

Postponed indefinitely 2/11/03

Submitted by: Chairman of the Assembly at the
Request of the Mayor
Prepared by: Wohlforth, Vassar, Johnson
& Brecht
For Reading: January 28, 2003

MUNICIPALITY OF ANCHORAGE
ALASKA

ORDINANCE NO. AO 2003-15

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF FOUR MILLION EIGHT HUNDRED NINETY-FIVE THOUSAND AND NO/00 DOLLARS (\$4,895,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PARKS AND RECREATION AND RELATED CAPITAL IMPROVEMENTS IN THE ANCHORAGE 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 FOUR MILLION EIGHT HUNDRED NINETY-FIVE THOUSAND AND NO/00 DOLLARS (\$4,895,000) for purposes of paying the costs of planning, designing, acquiring property for, equipping and constructing park improvements, recreational facilities, trail upgrades, and related capital improvements throughout the Anchorage Parks and Recreation Service Area.

Section 2. The sum of not to exceed Four Million Eight Hundred Ninety-Five Thousand and no/00 Dollars (\$4,895,000) shall be borrowed by, for and on behalf of the Municipality for the aforesaid 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 within the Municipality shall be

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

5 Section 3. An election is to be held on April 1, 2003, in and for the Municipality, for
6 the purpose of submitting a general obligation bond proposition to the qualified voters of
7 the Municipality for approval or rejection. The proposition must receive a majority vote of
8 those in the Municipality voting, both in the Anchorage Parks and Recreation Service Area
9 and areawide, on the question to be approved. The proposition shall be substantially in the
10 following form:

11 PROPOSITION NO

12 ANCHORAGE PARKS AND RECREATION
13 SERVICE AREA CAPITAL IMPROVEMENT BONDS

14 Shall Anchorage borrow up to \$4,895,000 through the issuance
15 of general obligation bonds to pay the costs of equipping and
16 constructing park improvements, recreational facilities, trail
17 upgrades and related capital improvements and increase the
18 municipal tax cap by an annual amount up to \$102,000 to pay
19 for associated annual operations and maintenance costs? The
20 proposed capital improvements would be located within the
21 Anchorage Parks and Recreation Service Area.

22 Voter approval of this bond proposition authorizes for each
23 \$100,000 of assessed taxable property value (based on the
24 estimated total 2003 assessed valuation in the Anchorage
25 Parks and Recreation Service Area): (i) an annual increase in
26 taxes of approximately \$2.70 to retire the proposed bonds, and
27 (ii) an annual increase in the municipal tax cap (Charter
28 14.03(b)(2)) of approximately \$.63 to pay for annual operation
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 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 general 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 day
of February 2003.

Chairman

ATTEST:

Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2003- 15 Title: \$4,895,000- Anchorage 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	51	102	102	102	102
4000 Debt Service	0	440	440	440	440
5000 Capital Outlay					
TOTAL DIRECT COSTS:	51	542	542	542	542

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 \$439,500 assumes bonds are sold as a package @ 5.25% interest, with bond repayments corresponding to the expected life of the assets financed; 12,20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$102,000.

SUMMARY OF ECONOMIC EFFECTS


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PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$439,500 equate to an estimated property tax increase of .0270 mills or \$2.70 per year on \$100,000 of assessed valuation in the Anchorage Parks & Recreation Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$102,000 and equate to an estimated property tax increase of .0063 mills or \$.63 per year on \$100,000 of assessed valuation in the Anchorage 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 \$3.33 per \$100,000 of assessed valuation in the Anchorage Parks & Recreation Service Area.

Prepared by: Bruce A. Holmes  Telephone: 343-4479

Validated by OMB:   Date: 1/17/03

Approved by: _____ Date: _____
(Director, Preparing Agency)

Concurred by: _____
(Director, Impacted Agency)

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



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 65-2003

Meeting Date: January 28, 2003

From: Mayor

Subject: \$4,895,000 Anchorage Parks and Recreation Service Area Bond Proposition
April 1, 2003 Election

The attached ordinance, on approval, will place a \$4,895,000 general obligation bond proposition for the Anchorage Parks and Recreation Service Area (APRSA) on the ballot for the regular Municipal election to be held on April 1, 2003. The ordinance represents general obligation bond funding reflected in the Approved 2003 General Government Capital Improvement Budget (CIB) with the exception of the following adjustments which will be reflected in a forthcoming Assembly resolution revising the Approved 2003-2008 CIB/CIP.

Move construction funding from 2003 to 2004, retain design funding in 2003¹.

[Funding shown in \$000s]	<u>2003</u>	<u>2004</u>
1. Government Hill/Al Miller Memorial Parks	-180	180
2. Russian Jack Springs Irrigation	-375	375
3. Cheney Lake Park	-260	260
4. Zodiac Area Park Playground	-175	175
5. Russian Jack Springs Park at Reka Dr	-180	180
6. Ptarmigan School Access Walkway	-225	225
7. Greenhouse Safety Improvements	-200	200
8. Hockey Rink Rehabilitation	-260	260
Subtotal	-1,810	1,810

Advance design funding from 2004 to 2003

1. Eastchester/Sitka Park	90	-90
2. Chester Creek Trail at I Street	50	-50
Subtotal		-140


The Administration recommends scheduling a public hearing for this bond ordinance on February 11, 2003.

THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE PROPOSED ORDINANCE PLACING THE ANCHORAGE PARKS AND RECREATION SERVICE AREA BOND PROPOSITION ON THE APRIL 1, 2003 BALLOT.

Concurrence:


Harry J. Kieing, Jr.
Municipal Manager

Respectfully submitted


George Wuerch
Mayor

Prepared by:


Denis LeBlanc, Director
Office of Management & Budget

Concurrence:


Kate Giard
Chief Fiscal Officer

¹ With the exception of Zodiac Area Park Playground. Design and construction funding moves from 2003 to 2004. This adjustment is based on significant expenditures for this project expected in 2003 from available funds.

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

Ad 2003-15

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT	DATE PREPARED	
	APRIL 2003 ANCHORAGE PARKS & RECREATION	January 17, 2003	
	SERVICE AREA G.O. BOND PROPOSITION		
		Indicate Documents Attached	
		<input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM	
2	DEPARTMENT NAME	DIRECTOR'S NAME	
	Office of Management & Budget	Denis LeBlanc	
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY	HIS/HER PHONE NUMBER	
	Bruce Holmes	343-4479	
4	COORDINATED WITH AND REVIEWED BY	INITIALS	DATE
X	Mayor		
	Heritage Land Bank		
	Merrill Field Airport		
	Municipal Light & Power		
	Port of Anchorage		
	Solid Waste Services		
	Water & Wastewater Utility		
X	Municipal Manager	<i>ML</i>	<i>1/23</i>
	Cultural & Recreational Services		
	Employee Relations		
X	Finance, Chief Fiscal Officer	<i>FO</i>	<i>01/22/03</i>
	Fire		
	Health & Human Services		
X	Office of Management and Budget	<i>DCL</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	Municipal Attorney <i>1541</i>	<i>Dr. Charles Johnson</i>	<i>1-27-03</i>
	Municipal Clerk		
	Other		
5	Special Instructions/Comments		
	<i>Introduction</i>		
	AO 2003-15/AM 65-2003		
6	ASSEMBLY HEARING DATE REQUESTED	7	PUBLIC HEARING DATE REQUESTED
	January 28, 2003		February 11, 2003

2003 JAN 23 AM 8:44
 CLERK'S OFFICE
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