

APPROVED

Date: 2-24-98

Submitted by: Chairman of the Assembly at the
Request of the Anchorage School
District
Prepared by: Wohlforth, Argetsinger, Johnson
& Brecht
For Reading: February 10, 1998

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 98-7(S-2)

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED TWENTY-FIVE MILLION DOLLARS (\$25,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS IN THE MUNICIPALITY OF ANCHORAGE AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS AT AN ELECTION IN AND FOR THE MUNICIPALITY OF ANCHORAGE ON APRIL 21, 1998.

THE ANCHORAGE ASSEMBLY HEREBY ORDAINS:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the Municipality of Anchorage (the "Municipality") to incur general obligation bonded indebtedness in an amount not to exceed Twenty-Five Million Dollars (\$25,000,000), for the purpose of paying the costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects within the Municipality including, but not limited to, the following

	<u>Project</u>	<u>Estimated Cost</u>	<u>Maximum Annual Operation and Maintenance Cost</u>
1.	Muldoon Elementary School Replacement	\$11,000,000	\$ 45,500
2.	New Southeast Anchorage Elementary School	14,000,000	862,725

Section 2. The sum of not to exceed Twenty-Five Million Dollars (\$25,000,000) shall be borrowed by, for and on behalf of the Municipality for the aforesaid school capital improvements and shall be evidenced by the issuance of general obligation

bonds of the Municipality. The bond proceeds shall be used for capital improvements only. 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 of and interest on the bonds when due.

Section 3. An election is to be held on April 21, 1998, in and for the Municipality of Anchorage, for the purpose of submitting a general obligation bond proposition to the qualified voters of the Municipality for approval or rejection. The proposition must receive a majority vote of those in the Municipality voting on the question to be approved. The proposition shall be substantially in the following form:

PROPOSITION NO. _____

EDUCATIONAL CAPITAL IMPROVEMENT CONSTRUCTION BONDS

Shall Anchorage borrow up to \$25,000,000 through the issuance of general obligation bonds and increase the municipal tax cap limitation by an amount up to \$908,225?

The general obligation bond proceeds will be used to pay costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects within Anchorage. The increase in the tax cap limitation will pay for operations and maintenance costs related to the proposed capital improvements. The proposed educational capital improvement projects include, but are not limited to, the following:

	<u>Project</u>	<u>Estimated Cost</u>	<u>Maximum Annual Operation and Maintenance Cost</u>
1	Muldoon Elementary School Replacement	\$11,000,000	\$ 45,500
2.	New Southeast Anchorage Elementary School	14,000,000	862,725

Voter approval of this bond proposition authorized for each \$100,000 of assessed real and personal property value (based on the estimated 1998 assessed valuation): (i) an annual increase in taxes of \$15.20 to retire the proposed

1 debt, and (ii) an increase in the tax cap limitation (Char-
2 ter 14.03(b)(2)) of \$6.80 to pay for annual operation and
3 maintenance costs related to the proposed educational
4 capital improvements.

5 The debt will be paid from individual and business property
6 taxes levied and collected areawide in Anchorage. Anchor-
7 age will also pledge its full faith and credit for payment of the
8 debt.

9 There is no program for state reimbursement to Anchorage
10 for debt service on these bonds. If legislation were enacted
11 to establish such a program Anchorage would seek reim-
12 bursement pursuant to the terms of such legislation.

13 (No. AO 98-__)

14 Section 4. The proposition, both for paper ballots and machine ballots, shall be
15 printed on a ballot which may set forth other general obligation bond propositions, and
16 the following words shall be added as appropriate and next to a square provided for
17 marking the ballot for voting by a machine:

18 PROPOSITION NO. Yes ()

19 No ()

20 Section 5. Section 2 of this Ordinance shall become effective only if the
21 proposition described in Section 3 is approved by a majority of the qualified voters voting
22 on the proposition at the regular election on April 21, 1998. The remaining sections of
23 this Ordinance shall become effective upon passage and approval

24 PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this 24th
25 day of February 1998.

26 
Chairman

27 ATTEST:

28 
Municipal Clerk

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