on \$100,000 of assessed valuation Areawide.

The total private sector economic effect would therefore be increased in the Municipal tax cap limitation related to the payment of debt service and operations and maintenance costs as shown above for a total of \$2.69 per \$100,000 of assessed valuation Areawide.



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 50-2009

Meeting Date: January 20, 2009

1 **From:** Acting Mayor

2  
3 **Subject:** AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE  
4 QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF  
5 THE ISSUANCE OF NOT TO EXCEED FOUR MILLION FIVE HUNDRED  
6 THOUSAND DOLLARS (\$4,500,000) OF GENERAL OBLIGATION BONDS  
7 OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF  
8 FACILITIES RENOVATIONS AND RELATED CAPITAL IMPROVEMENTS,  
9 AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP  
10 LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE  
11 COSTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON  
12 APRIL 7, 2009

13  
14 The attached ordinance will place a general obligation bond proposition for Facilities  
15 Capital Improvements on the ballot for the regular Municipal election to be held on April  
16 7, 2009.

17  
18 The administration recommends scheduling a public hearing for this bond ordinance on  
19 February 3, 2009.

20  
21 The 2008 Facilities Capital Improvement bond will implement the priorities established  
22 in the recently approved 2009-2014 Capital Improvement Program. The bond provides  
23 funds for Facilities, including capital improvements for the Loussac Library redesign and  
24 construction of a deteriorating entrance, design and construction for the rehabilitation of  
25 a building to be purchased for a new library in the downtown area, and the replacement  
26 or rehabilitation of the Municipal Public Health Facility.

27  
28 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY  
29 APPROVE THE PROPOSED ORDINANCE PLACING THE FACILITIES CAPITAL  
30 IMPROVEMENT BOND PROPOSITION ON THE APRIL 7, 2009 BALLOT.

31  
32 Prepared by: Sharon Weddleton, CFO  
33 Concurrence: Wanda Phillips, Office of Management & Budget  
34 Concurrence: James N. Reeves, Municipal Attorney  
35 Concurrence: Michael K. Abbott, Municipal Manger  
36 Respectfully submitted: Matt Claman, Acting Mayor

2009 General Obligation Bonds

CLERK'S OFFICE  
 REVIEWED AND APPROVED  
 Date: 2-3-09

Areawide Facilities (Fund 401)

(\$000s)

Projects	G.O. Bonds	State	Other	Total	O&M
<b>Health &amp; Human Services</b>					
Public Health Facility Replacement/Remodel	<del>3,000</del>	<del>9,000</del>	0	<del>12,000</del>	-
<b>Libraries</b>					
Loussac Library	1,000	2,000	1,500	4,500	150.0
Downtown Library (New)	500	1,000	1,500	3,000	325.0
<b>Anchorage Areawide Facilities (Fund 401) Total</b>	<del>\$4,500</del> \$1,500	<del>\$12,000</del> \$3,000	\$3,000	<del>\$19,500</del> \$7,500	\$475.0

**Content ID:** 007312**Type:** Ordinance - AO

An Ordinance Providing for the Submission to the Voters, the Question of the

**Title:** Issuance of NTE \$4,500,000 of G.O. Bonds to Pay the Costs of Facilities Renovations and Related Capital Improvements, Finance**Author:** maglaquijp**Initiating Dept:** Finance**Keywords:** Facilities, Renovations, Capital Improvements, \$4,500,000, Election, G.O. Bonds**Date Prepared:** 1/16/09 10:20 AM**Director Name:** Sharon Weddleton**Assembly Meeting Date:** 1/20/09**Public Hearing Date:** 2/3/09

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	1/16/09 12:10 PM	Exit	Joy Maglaqui	Public	007312
MuniMgrCoord_SubWorkflow	1/16/09 12:10 PM	Approve	Joy Maglaqui	Public	007312
MuniManager_SubWorkflow	1/16/09 12:10 PM	Approve	Joy Maglaqui	Public	007312
MuniManager_SubWorkflow	1/16/09 12:09 PM	Checkin	Joy Maglaqui	Public	007312
Legal_SubWorkflow	1/16/09 11:48 AM	Approve	Rhonda Westover	Public	007312
OMB_SubWorkflow	1/16/09 11:20 AM	Approve	Wanda Phillips	Public	007312
Finance_SubWorkflow	1/16/09 10:28 AM	Approve	Sharon Weddleton	Public	007312
AllOrdinanceWorkflow	1/16/09 10:24 AM	Checkin	Nina Pruitt	Public	007312

*Ad dearden*

CONSENT AGENDA - INTRODUCTION