

**MUNICIPALITY OF ANCHORAGE**

**ORDINANCE No. 2022-11**

**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 FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2022.**

---

Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2022-11**

**TABLE OF CONTENTS\***

	<b>Page</b>
Section 1. Purpose.....	1
Section 2. Details of Bonds.....	2
Section 3. Ballot Proposition.....	3
Section 4. Effective Dates.....	3

---

\* 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. 2022-11**

**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 FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS 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 Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to make areawide public facilities capital improvements, including to the Fleet Maintenance Shop, said improvements involving building safety rehabilitation and upgrades, facility renovations, code improvement projects and fire alarm system replacement (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 \$2,400,000 (the "Bonds"); now, therefore,

**THE ANCHORAGE ASSEMBLY ORDAINS:**

**Section 1. Purpose.** The Assembly hereby determines that the Projects are needed throughout the Municipality. The Assembly 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 \$2,400,000.

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 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 its 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 Two Million Four Hundred Thousand Dollars  
29 (\$2,400,000).

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 \$2,400,000. 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.

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 5, 2022.

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 FACILITIES CAPITAL IMPROVEMENT PROJECT BONDS

16  
17 For the purpose of providing areawide facilities capital  
18 improvements within the Municipality of Anchorage,  
19 including to the Fleet Maintenance Shop, said  
20 improvements involving building safety rehabilitation  
21 and upgrades, facility renovations, code improvement  
22 projects and fire alarm system replacement, as  
23 provided in AO 2022-\_\_\_\_, shall Anchorage borrow  
24 money and issue up to \$2,400,000 in principal amount  
25 of general obligation bonds?

26  
27 Voter approval of this bond proposition authorizes for  
28 each \$100,000 of assessed taxable property value  
29 (based on the estimated 2022 areawide assessed  
30 valuation in Anchorage) an annual increase in taxes of  
31 approximately \$0.48 to retire the proposed bonds.

32  
33 The debt shall be paid from real and personal property  
34 taxes levied and collected areawide within Anchorage.  
35 The Municipality will also pledge its full faith and credit  
36 for payment of the bonds.

37  
38  YES  NO

39  
40 **Section 4. Effective Dates.** Section 2 of this ordinance shall become effective  
41 only if the proposition described in Section 3 is approved by a majority of the  
42 qualified voters voting on the proposition at the regular election held on April 5,  
43 2022. The remaining sections of this ordinance shall become effective upon  
44 passage and approval by the Assembly.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12

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 19-2022

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 FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000) OF  
7 GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF  
8 ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES  
9 CAPITAL IMPROVEMENT PROJECTS AT THE ELECTION TO BE HELD  
10 IN THE MUNICIPALITY ON APRIL 5, 2022.  
11

12 The attached ordinance will place a general obligation bond proposition for Areawide  
13 Facilities Improvements on the ballot for the regular Municipal election to be held on April 5,  
14 2022.

15  
16 The administration recommends scheduling a public hearing for this bond ordinance on  
17 January 25, 2022.

18  
19 The Areawide Facilities Improvements bond proposal will implement the priorities  
20 established in the recently approved 2022-2027 Capital Improvement Program. Please see  
21 the attached Project List, attached as Exhibit A.  
22

23 THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.  
24

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

26 Approved: Travis C. Frisk, CFO

27 Concur: Patrick Bergt, Municipal Attorney

28 Concur: Cheryl Frasca, Director,  
29 Office of Management & Budget

30 Concur: Amy Demboski, Municipal Manager

31 Respectfully submitted: Dave Bronson, Mayor

## EXHIBIT A

### Areawide Facilities Improvements 2022 Bond Project List (000)'s

<u>Project</u>	<u>Amount*</u>	<u>O&amp;M</u>
Facility Safety/Code Upgrades	500	--
Major Municipal Facility Fire Alarm System Replacement Phase III	400	--
Major Municipal Facility Upgrade Projects - Deferred	750	--
Fleet Maintenance Shop	750	--
<b>Total</b>	<b>\$2,400</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 - 11 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 FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF AREAWIDE FACILITIES CAPITAL IMPROVEMENT PROJECTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2022.

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

<b>CHANGES IN EXPENDITURES AND REVENUES:</b>					
	(Thousands of Dollars)				
	FY22	FY23	FY24	FY25	FY26
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	--	164.8	164.8	164.8	164.8
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	--	164.8	164.8	164.8	164.8

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 \$164,791 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.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$164,791 equate to an estimated property tax increase of 0.0048 mills or \$0.48 per year on \$100,000 of assessed valuation in the Municipality areawide.