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

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 2002-26

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NINE HUNDRED SIXTY THOUSAND AND NO/00 DOLLARS (\$960,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PARKS AND RECREATION AND RELATED CAPITAL IMPROVEMENTS IN THE EAGLE RIVER-CHUGIAK PARKS AND RECREATION SERVICE AREA 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 to incur general obligation bonded indebtedness in an amount not to exceed NINE HUNDRED SIXTY THOUSAND AND NO/00 DOLLARS (\$960,000) for the purpose of paying costs of planning, designing, acquiring property for, equipping and constructing park improvements, recreational facilities, trail upgrades and related capital improvements within the Eagle River-Chugiak Parks and Recreation Service Area.

Section 2. The sum of Nine Hundred Sixty Thousand and no/00 Dollars (\$960,000) shall be borrowed by, for and on behalf of the Municipality of Anchorage for the aforesaid parks and recreation 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 within the Municipality shall be levied without limitation as to rate or amount to pay the principal of and interest on the bonds when due.

1 The principal of and interest on the bonds are to be paid first from general ad valorem
2 taxes levied and collected within the Eagle River-Chugiak Parks and Recreation Service
3 Area.

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

9 PROPOSITION NO.

10 EAGLE RIVER-CHUGIAK PARKS AND RECREATION
11 SERVICE AREA CAPITAL IMPROVEMENT BONDS

12 Shall the Municipality of Anchorage borrow up to \$960,000
13 through the issuance of general obligation bonds to pay costs
14 of equipping and constructing park improvements, recreational
15 facilities, trail upgrades and related capital improvements and
16 increase the municipal tax cap by an annual amount up to
17 \$6,500 to pay for associated annual operations and maintenance costs? The proposed capital improvements would be
18 located within the Eagle River-Chugiak Parks and Recreation
19 Service Area.

20 Voter approval of this bond proposition authorizes for each
21 \$100,000 of assessed taxable property value (based on the
22 estimated total 2002 assessed valuation in the Eagle River-
23 Chugiak Parks and Recreation Service Area): (i) an annual
24 increase in taxes of approximately \$4.50 to retire the proposed
25 bonds, and (ii) an annual increase in the municipal tax cap
26 (Charter 14.03(b)(2)) of approximately \$0.36 to pay for annual
27 operations and maintenance costs related to the proposed
28 capital improvements.

The debt on these bonds shall be paid from real and personal
property taxes levied and collected within the Eagle River-Chugiak Parks and Recreation 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 general 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- 26

Title: \$960,000- Eagle River-Chugiak Parks & Recreation 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	2	7	7	7
4000 Debt Service	0	82	82	82	82
5000 Capital Outlay					

TOTAL DIRECT COSTS:	0	84	89	89	89
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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 \$81,900 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 \$6,500.

SUMMARY OF ECONOMIC EFFECTS

Page 2

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$81,900 equate to an estimated property tax increase of .0451 mills or 4.51 per year on \$100,000 of assessed valuation in the Eagle River-Chugiak Parks & Recreation Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$6,500 and equate to an estimated property tax increase of .0036 mills or .36 per year on \$100,000 of assessed valuation in the Eagle River-Chugiak Parks & Recreation 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 .0487 or \$4.87 per year on \$100,000 of assessed valuation in the Eagle River-Chugiak Parks & Recreation Service Area.

Prepared by: Bruce A. Holmes

Telephone: 343-4479

Validated by OMB: *Cheryl Frasca*

Date: 1/25/02

Approved by: *Cheryl Frasca*

(Director, Preparing Agency)

Date: 1/29/02

Concurred by: _____

(Director, Impacted Agency)

Date: _____

Approved by: _____

(Municipal Manager)



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 156-2002

Meeting Date: February, 2002

From: Mayor

Subject: \$960,000 Eagle River-Chugiak Parks & Recreation Service Area Bond
Proposition - April 2, 2002 Election

1 The attached ordinance, on approval, will place a \$960,000 general obligation bond proposition
2 for the Eagle River-Chugiak Parks & Recreation Service Area (ERCPRSA) on the ballot for the
3 general election to be held on April 2, 2002. The ordinance represents general obligation bond
4 funding reflected in the Approved 2002 General Government Capital Improvement Budget.
5 Scheduling of the public hearing for this bond ordinance is recommended for February 5, 2002.
6
7

8 The bond, as proposed, would provide financing for improvements to existing parks and trails,
9 and purchase of parks and recreation playground equipment.
10

11 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE
12 PROPOSED ORDINANCE PLACING THE EAGLE RIVER-CHUGIAK PARKS & RECREATION
13 SERVICE AREA BOND PROPOSITION ON THE APRIL 2, 2002 BALLOT.
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15 Concurrence:

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19 Harry J. Kieling Jr.
20 Municipal Manager
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22 Respectfully submitted,
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George Wuerch
Mayor

Prepared by:

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Concurrence:

Kate Gard
Chief Fiscal Officer

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

AO 2002-26

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT APRIL 2002 EAGLE RIVER PARKS & RECREATION BOND ORDINANCE <i>AO 2002-26</i>	DATE PREPARED January 29, 2002 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	INITIALS
<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	
	Municipal Clerk	
	Other	
5	Special Instructions/Comments	
6	ASSEMBLY HEARING DATE REQUESTED January 22, 2002	7 PUBLIC HEARING DATE REQUESTED February 5, 2002

M.O.A.
 2002 JAN 32 AM 9:24
 CLERK'S OFFICE