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Submitted by: Prepared by: For Reading:

Assemblymember Wohlforth

Assembly Office February 9, 1999

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 99-42

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED **FOUR HUNDRED THIRTY-ONE MILLION FIVE HUNDRED FORTY THOUSAND DOLLARS (\$431,540,000)** 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 Four Hundred Thirty-One Million Five Hundred Forty Thousand Dollars (\$431,540,000) 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
4			Estimated Project Cost	Estimated	Principal and Interest Paid by the State	Estimated Principal and Interest Paid	Operation and Maintenance
5		<u>Project</u> Reimbursement Projects	(Principal)	<u>Interest</u>	<u>(70%)</u>	by Anchorage	Cost
6	1	Dimond High School - Replacement Construction	\$60,160,000	\$36,796,332	\$67,869,432	\$29,086,900	\$ 0
7	2.	South Anchorage Area High School - New School Construction	62,359,800	38,141,818	70,351,133	30,150,485	3,032,500
8 9	3.	Chugiak High School - HVAC, Elec- trical and Fire Upgrades	2,831,089	1,731,610	3,193,889	1,368,810	0
10	4,	Non-Reimbursement Projects					
11	7.	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	8,000,000	4,893,149	0	12,893.149	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	
18	11	Chugiak High School - Renovation,	7.460.044	4 204 202		44 550 744	•
19		Phase I, House 2	7,168,911	4,384,800	0	11,553,711	0
20		Total pri	ncipal amount will	not exceed \$170),150,000.		
21							
22							

1			Yes	ar - 2000			
2					Estimated Principal and	Estimated	Estimated Annual Operation and
4		<u>Project</u>	Estimated Project Cost (Principal)	Estimated Interest	Interest Paid by the State (50%)	Principal and Interest Paid by Anchorage	Maintenance <u>Cost</u>
5		Reimbursement Projects					
6	· 1 .	Service High School - Renovation, Phase I	\$7,140,000	\$4,366,898	\$5,753,449	\$5,753,449	\$0
7	· 2 .	Wendler Middle School - Renovation	15,300,000	9,357,636	12,328,818	12,328,818	0
8	3.	Denali K-8 School - Replacement	11,730,000	7,174,186	9,452,093	9,452,093	41,150
9	4.	New Muldoon Area Middle School	40,800,000	24,953,694	32,876,847	32,876,847	1,725,300
	5.	Central Middle School - Renovation	3,000,000	1,834,874	2,417,437	2,417,437	0
10		Non-Reimbursement Projects					
11	6.	Districtwide Renewal and Replace- ment/ADA/Code	8,160,000	4,990,739	0	13,150,739	0
12	7.	New Eagle River Area Secondary School Design	3,060,000	,871,527	0	4,931,527	0
		Total p	rincipal amount will	not exceed \$89	,190,000.		
14			<u>Ye</u>	oar - 2001			
15 16					Estimated Principal and	Estimated	Estimated Annual Operation and
17			Estimated Project Cost	Estimated	Interest Paid by the State	Principal and Interest Paid	Maintenance Cost
18		<u>Project</u>	(Principal)	<u>Interest</u>	<u>(50%)</u>	by Anchorage	<u>0031</u>
1.0		Reimbursement Projects					
19		Chugiak High School - Renovation, Phases II and III	\$20,805,000	\$12,728,034	\$16,766,517	\$16,766,517	\$0
21	2.	East High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	
22	-3.	Bartlett High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
23	4.	Service High School - Renovation, Phase II	12,485,000	7,638,044	10,061,522	10,061,522	0
24	5.	Polaris K-12 School - Renovation and Addition	6,245,000	3,820,552	5,032,776	5,032,776	0
25 26	6.	Chugach Optional Elementary School - Renovation	2,880,000	1,781,244	2,330,622	2,330,622	0
27		No. AO 99-42					

Ordinance No. AO 99-42 28 AFF06662/3802.2386

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1			<u>Y</u>	<u>ear - 2001</u>			
2	7.	Chester Valley Elementary School - Renovation	1,560,000	954,372	,257,186	1,257,186	0
3	8.	Inlet View Elementary School -					·
4	9.	Renovation	3,120,000	1,908,746	2,514,373	2,514,373	
5	y ,	Rabbit Creek Elementary School - Renovation	1,350,000	825,900	1,087,950	1,087,950	0
6	10.	Turnagain Elementary School - Renovation	3,150,000	1,927,100	2,538,550	2,538,550	0
7	11	New ABC School - New Construction	15,605,000	9,546,790	12,575,895	12,575,895	1,025,150
8		Non-Reimbursement Projects					
9	12	Districtwide Renewal and Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0
10	į	Total p	rincipal amount wil	I not exceed \$96	3.335.000.		
		,		ear - 2002	.,		
11			_				Estimated
12					Estimated Description	Estimated	Annual
13			Estimated		Principal and Interest Paid	Principal and	Operation and
14		P <u>roject</u>	Project Cost (Principal)	Estimated Interest	by the State (50%)	Interest Paid by Anchorage	Maintenance Cost
	l	Reimbursement Projects	<u>, , , , , , , , , , , , , , , , , , , </u>	1110000	100,101	<u>oy 7 monorago</u>	<u> </u>
15	1.	East High School -					
16		Renovation, Phase II	\$10,715,000	\$6,554,808	\$8,634,904	\$8,634,904	\$0
17	2	Bartlett High School - Renovation, Phase II	10 715 000	C EEA 000	0.024.004	0.624.004	•
18	3	Service High School -	10,715,000	6,554,808	8,634,904	8,634,904	0
	•	Renovation, Phase III	8,575,000	5,245,682	6,910,341	6,910,341	
19	4	O'Malley Elementary School -					
20	_	Renovation	320,000	195,758	257,879	257,879	0
21	5.	Sand Lake Elementary School - Renovation	1,070,000	654,564	862,282	862,282	0
22	6 .	Eagle River Elementary School - Renovation	3,215,000	1,966,748	2,590,874	2,590,874	0
23	7.	Airport Heights Elementary School -					_
24		Renovation Non-Reimbursement Projects	2,680,000	1,639,468	2,159,734	2,159,734	0
25	8.	Districtwide Renewal and					
26		Replacement/ADA/Code	8,575,000	5,245,681	0	13,820,681	0
27							
28	Ordinance AFF06662/38	No. AO 99-42 02.2386					Page 4

<u>Year - 2002</u>

9.

New Eagle River Area Secondary -

School Construction

Ordinance No. AO 99-42 AFF06662/3802.2386 30,000,000 18,352,239

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 Thirty-One Million Five Hundred Forty Thousand Dollars (\$431,540,000) 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 \$431,540,000 for educational capital improvements. Voter authorization permits Anchorage to issue general obligation bonds in the principal amount of (i) \$170,150,000 in year 1999, (ii) \$89,190,000 in year 2000, (iii) \$96,335,000 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 \$431,540,000 through the issuance of general obligation bonds and increase the municipal tax cap by an amount up to \$7,630,000 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

	<u>Project</u> Reimbu rsement Projects	Estimated Project Cost (Principal)	Estimated <u>Interest</u>	Estimated Principal and Interest Paid by the State (70%)	Estimated Principal and Interest Paid by Anchorage	Estimated Annual Operation and Maintenance Cost
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	
	Non-Reimbursement Projects					
4	Government Hill Elementary School - Addition and Renovation	9,800,000	5,994,082	0	15,794,082	104,650
5.	Russian Jack Elementary School - Replacement	8,000,000	4,893,149	0	12,893,149	0
6.	Districtwide HVAC	3,050,000	1,865,505	0	4,915,505	0
7.	Districtwide Roof Repairs	2,900,000	1,773,760	0	4,673,760	0

1			Yea	<u>ır - 1999</u>			
2	8.	Electrical Support for Elementary Schools	400,000	244,658	0	644,658	
3	9.	Dimond High School - Replacement Design and Demolition	7,840,000	4,795,265	0	12,635,265	0
5	10.	New South Anchorage Area High School Design and Site Improvement	5,640,200	3,449,779	0	9,089,979	0
6	11	Chugiak High School - Renovation, Phase I, House 2	7,168,911	4,384,800	0	11,553,711	0
7		Total prin	ncipal amount will r	not exceed \$170	,150,000.		
8		·		ar - 2000			
9					Estimated		Estimated Annual
10			Estimated Project Cost	Estimated	Principal and Interest Paid by the State	Estimated Principal and Interest Paid	Operation and Maintenance
11		<u>Project</u>	(Principal)	Interest	(50%)	by Anchorage	Cost
12		Reimbursement Projects					
13	1.	Service High School - Renovation, Phase I	\$7,140,000	\$4,366,898	\$5,753,449	\$5,753,449	\$0
14	2.	Wendler Middle School - Renovation	15,300,000	9,357,636	12,328,818	12,328,818	0
15	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	1,725,300
16	5.	Central Middle School - Renovation	3,000,000	1,834,874	2,417,437	2,417,437	0
17		Non-Reimbursement Projects					
18	5 .	Districtwide Renewal and Replace- ment/ADA/Code	8,160,000	4,990,739	0	13,150,739	
19	6.	New Eagle River Area Secondary School Design	3,060,000	1,871,527	0	4,931,527	0
20		Total p	rincipal amount wil	I not exceed \$89	9,190,000.		
21				ear - 2001			
22					Estimated		Estimated Annual
23			Estimated	اجند بيوني مسو	Principal and Interest Paid	Estimated Principal and Interest Paid	Operation and Maintenance
24		<u>Project</u>	Project Cost (Principal)	Estimated Interest	by the State (50%)	by Anchorage	Cost
25		Reimbursement Projects					
26	.	Chugiak High School -Renovation, Phases II and III	\$20,805,000	\$12,728,034	\$16,766,517	\$16,766,517	\$0
27	Ordinan	ce No. AO 99-42					Page 7
28	AFF06662/	3802.2386					•

1			<u>Year</u>	· - 2001			
2	2.	East High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0
3	3.	Bartlett High School - Renovation, Phase I	10,405,000	6,365,546	8,385,273	8,385,273	0.
5	4.	Service High School - Renovation, Phase II	12,485,000	7,638,044	10,061,522	10,061,522	0
6	5.	Polaris K-12 School - Renovation and Addition	6,245,000	3,820,552	5,032,776	5,032,776	o
7	6.	Chugach Optional Elementary School - Renovation	2,880,000	1,781,244	2,330,622	2,330,622	0
8	7.	Chester Valley Elementary School Renovation	1,560,000	954,372	1,257,186	1,257,186	
9	8.	Inlet View Elementary School - Renovation	3,120,000	1,908,746	2,514,373	2,514,373	0
11	9.	Rabbit Creek Elementary School - Renovation	1,350,000	825,900	1,087,950	1,087,950	0
12	10.	Turnagain Elementary School Renovation	3,150,000	1,927,100	2,538,550	2,538,550	0
13	11	New ABC School - New Construction	15,605,000	9,546,790	12,575,895	12,575,895	1,025,150
14		Non-Reimbursement Projects					
15	12.	Districtwide Renewal and Replacement/ADA/Code	8,325,000	5,093,049	0	13,418,049	0
16		Total po	rincipal amount will	not exceed \$96,	335,000.		
17			<u>Ye</u>	ar - 2002			
18					Estimated Principal and	Estimated	Estimated Annual Operation
19 20			Estimated Project Cost	Estimated Interest	Interest Paid by the State (50%)	Principal and Interest Paid by Anchorage	and Maintenance <u>Cost</u>
		<u>Project</u>	(Principal)	<u>interest</u>	(00.0)		
21	.ند.	Reimbursement Projects East High School -					
22	Ai.	Renovation, Phase II	\$10,715,000	\$6,554,808	\$8,634,904	\$8,634,904	\$0
23	2.	Bartlett High School - Renovation, Phase II	10,715,000	6,554,808	8,634,904	8,634,904	(0)
24	3.	Service High School - Renovation, Phase III	8,575,000	5,245,682	6,910,341	6,910,341	0
25	4.	O'Malley Elementary School -				057 070	^
26	7.	Renovation	320,000	195,758	257,879	257,879	0
27							
28	H	ce No. AO 99-42 /3802.2386					Page 8

1			<u>Y</u> (<u>ear - 2002</u>				
2	5 .	Sand Lake Elementary School Renovation	1,070,000	654,564	862,282	862,282	o	
3	6 .	Eagle River Elementary School -		ŕ	·	002,202	v	
4		Renovation	3,215,000	1,966,748	2,590,874	2,590,874	0	
5	7.	Airport Heights Elementary School Renovation	2,680,000	1,639,468	2,159,734	2,159,734	0	
6		Non-Reimbursement Projects						
7	8.	Districtwide Renewal and Replacement/ADA/Code	8,575,000	5,245,681	0	13,820,681		
8	9.	New Eagle River Area Secondary - School Construction	30,000,000	18,352,239	0	48,352,239	1,701,250	
9		Total	principal amount will	not exceed \$75,8	365,000			
10		Voter approval of this bond proposition authorizes for each						
11		\$100,000 of assessed real and personal property value (based on the estimated 1999 assessed valuation) an annual increase						
12		in the municipal tax cap (Charter 14.03(b)(2)) of \$53.07 to pay for annual operation and maintenance costs related to the						
13		proposed educationa	al capital impr	ovements.				
14		Voter approval of the each \$100,000 of as						

Voter approval of this bond proposition <u>also</u> 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 **\$136.32** 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-__)

Section 4 The proposition both for r	paper ballots ind machine ballots sha	all be
nted on ba of thich may set forth othe ge	e obligati opositi n	d th
following words shall be added as appropriate	e and next to square provided for ma	rking
the ballot or voting by machine		
PROPO ITION NO	Υ	
	No □	
Section 5 ctio this Ord ce	come ffecti ily if he propos	s io
described Section 3 is approved by ma	ajority of the qualified voters voting or	n the
opositio the eg lar lect Ap	Th em ng secti of	f th
Ordinance become ffective pon passa	age nd approva	
PA SED AND APPROVED by th Asse	emily of Anchorage Alas this	
day of February 999		
Chai	:	
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A T T		
Municipal Clerk		