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

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

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MUNICIPALITY OF ANCHORAGE
ORDINANCE No. AO 2009-14

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION DOLLARS (\$4,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC SAFETY FACILITIES (POLICE) AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE METROPOLITAN POLICE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2009.

WHEREAS, the best interest of the citizens and property owners in the Anchorage Metropolitan Police Service Area serving the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire, improve, expand and equip public safety facilities including the Anchorage Police Department Headquarters Expansion (Phase II) and the Southcentral Law Enforcement Tactical Range and related police protection capital improvements (the "Projects"); and

WHEREAS, in order to provide financing for the acquisition, improvement, expansion and equipping of such 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 ~~\$4,000,000~~ \$3,000,000 (the "Bonds"); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly of the Municipality hereby determines that the best interest of the residents and property owners within the Anchorage Metropolitan Police Service Area require the Municipality to acquire, improve, expand and equip the Projects

1 at the time and in the order and in the manner deemed most necessary and advisable by the
2 Municipality. The estimated cost of the Projects, including incidental costs and costs
3 related to issuing and selling the Bonds as provided in this ordinance, is estimated to be
4 ~~\$4,000,000~~\$3,000,000; provided, however, that all or a portion of such costs are
5 anticipated to be paid from State grants.

6 The Projects are described in more detail in the attachment to the Assembly
7 Memorandum accompanying this ordinance. The cost of all necessary consulting services,
8 inspection and testing, administrative expenses, and costs of issuance of the Bonds
9 (hereinafter defined) and other costs incurred in connection with the acquisition,
10 improvement, expansion, and equipping of the Projects shall be deemed to be costs of the
11 approved Projects.

12 The Assembly shall determine the application of available moneys for the various
13 Projects so as to acquire, improve, expand and equip, as nearly as may be, all of the
14 Projects described or provided for in this section.

15 If the Assembly shall determine that it has become impractical to acquire, improve,
16 expand and equip any portion of the approved Projects by reason of changed conditions or
17 needs, or costs substantially in excess of those estimated, the Assembly shall not be
18 required to accomplish such portions and shall apply Bond proceeds as set forth in this
19 section.

20 If all of the approved Projects have been acquired, improved, expanded and
21 equipped and duly provided for, or found to be impractical, the Assembly may apply Bond
22 proceeds or any portion thereof to other Municipality police service capital improvements
23 at its sole discretion. Otherwise, the Municipality shall apply such remaining proceeds

1 solely to payment of principal or interest on the Bonds, as provided in the Home Rule
2 Charter. In the event that the proceeds of sale of the Bonds, plus any other monies of the
3 Municipality legally available, are insufficient to acquire, improve, expand and equip the
4 approved Projects, the Assembly shall use the available funds for paying the cost of those
5 portions of the approved Projects deemed by the Municipality most necessary and in the
6 best interest of the Municipality. No Bond proceeds shall be used for any purpose other
7 than a capital improvement.

8 For the purpose of providing funds for the acquisition, improvement, expansion and
9 equipping of the Projects, which are hereby found to be a public purpose and in the public
10 interest, the Municipality hereby proposes to issue general obligation bonded indebtedness
11 in an amount not to exceed Three~~Four~~ Million Dollars (~~\$4,000,000~~\$3,000,000) (the
12 "Bonds"). The issuance of the Bonds, which may be sold in one or more series, is
13 conditioned upon the appropriation of funds by the State of Alaska; provided, that the
14 fund(s) are not required to be one to one matching grant(s).

15 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at such
16 time or times as deemed necessary and advisable by the Assembly and as permitted by law
17 and shall mature over a period of 20 years from date of issue. The Bonds shall be issued in
18 an aggregate principal amount of not to exceed ~~\$4,000,000~~\$3,000,000. The Bonds shall
19 bear interest to be fixed at the time of sale or sales thereof. The exact form, terms,
20 conditions, contents, security, options of redemption, and such other matters relating to the
21 issuance and sale of said Bonds as are deemed necessary and advisable by the Assembly
22 shall be as hereinafter determined and/or delegated by ordinance and/or resolution of the
23 Assembly.

1 The full faith and credit of the Municipality is pledged for the payment of the
2 principal of and interest on the Bonds, and ad valorem taxes upon all taxable property in
3 the Municipality shall be levied without limitation as to rate or amount to pay the principal
4 and interest on the Bonds when due. The principal of and interest on the Bonds are to be
5 paid first from ad valorem taxes levied and collected within the Anchorage Metropolitan
6 Police Service Area.

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

11 The Clerk shall prepare the ballot proposition to be submitted to the voters as
12 provided by this ordinance and the Municipal Code and shall perform all necessary steps in
13 accordance with law to place this proposition before the voters at the regular election. The
14 proposition must receive a majority vote of those in the Municipality voting, both in the
15 Anchorage Metropolitan Police Service Area and areawide, on the question to be
16 approved. The proposition shall be substantially in the following form:

17 PROPOSITION NO. _____

18
19 ANCHORAGE METROPOLITAN POLICE SERVICE AREA FACILITIES BONDS

20
21 For the purpose of providing improvements to public safety
22 facilities and related police protection capital improvements
23 in the Anchorage Metropolitan Police Service Area, shall
24 Anchorage borrow money and issue up to
25 ~~\$4,000,000~~\$3,000,000 in principal amount of general
26 obligation bonds, contingent upon the appropriation of funds
27 from the State of Alaska, and increase the municipal tax cap
28 by an annual amount not to exceed \$657,700 to pay the
29 associated annual operations and maintenance costs?
30

1 Voter approval of this bond proposition authorizes for each
2 \$100,000 of assessed taxable property value (based on the
3 estimated 2009 assessed valuation in the Anchorage
4 Metropolitan Police Service Area): (i) an annual increase in
5 taxes of approximately ~~\$1.08~~0.81 to retire the proposed
6 bonds, and (ii) an annual increase in the Municipal Tax Cap
7 (Charter 14.03(b)(2)) of approximately \$2.11 to pay for
8 annual operations and maintenance costs related to the
9 proposed capital improvements.

10
11 The debt shall be paid from real and personal property taxes
12 levied and collected within the Anchorage Metropolitan
13 Police Service Area. Anchorage will also pledge its full faith
14 and credit for payment of the bonds.

15
16 (No. AO 2009-14)

17
18 **Section 4.** Submission of Question to Voters. The proposition, both for paper ballots
19 and machine ballots, shall be printed on a ballot which may set forth other general
20 obligation bond propositions, and the following words shall be added as appropriate and
21 next to a square provided for marking the ballot or voting by a machine:

22 PROPOSITION NO. _____

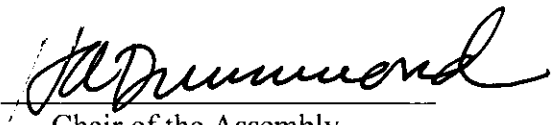
BONDS, YES

23 BONDS, NO

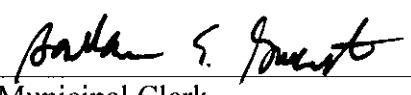
24 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective only if
25 the proposition described in Section 3 is approved by a majority of the qualified voters
26 voting on the proposition at the regular election held on April 7, 2009. The remaining
27 sections of this ordinance shall become effective upon passage and approval.

1 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this 3rd
2 day of February, 2009.

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By 
Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. AO 2009-14

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION DOLLARS (\$4,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC SAFETY FACILITIES (POLICE) AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE METROPOLITAN POLICE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2009.

Prepared by

K&L PRESTON GATES ELLIS LLP

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. AO 2009-14**

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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: 2009-14

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 DOLLARS (\$4,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC SAFETY FACILITIES (POLICE) AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE METROPOLITAN POLICE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2009

Sponsor: Acting Mayor
 Preparing Agency: Finance
 Others Impacted: APD

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY09	FY10	FY11	FY12	FY13
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	658	658	658	658	658
4000 Debt Service	335	335	335	335	335
5000 Capital Outlay					
TOTAL DIRECT COSTS:	993	993	993	993	993

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 \$334,717 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 \$657,700.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$334,717 equate to an estimated property tax increase of 0.0108 mills or \$1.08 per year on \$100,000 of assessed valuation in the Anchorage Metropolitan Police Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$657,700 and equate to an estimated property tax increase of 0.0211 mills or \$2.11 per year on \$100,000 of assessed valuation in the Anchorage Metropolitan Police Service Area.

The total private sector economic effect would therefore be the increase 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 \$3.19 per \$100,000 of assessed valuation in the Anchorage Metropolitan Police Service Area.



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 52-2009

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 DOLLARS
6 (\$4,000,000) OF GENERAL OBLIGATION BONDS OF THE
7 MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC
8 SAFETY FACILITIES (POLICE) AND RELATED CAPITAL
9 IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE
10 MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED
11 OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE
12 METROPOLITAN POLICE SERVICE AREA AT THE ELECTION TO BE
13 HELD IN THE MUNICIPALITY ON APRIL 7, 2009
14

15 The attached ordinance will place a general obligation bond proposition for the
16 Anchorage Metropolitan Police Service Area on the ballot for the regular Municipal
17 election to be held on April 7, 2009.

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

21
22 The Anchorage Metropolitan Police Service Area bond will implement the priorities
23 established in the recently approved 2009-2014 Capital Improvement Program. The
24 bonds provide funds for the purpose of paying the costs of facility renovations and
25 expansion and related capital improvements in the Anchorage Metropolitan Police
26 Service Area.

27
28 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY
29 APPROVE THE PROPOSED ORDINANCE PLACING THE ANCHORAGE
30 METROPOLITAN POLICE SERVICE AREA BOND PROPOSITION ON THE APRIL 7,
31 2009 BALLOT.

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

2009 General Obligation Bonds

GENERAL OBLIGATION
 BOND PROCEEDS
 DATE 2-3-09

Anchorage Metropolitan Police Bond (Fund 451)

(\$000s)

Projects	G.O. Bonds	State	Other	Total	O&M
APD Headquarters Expansion - Phase II	2,000	17,500	0	19,500	521.3
Southcentral Law Enforcement Tactical Range	2,000 1,000	2,000	0	4,000	436.4 136.40
Anchorage Metropolitan Police SA (Fund 451) Total	\$4,000 \$1,000 3	19,500	0	\$ 23,500	\$ 657.7 657.70 \$1,000

Content ID: 007310

Type: Ordinance - AO

An Ordinance Providing for the Submission to the Voters of Anchorage, the Question of the Issuance of NTE \$4,000,000 of G.O. Bonds to Pay the Costs of

Title: Public Safety Facilities (Police) and Related Capital Improvements and Associated Operations & Maintenance Costs in the Anchorage Metropolitan Police Service Area, Finance

Author: maglaquijp

Initiating Dept: Finance

Keywords: G.O. Bond, Police Service Area, Election, Voters, Bond Proposition

Date Prepared: 1/15/09 7:12 PM

Director Name: Sharon Weddleton

Assembly Meeting Date: 1/20/09

Public Hearing Date: 2/3/09

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
Clerk_Admin_SubWorkflow	1/16/09 12:05 PM	Exit	Joy Maglaqui	Public	007310
MuniMgrCoord_SubWorkflow	1/16/09 12:05 PM	Approve	Joy Maglaqui	Public	007310
MuniManager_SubWorkflow	1/16/09 12:05 PM	Approve	Joy Maglaqui	Public	007310
MuniManager_SubWorkflow	1/16/09 12:04 PM	Checkin	Joy Maglaqui	Public	007310
Legal_SubWorkflow	1/16/09 11:43 AM	Approve	Rhonda Westover	Public	007310
OMB_SubWorkflow	1/16/09 10:49 AM	Approve	Wanda Phillips	Public	007310
Finance_SubWorkflow	1/16/09 8:31 AM	Approve	Sharon Weddleton	Public	007310
AllOrdinanceWorkflow	1/15/09 7:17 PM	Checkin	Nina Pruitt	Public	007310