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CLERK'S OFFICE
APPROVED

Date: 2-2-10

Requested by: Assemblymember Claman
Chair of the Assembly at
the Request of the Mayor
Prepared by: Cynthia M. Weed, Bond
Counsel
K&L GATES LLP
For Reading: January 19, 2010

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2010-9**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC SAFETY IMPROVEMENTS 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 6, 2010.

WHEREAS, the best interest of the citizens and property owners in the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire an ambulance, and

WHEREAS, the Assembly of the Municipality have identified necessary public safety improvement projects with Municipality; and

WHEREAS, in order to provide funds to perform the necessary acquisitions, as further described in Section 1 of this ordinance (the "Project"), it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds (the "Bonds"); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly hereby determines that the Municipality is in need of a new ambulance and related capital improvements (the "Project"). The Assembly of the Municipality hereby determines that the best interest of the residents and property owners within the Municipality require the Municipality to undertake the Project at the time and in the order and in the manner deemed most necessary and advisable by the Municipality. The estimated cost of the Project, including incidental costs and costs related to issuing and selling the Bonds as provided in this ordinance, is estimated to be \$250,000.

The Project is described in more detail in the attachment to the Assembly Memorandum accompanying this ordinance. The cost of all necessary planning,

1 acquisition of property for, site preparation, construction, installing and equipping
2 of the Project, architectural, engineering, design, and other consulting services,
3 inspection and testing, administrative expenses, costs of issuance of the Bonds
4 (hereinafter defined) and other costs incurred in connection with the Project shall
5 be deemed to be costs of the approved Project. The approved Project may be
6 completed with all necessary equipment and appurtenances.

7
8 The Municipality shall determine the application of available moneys as for
9 the Project so as to accomplish, as nearly as may be, the Project described or
10 provided for in this section.

11
12 If the Municipality shall determine that it has become impractical to
13 accomplish any portion of the approved Project by reason of changed conditions
14 or needs, incompatible development or costs substantially in excess of those
15 estimated, the Municipality shall not be required to accomplish such portions and
16 shall apply Bond proceeds as set forth in this section.

17
18 If the approved Project has been completed in whole or in part, or its
19 completion duly provided for, or its completion found to be impractical, the
20 Municipality may apply Bond proceeds or any portion thereof to other Municipality
21 public safety capital improvements at its sole discretion. Otherwise, the
22 Municipality shall apply such remaining proceeds solely to payment of principal or
23 interest on the Bonds, as provided in the Home Rule Charter. In the event that the
24 proceeds of sale of the Bonds, plus any other monies of the Municipality legally
25 available, are insufficient to accomplish the approved Project, the Municipality
26 shall use the available funds for paying the cost of those portions of the approved
27 Project deemed by the Municipality most necessary and in the best interest of the
28 Municipality. No Bond proceeds shall be used for any purpose other than a capital
29 improvement.

30
31 For the purpose of providing funds for the undertaking of the Project, which
32 are hereby found to be a public purpose and in the public interest, the Municipality
33 hereby proposes to issue general obligation bonded indebtedness in an amount
34 not to exceed Two Hundred Fifty Thousand Dollars (\$250,000) (the "Bonds").

35
36 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at
37 such time or times as deemed necessary and advisable by the Assembly and as
38 permitted by law and shall mature over a period of up to 20 years from date of
39 issue. The Bonds shall be issued in an aggregate principal amount of not to
40 exceed \$250,000. The Bonds shall bear interest to be fixed at the time of sale or
41 sales thereof. The exact form, terms, conditions, contents, security, options of
42 redemption, and such other matters relating to the issuance and sale of said
43 Bonds as are deemed necessary and advisable by the Assembly shall be as
44 hereinafter determined and/or delegated by ordinance and/or resolution of the
45 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
3 property in the Municipality shall be levied without limitation as to rate or amount to
4 pay the principal and interest on the Bonds when due.
5

6 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified
7 electors of the Municipality the proposition of whether or not the Municipality
8 should issue the Bonds for the purpose of financing the costs of the approved
9 Project at the regular municipal election to be held on April 6, 2010.
10

11 The Clerk shall prepare the ballot proposition to be submitted to the voters
12 as provided by this ordinance and the Municipal Code and shall perform all
13 necessary steps in accordance with law to place this proposition before the voters
14 at the regular election. The proposition must receive an areawide majority vote of
15 those in the Municipality voting on the question to be approved. The proposition
16 shall be substantially in the following form:
17

18 PROPOSITION NO. _____
19

20 AREAWIDE PUBLIC SAFETY CAPITAL IMPROVEMENT BONDS
21

22 For the purpose of providing public safety upgrades,
23 including acquisition of a new ambulance and related
24 capital improvements as provided in Ordinance
25 No. AO 2010-____, shall Anchorage issue up to
26 \$250,000 in principal amount of general obligation
27 bonds and increase the municipal tax cap by an
28 amount not to exceed \$800,000 to pay annual
29 operations and maintenance costs? The proposed
30 capital improvements would be located within
31 Anchorage.
32

33 Voter approval of this bond proposition authorizes for
34 each \$100,000 of assessed taxable property value
35 (based on the estimated total 2010 areawide assessed
36 valuation in Anchorage) (i) an annual increase in taxes
37 of approximately \$0.06 to retire the proposed bonds,
38 and (ii) an annual increase in the Municipal Tax Cap
39 (Charter 14.03(b)(2)) of approximately \$2.55 to pay for
40 annual operations and maintenance costs related to
41 the proposed capital improvements.
42

1 The debt shall be paid from real and personal property
2 taxes levied and collected areawide within Anchorage.
3 Anchorage will also pledge its full faith and credit for
4 payment of the bonds.
5

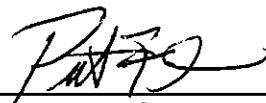
6 (No. AO 2010-___)
7

8 **Section 4. Submission of Question to Voters.** The proposition, both for paper
9 ballots and machine ballots, shall be printed on a ballot which may set forth other
10 general obligation bond propositions, and the following words shall be added as
11 appropriate and next to a square provided for marking the ballot or voting by a
12 machine:
13

14 PROPOSITION NO. _____ BONDS, YES
15 BONDS, NO
16

17 **Section 5. Effective Dates.** Section 2 of this ordinance shall become effective
18 only if the proposition described in Section 3 is approved by a majority of the
19 qualified voters voting on the proposition at the regular election held on April 6,
20 2010. The remaining sections of this ordinance shall become effective upon
21 passage and approval.
22

23 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this
24 2nd day of February, 2010.
25

26
27 By 
28 Chair of the Assembly

29 ATTEST:

30 
31
32 Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2010-9

Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC SAFETY IMPROVEMENTS 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 6, 2010.

Sponsor: Mayor
 Preparing Agency: Finance
 Others Impacted: Fire Department

CHANGES IN EXPENDITURES AND REVENUES:	(Thousands of Dollars)				
	FY10	FY11	FY12	FY13	FY14
Operating Expenditures					
1000 Personal Services	400	800	800	800	800
2000 Supplies					
3000 Other Services					
4000 Debt Service	10	20	20	20	20
5000 Capital Outlay					
TOTAL DIRECT COSTS:	410	820	820	820	820
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 \$19,638 assumes bonds are sold as a package @ 4.75% interest, with bond repayments corresponding to the expected life of the assets financed over 5 years.

When projects are completed and fully functioning, increased annual operations, including seven FTE's, and maintenance costs are estimated at \$800,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$19,638 equate to an estimated property tax increase of 0.0006 mills or \$0.06 per year on \$100,000 of assessed valuation in the Areawide Service Area.

When fully operational, increased annual operations, including seven FTE's, and maintenance costs are estimated at \$800,000 and equate to an estimated property tax increase of 0.0255 mills or \$2.55 per year on \$100,000 of assessed valuation in the Areawide 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 \$2.61 per \$100,000 of assessed valuation in the Areawide Service Area.

Prepared by: Ross Risvold, Manager of Public Finance & Investments

Telephone: 343-6610

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2010-9

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC SAFETY IMPROVEMENTS 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 6, 2010.

Prepared by

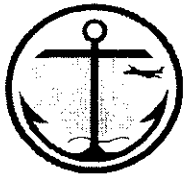
K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2010-9**

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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

ASSEMBLY MEMORANDUM

No. AM 50-2010

Meeting Date: January 19, 2010

1 **From:** 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 TWO HUNDRED FIFTY
6 THOUSAND DOLLARS (\$250,000) OF GENERAL OBLIGATION BONDS
7 OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF
8 PUBLIC SAFETY IMPROVEMENTS 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 AT THE ELECTION TO BE
12 HELD IN THE MUNICIPALITY ON APRIL 6, 2010.
13

14 The attached ordinance will place an areawide general obligation bond proposition on
15 the ballot for the regular Municipal election to be held on April 6, 2010.
16

17 The Administration recommends scheduling a public hearing for this bond ordinance on
18 February 2, 2010.
19

20 The bond provides funds for the purpose of acquiring an ambulance for Anchorage's
21 Emergency Medical Services for the Anchorage Fire Department. Please see the
22 attached project list.
23

24 THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE
25 PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF
26 ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED
27 TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) OF GENERAL
28 OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE
29 COSTS OF PUBLIC SAFETY IMPROVEMENTS AND RELATED CAPITAL
30 IMPROVEMENTS, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX
31 CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE
32 COSTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 6, 2010.
33

34 Prepared by: Lucinda Mahoney, CFO
35 Concurrence: Cheryl Frasca, Office of Management & Budget
36 Concurrence: Dennis A. Wheeler, Municipal Attorney
37 Concurrence: George J. Vakalis, Municipal Manager
38 Respectfully submitted: Daniel A. Sullivan, Mayor

2010 ANCHORAGE PUBLIC SAFETY BOND

Project Name	2010 Bond	O&M
Anchorage Public Safety Project	\$000s	
SAND LAKE AMBULANCE	250	800
Total	250	800

Content ID: 008607**Type:** Ordinance - AO

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE

Title: TO PAY THE COSTS OF PUBLIC SAFETY IMPROVEMENTS 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 6, 2010

Author: pruittns**Initiating Dept:** Finance**Keywords:** Public Safety, Bonds, G.O., \$250,000, Election, Voters**Date Prepared:** 1/15/10 9:48 AM**Director Name:** Lucinda Mahoney**Assembly Meeting Date:** 1/19/10**Date:****Public****Hearing Date:** 2/2/10**Date:**

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/15/10 4:16 PM	Exit	Joy Maglaqui	Public	008607
MuniManager_SubWorkflow	1/15/10 4:16 PM	Approve	Joy Maglaqui	Public	008607
Legal_SubWorkflow	1/15/10 3:47 PM	Approve	Dennis Wheeler	Public	008607
OMB_SubWorkflow	1/15/10 3:36 PM	Approve	Cheryl Frasca	Public	008607
Finance_SubWorkflow	1/15/10 11:11 AM	Approve	Lucinda Mahoney	Public	008607
AllOrdinanceWorkflow	1/15/10 9:54 AM	Checkin	Nina Pruitt	Public	008607

Adendum

CONSENT AGENDA - INTRODUCTION