MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2014-18

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FIVE MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS ($5,550,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS, TO INCLUDE PUBLIC FACILITY SECURITY UPGRADES, CHESTER CREEK SPORTS COMPLEX PARKING LOT EXPANSION AND MULCAHY STADIUM RELOCATION, CITY HALL SAFETY IMPROVEMENTS, LOUSSAC LIBRARY RENOVATION, IMPROVEMENTS TO ANCHORAGE GOLF COURSE 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 1, 2014.

WHEREAS, the best interest of the citizens and property owners in the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to construct, equip, replace and make improvements to public facilities; and

WHEREAS, the Assembly of the Municipality have identified necessary areawide facilities capital improvement projects within the Municipality; and

WHEREAS, in order to provide funds to perform the necessary acquisitions, 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 areawide facilities capital improvements, including public facility security upgrades, expand Chester Creek Sports Complex parking lot and relocate Mulcahy Stadium, City Hall safety improvements, Loussac Library renovation, and improvements to Anchorage Golf Course are needed throughout the Municipality (the "Projects"). 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 $5,550,000.

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

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

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

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

For the purpose of providing funds for the undertaking of the Projects, which are hereby found to be a public purpose and in the public interest, the Municipality hereby proposes to issue general obligation bonded indebtedness in an amount not to exceed Five Million Five Hundred Fifty Thousand Dollars ($5,550,000) (the “Bonds”).

Section 2. Details of Bonds. The Bonds shall be sold in such amounts and at such time or times as deemed necessary and advisable by the Assembly and as
permitted by law and shall mature over a period of up to 20 years from date of issue. The Bonds shall be issued in an aggregate principal amount of not to exceed $5,550,000. The Bonds shall bear interest to be fixed at the time of sale or sales thereof. The exact form, terms, conditions, contents, security, options of redemption, and such other matters relating to the issuance and sale of said Bonds as are deemed necessary and advisable by the Assembly shall be as hereinafter determined and/or delegated by ordinance and/or resolution of the Assembly.

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

Section 3. Ballot Proposition. The Assembly hereby submits to the qualified voters of the Municipality the proposition of whether or not the Municipality should issue the Bonds for the purpose of financing the costs of the approved Projects at the regular municipal election to be held on April 1, 2014.

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

PROPOSITION NO. ____

AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECT BONDS

For the purpose of providing areawide facilities capital improvements, including public facility security upgrades, expand Chester Creek Sports Complex parking lot and relocate Mulcahy Stadium, City Hall safety improvements, Loussac Library renovation, improvements to Anchorage Golf Course, and related capital improvements as provided in Anchorage Ordinance No. 2014-____, shall Anchorage issue up to $5,550,000 in principal amount of general obligation bonds and increase the municipal tax cap by an amount not to exceed $213,000 to pay annual operations and maintenance costs? The proposed capital improvements would be located within the Municipality of Anchorage.
Voter approval of this bond proposition authorizes for each $100,000 of assessed taxable property value (based on the estimated total 2014 areawide assessed valuation in Anchorage) (i) an annual increase in taxes of approximately $1.34 to retire the proposed bonds and (ii) an annual increase in the Municipal Tax Cap (Charter 14.03) of approximately $0.64 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 areawide within Anchorage. Anchorage will also pledge its full faith and credit for payment of the bonds.

(AO No. 2014-___)

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 1, 2014. 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 28th day of January, 2014.

By ____________________________
Chair of the Assembly

ATTEST:

______________________________
Municipal Clerk

AO - 2014 Areawide Facilities Improvements Bonds Prop.
MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2014-18

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FIVE MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS ($5,550,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS, TO INCLUDE PUBLIC FACILITY SECURITY UPGRADES, CHESTER CREEK SPORTS COMPLEX PARKING LOT EXPANSION AND MULCAHY STADIUM RELOCATION, CITY HALL SAFETY IMPROVEMENTS, LOUSSAC LIBRARY RENOVATION, IMPROVEMENTS TO ANCHORAGE GOLF COURSE 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 1, 2014.

Prepared by

K&L GATES LLP
**MUNICIPALITY OF ANCHORAGE**  
**ORDINANCE No. 2014-18**

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<td>Effective Dates</td>
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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: 2014-18

Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FIVE MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS ($5,550,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS, TO INCLUDE PUBLIC FACILITY SECURITY UPGRADES, CHESTER CREEK SPORTS COMPLEX PARKING LOT EXPANSION AND MULCAHY STADIUM RELOCATION, CITY HALL SAFETY IMPROVEMENTS, LOUSSAC LIBRARY RENOVATION, IMPROVEMENTS TO ANCHORAGE GOLF COURSE 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 1, 2014.

Sponsor: Mayor
Preparing Agency: Finance
Others Impacted: Areawide Facilities Capital Improvements

<table>
<thead>
<tr>
<th>CHANGES IN EXPENDITURES AND REVENUES:</th>
<th>(Thousands of Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>FY15</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td></td>
</tr>
<tr>
<td>1000 Personal Services</td>
<td></td>
</tr>
<tr>
<td>2000 Supplies</td>
<td></td>
</tr>
<tr>
<td>3000 Other Services</td>
<td>213</td>
</tr>
<tr>
<td>4000 Debt Service</td>
<td>445</td>
</tr>
<tr>
<td>5000 Capital Outlay</td>
<td></td>
</tr>
<tr>
<td>TOTAL DIRECT COSTS:</td>
<td>658</td>
</tr>
<tr>
<td>ADD: 6000 Charge from Others</td>
<td></td>
</tr>
<tr>
<td>LESS: 7000 Charge to Others</td>
<td></td>
</tr>
<tr>
<td>FUNCTION COST:</td>
<td></td>
</tr>
<tr>
<td>REVENUES:</td>
<td></td>
</tr>
<tr>
<td>CAPITAL:</td>
<td></td>
</tr>
<tr>
<td>POSITIONS: FT/PT and Temp.</td>
<td></td>
</tr>
<tr>
<td>PUBLIC SECTOR ECONOMIC EFFECTS:</td>
<td></td>
</tr>
</tbody>
</table>

Estimated annual debt service of $445,346 assumes bonds are sold as a package @ 5.00% 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 $213,000.
PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately $445,346 equate to an estimated property tax increase of 0.0134 mills or $1.34 per year on $100,000 of assessed valuation in the Municipality areawide.

When fully operational, increased annual operations and maintenance costs are estimated at $213,000 and equate to an estimated property tax increase of 0.0064 mills or $0.64 per year on $100,000 of assessed valuation in the Municipality areawide.

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 $1.98 per $100,000 of assessed valuation in the Municipality areawide.

Prepared by: Ross Risvold, Public Finance & Investments Manager

Phone: 343-6606

SEE 2014 Areawide Facilities Capital Improvements  Total.doc
MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 36-2014

Meeting Date: January 14, 2014

From: Mayor

Subject: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FIVE MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS ($5,550,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS, TO INCLUDE PUBLIC FACILITY SECURITY UPGRADES, CHESTER CREEK SPORTS COMPLEX PARKING LOT EXPANSION AND MULCAHY STADIUM RELOCATION, CITY HALL SAFETY IMPROVEMENTS, LOUSSAC LIBRARY RENOVATION, IMPROVEMENTS TO ANCHORAGE GOLF COURSE 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 1, 2014.

The attached ordinance will place a general obligation bond proposition for areawide Facility Capital Improvements on the ballot for the regular Municipal election to be held on April 1, 2014.

The Administration recommends scheduling a public hearing for this bond ordinance on January 28, 2014.

The Facility Capital Improvement bond proposal will implement the priorities established in the recently approved 2014-2019 Capital Improvement Program. Please see the attached Project List, attached as Exhibit A.

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.

Prepared and approved by: Lucinda Mahoney, CFO
Concurrence: Marilyn Banzhaf, Office of Management & Budget
Concurrence: Dennis A. Wheeler, Municipal Attorney
Concurrence: George J. Vakalis, Municipal Manager
Respectfully submitted: Daniel A. Sullivan, Mayor
## EXHIBIT A

### Areawide Facility Capital Improvement
### 2014 Bond Project List
### (000)'s

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Scope</th>
<th>Amount</th>
<th>O&amp;M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anchorage Golf Course</td>
<td>Building systems are wearing out due to age. Major maintenance is required for the entire golf course. Roof is constructed of cedar shakes and are beyond their useful life. 2014: $ 500,000 Replace Roof $ 175,000 Replace Frequency Drive for Irrigation System $1,050,000 Replace HVAC $ 400,000 Replace Kitchen &amp; Code Upgrades</td>
<td>$500</td>
<td>$0</td>
</tr>
<tr>
<td>Chester Creek Sports Complex Parking Lot Expansion and Mulcahy Stadium Relocation</td>
<td>Project will expand the arena parking lot by removing and replacing the North Kosinski baseball fields with an expanded parking lot that includes paving, a walkway to the arena, lighting, and relocation of Mulcahy Baseball Stadium. Parking lot is undersized due to location of several high public use facilities in close proximity. Kosinski baseball fields see limited use due to the development of the South Anchorage Sports Complex.</td>
<td>$1,750</td>
<td>$75</td>
</tr>
<tr>
<td>City Hall Safety &amp; Improvements</td>
<td>City Hall security and safety improvements; upgrade security camera system and renovate 8th Floor to enhance security.</td>
<td>$300</td>
<td>$15</td>
</tr>
<tr>
<td>Loussac Renovation</td>
<td>Funding will be used for the next phase of construction which will include funding for reconstruction of the front entrance, installation of an interior book drop, design for interior renovations, various mechanical and safety code upgrades, and wireless broadband upgrade.</td>
<td>$2,750</td>
<td>$120</td>
</tr>
<tr>
<td>Miscellaneous Public Facility Security Upgrades</td>
<td>Upgrade the security at several public facilities including City Hall, the Assembly Chambers, and the DHHS building. These security modifications would include camera/surveillance systems in public areas such as hallways, staircases, and lobbies. It would also include building modifications such as doors, channeling fixtures and security stations to limit public access to secure areas of the facilities.</td>
<td>$250</td>
<td>$3</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$5,550</strong></td>
<td><strong>$213</strong></td>
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From: Mayor

Subject: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FIVE MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS ($5,550,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS, TO INCLUDE PUBLIC FACILITY SECURITY UPGRADES, CHESTER CREEK SPORTS COMPLEX PARKING LOT EXPANSION AND MULCAHY STADIUM RELOCATION, CITY HALL SAFETY IMPROVEMENTS, LOUSSAC LIBRARY RENOVATION, IMPROVEMENTS TO ANCHORAGE GOLF COURSE 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 1, 2014.

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The Administration recommends scheduling a public hearing for this bond ordinance on January 28, 2014.

The Facility Capital Improvement bond proposal will implement the priorities established in the recently approved 2014-2019 Capital Improvement Program. Please see the attached Revised 2014 Bond Project List, attached as Revised Exhibit A.

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.

Prepared and approved by: Lucinda Mahoney, CFO
Concurrence: Marilyn Banzhaf, Office of Management & Budget
Concurrence: Dennis A. Wheeler, Municipal Attorney
Concurrence: George J. Vakalis, Municipal Manger
Respectfully submitted: Daniel A. Sullivan, Mayor
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| Anchorage Golf Course                            | Building systems are wearing out due to age. Major maintenance is required for the entire golf course. Roof is constructed of cedar shakes and are beyond their useful life. 2014:  
  $ 500,000 Replace Roof  
  $ 175,000 Replace Frequency Drive for Irrigation System  
  $1,050,000 Replace HVAC  
  $ 400,000 Replace Kitchen & Code Upgrades                                                      | $500   | $0  |
| Chester Creek Sports Complex Parking Lot        | Project will expand the arena parking lot by removing and replacing the North Kosinski baseball fields with an expanded parking lot that includes paving, a walkway to the arena, lighting, and relocation of Mulcahy Baseball Stadium. Parking lot is undersized due to location of several high public use facilities in close proximity. Kosinski baseball fields see limited use due to the development of the South Anchorage Sports Complex. | $1,750 | $75 |
| Complex Expansion and Mulcahy Stadium Relocation |                                                                                                                                   |        |     |
| City Hall Safety & Improvements                  | City Hall security and safety improvements; upgrade security camera system and communications [RENOVATE 8TH FLOOR TO ENHANCE SECURITY].                                              | $300   | $15 |
| Loussac Renovation                               | Funding will be used for the next phase of construction which will include funding for reconstruction of the front entrance, installation of an interior book drop, design for interior renovations, various mechanical and safety code upgrades, and wireless broadband upgrade. | $2,750 | $120|
| Miscellaneous Public Facility Security Upgrades  | Upgrade the security at several public facilities including [CITY HALL], the Assembly Chambers and the DHHS building. These security modifications would include camera/surveillance systems in public areas such as hallways, staircases, and lobbies. It would also include building modifications such as doors, channeling fixtures and security stations to limit public access to secure areas of the facilities. | $250   | $3  |
| TOTAL                                            |                                                                                                                                                                                                       | $5,550 | $213|