

CLERK'S OFFICE

APPROVED

Date: 2-11-03

IMMEDIATE RECONSIDERATION

1 FAILED 2-11-03

Submitted by:

Chairman of the Assembly

Prepared by:

Wohlforth, Vassar, Johnson  
& Brecht

For Reading:

January 28, 2003

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 2003-14

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF ONE MILLION EIGHT HUNDRED SEVENTY THOUSAND AND NO/00 DOLLARS (\$1,870,000) 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 1, 2003.

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 ONE MILLION EIGHT HUNDRED SEVENTY THOUSAND AND NO/00 DOLLARS (\$1,870,000) for the purpose of paying the 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 One Million Eight Hundred Seventy Thousand and no/00 Dollars (\$1,870,000) 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

1 Municipality shall be levied without limitation as to rate or amount to pay the principal of and  
2 interest on the bonds when due. The principal of and interest on the bonds are to be paid  
3 first from general ad valorem taxes levied and collected within the Eagle River-Chugiak  
4 Parks and Recreation Service Area.

5 Section 3. An election is to be held on April 1, 2003, 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, both in the Eagle River-Chugiak Parks  
9 and Recreation Service Area and areawide, on the question to be approved. The  
10 proposition shall be substantially in the following form:

11 PROPOSITION NO.

12 EAGLE RIVER-CHUGIAK PARKS AND RECREATION  
13 SERVICE AREA CAPITAL IMPROVEMENT BONDS

14 Shall the Municipality of Anchorage borrow up to \$1,870,000  
15 through the issuance of general obligation bonds to pay costs  
16 of equipping and constructing park improvements, recreational  
17 facilities, trail upgrades and related capital improvements and  
18 increase the municipal tax cap by an annual amount up to  
19 \$159,700 to pay for associated annual operations and  
20 maintenance costs? The proposed capital improvements  
21 would be located within the Eagle River-Chugiak Parks and  
22 Recreation Service Area.

23 Voter approval of this bond proposition authorizes for each  
24 \$100,000 of assessed taxable property value (based on the  
25 estimated total 2003 assessed valuation in the Eagle River-  
26 Chugiak Parks and Recreation Service Area): (i) an annual  
27 increase in taxes of approximately \$7.86 to retire the proposed  
28 bonds, and (ii) an annual increase in the municipal tax cap  
(Charter 14.03(b)(2)) of approximately \$.25 to pay for annual  
operations and maintenance costs related to the proposed  
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 2003-

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 election on April 1, 2003. The remaining sections of this Ordinance shall become effective upon passage and approval.

PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this 11<sup>th</sup> day of February 2003.

  
Chairman

ATTEST:

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects - General Government**

AO Number: 2003- 14

Title: \$1,870,000- Eagle River-Chugiak Parks & Recreation Service Area

Sponsor:

Preparing Agency: Office of Management & Budget

Others Impacted:

**CHANGES IN EXPENDITURES AND REVENUES:**

(Thousands of Dollars)

	FY03	FY04	FY05	FY06	FY07
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	3	5	5	5	5
4000 Debt Service	0	160	160	160	160
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	<b>3</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>

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 \$159,700 assumes bonds are sold as a package @ 5.25% 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 \$5,000.

## PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$159,700 equate to an estimated property tax increase of .0786 mills or \$7.86 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 \$5,000 and equate to an estimated property tax increase of .0025 mills or \$.25 per year on \$100,000 of assessed valuation in the Eagle River-Chugiak Parks & Recreation Service Area.

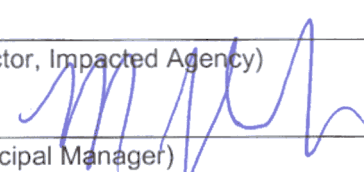
The total private sector economic effect would therefore be the increase in the Municipal tax cap limitation related to the payment of debt service and operations and maintenance costs as shown above for a total of \$8.11 per \$100,000 of assessed valuation in the Eagle River-Chugiak Parks & Recreation Service Area.

Prepared by: Bruce A. HolmesTelephone: 343-4479Validated by OMB: Date: 1/17/03Approved by: \_\_\_\_\_  
(Director, Preparing Agency)

Date: \_\_\_\_\_

Concurred by: \_\_\_\_\_  
(Director, Impacted Agency)

Date: \_\_\_\_\_

Approved by:   
(Municipal Manager)Date: 1/23/03



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 64-2003

Meeting Date: January 28, 2003

From: Mayor

Subject: \$1,870,000 Eagle River-Chugiak Parks & Recreation Service Area Bond  
Proposition - April 1, 2003 Election

1 The attached ordinance, on approval, will place a \$1,870,000 general obligation bond  
2 proposition for the Eagle River-Chugiak Parks & Recreation Service Area (ERCPRSA) on the  
3 ballot for the general election to be held on April 1, 2003. The ordinance represents general  
4 obligation bond funding reflected in the Approved 2003 General Government Capital  
5 Improvement Budget. Scheduling of the public hearing for this bond ordinance is  
6 recommended for February 11, 2003.

7  
8 The bond, as proposed, would provide financing for the swimming pools upgrades,  
9 improvements to existing parks and trails, and purchase of parks and recreation playground  
10 equipment.

11  
12 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE  
13 PROPOSED ORDINANCE PLACING THE EAGLE RIVER-CHUGIAK PARKS & RECREATION  
14 SERVICE AREA BOND PROPOSITION ON THE APRIL 1, 2003 BALLOT.

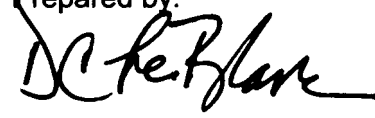
15  
16 Concurrence:

17  
18   
19  
20 Harry J. Kieling, Jr.  
21 Municipal Manager

22  
23 Respectfully submitted

24  
25   
26  
27 George Wuerch  
28 Mayor

Prepared by:

  
Denis LeBlanc, Director  
Office of Management & Budget

Concurrence:

  
Kate Giard  
Chief Fiscal Officer



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

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

*AO 2003-14*

<b>1</b>	<b>SUBJECT OF AGENDA DOCUMENT</b> <b>APRIL 2003 CHUGIAK/EAGLE RIVER PARKS &amp; RECREATION SERVICE AREA G.O. BOND PROPOSITION</b>	<b>DATE PREPARED</b>  <p style="text-align: center;"><b>January 17, 2003</b></p> <p style="text-align: center;">Indicate Documents Attached</p> <p style="text-align: center;"> <input checked="" type="checkbox"/> AO    <input type="checkbox"/> AR    <input checked="" type="checkbox"/> AM    <input type="checkbox"/> AIM         </p>	
<b>2</b>	<b>DEPARTMENT NAME</b> Office of Management & Budget	<b>DIRECTOR'S NAME</b> Denis LeBlanc	
<b>3</b>	<b>THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY</b> Bruce Holmes	<b>HIS/HER PHONE NUMBER</b> 343-4479	
<b>4</b>	<b>COORDINATED WITH AND REVIEWED BY</b>	<b>INITIALS</b>	<b>DATE</b>
X	<b>Mayor</b>		
	Heritage Land Bank		
	Merrill Field Airport		
	Municipal Light & Power		
	Port of Anchorage		
	Solid Waste Services		
	Water & Wastewater Utility		
X	<b>Municipal Manager</b>	<i>ML</i>	<i>1/23</i>
	Cultural & Recreational Services		
	Employee Relations		
X	Finance, Chief Fiscal Officer	<i>[Signature]</i>	<i>01/22/03</i>
	Fire		
	Health & Human Services		
X	Office of Management and Budget	<i>[Signature]</i>	<i>1/17/03</i>
	Management Information Services		
	Police		
	Planning, Development & Public Works		
	Development Services		
	Facility Management		
	Planning		
	Project Management & Engineering		
	Street Maintenance		
	Traffic		
	Public Transportation Department		
	Purchasing		
X	<b>Municipal Attorney</b> <i>1452</i>	<i>[Signature]</i>	<i>1.22.03</i>
	<b>Municipal Clerk</b>		
	<b>Other</b>		
<b>5</b>	<b>Special Instructions/Comments</b>		
	<i>Introductory</i>		
	AO 2003-14/AM 64-2003		
<b>6</b>	<b>ASSEMBLY HEARING DATE REQUESTED</b> January 28, 2003	<b>7</b>	<b>PUBLIC HEARING DATE REQUESTED</b> February 11, 2003

2003 JAN 23 AM 8:44  
 M.O.A.  
 CLERK'S OFFICE