

Submitted by: ASSEMBLY MEMBER GRAY-JACKSON
Prepared by: Assembly Counsel
For reading: January 19, 2010

CLERK'S OFFICE

AMENDED AND APPROVED

Date: 2-2-10

**ANCHORAGE, ALASKA
AO NO. 2010-13**

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROVIDING FOR**
2 **THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE**
3 **QUESTIONS OF THE ISSUANCE OF NOT TO EXCEED THIRTY-SEVEN MILLION**
4 **NINETY THOUSAND DOLLARS (\$37,090,000) OF GENERAL OBLIGATION BONDS**
5 **OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM**
6 **DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF**
7 **AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED**
8 **OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND**
9 **DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE**
10 **MUNICIPALITY ON APRIL 6, 2010.**

11 **WHEREAS**, the best interest of the citizens and property owners in the Anchorage
12 Roads and Drainage Service Area serving the Municipality of Anchorage, Alaska (the
13 "Municipality") require the Municipality to acquire, construct, renovate, upgrade and
14 undertake certain road improvements, roadway safety improvements, storm collection
15 drainage and treatment improvements and related capital improvements; and
16

17 **WHEREAS**, the Assembly of the Municipality have identified necessary capital
18 acquisitions, construction, renovations, upgrades and improvements within the
19 Anchorage Roads and Drainage Service Area; and
20

21 **WHEREAS**, in order to provide funds to perform the necessary acquisitions,
22 construction, renovations, upgrades and improvements as further described in Section 1
23 of this ordinance (the "Projects"), it is deemed necessary and advisable that the
24 Municipality issue and sell its general obligation bonds (the "Bonds"); now, therefore,
25
26

27 **THE ANCHORAGE ASSEMBLY ORDAINS:**

28
29 **Section 1. Purpose.** The Assembly hereby determines that the roads and storm
30 drainage within the Anchorage Roads and Drainage Service Area are in need of capital
31 acquisitions, construction, renovation, upgrades and improvements (the "Projects").
32 The Assembly of the Municipality hereby determines that the best interest of the
33 residents and property owners within the Anchorage Roads and Drainage Service Area
34 require the Municipality to undertake the Projects at the time and in the order and in the
35 manner deemed most necessary and advisable by the Municipality. The estimated cost
36 of the Projects, including incidental costs and costs related to issuing and selling the
37 Bonds as provided in this ordinance, is estimated to be \$37,090,000.
38

1 The Projects are described in more detail in the attachment to the Assembly
2 Memorandum accompanying this ordinance. The cost of all necessary planning,
3 acquisition of property for, site preparation, construction, installing and equipping of the
4 Projects, architectural, engineering, design, and other consulting services, inspection
5 and testing, administrative expenses, costs of issuance of the Bonds (hereinafter
6 defined) and other costs incurred in connection with the Projects shall be deemed to be
7 costs of the approved Projects. The approved Projects may be completed with all
8 necessary equipment and appurtenances.

9
10 The Municipality shall determine the application of available moneys as between
11 the various Projects so as to accomplish, as nearly as may be, all of the Projects
12 described or provided for in this section.

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

19
20 **In addition in the event that the Municipality does not receive a match in**
21 **the amount at least equal to 10% of the Alexander Avenue Drainagewintergreen**
22 **to Norene Drive, either from the property owners or the State of Alaska, the**
23 **Municipality shall not be obligated to undertake that project nor shall it issue**
24 **bonds for the purpose of financing that project (\$1,980,000).**

25
26 If the approved Projects have been completed in whole or in part, or their
27 completion duly provided for, or their completion found to be impractical, the
28 Municipality may apply Bond proceeds or any portion thereof to other Municipality road
29 and storm drainage capital improvements at its sole discretion. Otherwise, the
30 Municipality shall apply such remaining proceeds solely to payment of principal or
31 interest on the Bonds, as provided in the Home Rule Charter. In the event that the
32 proceeds of sale of the Bonds, plus any other monies of the Municipality legally
33 available, are insufficient to accomplish the approved Projects, the Municipality shall
34 use the available funds for paying the cost of those portions of the approved Projects
35 deemed by the Municipality most necessary and in the best interest of the Municipality.
36 No Bond proceeds shall be used for any purpose other than a capital improvement.

37
38 For the purpose of providing funds for the undertaking of the Projects, which are
39 hereby found to be a public purpose and in the public interest, the Municipality hereby
40 proposes to issue general obligation bonded indebtedness in an amount not to exceed
41 Thirty-Seven Million Ninety Thousand Dollars (\$37,090,000) (the "Bonds").

42
43 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at such
44 time or times as deemed necessary and advisable by the Assembly and as permitted by
45 law and shall mature over a period of up to 20 years from date of issue. The Bonds

1 shall be issued in an aggregate principal amount of not to exceed \$37,090,000. The
2 Bonds shall bear interest to be fixed at the time of sale or sales thereof. The exact
3 form, terms, conditions, contents, security, options of redemption, and such other
4 matters relating to the issuance and sale of said Bonds as are deemed necessary and
5 advisable by the Assembly shall be as hereinafter determined and/or delegated by
6 ordinance and/or resolution of the Assembly.
7

8 The full faith and credit of the Municipality is pledged for the payment of the
9 principal of and interest on the Bonds, and ad valorem taxes upon all taxable property in
10 the Municipality shall be levied without limitation as to rate or amount to pay the
11 principal and interest on the Bonds when due. The principal of and interest on the
12 Bonds are to be paid first from ad valorem taxes levied and collected within the
13 Anchorage Roads and Drainage Service Area.
14

15 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified electors
16 of the Municipality the proposition of whether or not the Municipality should issue the
17 Bonds for the purpose of financing the costs of the approved Projects at the regular
18 municipal election to be held on April 6, 2010.
19

20 The Clerk shall prepare the ballot proposition to be submitted to the voters as
21 provided by this ordinance and the Municipal Code and shall perform all necessary
22 steps in accordance with law to place this proposition before the voters at the regular
23 election. The proposition must receive a majority vote of those in the Municipality
24 voting, both in the Anchorage Roads and Drainage Service Area and areawide, on the
25 question to be approved. The proposition shall be substantially in the following form:
26

27 PROPOSITION NO. _____

28
29 **ANCHORAGE ROADS AND DRAINAGE SERVICE**
30 **AREA ROAD AND STORM DRAINAGE BONDS**
31

32 For the purpose of providing roads and storm drainage
33 capital acquisition, construction, renovation, upgrades and
34 related capital improvements as provided in Ordinance No.
35 AO 2010-13, shall Anchorage borrow money and issue up to
36 \$37,090,000 in principal amount of general obligation bonds
37 and increase the municipal tax cap by an annual amount not
38 to exceed \$70,000 to pay the associated annual operations
39 and maintenance costs? The proposed capital
40 improvements would be located within the Anchorage Roads
41 and Drainage Service Area.
42

43 Voter approval of this bond proposition authorizes for each
44 \$100,000 of assessed taxable property value (based on the
45 estimated 2010 assessed valuation in the Anchorage Roads

and Drainage Service Area): (i) an annual increase in taxes of approximately \$11.84 to retire the proposed bonds, and (ii) an annual increase necessary to fund the proposed increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$0.28 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 within the Anchorage Roads and Drainage Service Area. Anchorage will also pledge its full faith and credit for payment of the debt.

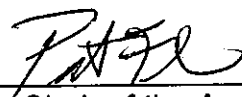
(No. AO 2010-13)

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 voting on the proposition at the regular election held on April 6, 2010. The remaining sections of this ordinance shall become effective upon passage and approval.

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

By 
Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2010 -13 Title: **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROVIDING FOR SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTIONS OF ISSUANCE OF NOT TO EXCEED THIRTY-SEVEN MILLION NINETY THOUSAND DOLLARS (\$37,090,000) OF GENERAL OBLIGATION BONDS OF MUNICIPALITY OF ANCHORAGE TO PAY COSTS OF ROAD, STORM DRAINAGE 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 ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 6, 2010.**

Sponsor: **ASSEMBLY MEMBER GRAY-JACKSON**
 Preparing Agency: Finance
 Others Impacted: ARDSA

CHANGES IN EXPENDITURES AND REVENUES:		(Thousands of Dollars)				
	FY10	FY11	FY12	FY13	FY14	
Operating Expenditures						
1000 Personal Services						
2000 Supplies						
3000 Other Services	70	70	70	70	70	
4000 Debt Service	1,457	2,913	2,913	2,913	2,913	
5000 Capital Outlay						
TOTAL DIRECT COSTS:	1,527	2,983	2,983	2,983	2,983	

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

FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

PUBLIC SECTOR ECONOMIC EFFECTS:

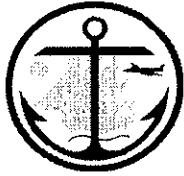
Estimated annual debt service of \$2,913,437 assumes bonds are sold as a package @ 4.75% interest, with bond repayments corresponding to the expected life of the assets financed up to 20 years. When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$70,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$2,913,437 equate to an estimated property tax increase of 0.1184 mills or \$11.84 per year on \$100,000 of assessed valuation in the ARDSA. When fully operational, increased annual operations and maintenance costs are estimated at \$70,000 and equate to an estimated property tax increase of 0.0028 mills or \$0.28 per year on \$100,000 of assessed valuation in the ARDSA. 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 \$12.12 per \$100,000 of assessed valuation in the ARDSA.

2010 ARDSA BOND

Project Name	Estimated Life	2010 Bond	O&M
Roadway Projects			
		\$000s	
11TH CT UPGRADE - STATE ST TO BOSTON ST	+20 Yrs.	500	
72ND AVE UPGRADE - BRAYTON DR TO LAKE OTIS PKWY	+20 Yrs.	2,400	3
73RD AVE STRIP PAVING - PETERSBURG ST TO BASEL ST	+20 Yrs.	100	7
74TH AVE STRIP PAVING - PETERSBURG ST TO BASEL ST	+20 Yrs.	100	7
88TH AVE UPGRADE - LAKE OTIS PKWY TO SOUTH CIR	+20 Yrs.	2,200	2
ACADEMY DR/VANGUARD RD UPGRADE - BRAYTON DR TO ABBOTT RD	+20 Yrs.	400	
ARCTIC BLVD SURFACE REHAB - 53RD AVE TO RASPBERRY RD	+20 Yrs.	2,300	(2)
ARDSA ROAD AND DRAINAGE SYSTEM REHABILITATION	+20 Yrs.	600	(9)
ARLENE DR/PELICAN DR/PELICAN CIR/KINGFISHER DR AREA ROAD RECONSTRUCTION RID	+20 Yrs.	400	
B ST RECONSTRUCTION RID - 40TH AVE TO TUDOR RD	+20 Yrs.	2,300	(4)
INDEPENDENCE DR EXTENSION - COLONY LP TO O'MALLEY RD	+20 Yrs.	2,800	29
LAKE OTIS PKWY @ 20TH AVE CHANNELIZATION	+20 Yrs.	800	1
LAKE OTIS PKWY SURFACE REHAB - CAMPBELL CREEK TO DOWLING RD	+20 Yrs.	200	
MEADOW ST SAFETY AND DRAINAGE UPGRADE - 72ND AVE TO LORE RD	+20 Yrs.	500	(5)
NORTHWOOD DR PAVEMENT REHAB - RASPBERRY RD TO STRAWBERRY RD	+20 Yrs.	400	
OLD SEWARD HWY SURFACE REHAB - 34TH AVE TO TUDOR RD	+20 Yrs.	200	
OLD SEWARD HWY SURFACE REHAB - INTERNATIONAL AIRPORT RD TO DOWLING RD	+20 Yrs.	100	
PAVEMENT REHAB MATCHING PROGRAM	+20 Yrs.	4,000	(33)
PENLAND PKWY SURFACE REHAB/DRAINAGE - AIRPORT HEIGHTS RD TO BRAGAW ST	+20 Yrs.	400	
RECYCLED ASPHALT PAVEMENT (RAP) AND CHIP SEAL UPGRADES	10 Yrs.	1,900	(18)
VAN BUREN ST/48TH AVE PHASE II CIRCULATION AND ACCESS IMPROVEMENTS	+20 Yrs.	3,900	6
VICTOR RD UPGRADE (RTP) - DIMOND BLVD TO 100TH AVE	+20 Yrs.	100	75
Traffic Department Projects			
ANCHORAGE SIGNAL SYSTEM, SIGNAGE, AND SAFETY IMPROVEMENTS	+20 Yrs.	500	10
MOUNTAIN VIEW DR AND MCCARREY ST INTERSECTION SAFETY	+20 Yrs.	200	4
Safety Projects			
ARDSA STREET LIGHT IMPROVEMENTS	+20 Yrs.	200	(20)
BLUEBERRY ST/NORTHERN LIGHTS BLVD AREA PEDESTRIAN SAFETY	+20 Yrs.	280	3
KLATT RD AT C ST INTERSECTION SAFETY	+20 Yrs.	4,300	16
MOUNTAIN VIEW DR PEDESTRIAN SAFETY - FLOWER ST TO MCCARREY ST	+20 Yrs.	180	
PEDESTRIAN SAFETY AND REHAB MATCHING PROGRAM	+20 Yrs.	1,000	2
INTERSECTION SAFETY AND CONGESTION RELIEF MATCHING PROGRAM	+20 Yrs.	500	10
Drainage Projects			
FLOODING, GLACIATION, AND DRAINAGE MATCHING PROGRAM	+20 Yrs.	1,000	(15)
PETERSBURG ST STORM - 73RD AVE TO 74TH AVE	+20 Yrs.	350	1
ALEXANDER AVENUE DRAINAGE - WINTERGREEN STREET TO NORENE DRIVE	+20 Yrs.	1,980	
Total		37,090	70



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 71-2010

Meeting Date: February 2, 2010

1 **From: ASSEMBLY MEMBER GRAY-JACKSON**

2
3 **Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **PROVIDING FOR THE SUBMISSION TO THE QUALIFIED**
5 **VOTERS OF ANCHORAGE, ALASKA, THE QUESTIONS OF THE**
6 **ISSUANCE OF NOT TO EXCEED THIRTY-SEVEN MILLION**
7 **NINETY THOUSAND DOLLARS (\$37,090,000) OF GENERAL**
8 **OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE**
9 **TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND**
10 **RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF**
11 **AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO**
12 **PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS**
13 **IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA**
14 **AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON**
15 **APRIL 6, 2010.**

16
17 This ordinance places a general obligation bond proposition for the ARDSA on the
18 ballot for the regular Municipal election to be held on April 6, 2010.

19
20 This memorandum was prepared by Public Finance & Investments Division of the
21 Finance Department, and the Administration recommends scheduling a public
22 hearing for this bond ordinance on February 2, 2010.

23
24 The 2010 ARDSA road bond implements the priorities established in the recently
25 approved 2010-2015 Capital Improvement Program. The bond provides funds for
26 reduced traffic congestion, improves public safety, promotes economic
27 development, and addresses rehabilitation needs on deteriorating collector and
28 arterial streets. Please see the attached project list.

29
30
31 Respectfully submitted:

32
33
34
35 ELVI GRAY-JACKSON, ASSEMBLY MEMBER
36

Content ID: 008645

Type: Ordinance - AO

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTIONS OF THE ISSUANCE OF NOT TO EXCEED THIRTY-SEVEN MILLION NINETY THOUSAND DOLLARS (\$37,090,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE

Title: TO PAY THE COSTS OF ROAD, STORM DRAINAGE 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 ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 6, 2010.

Author: [maglaquijp](#)

Initiating Dept: Finance

Select Routing: Standard

Description: An Ordinance for the Issuance of NTE \$37,090,000 of General Obligation Bonds to Pay the Costs of Road, Storm Drainage and Related Capital Improvements, Finance

Keywords: Bonds, Election, ARDSA, \$37,090,000, General Obligation, Roads

Date Prepared: 1/25/10 3:00 PM

Director Name: Lucinda Mahoney

Assembly Meeting Date: 1/19/10

Public Hearing Date: 2/2/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/29/10 8:54 AM	Exit	Joy Maglaqui	Public	008645
MuniManager_SubWorkflow	1/29/10 8:54 AM	Approve	Joy Maglaqui	Public	008645
MuniManager_SubWorkflow	1/28/10 11:01 AM	Checkin	Joy Maglaqui	Public	008645
Legal_SubWorkflow	1/27/10 2:38 PM	Approve	Rhonda Westover	Public	008645
OMB_SubWorkflow	1/27/10 10:07 AM	Approve	Cheryl Frasca	Public	008645
Finance_SubWorkflow	1/27/10 8:16 AM	Approve	Lucinda Mahoney	Public	008645
AllOrdinanceWorkflow	1/25/10 3:07 PM	Checkin	Nina Pruitt	Public	008645