

AMENDED AND APPROVED

Date: 3-2-99

Submitted by:

Assemblymember Kendall

Prepared by:

Assembly Office

For Reading:

March 2, 1999

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 99-41(S-1)

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED ONE HUNDRED SEVENTY-THREE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$173,150,000) 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 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 One Hundred Seventy-Three Million One Hundred Fifty Thousand Dollars (\$173,150,000) 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 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 70% debt service reimbursement under Alaska Statutes 14.11.100, as the same may be amended from time to time.

		Estimated Project Cost (Principal)	Estimated Interest	Estimated Principal and Interest Paid by the State (70%)	Estimated Principal and Interest Paid by Anchorage	Estimated Annual Operation and Maintenance Cost
Reimbursement Projects						
	Dimond High School - Replacement Construction	\$60,160,000	\$36,796,332	\$67,869,432	\$29,086,900	\$0
2.	South Anchorage Area High School - New School Construction	62,359,800	38,141,818	70,351,133	30,150,485	3,032,500
3.	Chugiak High School - HVAC, Elec- trical and Fire Upgrades	2,831,089	1,731,610	3,193,889	1,368,810	0
Non-Reimbursement Projects						
5.	Government Hill Elementary School Addition and Renovation	9,800,000	5,994,082	0	15,794,082	104,650
6	6 Russian Jack Elementary School - Replacement	2,000,000 2,359,000	,236,975 1,459,507	0	3,236,975 3,819,307	0
7	Districtwide HVAC	3,050,000	,865,505	0	4,915,505	0
8	Districtwide Roof Repairs	2,900,000	1,773,760	0	4,673,760	0
9.	Electrical Support for Elementary Schools	400,000	244,658	0	644,658	0
10.	Dimond High School - Replacement Design and Demolition	7,840,000	4,795,265	0	12,635,265	
11	11 New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,779	0	9,089,979	
12.	Chugiak High School - Renovation, Phase I, House 2	7,168,911	4,384,800	0	11,553,711	0
13.	Central Middle School - Renovation	3,000,000	1,834,874	0	4,834,874	
14.	14. New Eagle River Area Secondary School Design	3,000,000 5,040,200	1,834,874 3,449,779	0	4,834,874 9,089,979	0
15.	15. New Muldoon Area Middle School Design	3,000,000	1,834,874		4,834,874	
		Total principal amount will not exceed \$173,150,000.				

Section 2. The sum of not to exceed One Hundred Seventy-Three Million One Hundred Fifty Thousand Dollars (\$173,150,000) 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

1 improvements and costs of issuance of the bonds The full faith and credit of the Municipality is
2 pledged for the payment of the principal of and interest on the bonds, and ad valorem taxes upon
3 all taxable property in the Municipality shall be levied without limitation as to rate or amount to pay
4 the principal of and interest on the bonds when due

5 Section 3 An election is to be held on April 20, 1999, in and for the Municipality of
6 Anchorage, for the purpose of submitting a general obligation bond proposition to the qualified
7 voters of the Municipality for approval or rejection The proposition must receive a majority vote
8 of those in the Municipality voting on the question to be approved. The proposition shall be
9 substantially in the following form

10 SUMMARY

11 This bond proposition authorizes Anchorage to issue general
12 obligation bonds in an amount not to exceed \$173,150,000 for
13 educational capital improvements. Approval of this bond proposition
14 also permits Anchorage to raise the Municipal Tax Cap to pay for
15 operations and maintenance costs related to the educational capital
16 improvement projects.

17
18 Anchorage will issue bonds to finance the "Reimbursement Projects,"
19 as shown in the ballot proposition below, only if such "Reimbursement
20 Projects" will qualify under the State of Alaska's program for debt
21 reimbursement which provides for payment of 70% of the principal
22 and interest on the bonds issued. Actual payment for debt
23 reimbursement from the State of Alaska is subject to annual
24 legislative appropriations.

25 PROPOSITION NO. _____

26
27 EDUCATIONAL CAPITAL IMPROVEMENT BONDS

28
29 Shall Anchorage borrow up to \$173,150,000 through the issuance of
30 general obligation bonds and increase the municipal tax cap by an
31 amount up to \$3,137,150 to pay for associated annual operations and
32 maintenance costs.

33
34 The general obligation bond proceeds will pay costs of planning,
35 designing, acquiring property for, site preparation, constructing,
36 acquiring, renovating, installing and equipping educational capital
37

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 educational capital improvement projects which include, but are not limited to, the following:

Project	Estimated Project Cost (Principal)	Estimated Interest	Estimated Principal and Interest Paid by the State (70%)	Estimated Principal and Interest Paid by Anchorage	Estimated Annual Operation and Maintenance Cost
Reimbursement Projects					
1. Dimond High School - Replacement Construction	\$60,160,000	\$36,796,332	\$67,869,432	\$29,086,900	\$0
2. South Anchorage Area High School New School Construction	62,359,800	38,141,818	70,351,133	30,150,485	3,032,500
3. Chugiak High School - HVAC, Electrical and Fire Upgrades	2,831,089	1,731,610	3,193,889	1,368,810	0
Non-Reimbursement Projects					
5. Government Hill Elementary School - Addition and Renovation	9,800,000	5,994,082	0	15,794,082	104,650
6. Russian Jack Elementary School Replacement	2,000,000 2,399,000	1,236,975 1,459,567	0	3,236,975 3,819,367	0
7. Districtwide HVAC	3,050,000	1,865,505	0	4,915,505	0
8. Districtwide Roof Repairs	2,900,000	1,773,760	0	4,673,760	
9. Electrical Support for Elementary Schools	400,000	244,658	0	644,658	
10. Dimond High School - Replacement Design and Demolition	7,840,000	4,795,265	0	12,635,265	0
11. New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,779	0	9,089,979	0
12. Chugiak High School - Renovation, Phase I, House 2	7,168,911	4,384,800	0	11,553,711	0
13. Central Middle School - Renovation	3,000,000	1,834,874	0		4,834,874
14. New Eagle River Area Secondary School Design	3,000,000 5,040,200	1,834,874 3,449,779	0	4,834,874 9,089,979	0
15. New Muldoon Area Middle School	3,000,000	1,834,874	0	4,834,874	0
Total principal amount will not exceed \$173,150,000.					

Voter approval of this bond proposition authorizes for each \$100,000 of assessed real and personal property value (based on the estimated 1999 assessed valuation) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of \$21.82 to pay for annual operation and maintenance costs related to the proposed educational capital improvements.

1 Voter approval of this bond proposition also authorizes for
2 each \$100,000 of assessed real and personal property value
3 (based on the estimated 1999 assessed valuation) an annual
4 increase in taxes of \$48.08 to retire the proposed bond
5 indebtedness.
6

7
8 No bonds will be issued, however, to finance costs of projects
9 listed under "Reimbursement Projects" above unless and until
10 such projects qualify for at least 70% debt service reimburse-
11 ment from the State of Alaska under existing or new legislation.
12 Receipt of State reimbursement is subject to legislative appro-
13 priations.
14

15 The debt will be paid first from real and personal property
16 taxes levied and collected areawide in Anchorage. Anchorage
17 will also pledge its full faith and credit for payment of the debt.
18

19 (No. AO 99-__)
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21 Section 4. The proposition, both for paper ballots and machine ballots, shall be
22 printed on a ballot which may set forth other general obligation bond propositions, and the
23 following words shall be added as appropriate and next to a square provided for marking
24 the ballot or voting by a machine:

25 PROPOSITION NO.

Yes ☐

26 No ☐

27 Section 5. Section 2 of this Ordinance shall become effective only if the proposition
28 described in Section 3 is approved by a majority of the qualified voters voting on the
29 proposition at the regular election on April 20, 1999. The remaining sections of this
30 Ordinance shall become effective upon passage and approval.

31 PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this 2nd
32 day of March 1999.
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35
36
37 Taylor Henninger
Chair

38 ATTEST:
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40
41
42 Lepine Ferguson
43 Municipal Clerk