

Municipal Clerk's Office

**Approved**

Date: **January 9, 2018**

**MUNICIPALITY OF ANCHORAGE**

**ORDINANCE No. 2017-170**

**AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION NINE HUNDRED EIGHT THOUSAND DOLLARS (\$4,908,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE PUBLIC SAFETY AND TRANSIT IMPROVEMENTS AND RELATED CAPITAL IMPROVEMENTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 3, 2018.**

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Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2017-170**

**TABLE OF CONTENTS\***

	<b>Page</b>
Section 1. Purpose.....	1
Section 2. Details of Bonds.....	2
Section 3. Ballot Proposition.....	3
Section 4. Effective Dates.....	4

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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.

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: December 19, 2017

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2017-170**

**AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION NINE HUNDRED EIGHT THOUSAND DOLLARS (\$4,908,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE PUBLIC SAFETY AND TRANSIT IMPROVEMENTS AND RELATED CAPITAL IMPROVEMENTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 3, 2018.**

**WHEREAS**, the best interest of the citizens and property owners in the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire two new ambulances, upgrade transit facilities, upgrade infrastructure and undertake bus stop improvements and school safety zone improvements (the "Projects"), and

**WHEREAS**, in order to provide financing for the 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 \$4,908,000 (the "Bonds"); now, therefore,

**THE ANCHORAGE ASSEMBLY ORDAINS:**

**Section 1. Purpose.** The Assembly hereby determines that the Projects are needed throughout the Municipality. 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 Projects at the time and in the order and in the manner deemed most necessary and advisable by the Municipality. The estimated cost of the Projects, including incidental costs and costs related to issuing and selling the Bonds as provided in this ordinance, is estimated to be \$4,908,000.

The Projects are described in more detail in the attachment to the Assembly Memorandum accompanying this ordinance. The cost of all necessary planning, acquisition of property for, site preparation, construction, installing and equipping of the Projects, architectural, engineering, design, and other consulting services, inspection and testing, administrative expenses, costs of issuance of the Bonds (hereinafter defined) and other costs incurred in connection with the Projects shall

1 be deemed to be costs of the approved Projects. The approved Projects may be  
2 completed with all necessary equipment and appurtenances.

3  
4 The Municipality shall determine the application of available moneys as for  
5 the Projects so as to accomplish, as nearly as may be, the Projects described or  
6 provided for in this section.

7  
8 If the Municipality shall determine that it has become impractical to  
9 accomplish any portion of the approved Projects by reason of changed conditions  
10 or needs, incompatible development or costs substantially in excess of those  
11 estimated, the Municipality shall not be required to accomplish such portions and  
12 shall apply Bond proceeds as set forth in this section.

13  
14 If the approved Projects have been completed in whole or in part, or their  
15 completion duly provided for, or its completion found to be impractical, the  
16 Municipality may apply Bond proceeds or any portion thereof to other Municipality  
17 public safety and transit capital improvements at its sole discretion. Otherwise, the  
18 Municipality shall apply such remaining proceeds solely to payment of principal or  
19 interest on the Bonds, as provided in the Home Rule Charter. In the event that the  
20 proceeds of sale of the Bonds, plus any other monies of the Municipality legally  
21 available, are insufficient to accomplish the approved Projects, the Municipality shall  
22 use the available funds for paying the cost of those portions of the approved Projects  
23 deemed by the Municipality most necessary and in the best interest of the  
24 Municipality. No Bond proceeds shall be used by the Municipality for any purpose  
25 other than a capital improvement of the Municipality.

26  
27 For the purpose of providing funds for the undertaking of the Projects, which  
28 are hereby found to be a public purpose and in the public interest, the Municipality  
29 hereby proposes to issue general obligation bonded indebtedness in an amount not  
30 to exceed Four Million Nine Hundred Eight Thousand Dollars (\$4,908,000) (the  
31 "Bonds").

32  
33 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at  
34 such time or times as deemed necessary and advisable by the Assembly and as  
35 permitted by law and shall mature over a period of up to 20 years from date of issue.  
36 The Bonds shall be issued in an aggregate principal amount of not to exceed  
37 \$4,908,000. The Bonds shall bear interest to be fixed at the time of sale or sales  
38 thereof. The exact form, terms, conditions, contents, security, options of  
39 redemption, and such other matters relating to the issuance and sale of said Bonds  
40 as are deemed necessary and advisable by the Assembly shall be as hereinafter  
41 determined and/or delegated by ordinance and/or resolution of the Assembly.

42  
43 The full faith and credit of the Municipality is pledged for the payment of the  
44 principal of and interest on the Bonds, and ad valorem taxes upon all taxable  
45 property in the Municipality shall be levied without limitation as to rate or amount to  
46 pay the principal and interest on the Bonds when due.

1  
2 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified  
3 electors of the Municipality the proposition of whether or not the Municipality should  
4 issue the Bonds for the purpose of financing the costs of the approved Projects at  
5 the regular municipal election to be held on April 3, 2018.

6  
7 The Clerk shall prepare the ballot proposition to be submitted to the voters  
8 as provided by this ordinance and the Municipal Code and shall perform all  
9 necessary steps in accordance with law to place this proposition before the voters  
10 at the regular election. The proposition must receive an areawide majority vote of  
11 those in the Municipality voting on the question to be approved. The proposition  
12 shall be substantially in the following form:

13  
14 PROPOSITION NO. \_\_\_\_

15  
16 AREAWIDE PUBLIC SAFETY AND TRANSIT CAPITAL IMPROVEMENT BONDS

17  
18 For the purpose of acquiring two new ambulances,  
19 upgrading transit facilities, upgrading infrastructure and  
20 undertaking bus stop improvements and school safety  
21 zone improvements and related capital improvements  
22 as provided in Ordinance No. AO 2017-\_\_\_\_, shall  
23 Anchorage issue up to \$4,908,000 in principal amount  
24 of general obligation bonds with no increase in the  
25 municipal tax cap required to pay the associated annual  
26 operations and maintenance costs? The proposed  
27 capital improvements would be located within  
28 Anchorage.

29  
30 Voter approval of this bond proposition authorizes for  
31 each \$100,000 of assessed taxable property value  
32 (based on the estimated total 2018 areawide assessed  
33 valuation in Anchorage): an annual increase in taxes of  
34 approximately \$0.99 to retire the proposed bonds.

35  
36 The debt shall be paid from real and personal property  
37 taxes levied and collected areawide within Anchorage.  
38 The Municipality will also pledge its full faith and credit  
39 for payment of the bonds.

40  
41 (No. AO 2017-\_\_\_\_)

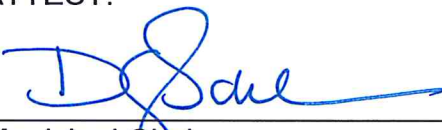
42  
43  YES  NO

1 **Section 4. Effective Dates.** Section 2 of this ordinance shall become effective  
2 only if the proposition described in Section 3 is approved by a majority of the  
3 qualified voters voting on the proposition at the regular election held on April 3, 2018.  
4 The remaining sections of this ordinance shall become effective upon passage and  
5 approval.

6  
7 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this  
8 9<sup>th</sup> day of January, 2018.

9  
10  
11 By   
12 \_\_\_\_\_  
13 Chair of the Assembly

13 ATTEST:

14   
15 \_\_\_\_\_  
16 Municipal Clerk  
17

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

AO Number: 2017-170 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 NINE HUNDRED EIGHT THOUSAND DOLLARS (\$4,908,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE PUBLIC SAFETY AND TRANSIT IMPROVEMENTS AND RELATED CAPITAL IMPROVEMENTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 3, 2018.

Sponsor: Mayor  
 Preparing Agency: Finance  
 Others Impacted: Areawide: Safety & Public Transportation

**CHANGES IN EXPENDITURES AND REVENUES:** (Thousands of Dollars)

	FY18	FY19	FY20	FY21	FY22
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	--	353.2	353.2	353.2	353.2
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	--	353.2	353.2	353.2	353.2

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 \$353,190 assumes bonds are sold as a package @ 3.75% 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 \$0.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$353,190 equate to an estimated property tax increase of 0.0099 mills or \$0.99 per year on \$100,000 of assessed valuation in the Municipality areawide.



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 840-2017

Meeting Date: December 19, 2017

1 **From:** Mayor

2  
3 **Subject:** AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE  
4 QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION  
5 OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION NINE  
6 HUNDRED EIGHT THOUSAND DOLLARS (\$4,908,000) OF  
7 GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF  
8 ANCHORAGE TO PAY THE COSTS OF AREAWIDE PUBLIC  
9 SAFETY AND TRANSIT IMPROVEMENTS AND RELATED  
10 CAPITAL IMPROVEMENTS AT THE ELECTION TO BE HELD IN  
11 THE MUNICIPALITY ON APRIL 3, 2018.  
12

13 The attached ordinance will place a general obligation bond proposition for  
14 Areawide Public Safety and Transit Improvements on the ballot for the regular  
15 Municipal election to be held on April 3, 2018.  
16

17 The Administration recommends scheduling a public hearing for this bond  
18 ordinance on January 9, 2018.  
19

20 The Areawide Public Safety and Transit Improvements bond proposal will  
21 implement the priorities established in the recently approved 2018-2023 Capital  
22 Improvement Program. Please see the attached Project List, attached as  
23 Exhibit A.  
24

25 THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.  
26

27 Prepared and approved by: Robert E. Harris, CFO  
28 Concur: Lance Wilber, Director, Office of Management &  
29 Budget  
30 Concur: Rebecca Windt Pearson, Municipal Attorney  
31 Concur: William D. Falsey, Municipal Manager  
32 Respectfully submitted: Ethan A. Berkowitz, Mayor  
33



## EXHIBIT A

### Areawide Public Safety and Transit Capital Improvements 2018 Bond Project List (000)'s

<u>Project</u>	<u>Amount</u>	<u>O&amp;M</u>
Fire Lifepack 12 Cardiac Monitors & Lucas CPR Chest Compression Systems Replacement	\$ 270	--
Purchase Two New Additional Fire Department Ambulances	700	--
School Zone Safety	500	--
Anchorage Area-Wide Radio Network (AWARN) Infrastructure Upgrade	2,250	--
Transit Maintenance Building Replacement Mega Doors (2)	300	--
Bus Stop Improvements	200	--
Support Equipment	80	--
Transit Facility Rehab/Upgrades	608	--
<b>Total</b>	<b>\$4,908</b>	<b>--</b>