

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2023-3

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 FOUR MILLION SIX HUNDRED TWENTY THOUSAND DOLLARS (\$4,620,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE PUBLIC SAFETY AND TRANSIT IMPROVEMENTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 4, 2023.

Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2023-3**

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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.

1
2 Municipal Clerk's Office

3 **Approved**

4 Date: **January 23, 2023**

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 10, 2023

7
8
9 **MUNICIPALITY OF ANCHORAGE**
10 **ORDINANCE No. 2023-3**

11
12 **AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED**
13 **VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, THE**
14 **QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR MILLION SIX**
15 **HUNDRED TWENTY THOUSAND DOLLARS (\$4,620,000) OF GENERAL**
16 **OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE**
17 **COSTS OF AREAWIDE PUBLIC SAFETY AND TRANSIT IMPROVEMENTS AT**
18 **THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 4, 2023.**

19
20 **WHEREAS**, the best interest of the citizens and property owners in the
21 Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to
22 upgrade the infrastructure of the Anchorage Area-Wide Radio Network, acquire
23 new replacement ambulances and fuel tanks, acquire and replace transit vehicles
24 and support equipment, and undertake school zone safety improvements, bus
25 stop improvements and improvements to transit facilities and centers (the
26 "Projects"), and

27
28 **WHEREAS**, in order to provide financing for the Projects, it is deemed necessary
29 and advisable that the Municipality issue and sell its general obligation bonds in
30 the principal amount of not to exceed \$4,620,000 (the "Bonds"); now, therefore,

31
32 **THE ANCHORAGE ASSEMBLY ORDAINS:**

33
34 **Section 1. Purpose.** The Assembly hereby determines that the Projects are
35 needed throughout the Municipality. The Assembly hereby determines that the
36 best interest of the residents and property owners within the Municipality require
37 the Municipality to undertake the Projects at the time and in the order and in the
38 manner deemed most necessary and advisable by the Municipality. The estimated
39 cost of the Projects, including incidental costs and costs related to issuing and
40 selling the Bonds as provided in this ordinance, is estimated to be \$4,620,000.

41
42 The Projects are described in more detail in the attachment to the Assembly
43 Memorandum accompanying this ordinance. The cost of all necessary planning,
44 acquisition of property for, site preparation, construction, installing and equipping
45 of the Projects, architectural, engineering, design, and other consulting services,
46 inspection and testing, administrative expenses, costs of issuance of the Bonds
47 and other costs incurred in connection with the Projects shall be deemed to be

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

3
4 The Municipality shall determine the application of available moneys
5 between the various Projects so as to accomplish, as nearly as may be, the
6 Projects described or 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 their completion found to be impractical, the
16 Municipality shall apply such remaining proceeds solely to payment of principal or
17 interest on the Bonds, as provided in the Home Rule Charter. In the event that the
18 proceeds of sale of the Bonds, plus any other monies of the Municipality legally
19 available, are insufficient to accomplish the approved Projects, the Municipality
20 shall use the available funds for paying the cost of those portions of the approved
21 Projects deemed by the Municipality most necessary and in the best interest of the
22 Municipality. No Bond proceeds shall be used by the Municipality for any purpose
23 other than a capital improvement of the Municipality.

24
25 For the purpose of providing funds for the undertaking of the Projects,
26 which are hereby found to be a public purpose and in the public interest, the
27 Municipality hereby proposes to issue general obligation bonded indebtedness in
28 an amount not to exceed Four Million Six Hundred Twenty Thousand Dollars
29 (\$4,620,000).

30
31 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at
32 such time or times as deemed necessary and advisable by the Assembly and as
33 permitted by law and shall mature over a period of up to 20 years from date of
34 issue. The Bonds shall be issued in an aggregate principal amount of not to
35 exceed \$4,620,000. The Bonds shall bear interest to be fixed at the time of sale or
36 sales thereof. The exact form, terms, conditions, contents, security, options of
37 redemption, and such other matters relating to the issuance and sale of said
38 Bonds as are deemed necessary and advisable by the Assembly shall be as
39 hereinafter determined and/or delegated by ordinance and/or resolution of the
40 Assembly.

41
42 The full faith and credit of the Municipality is pledged for the payment of the
43 principal of and interest on the Bonds, and ad valorem taxes upon all taxable
44 property in the Municipality shall be levied without limitation as to rate or amount to
45 pay the principal and interest on the Bonds when due.
46

1 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified
2 voters of the Municipality the proposition of whether or not the Municipality should
3 issue the Bonds for the purpose of financing the costs of the approved Projects at
4 the regular municipal election to be held on April 4, 2023.

5
6 The Clerk shall prepare the ballot proposition to be submitted to the voters
7 as provided by this ordinance and the Municipal Code and shall perform all
8 necessary steps in accordance with law to place this proposition before the voters
9 at the regular election. The proposition must receive an areawide majority vote of
10 those in the Municipality voting on the question to be approved. The proposition
11 shall be substantially in the following form:

12
13 PROPOSITION NO. _____

14
15 **AREAWIDE PUBLIC SAFETY AND TRANSIT CAPITAL IMPROVEMENT BONDS**

16
17 For the purpose of upgrading the infrastructure of the
18 Anchorage Area-Wide Radio Network, acquiring new
19 replacement ambulances and fuel tanks, acquiring and
20 replacing transit vehicles and support equipment and
21 undertaking school zone safety improvements, bus
22 stop improvements and improvements at transit
23 facilities and centers, in Anchorage as provided in
24 AO 2023-____, shall Anchorage borrow money and
25 issue up to \$4,620,000 in principal amount of general
26 obligation bonds?

27
28 Voter approval of this bond proposition authorizes for
29 each \$100,000 of assessed taxable property value
30 (based on the estimated 2023 areawide assessed
31 valuation in Anchorage) an annual increase in taxes of
32 approximately \$0.96 to retire the proposed bonds.

33
34 The debt shall be paid from real and personal property
35 taxes levied and collected areawide within Anchorage.
36 The Municipality will also pledge its full faith and credit
37 for payment of the bonds.

38
39 YES NO

40
41 **Section 4. Effective Dates.** Section 2 of this ordinance shall become effective
42 only if the proposition described in Section 3 is approved by a majority of the
43 qualified voters voting on the proposition at the regular election held on April 4,
44 2023. The remaining sections of this ordinance shall become effective upon
45 passage and approval.

1 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this
2 23rd day of January, 2023.

3
4
5 *Suzanne LaFrance*

6
7 ATTEST:

Chair

8
9
10 *Barbara A. Jones*

11
12 Municipal Clerk



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 10-2023

Meeting Date: January 10, 2023

1 **FROM: MAYOR**

2
3 **SUBJECT: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE**
4 **QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE,**
5 **ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO**
6 **EXCEED FOUR MILLION SIX HUNDRED TWENTY THOUSAND**
7 **DOLLARS (\$4,620,000) OF GENERAL OBLIGATION BONDS OF**
8 **THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF**
9 **AREAWIDE PUBLIC SAFETY AND TRANSIT IMPROVEMENTS AT**
10 **THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 4,**
11 **2023.**

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 4, 2023.

16
17 The Administration recommends scheduling a public hearing for this bond ordinance
18 on January 24, 2023.

19
20 The Areawide Public Safety and Transit Improvements bond proposal will
21 implement the priorities established in the recently approved 2023-2028 Capital
22 Improvement Program. Please see the attached Project List, attached as Exhibit A.

23
24 **THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.**

25
26 Prepared by: Ross Risvold, Public Finance & Investments Manager

27 Approved: Grant Yutzenka, Acting CFO

28 Concur: Blair Christensen, Acting Municipal Attorney

29 Concur: Courtney Petersen, Director, OMB

30 Concur: Kent Kohlase, Acting Municipal Manager

31 Respectfully submitted: Dave Bronson, Mayor

EXHIBIT A

Areawide Public Safety and Transit Capital Improvements 2023 Bond Project List (000)'s

<u>Project</u>	<u>Amount*</u>	<u>O&M</u>
Anchorage Area-Wide Radio Network Infrastructure Upgrade	\$1,700	--
Fire Ambulance Replacement	810	--
Fuel Tanks	500	--
School Zone Safety	500	
Transit Facilities, Centers and Bus Stop Improvements	445	
Transit Fleet/Support Equipment/Support Vehicle Replacement & Expansion	665	--
Total	\$4,620	--

* Bond proceeds for project amounts may be allocated and reallocated between the projects listed above.

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2023-3 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 FOUR MILLION SIX HUNDRED TWENTY THOUSAND DOLLARS (\$4,620,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE PUBLIC SAFETY AND TRANSIT IMPROVEMENTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 4, 2023.

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

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY23	FY24	FY25	FY26	FY27
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	--	355.2	355.2	355.2	355.2
5000 Capital Outlay					
TOTAL DIRECT COSTS:	--	355.2	355.2	355.2	355.2

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 \$355,168 assumes bonds are sold as a single bond issue with an interest rate of 4.50% with bond repayments corresponding to the expected life of the assets financed up to 20 years.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$355,168 equate to an estimated property tax increase of 0.0096 mills or \$0.96 per year on \$100,000 of assessed valuation in the Municipality areawide.