

Filed 2/5/02

Submitted by:
Prepared by:
For Reading:

Assemblymembers Kendall and Fairclough
Department of Assembly
January 22, 2002

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 2002-18

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FORTY NINE MILLION FIVE HUNDRED THOUSAND AND NO/00 DOLLARS (\$49,500,000) 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 2, 2002.

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 Forty-Nine Million Five Hundred Thousand and No/00 Dollars (\$49,500,000) for the purpose of paying the costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, installing, and equipping the educational capital improvement within the Municipality as described below:

<u>Project:</u>	<u>Estimated Cost</u>	<u>Estimated Annual Operating and Maintenance</u>
New Eagle River Area High School	\$49,500,000	\$1,782,322

Section 2. The sum of not to exceed Forty-Nine Million Five Hundred Thousand and No/00 Dollars (\$49,500,000) shall be borrowed by, for and on behalf of the Municipality for the aforesaid educational capital improvement and shall be evidenced by the issuance of general obligation bonds of the Municipality. The bond proceeds shall be used only to

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

5 Section 3. An election is to be held on April 2, 2002, in and for the Municipality of
6 Anchorage, for the purpose of submitting a general obligation bond proposition to the
7 qualified voters of the Municipality for approval or rejection. The proposition must receive
8 a majority vote of those in the Municipality voting on the question to be approved. The
9 proposition shall be substantially in the following form:

10 PROPOSITION NO. _____

11 EDUCATIONAL CAPITAL IMPROVEMENT BONDS

12 Shall Anchorage borrow up to \$49,500,000 through the
13 issuance of general obligation bonds to pay for a New Eagle
14 River Area High School and increase the municipal tax cap by
an amount of \$1,782,322 to pay for associated annual
operations and maintenance costs?

15 Voter approval of this bond proposition authorizes for each
16 \$100,000 of assessed real and personal property value (based
17 on the estimated 2002 assessed valuation): (i) an annual
18 increase in taxes of approximately \$25.10 to retire the
proposed bonds, and (ii) an annual increase in the municipal
tax cap (Charter 14.03(b)(2)) of approximately \$10.58 to pay
for annual operation and maintenance costs related to the
proposed capital improvement.

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

22 (No. AO 2002-__)

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

PROPOSITION NO.

Yes ☐

No ☐

Section 5. 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 on April 2, 2002. The remaining sections of this Ordinance shall become effective upon passage and approval.

PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this day of February 2002.

Chair

ATTEST:

Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: AO 2002-18

Title: ASD Bond - \$49,500,000

Sponsor: Assemblymembers Kendall and Fairclough

Preparing Agency: Assembly

Others Affected: ASD

CHANGES IN EXPENDITURE AND REVENUES (Thousands of Dollars)

<i>Operating Expenditures</i>	<i>FY 02</i>	<i>FY 03</i>	<i>FY 04</i>	<i>FY 05</i>	<i>FY 06</i>
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	0	4.2	4.2	4.2	4.2
5000 Capital Outlay					
TOTAL DIRECT COSTS:	0	4.2	4.2	4.2	4.2

ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
FUNCTION COSTS:					

REVENUES:					
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CAPITAL:					

POSITIONS: FT/PT and Temp.					

Public Sector Economic Effects:

The estimated annual debt service will be \$4,228,463 based on a 20-year amortization schedule at an interest rate of 5.75%.

After completion of the project, the annual operations and maintenance costs are estimated at \$1,782,322.

SUMMARY OF ECONOMIC EFFECTS

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Private Sector Economic Effects:

The estimated annual debt service will be \$4,228,463 which equates to an estimated property tax increase of 0.2510 mills or \$25.10 per year on \$100,000 of the assessed valuation.

An annual increase in the Municipal Tax Cap Limitation of 0.1058 mills or \$10.58 per \$100,000 of the assessed valuation will result if this bond is approved.

Prepared by: Elvi Gray-Jackson

Telephone: 343-4751



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

NO. AM 152-2002

Meeting Date: February 5, 2002

From: Assemblymembers Kendall and Fairclough
Subject: **AN ORDINANCE PROVIDING FOR THE SUBMISSION OF A BALLOT PROPOSITION TO FUND A NEW EAGLE RIVER AREA HIGH SCHOOL (\$49,500,000)**

The attached ordinance is being submitted to acquire approval to place a bond proposition on the ballot at the April 2, 2002 election to provide for a New Eagle River Area High School.

Based on the estimated 2002 assessed valuation, the annual increase in the Municipal Tax Cap to pay for annual operations and maintenance will be \$10.58 per \$100,000 of assessed valuation. The annual increase in taxes to retire the proposed bond indebtedness is estimated at \$25.10 per \$100,000 of assessed valuation.

Your support and approval of this ballot proposition are requested.

Respectfully submitted,

Prepared by:

Dan Kendall
Assemblymember

Elvi Gray-Jackson, Manager
Budget and Legislative Services

Reviewed by:

Greg Moyer, Director
Department of Assembly/Municipal Clerk

Av 2002-18

1 SUBJECT OF AGENDA DOCUMENT		DATE PREPARED	
AO 2002-18 - \$49,500,000 - ASD		January 27, 2002	
		Indicate Documents Attached <input type="checkbox"/> AO <input checked="" type="checkbox"/> AR <input type="checkbox"/> AM <input type="checkbox"/> AIM	
2 DEPARTMENT NAME Assembly		DIRECTOR'S NAME Greg Moyer	
3 THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Elvi Gray-Jackson		HIS/HER PHONE NUMBER 343-4751	
4	COORDINATED WITH AND REVIEWED BY	INITIALS	DATE
	Mayor		
	Heritage Land Bank		
	Merrill Field Airport		
	Municipal Light & Power		
	Port of Anchorage		
	Solid Waste Services		
	Water & Wastewater Utility		
	Municipal Manager		
	Cultural & Recreational Services		
	Employee Relations		
	Finance, Chief Fiscal Officer		
	Fire		
	Health & Human Services		
	Office of Management and Budget		
	Management Information Services		
	Police		
	Planning, Development & Public Works		
	Development Services		
	Facility Management		
	Planning		
	Project Management & Engineering		
	Street Maintenance		
	Traffic		
	Public Transportation Department		
	Purchasing		
	Municipal Attorney		
	Municipal Clerk		
	Other		
5	Special Instructions/Comments		
	1/22/02: introduced by title only		
6	ASSEMBLY HEARING DATE REQUESTED	7	PUBLIC HEARING DATE REQUESTED
		2/5/02	