

See H 206 515

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Wohlforth, Vassar, Johnson
& Brecht
For Reading: January 22, 2002

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 2002-25

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF SEVEN MILLION TWO HUNDRED THOUSAND AND NO/00 DOLLARS (\$7,200,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF FIRE PROTECTION AND RELATED CAPITAL IMPROVEMENTS IN THE ANCHORAGE FIRE SERVICE AREA AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATION 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, Alaska (the Municipality) to incur general obligation bonded indebtedness in an amount not to exceed SEVEN MILLION TWO HUNDRED THOUSAND AND NO/00 DOLLARS (\$7,200,000) for the purpose of paying the costs of acquiring property for, designing and constructing fire stations and related fire protection capital improvements within the Anchorage Fire Service Area.

Section 2. The sum of not to exceed Seven Million Two Hundred Thousand and no/00 Dollars (\$7,200,000) shall be borrowed by, for and on behalf of the Municipality for the aforesaid fire protection capital improvements and shall be evidenced by the issuance of general obligation bonds of the Municipality. The bond proceeds shall be used only for payment of 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. The principal of and interest on the bonds are to be paid first from general ad valorem taxes levied and collected within the Anchorage Fire Service Area.

Section 3. An election is to be held on April 2, 2002, in and for the Municipality, 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.

ANCHORAGE FIRE SERVICE AREA FIRE PROTECTION
AND RELATED CAPITAL IMPROVEMENT BONDS

Shall Anchorage borrow up to \$7,200,000 through the issuance of general obligation bonds to pay the costs of acquiring property for, designing and constructing fire stations and related fire protection capital improvements and increase the municipal tax cap by an annual amount not to exceed \$3,585,500 to pay for associated annual operations and maintenance costs? The proposed capital improvements would be located within the Anchorage Fire Service Area.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2002 assessed valuation in the Anchorage Fire Service Area): (i) an annual increase in taxes of approximately \$3.87 to retire the proposed bonds, and (ii) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$27.02 to pay for annual operations and maintenance costs related to the proposed capital improvements.

The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Fire Service Area. Anchorage will also pledge its full faith and credit for payment of the bonds.

(No. AO 2002-)

Section 4. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other general obligation bond propositions, and the following words shall be added as appropriate and next to a square provided for marking 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: 2002- 25 Title: \$7,200,000- Anchorage Fire Service Area G.O. Bond Proposition
Sponsor:
Preparing Agency: Office of Management & Budget
Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:

(Thousands of Dollars)

	FY02	FY03	FY04	FY05	FY06
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	0	715	4,290	4,290	4,290
4000 Debt Service	0	615	615	615	615
5000 Capital Outlay					
TOTAL DIRECT COSTS:	0	1,330	4,905	4,905	4,905

ADD: 6000 Charge from Others

LESS: 7000 Charge to Others

FUNCTION COST:

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp.

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated annual debt service of \$614,900 assumes bonds are sold as a package @ 5.75% interest, with bond repayments corresponding to the expected life of the assets financed; 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$4,290,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$614,900 equate to an estimated property tax increase of .0387 mills or 3.87 per year on \$100,000 of assessed valuation in the Anchorage Fire Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$4,290,000 and equate to an estimated property tax increase of .2702 mills or \$27.02 per year on \$100,000 of assessed valuation in the Anchorage Fire Service Area.

The total private sector economic effect would therefore be the increase in the Municipal tax cap limitation related to the payment of debt service and operations and maintenance costs as shown above for a total of .3089 mills or \$30.89 per \$100,000 of assessed valuation in the Anchorage Fire Service Area.

Prepared by: Bruce A. HolmesTelephone: 343-4479Validated by OMB: *Cheryl Frasca*Date: 1/25/02Approved by: *Cheryl Frasca*

(Director, Preparing Agency)

Date: 1/29/02

Concurred by: _____

(Director, Impacted Agency)

Approved by: _____

(Municipal Manager)

Date: _____



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 154-2002

Meeting Date: February 12, 2002

From: Mayor

Subject: AO 2002-25; \$7,200,000 Anchorage Fire Service Area Bond Proposition
April 2, 2002 Election

The attached ordinance, on approval, will place a \$7,200,000 general obligation bond proposition for the Anchorage Fire Service Area (AFSA) on the ballot for the regular Municipal election to be held on April 2, 2002. The ordinance represents general obligation bond funding reflected in the Approved 2002 General Government Capital Improvement Budget (CIB), with the exception of rounding down to the nearest \$5,000 increment. The Administration recommends scheduling a public hearing for this bond ordinance on February 5, 2002.

The bond, as proposed, would provide financing for:

- Construction funding for two new fire stations, Southport Area and Tudor & Baxter Area

THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE PROPOSED ORDINANCE PLACING THE ANCHORAGE FIRE SERVICE AREA BOND PROPOSITION ON THE APRIL 2, 2002 BALLOT.

Concurrence:

Harry J. Kieling, Jr.
Municipal Manager

Respectfully submitted

George Wuerch
Mayor

Prepared by:

Tim Rogers
Capital Budget Office

Concurrence

Kate Gird
Chief Fiscal Officer

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
Agenda Document Control Sheet

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT APRIL 2002 ANCHORAGE FIRE BOND ORDINANCE <div style="text-align: center; font-style: italic;">AO 2002-25</div>	DATE PREPARED <div style="text-align: center;">January 29, 2002</div>
		Indicate Documents Attached <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM
2	DEPARTMENT NAME Office of Management & Budget	DIRECTOR'S NAME Cheryl Frasca
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Bruce Holmes	HIS/HER PHONE NUMBER 343-4479
4	COORDINATED WITH AND REVIEWED BY	<div style="display: flex; justify-content: space-between;"> INITIALS DATE </div>
<input checked="" type="checkbox"/>	Mayor	
	Heritage Land Bank	
	Merrill Field Airport	
	Municipal Light & Power	
	Port of Anchorage	
	Solid Waste Services	
	Water & Wastewater Utility	
<input checked="" type="checkbox"/>	Municipal Manager	
	Cultural & Recreational Services	
	Employee Relations	
<input checked="" type="checkbox"/>	Finance, Chief Fiscal Officer ✓	
	Fire	
	Health & Human Services	
<input checked="" type="checkbox"/>	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	
<input checked="" type="checkbox"/>	Municipal Attorney (1050)	
	Municipal Clerk	
	Other	
5	Special Instructions/Comments	
6	ASSEMBLY HEARING DATE REQUESTED January 22, 2002	<div style="display: flex; justify-content: space-between;"> <div> 7 PUBLIC HEARING DATE REQUESTED February 5, 2002 </div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);"> RECEIVED MUNICIPAL CLERK'S OFFICE 02 JAN 31 PM 12:07 JAN 32 AM 9:24 </div> </div>