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CLERK'S OFFICE
APPROVED

Date: 2-1-11

Requested by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Cynthia M. Weed, Bond
Counsel
K&L GATES LLP
For Reading: January 18, 2011

**MUNICIPALITY OF ANCHORAGE, ALASKA
ORDINANCE No. 2011-11**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING AND EQUIPPING PARK AND TRAIL IMPROVEMENTS AND RECREATIONAL FACILITIES, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE BOWL PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

WHEREAS, the best interest of the citizens and property owners in the Anchorage Bowl Parks and Recreation Service Area serving the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to construct, renovate and equip various park and trail improvements, recreational facilities, and related capital improvements; and

WHEREAS, the Assembly of the Municipality have identified necessary construction, renovations and equipping of various park and trail improvements, recreational facilities and related capital improvements within the Anchorage Bowl Parks and Recreation Service Area; and

WHEREAS, in order to provide funds to perform the necessary construction, renovations, upgrades and improvements as further described in Section 1 of this ordinance (the "Projects"), 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 parks, trails and recreation facilities within the Anchorage Bowl Parks and Recreation Service Area are in need of construction, renovation and equipping of various improvements (the "Projects"). The Assembly of the Municipality hereby determines that the best

1 interest of the residents and property owners within the Anchorage Bowl Parks
2 and Recreation Service Area require the Municipality to undertake the Projects at
3 the time and in the order and in the manner deemed most necessary and
4 advisable by the Municipality. The estimated cost of the Projects, including
5 incidental costs and costs related to issuing and selling the Bonds as provided in
6 this ordinance, is estimated to be \$3,000,000.

7
8 The Projects are described in more detail in the attachment to the Assembly
9 Memorandum accompanying this ordinance. The cost of all necessary planning,
10 site preparation, construction, installing and equipping of the Projects,
11 architectural, engineering, design, and other consulting services, inspection and
12 testing, administrative expenses, costs of issuance of the Bonds (hereinafter
13 defined) and other costs incurred in connection with the Projects shall be deemed
14 to be costs of the approved Projects. The approved Projects may be completed
15 with all necessary equipment and appurtenances.

16
17 The Municipality shall determine the application of available moneys as
18 between the various Projects so as to accomplish, as nearly as may be, all of the
19 Projects described or provided for in this section.

20
21 If the Municipality shall determine that it has become impractical to
22 accomplish any portion of the approved Projects by reason of changed conditions
23 or needs, incompatible development or costs substantially in excess of those
24 estimated, the Municipality shall not be required to accomplish such portions and
25 shall apply Bond proceeds as set forth in this section.

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

39
40 For the purpose of providing funds for the undertaking of the Projects, which
41 are hereby found to be a public purpose and in the public interest, the Municipality
42 hereby proposes to issue general obligation bonded indebtedness in an amount
43 not to exceed Three Million Dollars (\$3,000,000) (the "Bonds").

44
45 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at
46 such time or times as deemed necessary and advisable by the Assembly and as

1 permitted by law and shall mature over a period of 20 years from date of issue.
2 The Bonds shall be issued in an aggregate principal amount of not to exceed
3 \$3,000,000. The Bonds shall bear interest to be fixed at the time of sale or sales
4 thereof. The exact form, terms, conditions, contents, security, options of
5 redemption, and such other matters relating to the issuance and sale of said
6 Bonds as are deemed necessary and advisable by the Assembly shall be as
7 hereinafter determined and/or delegated by ordinance and/or resolution of the
8 Assembly.
9

10 The full faith and credit of the Municipality is pledged for the payment of the
11 principal of and interest on the Bonds, and ad valorem taxes upon all taxable
12 property in the Municipality shall be levied without limitation as to rate or amount to
13 pay the principal and interest on the Bonds when due. The principal of and
14 interest on the Bonds are to be paid first from ad valorem taxes levied and
15 collected within the Anchorage Bowl Parks and Recreation Service Area.
16

17 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified
18 electors of the Municipality the proposition of whether or not the Municipality
19 should issue the Bonds for the purpose of financing the costs of the approved
20 Projects at the regular municipal election to be held on April 5, 2011.
21

22 The Clerk shall prepare the ballot proposition to be submitted to the voters
23 as provided by this ordinance and the Municipal Code and shall perform all
24 necessary steps in accordance with law to place this proposition before the voters
25 at the regular election. The proposition must receive a majority vote of those in
26 the Municipality voting, both in the Anchorage Bowl Parks and Recreation Service
27 Area and areawide, on the question to be approved. The proposition shall be
28 substantially in the following form:
29

30 PROPOSITION NO. __

31
32 ANCHORAGE BOWL PARKS AND RECREATION
33 SERVICE AREA CAPITAL IMPROVEMENT BONDS
34

35 To improve parks and trails, upgrade and improve
36 football stadium concession and neighborhood parks
37 and family recreation areas and recreation facilities,
38 including the South Anchorage Sports Complex in the
39 Anchorage Bowl Parks and Recreation Service Area
40 and related capital improvements as provided in
41 Ordinance No. AO 2011-__, shall Anchorage borrow
42 money and issue up to \$3,000,000 in principal amount
43 of general obligation bonds and increase the municipal
44 tax cap by an annual amount not to exceed \$304,000
45 to pay for associated annual operations and
46 maintenance costs?

1
2 Voter approval of this bond proposition authorizes for
3 each \$100,000 of assessed taxable property value
4 (based on the estimated total 2011 assessed valuation
5 in the Anchorage Bowl Parks and Recreation Service
6 Area): (i) an annual increase in taxes of \$.88 to retire
7 the proposed bonds, and (ii) an annual increase in the
8 municipal tax cap (Charter 14.03(b)(2)) of
9 approximately \$1.12 to pay for annual operation and
10 maintenance costs related to the proposed capital
11 improvements.

12
13 The debt shall be first paid from real and personal
14 property taxes levied and collected within the
15 Anchorage Bowl Parks and Recreation Service Area,
16 without cost to properties in Chugiak, Eagle River,
17 Girdwood, and other areas outside the Service Area.
18 Anchorage will also pledge its full faith and credit for
19 payment of the bonds.

20
21 (No. AO 2011-__)

22
23 **Section 4.** Submission of Question to Voters. The proposition, both for paper
24 ballots and machine ballots, shall be printed on a ballot which may set forth other
25 general obligation bond propositions, and the following words shall be added as
26 appropriate and next to a square provided for marking the ballot or voting by a
27 machine:

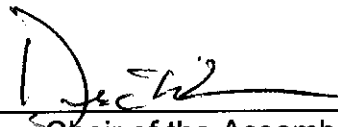
28 PROPOSITION NO. _____ BONDS, YES

29 BONDS, NO

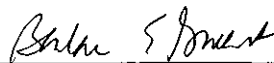
30 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective
31 only if the proposition described in Section 3 is approved by a majority of the
32 qualified voters voting on the proposition at the regular election held on April 5,
33 2011. The remaining sections of this ordinance shall become effective upon
34 passage and approval by the Assembly.
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PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this
1st day of February, 2011.

By 
Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2011-11

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING AND EQUIPPING PARK AND TRAIL IMPROVEMENTS AND RECREATIONAL FACILITIES, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE BOWL PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2011-11**

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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: 2011-11 Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING AND EQUIPPING PARK AND TRAIL IMPROVEMENTS AND RECREATIONAL FACILITIES, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE BOWL PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

Sponsor: Mayor
Preparing Agency: Finance
Others Impacted: Parks & Recreation

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY11	FY12	FY13	FY14	FY15
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services		304	304	304	304
4000 Debt Service		241	241	241	241
5000 Capital Outlay					
TOTAL DIRECT COSTS:		545	545	545	545

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 \$240,728 assumes bonds are sold as a package @ 5.0% 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 \$304,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$240,728 equate to an estimated property tax increase of 0.0088 mills or \$.88 per year on \$100,000 of assessed valuation in the Anchorage Parks Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$304,000 and equate to an estimated property tax increase of 0.0112 mills or \$1.12 per year on \$100,000 of assessed valuation in the Anchorage Parks 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 \$2.00 per \$100,000 of assessed valuation in the Anchorage Parks Service Area.

Prepared by: Richard Whitehead

Telephone: 343-6681

SEE 2011 Parks Prop.doc



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 54-2011

Meeting Date: January 18, 2011

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 THREE MILLION DOLLARS
6 (\$3,000,000) OF GENERAL OBLIGATION BONDS OF THE
7 MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF
8 CONSTRUCTING, RENOVATING AND EQUIPPING PARK AND TRAIL
9 IMPROVEMENTS AND RECREATIONAL FACILITIES, AND THE
10 QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP
11 LIMITATION TO PAY ASSOCIATED OPERATIONS AND
12 MAINTENANCE COSTS IN THE ANCHORAGE BOWL PARKS AND
13 RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK,
14 EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE
15 SERVICE AREA, AT THE ELECTION TO BE HELD IN THE
16 MUNICIPALITY ON APRIL 5, 2011.

17
18 This ordinance places a general obligation bond proposition for the Anchorage Bowl
19 Parks and Recreation Service Area on the ballot for the regular Municipal election to be
20 held on April 5, 2011.

21
22 The Anchorage Bowl Parks and Recreation Service Area bond implements the priorities
23 established in the recently approved 2011-2016 Capital Improvement Program. The
24 bond provides funds for the purpose of paying the costs of repairing and upgrading
25 recreational facilities and related capital improvements, including greenbelt trails and
26 multi-use athletic fields, throughout the Anchorage Bowl Parks and Recreation Service
27 Area. See 2011 Bond Project List, attached as **Exhibit A**.

28
29 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**
30 **PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF**
31 **ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED**
32 **THREE MILLION DOLLARS (\$3,000,000) OF GENERAL OBLIGATION BONDS OF**
33 **THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING,**
34 **RENOVATING AND EQUIPPING PARK AND TRAIL IMPROVEMENTS AND**
35 **RECREATIONAL FACILITIES, AND THE QUESTION OF AN INCREASE IN THE**
36 **MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND**
37 **MAINTENANCE COSTS IN THE ANCHORAGE BOWL PARKS AND RECREATION**

1 **SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND**
 2 **OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE**
 3 **HELD IN THE MUNICIPALITY ON APRIL 5, 2011.**

4
 5 Prepared by: Lucinda Mahoney, CFO
 6 Concurrence: Cheryl Frasca, Director, Office of Management & Budget
 7 Concurrence: Dennis A. Wheeler, Municipal Attorney
 8 Concurrence: George J. Vakalis, Municipal Manger
 9 Respectfully submitted: Daniel A. Sullivan, Mayor

EXHIBIT A

**Anchorage Bowl Parks and Recreation Service Area
2011 Bond Project List**
(000)'s

Project Name	Project Amount	Total O&M
ANCHORAGE FOOTBALL STADIUM CONCESSION & LOCKER ROOM UPGRADE	1,000	100
ANCHORAGE NEIGHBORHOOD PARKS	500	50
AREAWIDE TRAILS	1,000	104
SOUTH ANCHORAGE SPORTS COMPLEX IMPROVEMENTS	500	50
	Total \$ 3,000	\$ 304

Estimated Debt Service Cost

Annual Cost - \$240,728

Annual Cost per \$100k Assessed Value - \$.88

Content ID: 009768

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 THREE MILLION DOLLARS (\$3,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING AND EQUIPPING PARK AND TRAIL IMPROVEMENTS AND RECREATIONAL FACILITIES, AND THE

Title: QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE BOWL PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011

Author: maglaquijp

Initiating Dept: Finance

Keywords: Anchorage Bowl, Parks and Recreation, GO Bonds, \$3,000,000, Chugiak, Eagle River, April 5, Election, Bonds

Date Prepared: 1/6/11 9:31 AM

Assembly Meeting Date: 1/18/11

Public Hearing Date: 2/1/11

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/7/11 11:50 AM	Exit	Joy Maglaqui	Public	009768
MuniManager_SubWorkflow	1/7/11 11:50 AM	Approve	Joy Maglaqui	Public	009768
MuniManager_SubWorkflow	1/7/11 11:49 AM	Checkin	Joy Maglaqui	Public	009768
Legal_SubWorkflow	1/6/11 5:31 PM	Approve	Rhonda Westover	Public	009768
OMB_SubWorkflow	1/6/11 1:19 PM	Approve	Cheryl Frasca	Public	009768
Finance_SubWorkflow	1/6/11 11:47 AM	Approve	David Ryan	Public	009768
AllOrdinanceWorkflow	1/6/11 9:40 AM	Checkin	Nina Pruitt	Public	009768