Submitted by: Prepared by: For Reading:

Assemblymember Bell Assembly Office February 9, 1999

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MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 99-39

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALI-FIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FOUR HUNDRED FORTY-THREE MILLION SEVEN HUNDRED **FORTY** THOUSAND (\$443,740,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALI-TY 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 20. 1999.**

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 Four Hundred Forty-Three Million Seven Hundred Forty Thousand Dollars (\$443,740,000), 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 which include, but are not limited to, the projects listed below. The authority to issue the general obligation school bonds will be exercised (i) not earlier than the years indicated below, and (ii) in an amount not greater than the total principal amount for the designated year and preceding years. The use of proceeds of the aforementioned bonds to finance the costs of projects listed in the table under "Reimbursement Projects" will occur only if, and to the extent that, such projects qualify for at least 50% debt service reimbursement under Alaska Statutes 14.11.100, as the same may be amended from time to time.

1			<u>Y</u>	ear - 1999			
2					Estimated		Estimated Annual
3			Estimated		Principal and Interest Paid	Estimated Principal and	Operation and
4		Project	Project Cost (Principal)	Estimated Interest	by the State (70%)	Interest Paid	Maintenance Cost
5		Reimbursement Projects	(F HIICIPEI)	interest	<u>(10 M)</u>	<u> </u>	COSI
6	1	Dimond High School -					
7		Replacement Construction	\$60,160,000	\$36,796,332	\$67,869,432	\$29,086,900	\$0
8	2.	South Anchorage Area High School - New School Construction	62,359,800	38,141,818	70,351,133	30,150,485	3,032,500
ق	3.	Chugiak High School - HVAC, Elec- trical and Fire Upgrades	2,831,089	1,731,610	3,193,889	1,368,810	
10		Non-Reimbursement Projects					
11	4.	Government Hill Elementary School - Addition and Renovation	9,800,000	5,994,082	0	15,794,082	104,650
12	5.	Russian Jack Elementary School - Replacement	9,000,000	5,510,911	0	14,510,911	0
13	6.	Districtwide HVAC	3,050,000	1,865,505	0	4,915,505	0
14	7.	Districtwide Roof Repairs	2,900,000	1,773,760	0	4,673,760	0
15	8.	Electrical Support for Elementary Schools	400,000	244,658	0	644,658	0
16	9.	Dimond High School - Replacement Design and Demolition	7,840,000	4,795,265	0	12,635,265	0
17	10.	New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,779	0	9,089,979	0
18	11.	Chugiak High School - Renovation, Phase I, House 2	7,168,911	4,384,800	0	11.553,711	
19						17,000,711	
20		Total pri	ncipal amount will	not exceed \$17	1,150,000.		
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22							

	<u>Project</u> Reimbursement Projects	Estimated Project Cost (Principal)	Estimated Interest	Estimated Principal and Interest Paid by the State (50%)	Estimated Principal and Interest Paid by Anchorage	Estimated Annual Operation and Maintenance
1.	Service High School - Renovation,					
1041	Phase I	\$7,140,000	\$4,366,898	\$5,753,449	\$5,753,449	\$0
2,	Wendler Middle School - Renovation	15,300,000	9,357,636	12,328,818	12,328,818	0
3.	Denali K-8 School - Replacement	11,730,000	7,174,186	9,452,093	9,452,093	41,150
4.	New Muldoon Area Middle School	40,800,000	24,953,694	32,876,847	32,876,847	,725,300
	Non-Reimbursement Projects				•	,0,000
5.	Districtwide Renewal and Replace-					
	ment/ADA/Code	8,160,000	4,990,739	0	13,150,739	· O.
6.	New Eagle River Area Secondary School Design	3,060,000	1,871,527	0	4 024 527	•
7.	New Girdwood Area Jr. High/Sr.	/08055F588./	The Hand		4,931,527	0
	High School	15,000,000	9,277,310	0	24,277,310	1,000,000
	Total pr	incipal amount wil	I not exceed \$10	1,190,000.		
		<u>Y</u>	ear - 2001			
				Estimated		Estimated
				Principal and	Estimated	Annual Operation
		Estimated Project Cost	+200	Interest Paid	Principal and	and
		Fluiect Cost	Estimated			14-i-4
	Project	(Principal)	Estimated Interest	by the State (50%)	Interest Paid by Anchorage	Maintenance Cost
	Project Reimbursement Projects		THE STREET OF THE STREET	19 SECTION		
1.	Reimbursement Projects Chugiak High School - Renovation,	(Principal)	Interest	(50%)		
	Reimbursement Projects Chugiak High School - Renovation, Phases II and III		THE STREET OF THE STREET	19 SECTION		
1.	Reimbursement Projects Chugiak High School - Renovation,	(Principal) \$20,805,000	<u>Interest</u> \$12,728,034	(50%) \$16,766,517	<u>by Anchorage</u> \$16,766,517	Cost \$0
	Reimbursement Projects Chugiak High School - Renovation, Phases II and III East High School - Renovation, Phase I	(Principal)	Interest	(50%)	by Anchorage	Cost
2.	Reimbursement Projects Chugiak High School - Renovation, Phases II and III East High School - Renovation,	(Principal) \$20,805,000	<u>Interest</u> \$12,728,034	(50%) \$16,766,517	<u>by Anchorage</u> \$16,766,517	Cost \$0
2.	Reimbursement Projects Chugiak High School - Renovation, Phases II and III East High School - Renovation, Phase I Bartlett High School - Renovation, Phase I Service High School - Renovation,	(Principal) \$20,805,000 10,405,000	\$12,728,034 6,365,546	(50%) \$16,766,517 8,385,273	\$16,766,517 8,385,273	\$0 0
2. 3. 4.	Reimbursement Projects Chugiak High School - Renovation, Phases II and III East High School - Renovation, Phase I Bartlett High School - Renovation, Phase I Service High School - Renovation, Phase II	(Principal) \$20,805,000 10,405,000	\$12,728,034 6,365,546	(50%) \$16,766,517 8,385,273	\$16,766,517 8,385,273	\$0 0
2.	Reimbursement Projects Chugiak High School - Renovation, Phases II and III East High School - Renovation, Phase I Bartlett High School - Renovation, Phase I Service High School - Renovation,	(Principal) \$20,805,000 10,405,000 10,405,000 12,485,000	\$12,728,034 6,365,546 6,365,546 7,638,044	(50%) \$16,766,517 8,385,273 8,385,273 10,061,522	\$16,766,517 8,385,273 8,385,273 10,061,522	\$0 0 0
2. 3. 4.	Reimbursement Projects Chugiak High School - Renovation, Phases II and III East High School - Renovation, Phase I Bartlett High School - Renovation, Phase I Service High School - Renovation, Phase II Polaris K-12 School - Renovation and Addition Chugach Optional Elementary School -	(Principal) \$20,805,000 10,405,000 10,405,000	\$12,728,034 6,365,546 6,365,546	(50%) \$16,766,517 8,385,273 8,385,273	\$16,766,517 8,385,273 8,385,273	\$0 0
2. 3. 4. 5.	Reimbursement Projects Chugiak High School - Renovation, Phases II and III East High School - Renovation, Phase I Bartlett High School - Renovation, Phase I Service High School - Renovation, Phase II Polaris K-12 School - Renovation and Addition	(Principal) \$20,805,000 10,405,000 10,405,000 12,485,000	\$12,728,034 6,365,546 6,365,546 7,638,044	(50%) \$16,766,517 8,385,273 8,385,273 10,061,522	\$16,766,517 8,385,273 8,385,273 10,061,522	\$0 0 0

1			_	ear - 2001			
2	7.	Chastar Valley Eleventer 2	2	ear - 2001			
		Chester Valley Elementary School - Renovation	1,560,000	954,372	1,257,186	257.400	-
3	8.	Inlet View Elementary School -	1,000,000	334,372	1,237,100	,257,186	0
4		Renovation	3,120,000	1,908,746	2,514,373	2.544.070	_
4	9.	Rabbit Creek Elementary School -	91,129,000	1,000,140	2,514,575	2,514,373	0
5	-	Renovation	1,350,000	825,900	1,087,950	4 007 050	<u> </u>
	10.	Turnagain Elementary School -	7,000,000	023,300	1,007,930	1,087,950	0
6	10.000	Renovation	3,150,000	1,927,100	2,538,550	2,538,550	•
7	11.	New ABC School - New Construction	15,605,000	12257 7 G#B	E-07/2688/N068		0
			15,605,000	9,546,790	12,575,895	12,575,895	1,025,150
8		Non-Reimbursement Projects					
9	12.	Districtwide Renewal and					
2.		Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0
10		Total p	rincipal amount wil	I not exceed \$95	5,535,000.		
11			Ye	ear - 2002			
							Estimated
12					Estimated		Annual
13					Principal and	Estimated	Operation
			Estimated Project Cost	Enterested	Interest Paid	Principal and	and
14		Project	(Principal)	Estimated Interest	by the State (50%)	Interest Paid by Anchorage	Maintenance Cost
15		Reimbursement Projects			100,101	by Andiorage	COSL
	1.	East High School -					
L6		Renovation, Phase II	\$10,715,000	\$6,554,808	\$8,634,904	\$8,634,904	**
1940	2.	Bartlett High School -		40,004,000	90,034,904	\$6,634,904	\$ 0
17		Renovation, Phase II	10,715,000	6,554,808	8,634,904	9 634 004	•
8	3.	Service High School -	10,713,000	0,554,600	0,034,904	8,634,904	0
	3.	Renovation, Phase III	8,575,000	5,245,682	6.040.244	0.040.044	_
9	4.		0,075,000	3,243,082	6,910,341	6,910,341	0
	4.	O'Malley Elementary School - Renovation	320,000	105.750	057.070		_
0.0			320,000	195,758	257,879	257,879	0
21	5.	Sand Lake Elementary School - Renovation	1 272 222	22.17.22.2	150110011		
		1 ENTERN BESTERFOR	1,070,000	654,564	862,282	862,282	0
22	6.	Eagle River Elementary School - Renovation	2/2/10/000	Washings			
	24		3,215,000	1,966,748	2,590,874	2,590,874	
3	7.	Airport Heights Elementary School -	W. 21625224				
4		Renovation	2,680,000	1,639,468	2,159,734	2,159,734	0
		Non-Reimbursement Projects					
5	8.	Districtwide Renewal and					
6		Replacement/ADA/Code	8,575,000	5,245,681	0	13,820,681	0
9							

Year - 2002

 New Eagle River Area Secondary -School Construction

30,000,000 18,352,239

0 48,352,239

1,701,250

Total principal amount will not exceed \$75,865,000.

Section 2. The sum of not to exceed Four Hundred Forty-Three Million Seven Hundred Forty Thousand Dollars (\$443,740,000) 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 only for capital improvements and costs of issuance of the bonds. 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 20, 1999, 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:

SUMMARY

This bond proposition authorizes Anchorage to issue general obligation bonds in an amount not to exceed \$443,740,000 for educational capital improvements. Voter authorization permits Anchorage to issue general obligation bonds in the principal amount of (i) \$171,150,000 in year 1999, (ii) \$101,190,000 in year 2000, (iii) \$95,535,000 in year 2001, and (iv) \$75,865,000 in year 2002. If the bonds are not issued in the designated year, such bonds may be issued at a later date. Approval of this bond proposition also permits Anchorage to raise the Municipal Tax Cap to pay for operations and maintenance costs related to the educational capital improvement projects.

Anchorage will issue bonds to finance the "Reimbursement Projects," as shown in the ballot proposition below, only if such "Reimbursement Projects" will qualify under the State of Alaska's program for debt reimbursement, which provides for payment of a percentage of the principal and interest on the bonds issued. Actual

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payment for debt reimbursement from the State of Alaska is subject to annual legislative appropriations.

PROPOSITION NO.

EDUCATIONAL CAPITAL IMPROVEMENT BONDS

Shall Anchorage borrow up to \$443,740,000 through the issuance of general obligation bonds and increase the municipal tax cap by an amount up to \$8,630,000 to pay for associated annual operations and maintenance costs?

The general obligation bond proceeds will 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 municipal tax cap will pay for operations and maintenance costs related to the proposed educational capital improvements.

The proposed bonds will be issued no earlier than the designated year and in an amount no greater than the total principal amount for the designated year and preceding years, as described below, to finance the costs of the proposed educational capital improvement projects which include, but are not limited to, the following:

Year - 1999

timated Annual peration and ntenance Cost
\$ 0
032,500
0
04,650
0
0
0

1				V			
2	- 2	120		Year - 1999			
2	8.	Electrical Support for Elementary					
3		Schools	400,000	244,658	0	644,658	0
	9.	Dimond High School - Replacement					
4		Design and Demolition	7,840,000	4,795,265	0	12,635,265	0
-	10.	The state of the s					
5		School Design and Site Improvement	5,640,200	3,449,779	0	9,089,979	0
6	11.	The state of the s					
		Phase I, House 2	7,168,911	4,384,800	0	11,553,711	0
7		Total	principal amount wi	Il not avened 64	74 450 000		
8					71,150,000.		
			Y	ear - 2000			
9							Estimated
LO					Estimated	-	Annual
LU			Estimated		Principal and Interest Paid	Estimated Principal and	Operation
11			Project Cost	Estimated	by the State	Interest Paid	and Maintenand
		Project	(Principal)	Interest	(50%)	by Anchorage	Cost
.2		Reimbursement Projects					
.3	1.	Service High School - Renovation,					
		Phase I	\$7,140,000	\$4,366,898	\$5,753,449	\$ 5,753,449	\$0
4	2.	Wendler Middle School - Renovation	15,300,000	9.357,636	12,328,818	12,328,818	0
5	3.	Denali K-8 School - Replacement	11,730,000	7,174,186	9,452,093		•
~	4.	New Muldoon Area Middle School			100000000000000000000000000000000000000	9,452,093	41,150
6	89.75		40,800,000	24,953,694	32,876,847	32,876,847	1,725,300
_		Non-Reimbursement Projects					
7	5.	Districtwide Renewal and Replace-					
8		ment/ADA/Code	8,160,000	4,990,739	0	13,150,739	0
	6.	New Eagle River Area Secondary					
9		School Design	3,060,000	1,871,527	0	4,931,527	0
0	7.	New Girdwood Area Jr. High/Sr.					
		High School	15,000,000	9,277,310	0	24,277,310	1,000,000
1		Total pr	rincipal amount will	not exceed \$10	1 190 00		
		-10703720 # 0			1,150,00.		
2			<u>Ye.</u>	ar - 2001			
3					-		Estimated
					Estimated Principal and	Estimated	Annual
1			Estimated		Interest Paid	Principal and	Operation and
5			Project Cost	Estimated	by the State	Interest Paid	Maintenance
		Project	(Principal)	Interest	(50%)	by Anchorage	Cost
5		Reimbursement Projects					
,							
7	Ordinanas	No. 40 00 20					
	FF06662/380	No. AO 99-39					

1			<u>Y</u> (ear - 2001			
2		Chugiak High School -Renovation, Phases II and III	\$20,805,000	\$12,728,034	\$ 16, 766 ,517	\$ 16,7 66 ,517	\$ 0
3	2.	East High School - Renovation,	020,000,000	V,0,00 V	4 10,1 00,011	4.0,700,01	•
4		Phase i	10,405,000	6,365,546	8,385,273	8,385,273	0
5	3 .	Bartlett High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
6	4	Service High School - Renovation, Phase II	12,485,000	7,638,044	10,061,522	10,061,522	0
7	5 .	Polaris K-12 School - Renovation and Addition	6,245,000	3,820,552	5,032,776	5,032,776	0
8	6 .	Chugach Optional Elementary School - Renovation	2,080,000	1,272,498	1,676,249	1,676,249	0
10	7.	Chester Valley Elementary School Renovation	1,560,000	954,372	1,257,186	1,257,186	
11	8.	Inlet View Elementary School - Renovation	3,120,000	1,908,746	2,514,373	2,514,373	0
12	9.	Rabbit Creek Elementary School Renovation	1,350,000	825,900	1,087,950	1,087,950	0
13	10.	Turnagain Elementary School					
14		Renovation	3,150,000	1,927,100	2,538,550	2,538,550	0
15	11	New ABC School - New Construction	15,605,000	9,546,790	12,575,895	12,575,895	1,025,150
, ,	40	Non-Reimbursement Projects					
16	12.	Districtwide Renewal and Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0
17		Total p	rincipal amount wil	I not exceed \$95	5,535,000.		
18		·	•	ear - 2002			
19							Estimated
20			Estimated		Estimated Principal and Interest Paid	Estimated Principal and	Annual Operation and
21			Project Cost	Estimated	by the State	Interest Paid	Maintenance
22		Project Reimbursement Projects	(Principal)	<u>Interest</u>	<u>(50%)</u>	by Anchorage	<u>Cost</u>
23		East High School -					•
24	•	Renovation, Phase II	\$10,715,000	\$6,554,808	\$8,634,904	\$8,634,904	\$ 0
25	2.	Bartlett High School - Renovation, Phase II	10,715,000	6,554,808	8,634,904	8,634,904	0
26	3.	Service High School - Renovation, Phase III	8,575,000	5,245,682	6,910,341	6,910,341	0
27							
28	Ordinance AFF06662/38	e No. AO 99-39 102.2386					Page 8

1			<u>Ye</u>	ear - 2002			
2	4.	O'Malley Elementary School Renovation	320,000	195,758	257.879	257,879	0
3	j 5.	Sand Lake Elementary School -			,		_
4		Renovation	1,070,000	654,564	862,282	862,282	0
5	6.	Eagle River Elementary School - Renovation	3,215,000	1,966,748	2,590,874	2,590,874	0
6	7.	Airport Heights Elementary School Renovation	2,680,000	1,639,468	2,159,734	2,159,734	0
7		Non-Reimbursement Projects					
8	8.	Districtwide Renewal and Replacement/ADA/Code	8,575,000	5,245,681	0	13,820,681	0
9	9.	New Eagle River Area Secondary -					
		School Construction	30,000,000	18,352,239	0	48,352,239	1,701,250
10		Total p	rincipal amount will	not exceed \$75.8	65.000.		
11		•	·				
12		Voter approval of thi \$100,000 of assessed on the estimated 1999	l real and pers	sonal proper	ty value (ba	ased	
13		in the municipal tax ca for annual operation	ap (Charter 14 and mainter	4.03(b)(2)) c nance costs	of \$60.03 to	pay	
14		proposed educationa	l capital impre	ovements.			

Voter approval of this bond proposition also authorizes for each \$100,000 of assessed real and personal property value (based on the estimated 1999 assessed valuation) an annual increase in taxes of \$144.25 to retire the proposed bond indebtedness.

No bonds will be issued, however, to finance costs of projects listed under "Reimbursement Projects" above unless and until such projects qualify for State of Alaska debt service reimbursement under existing or new legislation. Receipt of State reimbursement is subject to legislative appropriations.

The debt will be paid first from real and personal property taxes levied and collected areawide in Anchorage. Anchorage will also pledge its full faith and credit for payment of the debt.

(No. AO 99-)

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1	<u>Section 4. The proposition, both for paper ballots and machine ballots, shall be</u>
2	printed on a ballot which may set forth other general obligation bond propositions, and the
3	following words shall be added as appropriate and next to a square provided for marking
4	the ballot or voting by a machine:
5	PROPOSITION NO Yes □
6	No □
7	Section 5. Section 2 of this Ordinance shall become effective only if the proposition
8	described in Section 3 is approved by a majority of the qualified voters voting on the
9	proposition at the regular election on April 20, 1999. The remaining sections of this
10	Ordinance shall become effective upon passage and approval.
11	PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this
12	day of February 1999.
13	
14	Chair
15	ATTEST
16	7,77201
17	Municipal Clerk
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27	Ordinance No. AO 99-39
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