MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2014-19

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 ONE MILLION SEVEN HUNDRED NINETY-THREE THOUSAND DOLLARS ($1,793,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE SAFETY AND PUBLIC TRANSPORTATION 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 1, 2014.

WHEREAS, the best interest of the citizens and property owners in the Municipality of Anchorage, Alaska (the “Municipality”) require the Municipality to replace ambulances and support vehicles, make bus stop improvements, transit fleet expansions and improvements, technology upgrades, transit facilities improvements and other safety improvements; and

WHEREAS, the Assembly of the Municipality have identified necessary areawide safety and public transportation 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 safety and public transportation improvements are needed throughout the Municipality (the “Projects”). A portion of the Bond proceeds is expected to be identified as a local match for federal transportation grants. 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 $1,793,000.

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 safety and public transportation 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 One Million Seven Hundred Ninety-Three Thousand Dollars ($1,793,000) (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 $1,793,000. 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 SAFETY AND PUBLIC TRANSPORTATION CAPITAL
IMPROVEMENT BONDS

For the purpose of acquiring replacement ambulances, undertakings school zone safety improvements and
bridge and dam rehabilitation, providing matching funds for public transportation upgrades, replacing vehicles,
making bus stop improvements, transit facilities improvements, transit fleet expansions and
improvements, technology upgrades and related capital improvements as provided in Anchorage Ordinance
No. 2014-____, shall Anchorage issue up to $1,793,000 in principal amount of general obligation bonds and
increase the municipal tax cap by an amount not to exceed $47,000 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 $0.43 to retire the proposed bonds, and (ii) an annual increase in the Municipal Tax Cap (Charter 14.03) of approximately $0.14 to pay for annual operations and maintenance costs related to the proposed capital improvements. If this proposition is approved, the Municipality anticipates receipt of $2,292,000 in federal grants for public transit projects to match the local Anchorage contribution of $573,000.

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
MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2014-19

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 ONE MILLION SEVEN HUNDRED NINETY-THREE THOUSAND DOLLARS ($1,793,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE SAFETY AND PUBLIC TRANSPORTATION 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 1, 2014.

Prepared by

K&L GATES LLP
# MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2014-19

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MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2014-19
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 ONE MILLION SEVEN HUNDRED NINETY-THREE THOUSAND DOLLARS ($1,793,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE SAFETY AND PUBLIC TRANSPORTATION 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 1, 2014.

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

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

<table>
<thead>
<tr>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
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<tbody>
<tr>
<td>Operating Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1000 Personal Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 Supplies</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3000 Other Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>4000 Debt Service</td>
<td>144</td>
<td>144</td>
<td>144</td>
<td>144</td>
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<tr>
<td>5000 Capital Outlay</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL DIRECT COSTS:</td>
<td>191</td>
<td>191</td>
<td>191</td>
<td>191</td>
</tr>
<tr>
<td>ADD: 6000 Charge from Others</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LESS: 7000 Charge to Others</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of $143,875 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 $47,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately $143,875 equate to an estimated property tax increase of 0.0043 mills or $0.43 per year on $100,000 of assessed valuation in the Municipality areawide.
When fully operational, increased annual operations and maintenance costs are estimated at $47,000 and equate to an estimated property tax increase of 0.0014 mills or $0.14 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 $0.57 per $100,000 of assessed valuation in the Municipality areawide.

Prepared by: Ross Risvold, Public Finance & Investments Manager  Phone: 343-6606

SEE 2014 Areawide Safety & Public Transportation Total.doc
MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 37-2014

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 ONE MILLION SEVEN HUNDRED NINETY-THREE THOUSAND DOLLARS ($1,793,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE SAFETY AND PUBLIC TRANSPORTATION 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 1, 2014.

The attached ordinance will place a general obligation bond proposition for Areawide Safety and Public Transportation 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 Areawide Safety and Public Transportation Capital Improvements 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.

$573,000 of this ballot proposition is related to public transit projects and, if this proposition is approved, the Municipality anticipates receipt of $2,292,000 in federal grants for those public transit projects.

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
<table>
<thead>
<tr>
<th>Project Title</th>
<th>Scope</th>
<th>Amount</th>
<th>O&amp;M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Ambulance Replacement</td>
<td>Programmed replacement of Areawide EMS MICU ambulances to provide basic and advanced life support services and transport patients throughout the Municipality of Anchorage. Replace MICU ambulances in accordance with the departments vehicle replacement plan. Ambulances are heavily used and incur high levels of mileage. Ambulances are replaced approximately every 7 years.</td>
<td>$520</td>
<td>$0</td>
</tr>
<tr>
<td>School Zone Safety</td>
<td>This project will upgrade and/or modify school zone signage, signals, and markings to meet Federal, State and Local requirements. Projects may also include improvements to the School Walking Routes.</td>
<td>$500</td>
<td>$20</td>
</tr>
<tr>
<td>Bridge and Dam Rehabilitation</td>
<td>This project will identify the bridges and dams in the Municipality of Anchorage that need work and then rehabilitate the structures as needed.</td>
<td>$200</td>
<td>$20</td>
</tr>
<tr>
<td>Subtotal Safety</td>
<td></td>
<td>$1,220</td>
<td>$40</td>
</tr>
<tr>
<td>Bus Stop Improvements</td>
<td>This project funds the upgrading of bus stops to meet federally mandated Americans with Disabilities Act (ADA) requirements and operational needs. Typical improvements will include bus shelters and furnishings, grading, paving, utility relocation, lighting, curb adjustments, safety items, drainage and construction of paths. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$80</td>
<td>$7</td>
</tr>
<tr>
<td>Improvements to Existing Fleet</td>
<td>This project funds improvements to the existing transit and paratransit fleets. Typical projects include fare issue and collection systems, ticket reader and issue attachment which issues passenger passes on the bus, camera systems, transit/signal improvements for headway enhancements, mobile display terminals and vehicle communication and location systems. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$70</td>
<td>$0</td>
</tr>
<tr>
<td>ITS/Automated Operating Systems</td>
<td>This project continues the funding for automating the operating systems of the Public Transportation Department. The systems include vehicle location and operating characteristics, customer realtime information, passenger counting equipment, improved management reporting capability and automated ticketing, smart fareboxes, web-based interfaces and automated telephone systems. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$20</td>
<td>$0</td>
</tr>
<tr>
<td>Management Information System</td>
<td>This project funds information systems necessary for efficient management of the public transportation system. Typical projects include GIS/transit operating systems integration, upgrades to the automated maintenance system, refueling, and inventory system; a new computerized dispatch system; and upgrades to scheduling/run-cutting process, customer information and telephone communications system, and desktop computers. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$10</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Transit Centers/Facilities</strong></td>
<td>This project also supports an ongoing effort to provide major transit facilities at town centers and major destinations. The Anchorage 2020/Anchorage Bowl Comprehensive Plan, identified a network of Town Centers intended to function as focal points for community activities with a mix of retail, residential, and public services and facilities, and with pedestrian connections to surrounding neighborhoods and transit. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$64</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Capital Maintenance/Vehicle Overhaul</strong></td>
<td>The Federal Transit Administration (FTA) allows grantees to use capital funds for vehicle overhauls and preventive vehicle maintenance. The preventive maintenance is limited by FTA to 80% Federal share of total maintenance costs. The capital maintenance is utilized for major repairs on the Paratransit Fleet and major items such as the tire leasing contract for the fixed route fleet. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$43</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Support Vehicles</strong></td>
<td>This project funds the purchase of replacement vehicles and equipment to support operation of the transit system. Typical purchases include pickup trucks, maintenance trucks with special equipment, supervisor vehicles, shift change vehicles, fork lifts, sweepers, and bus access snow removal equipment. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$20</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Transit Fleet Expansion/Replacement</strong></td>
<td>This project continues the replacement and possible expansion of the 40' buses, vanpool and AnchorRIDES vehicles. Funding requested for 2014-2019 purchases consists of: 8 AnchorRIDES vehicles, 4 replacement 40' buses and up to 30 vanpool vehicles. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$170</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Paratransit/Transit Vehicles</strong></td>
<td>This project funds the purchase of replacement and expansion paratransit and transit vehicles for the AnchorRIDES and People Mover programs. AnchorRIDES provides transportation for persons with disabilities and seniors who cannot use People Mover buses. G.O. bonds requested in 2014 will provide the required 20% matching funds towards the 80% Federal funding.</td>
<td>$96</td>
<td>$0</td>
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<td><strong>Subtotal Public Transportation</strong></td>
<td></td>
<td>$573</td>
<td>$7</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>$1,793</td>
<td>$47</td>
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