MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2023-4


Prepared by

K&L GATES LLP
MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2023-4

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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.
MUNICIPALITY OF ANCHORAGE
ORDINANCE No. 2023-4


WHEREAS, the best interests of the citizens and property owners in the Girdwood Valley Service Area in the Municipality of Anchorage, Alaska (the “Municipality”) require the Municipality to acquire a command vehicle for the Girdwood Volunteer Fire Department (the “Project”); and

WHEREAS, in order to provide financing for the Project, it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds in the principal amount of not to exceed $100,000 (the “Bonds”); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly of the Municipality hereby determines that the Girdwood Valley Service Area is in need of the Project. The Assembly hereby determines that the best interests of the residents and property owners within the Girdwood Valley Service Area require the Municipality to undertake the Project at the time and in the order and in the manner deemed most necessary and advisable by the Municipality. The estimated cost of the Project, including incidental costs and costs related to issuing and selling the Bonds as provided in this ordinance, is estimated to be $100,000.

The Project is 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 Project, 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 Project shall be deemed to be costs of the approved Project. The approved Project may be completed with all necessary equipment and appurtenances.
The Municipality shall determine the application of available moneys between the Project so as to accomplish, as nearly as may be, all of the Project described or provided for in this section.

If the Municipality shall determine that it has become impractical to accomplish any portion of the approved Project 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 Project has been completed in whole or in part, or its completion duly provided for, or its completion found to be impractical, 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 Project, the Municipality shall use the available funds for paying the cost of those portions of the approved Project deemed by the Municipality most necessary and in the best interest of the Municipality. No Bond proceeds shall be used by the Municipality for any purpose other than a capital improvement of the Municipality.

For the purpose of providing funds for the undertaking of the Project, which is 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 Hundred Thousand Dollars ($100,000).

**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 $100,000. 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. The principal of and interest on the Bonds are to be paid first from ad valorem taxes levied and collected within the Girdwood Valley Service Area.
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 Project at the regular municipal election to be held on April 4, 2023.

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 a majority vote of those in the Municipality voting, both in the Girdwood Valley Service Area and areawide, on the question to be approved. The proposition shall be substantially in the following form:

PROPOSITION NO. ____

GIRDWOOD VALLEY SERVICE AREA FIRE PROTECTION BONDS

For the purpose of acquiring a command vehicle for the Girdwood Volunteer Fire Department in the Girdwood Valley Service Area, as provided in AO 2023-___, shall Anchorage borrow money and issue up to $100,000 in principal amount of general obligation bonds?

Voter approval of this bond proposition authorizes for each $100,000 of assessed taxable property value (based on the estimated 2023 assessed valuation in the Girdwood Valley Service Area) an annual increase in taxes of approximately $1.01 to retire the proposed bonds.

The debt shall be paid from real and personal property taxes levied and collected within the Girdwood Valley Service Area without cost to properties in Anchorage, Chugiak, Eagle River 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 4, 2023. 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 ___________, 2023.

By ______________________
Chair of the Assembly

ATTEST:

______________________________________
Municipal Clerk
MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 11-2023

Meeting Date: January 10, 2023

FROM: MAYOR


The ordinance will place a general obligation bond proposition for the Girdwood Valley Service Area on the ballot for the Municipal election to be held on April 4, 2023.

The administration recommends scheduling a public hearing for this bond ordinance on January 24, 2023.

The Girdwood Valley Service Area bond proposal will implement the priorities established in the recently approved 2023-2028 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 & Investments Manager
Approved: Grant Yutrzenka, Acting CFO
Concur: Blair Christensen, Acting Municipal Attorney
Concur: Courtney Petersen, Director, OMB
Concur: Kent Kohlhase, Acting Municipal Manager
Respectfully submitted: Dave Bronson, Mayor
EXHIBIT A

Girdwood Valley Service Area
2023 Bond Project List
(000)’s

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
<th>O&amp;M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Girdwood Volunteer Fire Department Command Vehicle</td>
<td>$100</td>
<td>--</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$100</strong></td>
<td>--</td>
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</table>

* Bond proceeds for the project amount may only be allocated to the project listed above.
MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2023-4 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 ONE HUNDRED THOUSAND DOLLARS ($100,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ACQUIRING A COMMAND VEHICLE IN THE GIRDWOOD VALLEY SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 4, 2023.

Sponsor: Mayor
Preparing Agency: Finance
Others Impacted: Girdwood Valley Service Area

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

<table>
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<tr>
<th></th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
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<tr>
<td>Operating Expenditures</td>
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<td>1000 Personal Services</td>
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<td>2000 Supplies</td>
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<td>3000 Other Services</td>
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<td>4000 Debt Service</td>
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<td>7.7</td>
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<td>5000 Capital Outlay</td>
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<td>TOTAL DIRECT COSTS</td>
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<td>7.7</td>
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<td>ADD: 6000 Charge from Others</td>
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<td>LESS: 7000 Charge to Others</td>
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<td>FUNCTION COST:</td>
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<td>REVENUES:</td>
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<td>POSITIONS: FT/PT and Temp.</td>
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<td>PUBLIC SECTOR ECONOMIC EFFECTS:</td>
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</table>

Estimated annual debt service of $7,688 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 $7,688 equate to an estimated property tax increase of 0.0101 mills or $1.01 per year on $100,000 of assessed valuation in the Girdwood Valley Service Area.