

Municipal Clerk's Office

Approved

Date: **January 27, 2026**

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 13, 2026

MUNICIPALITY OF ANCHORAGE

AO No. 2026-4

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 THIRTY-EIGHT MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$38,450,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD AND STORM DRAINAGE CAPITAL IMPROVEMENTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2026.

WHEREAS, the best interests of the citizens and property owners in the Anchorage Roads and Drainage Service Area serving the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire, construct, renovate, upgrade and undertake certain road improvements, roadway safety improvements and storm collection drainage and treatment 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 \$38,450,000 (the "Bonds"); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly of the Municipality hereby determines that the roads and storm drainage within the Anchorage Roads and Drainage Service Area are in need of the Projects. The Assembly hereby determines that the best interests of the residents and property owners within the Anchorage Roads and Drainage Service Area 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 \$38,450,000.

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, 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 and

1 other costs incurred in connection with the Projects shall be deemed to be costs of
2 the approved Projects. The approved Projects may be completed with all necessary
3 equipment and appurtenances.
4

5 The Municipality shall determine the application of available moneys between
6 the various Projects so as to accomplish, as nearly as may be, all of the Projects
7 described or provided for in this section.
8

9 If the Municipality shall determine that it has become impractical to
10 accomplish any portion of the approved Projects by reason of changed conditions
11 or needs, incompatible development or costs substantially in excess of those
12 estimated, the Municipality shall not be required to accomplish such portions and
13 shall apply Bond proceeds as set forth in this section.
14

15 If the approved Projects have been completed in whole or in part, or their
16 completion duly provided for, or their completion found to be impractical, the
17 Municipality may apply Bond proceeds or any portion thereof to other Municipality
18 capital improvements within the Anchorage Roads and Drainage Service Area at its
19 sole discretion. Otherwise, the Municipality shall apply such remaining proceeds
20 solely to payment of principal or interest on the Bonds, as provided in the Home
21 Rule Charter. In the event that the proceeds of sale of the Bonds, plus any other
22 monies of the Municipality legally available, are insufficient to accomplish the
23 approved Projects, the Municipality shall use the available funds for paying the cost
24 of those portions of the approved Projects deemed by the Municipality most
25 necessary and in the best interest of the Municipality. No Bond proceeds shall be
26 used by the Municipality for any purpose other than a capital improvement of the
27 Municipality.
28

29 For the purpose of providing funds for the undertaking of the Projects, which
30 are hereby found to be a public purpose and in the public interest, the Municipality
31 hereby proposes to issue general obligation bonded indebtedness in an amount not
32 to exceed Thirty-Eight Million Four Hundred Fifty Thousand Dollars (\$38,450,000).
33

34 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at
35 such time or times as deemed necessary and advisable by the Assembly and as
36 permitted by law and shall mature over a period of up to 20 years from date of issue.
37 The Bonds shall be issued in an aggregate principal amount of not to exceed
38 \$38,450,000. The Bonds shall bear interest to be fixed at the time of sale or sales
39 thereof. The exact form, terms, conditions, contents, security, options of
40 redemption, and such other matters relating to the issuance and sale of said Bonds
41 as are deemed necessary and advisable by the Assembly shall be as hereinafter
42 determined and/or delegated by ordinance and/or resolution of the Assembly.
43

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

1 pay the principal and interest on the Bonds when due. The principal of and interest
2 on the Bonds are to be paid first from ad valorem taxes levied and collected within
3 the Anchorage Roads and Drainage Service Area.
4

5 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified
6 voters of the Municipality the proposition of whether the Municipality should issue
7 the Bonds for the purpose of financing the costs of the approved Projects at the
8 regular municipal election to be held on April 7, 2026.
9

10 The Clerk shall prepare the ballot proposition to be submitted to the voters
11 as provided by this ordinance and the Municipal Code and shall perform all
12 necessary steps in accordance with law to place this proposition before the voters
13 at the regular election. The proposition must receive a majority vote of those in the
14 Municipality voting, both in the Anchorage Roads and Drainage Service Area and
15 areawide, on the question to be approved. The proposition shall be substantially in
16 the following form:
17

18 PROPOSITION NO. ____
19

20 **ANCHORAGE ROADS AND DRAINAGE SERVICE**
21 **AREA ROADS AND STORM DRAINAGE BONDS**
22

23 For the purpose of providing roads and storm drainage
24 capital acquisition, construction, renovation and
25 upgrades in the Anchorage Roads and Drainage Service
26 Area, as provided in AO 2026-__, shall Anchorage
27 borrow money and issue up to \$38,450,000 in principal
28 amount of general obligation bonds and increase the
29 municipal tax cap by an annual amount not to exceed
30 \$45,000 to pay for associated annual operations and
31 maintenance costs?
32

33 Voter approval of this bond proposition authorizes for
34 each \$100,000 of assessed taxable property value
35 (based on the estimated 2026 assessed valuation in the
36 Anchorage Roads and Drainage Service Area): (i) an
37 annual increase in taxes of approximately \$8.62 to retire
38 the proposed bonds, and (ii) an annual increase in the
39 municipal tax cap (Charter 14.03(b)(2)) of approximately
40 \$0.14 to pay for annual operation and maintenance
41 costs related to the proposed capital improvements.
42

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Roads and Drainage Service Area, without cost to properties in Chugiak, Eagle River, Girdwood and other areas outside the Service Area. The Municipality will also pledge its full faith and credit for payment of the debt.

☐ YES ☐ NO

Section 4. 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 7, 2026. The remaining sections of this ordinance shall become effective upon passage and approval by the Assembly.

PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this 27th day of January, 2026.

Christopher Constant

ATTEST:

Chair

Janie Luning

Municipal Clerk



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 16 - 2026

Meeting Date: January 13, 2026

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 THIRTY-EIGHT MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$38,450,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD AND STORM DRAINAGE CAPITAL IMPROVEMENTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2026.

The attached ordinance will place a general obligation bond proposition for the Anchorage Roads and Drainage Service Area (ARDSA) on the ballot for the regular Municipal election to be held on April 7, 2026.

The Administration recommends scheduling a public hearing for this bond ordinance on January 27, 2026.

The ARDSA bond proposal will implement the priorities established in the 2026-2031 Capital Improvement Program. Please see the attached Project List, attached as Exhibit A.

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.

Prepared by:	Ross Risvold, Public Finance Manager
Approved:	Philippe D. Brice, CFO
Approved:	William D. Falsey, Chief Administrative Officer
Concur:	Eva R. Gardner, Municipal Attorney
Concur:	Ona R. Brause, OMB Director
Concur:	Rebecca A. Windt Pearson, Municipal Manager
Respectfully submitted:	Suzanne LaFrance, Mayor

AM 2026 ARDSA Prop.doc

EXHIBIT A

Anchorage Road and Drainage Service Area 2026 Bond Project List (000)'s

<u>Project</u>	<u>Amount</u>	<u>O&M</u>
Northwood Warm Storage Repair	\$ 400	-
AMATS: 32nd Ave Reconstruction - Lois Dr to Minnesota Dr	150	-
AMATS: 3rd Ave Reconstruction - E St to Gambell St	1,000	-
AMATS: 4th Ave Signals and Lighting - Cordova St to Ingra St	750	-
AMATS: Academy Dr/Vanguard Dr Area Traffic Circulation Improvements - Brayton Dr to Abbott Rd	2,300	-
ARDSA ADA Improvements Annual Program	1,000	\$ 2
ARDSA Alaska Railroad Crossing Rehabilitations Annual Program	1,000	-
ARDSA: Chip-Sealing Equipment	1,200	-
ARDSA Flooding, Glaciation, and Drainage Annual Program	2,000	15
ARDSA Intersection Resurfacing Annual Program	200	-
ARDSA Pavement and Subbase Rehabilitation Annual Program	2,000	5
ARDSA Pedestrian Safety and Rehabilitation Annual Program	2,500	15
ARDSA Road and Drainage Rehabilitation Annual Program	2,500	8
ARDSA Sound Barrier/Retaining Wall Replacement Annual Program	500	-
ARDSA Storm Drainage Deficiencies Annual Program	2,000	-
Bragaw St Corridor Safety Improvements - Glenn Hwy to Northern Lights Blvd	1,000	-
Downtown Lighting and Signals Upgrades Annual Program	4,000	-
Downtown Wayfinding Road Improvements	500	-
HSIP Mountain View Dr Safety Improvements	150	-
Northern Lights Blvd Safety Improvements Pilot Project - Match Funding (SS4A)	200	-
Tasha Dr Reconstruction	5,100	-
Thimble Berry Dr Storm Drain Improvements	2,000	-
Tudor Centre Storm System Water Quality Improvements	1,000	-
Turnagain St Upgrade - Northern Lights Blvd to 35th Ave	500	-
West Bluff Dr/Ocean Dock Rd Area Storm Drain	4,500	-
Total	\$38,450	\$45

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2026 - 4 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 THIRTY-EIGHT MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$38,450,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD AND STORM DRAINAGE CAPITAL IMPROVEMENTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 7, 2026.

Sponsor: Mayor
Preparing Agency: Public Finance Division
Others Impacted: ARDSA

CHANGES IN EXPENDITURES AND REVENUES:					
(Thousands of Dollars)					
	FY26	FY27	FY28	FY29	FY30
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	--	45	45	45	45
4000 Debt Service	--	2,833	2,833	2,833	2,833
5000 Capital Outlay					
TOTAL DIRECT COSTS:	--	2,878	2,878	2,878	2,878
ADD: 6000 Charge from Others					
FUNCTION COST:	--	2,878	2,878	2,878	2,878
REVENUES:					
CAPITAL:					
POSITIONS: FT/PT and Temp.					

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of \$2,833,479 assumes bonds are sold as a single bond issue with an interest rate of 4.017% 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 \$45,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$2,833,479 equate to an estimated property tax increase of 0.0862 mills or \$8.62 per year on \$100,000 of assessed valuation in the ARDSA.

When fully operational, increased annual operations and maintenance costs are estimated at \$45,000 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 ARDSA and an increase in the Municipal tax cap limitation.

The total private sector economic effect would therefore be a total of \$8.76 per \$100,000 of assessed valuation in the ARDSA.