

See AO 2004-26(5)

Submitted by: Chairman of the Assembly at the  
Request of the Anchorage School  
District  
Prepared by: Wohlforth, Vassar, Johnson  
& Brecht  
For Reading: February 3, 2004

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 2004-26

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED NINETY-FIVE MILLION EIGHTY HUNDRED THIRTY THOUSAND AND NO/00 DOLLARS (\$95,830,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS IN THE MUNICIPALITY OF ANCHORAGE 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 6, 2004.

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 (the "Municipality") to incur general obligation bonded indebtedness in an amount not to exceed Ninety-Five Million Eighty Hundred Thirty Thousand and no/00 Dollars (\$95,830,000), for the purpose of paying the costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects within the Municipality including, but not limited to, the following:

<u>Projects</u>	<u>Estimated Cost</u>	<u>Estimated Annual Operation and Maintenance</u>
School Renovations/Additions/Site Acquisitions		
East High School - Phase 4A Construction/Phase 4B Design	\$7,500,000	\$-0-
Bartlett High School Phase 3 - Design	2,000,000	-0-
Chugiak High School Phase 4 - Design	900,000	-0-
Clark Middle School - Preliminary Design	400,000	-0-

Muldoon Area Middle School - Construction	52,000,000	1,943,500
Chester Valley Elementary School - Construction	15,000,000	105,800
Sand Lake Elementary School - Construction	10,900,000	29,400
West High School/Romig Middle School Planning	200,000	-0-
Inlet View Elementary School - Design	700,000	-0-
Rabbit Creek Elementary School - Preliminary Design	100,000	-0-
Turnagain Elementary School - Design	900,000	-0-
Girdwood K-8 School - Planning	100,000	-0-
Elementary School - Planning (Airport Heights and New Southwest Area)	130,000	-0-
Site Selection and Acquisition	5,000,000	-0-

Section 2. The sum of not to exceed Ninety-Five Million Eight Hundred Thirty Thousand and no/00 Dollars (\$95,830,000) shall be borrowed by, for and on behalf of the Municipality for the aforesaid educational 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 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.

Section 3. An election is to be held on April 6, 2004, in and for the Municipality of Anchorage, 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. \_\_\_\_\_

**EDUCATIONAL CAPITAL IMPROVEMENT BONDS**

Shall Anchorage borrow up to \$95,830,000 through the issuance of general obligation bonds to pay for educational capital improvements within Anchorage and increase the municipal tax cap by an amount of \$2,078,700 to pay for associated annual operations and maintenance costs?

The general obligation bond proceeds will be used to pay costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects within Anchorage. The proposed educational capital improvement projects include, but are not limited to, the following:

<b><u>Projects</u></b>	<b><u>Estimated Cost</u></b>	<b><u>Estimated Annual Operation and Maintenance</u></b>
School Renovations/Additions/Site Acquisitions		
East High School - Phase 4A Construction/Phase 4B Design	\$7,500,000	\$-0-
Bartlett High School Phase 3 - Design	2,000,000	-0-
Chugiak High School Phase 4 - Design	900,000	-0-
Clark Middle School - Preliminary Design	400,000	-0-
Muldoon Area Middle School - Construction	52,000,000	1,943,500
Chester Valley Elementary School - Construction	15,000,000	105,800
Sand Lake Elementary School - Construction	10,900,000	29,400
West High School/Romig Middle School Planning	200,000	-0-
Inlet View Elementary School - Design	700,000	-0-
Rabbit Creek Elementary School - Preliminary Design	100,000	-0-
Turnagain Elementary School - Design	900,000	-0-
Girdwood K-8 School - Planning	100,000	-0-
Elementary School - Planning (Airport Heights and New Southwest Area)	130,000	-0-
Site Selection and Acquisition	5,000,000	-0-

1 Voter approval of this bond proposition authorizes for each  
2 \$100,000 of assessed real and personal property value (based  
3 on the estimated 2004 assessed valuation): (i) an annual  
4 increase in taxes of approximately \$38.56 to retire the pro-  
5 posed bonds, and (ii) an annual increase in the municipal tax  
6 cap (Charter 14.03(b)(2)) of approximately \$9.79 to pay for  
7 annual operation and maintenance costs related to the  
8 proposed capital improvements.

9 The debt will be paid from real and personal property taxes  
10 levied and collected areawide in Anchorage. Anchorage will  
11 also pledge its full faith and credit for payment of the debt.

12 Anchorage is currently seeking State reimbursement for  
13 payment of 70% of the principal and interest on approximately  
14 \$7,500,000 of these bonds and 60% of the principal and  
15 interest on approximately \$82,900,000 of these bonds. State  
16 reimbursement is subject to annual legislative appropriation.

17 (No. AO 2004-\_\_\_\_)

18 Section 4. The proposition, both for paper ballots and machine ballots, shall be  
19 printed on a ballot which may set forth other general obligation bond propositions, and the  
20 following words shall be added as appropriate and next to a square provided for marking  
21 the ballot or voting by a machine:

22 PROPOSITION NO. \_\_\_\_\_ Yes ☐  
23 No ☐

24 Section 5. Section 2 of this Ordinance shall become effective only if the proposition  
25 described in Section 3 is approved by a majority of the qualified voters voting on the  
26 proposition at the regular election on April 6, 2004. The remaining sections of this  
27 Ordinance shall become effective upon passage and approval.

28 PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this \_\_\_\_\_  
day of February 2004.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Municipal Clerk