

**MUNICIPALITY OF ANCHORAGE**

**ORDINANCE No. 2022-9**

**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 TWO MILLION THREE HUNDRED THOUSAND DOLLARS (\$2,300,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING AND EQUIPPING PARK, TRAIL AND RECREATIONAL FACILITIES CAPITAL IMPROVEMENTS IN THE ANCHORAGE PARKS AND RECREATION SERVICE AREA, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2022.**

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Prepared by

K&L GATES LLP

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ORDINANCE No. 2022-9**

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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: January 11, 2022

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2022-9**

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 TWO MILLION THREE HUNDRED THOUSAND DOLLARS (\$2,300,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING AND EQUIPPING PARK, TRAIL AND RECREATIONAL FACILITIES CAPITAL IMPROVEMENTS IN THE ANCHORAGE PARKS AND RECREATION SERVICE AREA, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2022.

**WHEREAS**, the best interest of the citizens and property owners in the Anchorage Parks and Recreation Service Area serving the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to construct, renovate and equip various park and trail improvements, recreational and athletic facilities (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 \$2,300,000 (the "Bonds"); now, therefore,

**THE ANCHORAGE ASSEMBLY ORDAINS:**

**Section 1. Purpose.** The Assembly hereby determines that the parks, trails and athletic and recreation facilities within the Anchorage Parks and Recreation Service Area are in need of construction, renovation and equipping of the Projects. The Assembly of the Municipality hereby determines that the best interest of the residents and property owners within the Anchorage Parks and Recreation 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

1 issuing and selling the Bonds as provided in this ordinance, is estimated to be  
2 \$2,300,000.

3  
4 The Projects are described in more detail in the attachment to the Assembly  
5 Memorandum accompanying this ordinance. The cost of all necessary planning,  
6 acquisition of property, site preparation, construction, installing and equipping of  
7 the Projects, architectural, engineering, design, and other consulting services,  
8 inspection and testing, administrative expenses, costs of issuance of the Bonds  
9 and other costs incurred in connection with the Projects shall be deemed to be  
10 costs of the approved Projects. The approved Projects may be completed with all  
11 necessary equipment and appurtenances.

12  
13 The Municipality shall determine the application of available moneys between  
14 the various Projects so as to accomplish, as nearly as may be, all of the Projects  
15 described or provided for in this section.

16  
17 If the Municipality shall determine that it has become impractical to  
18 accomplish any portion of the approved Projects by reason of changed conditions  
19 or needs, incompatible development or costs substantially in excess of those  
20 estimated, the Municipality shall not be required to accomplish such portions and  
21 shall apply Bond proceeds as set forth in this section.

22  
23 If the approved Projects have been completed in whole or in part, or their  
24 completion duly provided for, or their completion found to be impractical, the  
25 Municipality shall apply such remaining proceeds solely to payment of principal or  
26 interest on the Bonds, as provided in the Home Rule Charter. In the event that the  
27 proceeds of sale of the Bonds, plus any other monies of the Municipality legally  
28 available, are insufficient to accomplish the approved Projects, the Municipality  
29 shall use the available funds for paying the cost of those portions of the approved  
30 Projects deemed by the Municipality most necessary and in the best interest of the  
31 Municipality. No Bond proceeds shall be used by the Municipality for any purpose  
32 other than a capital improvement of the Municipality.

33  
34 For the purpose of providing funds for the undertaking of the Projects, which  
35 are hereby found to be a public purpose and in the public interest, the Municipality  
36 hereby proposes to issue general obligation bonded indebtedness in an amount  
37 not to exceed Two Million Three Hundred Thousand Dollars (\$2,300,000).

38  
39 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at  
40 such time or times as deemed necessary and advisable by the Assembly and as  
41 permitted by law and shall mature over a period of up to 20 years from date of  
42 issue. The Bonds shall be issued in an aggregate principal amount of not to  
43 exceed \$2,300,000. The Bonds shall bear interest to be fixed at the time of sale or  
44 sales thereof. The exact form, terms, conditions, contents, security, options of  
45 redemption, and such other matters relating to the issuance and sale of said  
46 Bonds as are deemed necessary and advisable by the Assembly shall be as

1 hereinafter determined and/or delegated by ordinance and/or resolution of the  
2 Assembly.

3  
4 The full faith and credit of the Municipality is pledged for the payment of the  
5 principal of and interest on the Bonds, and ad valorem taxes upon all taxable  
6 property in the Municipality shall be levied without limitation as to rate or amount to  
7 pay the principal and interest on the Bonds when due. The principal of and  
8 interest on the Bonds are to be paid first from ad valorem taxes levied and  
9 collected within the Anchorage Parks and Recreation Service Area.

10  
11 **Section 3.** Ballot Proposition. The Assembly hereby submits to the qualified  
12 voters of the Municipality the proposition of whether or not the Municipality should  
13 issue the Bonds for the purpose of financing the costs of the approved Projects at  
14 the regular municipal election to be held on April 5, 2022.

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

23  
24 PROPOSITION NO. \_\_

25  
26 ANCHORAGE PARKS AND RECREATION  
27 SERVICE AREA CAPITAL IMPROVEMENT BONDS

28  
29 For the purpose of renovating and rehabilitating trails  
30 and parks, and making playground, athletic field,  
31 safety, ADA and park improvements at various parks  
32 and recreational facilities in the Anchorage Parks and  
33 Recreation Service Area, as provided in AO 2022-\_\_,  
34 shall Anchorage borrow money and issue up to  
35 \$2,300,000 in principal amount of general obligation  
36 bonds and increase the municipal tax cap by an annual  
37 amount not to exceed \$112,000 to pay for associated  
38 annual operations and maintenance costs?

39  
40 Voter approval of this bond proposition authorizes for  
41 each \$100,000 of assessed taxable property value  
42 (based on the estimated 2022 assessed valuation in  
43 the Anchorage Parks and Recreation Service Area):  
44 (i) an annual increase in taxes of approximately \$0.53  
45 to retire the proposed bonds, and (ii) an annual  
46 increase in the municipal tax cap (Charter 14.03(b)(2))

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of approximately \$0.38 to pay for annual operation and maintenance costs related to the proposed capital improvements.

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Parks and Recreation 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 bonds.

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 5, 2022. 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 \_\_\_ day of \_\_\_\_\_, 2022.

By \_\_\_\_\_  
Chair of the Assembly

ATTEST:  
  
\_\_\_\_\_  
Municipal Clerk



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 17-2022

Meeting Date: January 11, 2022

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 EXCEED  
6 TWO MILLION THREE HUNDRED THOUSAND DOLLARS (\$2,300,000)  
7 OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF  
8 ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING  
9 AND EQUIPPING PARK, TRAIL AND RECREATIONAL FACILITIES  
10 CAPITAL IMPROVEMENTS IN THE ANCHORAGE PARKS AND  
11 RECREATION SERVICE AREA, AND THE QUESTION OF AN INCREASE  
12 IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED  
13 OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE  
14 PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO  
15 CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS  
16 OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE  
17 MUNICIPALITY ON APRIL 5, 2022.

18  
19 The attached ordinance will place a general obligation bond proposition for the Anchorage  
20 Parks and Recreation Service Area on the ballot for the Municipal election to be held on  
21 April 5, 2022.

22  
23 The Administration recommends scheduling a public hearing for this bond ordinance on  
24 January 25, 2022.

25  
26 The Anchorage Parks and Recreation Service Area bond proposal will implement the  
27 priorities established in the recently approved 2022-2027 Capital Improvement Program.  
28 Please see the attached Project List, attached as Exhibit A.

29  
30 THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.

31  
32 Prepared by: Ross Risvold, Public Finance & Investments Manager

33 Approved: Travis C. Frisk, CFO

34 Concur: Patrick Bergt, Municipal Attorney

35 Concur: Cheryl Frasca, Director

36 Office of Management & Budget

37 Concur: Amy Demboski, Municipal Manager

38 Respectfully submitted: Dave Bronson, Mayor

**EXHIBIT A**

**Anchorage Parks and Recreation Service Area  
2022 Bond Project List  
(000)'s**

<b>Project</b>	<b>Amount*</b>	<b>O&amp;M</b>
Chester Creek Complex Facility Safety, Security and ADA Upgrades	\$ 400	\$ 20
Facility Safety Upgrades	100	5
Pamela Joy Lowry Memorial Park	200	10
Playground Development - All-Inclusive	600	30
Ure Park Improvements	200	10
Campbell Creek Trail Rehabilitation and Way Finding	600	30
Fish Creek Trail to the Ocean	150	7
Tony Knowles Coastal Trail to Ship Creek Trail Connection	50	-
<b>Total</b>	<b>\$2,300</b>	<b>\$112</b>

\* 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: 2022-9

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 TWO MILLION THREE HUNDRED THOUSAND DOLLARS (\$2,300,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CONSTRUCTING, RENOVATING AND EQUIPPING PARK, TRAIL AND RECREATIONAL FACILITIES CAPITAL IMPROVEMENTS IN THE ANCHORAGE PARKS AND RECREATION SERVICE AREA, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE PARKS AND RECREATION SERVICE AREA, WITHOUT COST TO CHUGIAK, EAGLE RIVER, GIRDWOOD AND OTHER TAXPAYERS OUTSIDE THE SERVICE AREA, AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2022.

Sponsor: Mayor

Preparing Agency: Finance

Others Impacted: Parks & Recreation Department

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

	FY22	FY23	FY24	FY25	FY26
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	--	112.0	112.0	112.0	112.0
4000 Debt Service	--	157.9	157.9	157.9	157.9
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	--	269.9	269.9	269.9	269.9

ADD: 6000 Charge from Others

FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of \$157,925 assumes bonds are sold as a single bond issue with an interest rate of 3.23% 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 \$112,000.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$157,925 equate to an estimated property tax increase of 0.0053 mills or \$0.53 per year on \$100,000 of assessed valuation in the Anchorage Parks and Recreation Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$112,000 and equate to an estimated property tax increase of 0.0038 mills or \$0.38 per year on \$100,000 of assessed valuation in the Anchorage Parks and Recreation Service Area and an increase in the Municipal tax cap limitation.

The total private sector economic effect would therefore be a total of \$0.91 per \$100,000 of assessed valuation in the Anchorage Parks and Recreation Service Area.

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