

CLERK'S OFFICE

APPROVED

Date: 2-11-03

IMMEDIATE RECONSIDERATION
FAILED 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 2003-18

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF THIRTY-NINE MILLION NINE HUNDRED FIFTY THOUSAND AND NO/00 DOLLARS (\$39,950,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA 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 THIRTY-NINE MILLION NINE HUNDRED FIFTY THOUSAND AND NO/00 DOLLARS (\$39,950,000) for the purpose of paying the costs of planning, designing, acquiring property for, equipping, rehabilitating and constructing road improvements, roadway safety improvements, storm collection drainage and treatment improvements and related capital improvements within the Anchorage Roads and Drainage Service Area.

Section 2. The sum of not to exceed Thirty-Nine Million Nine Hundred Fifty Thousand and no/00 Dollars (\$39,950,000) shall be borrowed by, for and on behalf of the Municipality for the aforesaid road, storm drainage and related capital improvements and shall be evidenced by the issuance of general obligation bonds of the Municipality. The bond proceeds shall be used only to pay 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. The principal of and interest on the bonds are to be paid first from general ad valorem taxes levied and collected within the Anchorage Roads and Drainage Service Area.

Section 3. An election is to be held on April 1, 2003, 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, both in the Anchorage Roads and Drainage Service Area and areawide, on the question to be approved. The proposition shall be substantially in the following form:

PROPOSITION NO.

ANCHORAGE ROADS AND DRAINAGE SERVICE AREA ROAD,
STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENT BONDS

Shall Anchorage borrow up to \$39,950,000 through the issuance of general obligation bonds and increase the municipal tax cap by an annual amount not to exceed \$181,000? The bond proceeds would pay costs of roadway improvements, roadway safety improvements, drainage collection, drainage treatment and related capital improvements in the Anchorage Roads and Drainage Service Area and the increase in the municipal tax cap would pay the associated annual operations and maintenance costs.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2003 assessed valuation in the Anchorage Roads and Drainage Service Area): (i) an annual increase in taxes of approximately \$24.38 to retire the proposed bonds, and (ii) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$1.21 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 Roads and Drainage Service Area. Anchorage will also pledge its full faith and credit for payment of the debt.

(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 11th day of February 2003.


Chairman

ATTEST:

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2003- 18

Title: \$39,950,000- Anchorage Roads & Drainage 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	90	181	181	181	181
4000 Debt Service	0	3,638	3,638	3,638	3,638
5000 Capital Outlay					

TOTAL DIRECT COSTS: 90 3,819

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 \$3,638,000 assumes bonds are sold as a package @ 5.25% interest, with bond repayments corresponding to the expected life of the assets financed; 5, 12, 20 years.


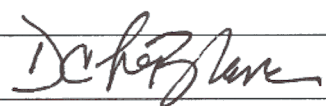
When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$181,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$3,638,000 equate to an estimated property tax increase of .2438 mills or \$24.38 per year on \$100,000 of assessed valuation in the Anchorage Roads & Drainage Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$181,000 and equate to an estimated property tax increase of .0121 mills or \$1.21 per year on \$100,000 of assessed valuation in the Anchorage Roads & Drainage 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 \$25.60 per \$100,000 of assessed valuation in the Anchorage Roads & Drainage Service Area.

Prepared by: Bruce A. HolmesTelephone: 343-4479Validated by OMB:  Date: 1/17/03

Approved by: _____

Date: _____

(Director, Preparing Agency)

Concurred by: _____

Date: _____

(Director, Impacted Agency)

Approved by: Date: 1/23/03

(Municipal Manager)



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 68-2003

Meeting Date: January 28, 2003

From: Mayor

Subject: \$39,950,000 Anchorage Roads and Drainage Service Area Bond Proposition
April 1, 2003 Election

The attached ordinance, on approval, will place a \$39,950,000 general obligation bond proposition for the Anchorage Roads and Drainage Service Area (ARDSA) 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:

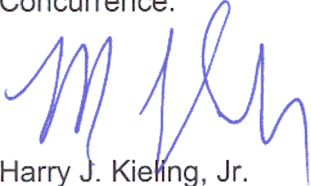
1. **Downtown Area Storm Outfall Reconstruction Phase II:** Raise 2003 funding to \$1,500,000, which is an increase of \$600,000. This responds to the latest budget and fully funds the project for 2003 construction.
2. **Patterson St Upgrade Phase II – 36th Ave to Tudor Rd:** Raise 2003 funding to \$2,950,000, which is an increase of \$1,550,000. This increase responds to the latest budget and fully funds the project for 2003 construction.
3. **Tudor Rd/Campbell Airstrip Rd Area Snow Disposal Site:** Reduce 2003 funding to \$200,000, which is a decrease of \$1,000,000. Construction of this project is now anticipated in 2004 and will be proposed in the 2004 ARDSA bond.
4. **Snow Disposal Site Acquisition and Development:** Add this new project to the bond with 2003 funding of \$500,000. Movement of the Tudor Rd/Campbell Airstrip Rd Area Snow Disposal Site into 2004 construction makes snow disposal facility funding available to other Street Maintenance snow disposal priorities.
5. **Timberlane Dr Reconstruction – Klatt Rd to Huffman Rd:** Reduce 2003 funding to \$200,000, which is a decrease of \$1,200,000. Construction of this project is now anticipated in 2004 and will be proposed in the 2004 ARDSA bond.
6. **Creekside Town Center Road Improvements:** Reduce 2003 funding to \$1,500,000, which is a decrease of \$750,000. This \$750,000 is programmed for Phase I construction which will not occur until 2004 and will be proposed in the 2004 ARDSA bond.
7. **CBD Traffic Signal Replacement:** Reduce 2003 funding to \$500,000, which is a decrease of \$500,000. Coordination with other projects reduces the 2003 construction funding need.
8. **Local Road Reconstruction RID Projects:** Reduce 2003 funding to \$1,530,000, which is a decrease of \$590,000. The anticipated 2003 funding needs are lower.

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

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2 The bond, as proposed, would finance roads and drainage projects which will help reduce
3 maintenance costs, improve vehicular/pedestrian safety, and rehabilitate the road and drainage
4 system.
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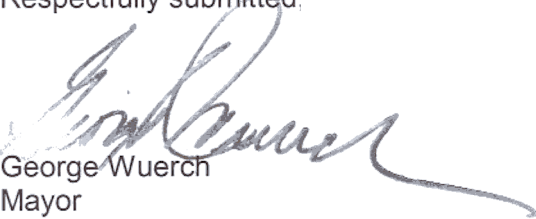
6 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE
7 PROPOSED ORDINANCE PLACING THE ANCHORAGE ROADS AND DRAINAGE SERVICE
8 AREA BOND PROPOSITION ON THE APRIL 1, 2003 BALLOT.
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10 Concurrence:

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16 Harry J. Kieling, Jr.
17 Municipal Manager

18 Respectfully submitted,

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24 George Wuerch
25 Mayor
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27

Prepared by:



Denis LeBlanc, Director
Office of Management & Budget

Concurrence:

 1/22/03

Kate Giard
Chief Fiscal Officer

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

11203-18

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT APRIL 2003 ANCHORAGE ROADS & DRAINAGE SERVICE AREA G.O. BOND PROPOSITION	DATE PREPARED <p style="text-align: center;">January 17, 2003</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>
2	DEPARTMENT NAME Office of Management & Budget	DIRECTOR'S NAME Denis LeBlanc
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Bruce Holmes	HIS/HER PHONE NUMBER 343-4479
4	COORDINATED WITH AND REVIEWED BY	INITIALS
X	Mayor	
	Heritage Land Bank	
	Merrill Field Airport	
	Municipal Light & Power	
	Port of Anchorage	
	Solid Waste Services	
	Water & Wastewater Utility	
X	Municipal Manager	<i>m</i>
	Cultural & Recreational Services	
	Employee Relations	
X	Finance, Chief Fiscal Officer	<i>GP</i>
	Fire	
	Health & Human Services	
X	Office of Management and Budget	<i>JCC</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>1547</i>	<i>1-22-03</i>
	Municipal Clerk	
	Other	
5	Special Instructions/Comments	
	AO 2003-18/AM 68-2003 <i>Introduction</i>	
6	ASSEMBLY HEARING DATE REQUESTED January 28, 2003	7 PUBLIC HEARING DATE REQUESTED February 11, 2003

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

Don
Local Gov issued only

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