

*Postponed Indefinitely 2/17/04*

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

MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 2004-38

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 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, 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.

1 The full faith and credit of the Municipality is pledged for the payment of the principal of  
2 and interest on the bonds, and ad valorem taxes upon all taxable property within the  
3 Municipality shall be levied without limitation as to rate or amount to pay the principal of  
4 and interest on the bonds when due. The principal of and interest on the bonds are to be  
5 paid first from general ad valorem taxes levied and collected within the Eagle River-  
6 Chugiak Parks and Recreation Service Area.

7 Section 3. An election is to be held on April 6, 2004, in and for the Municipality of  
8 Anchorage, for the purpose of submitting a general obligation bond proposition to the  
9 qualified voters of the Municipality for approval or rejection. The proposition must receive  
10 a majority vote of those in the Municipality voting, both in the Eagle River-Chugiak Parks  
11 and Recreation Service Area and areawide, on the question to be approved. The  
12 proposition shall be substantially in the following form:

13 PROPOSITION NO. \_\_\_\_

14 EAGLE RIVER-CHUGIAK PARKS AND RECREATION  
15 SERVICE AREA BONDS

16 Shall the Municipality of Anchorage borrow up to \$1,870,000  
17 through the issuance of general obligation bonds to pay costs  
18 of equipping and constructing park improvements, recreational  
19 facilities, trail upgrades and related capital improvements and  
20 increase the municipal tax cap by an annual amount up to  
21 \$4,000 to pay for associated annual operations and  
22 maintenance costs? The proposed capital improvements  
23 would be located within the Eagle River-Chugiak Parks and  
24 Recreation Service Area.

25 Voter approval of this bond proposition authorizes for each  
26 \$100,000 of assessed taxable property value (based on the  
27 estimated total 2004 assessed valuation in the Eagle River-  
28 Chugiak Parks and Recreation Service Area): (i) an annual  
increase in taxes of approximately \$6.88 to retire the proposed  
bonds, and (ii) an annual increase in the municipal tax cap  
(Charter 14.03(b)(2)) of approximately \$0.17 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 2004-38)

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 6, 2004. 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 2004.

\_\_\_\_\_  
Chairman

ATTEST:

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

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

AO Number: 2004- 38                      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)

|                            | FY04     | FY05       | FY06       | FY07       | FY08       |
|----------------------------|----------|------------|------------|------------|------------|
| Operating Expenditures     |          |            |            |            |            |
| 1000 Personal Services     |          |            |            |            |            |
| 2000 Supplies              |          |            |            |            |            |
| 3000 Other Services        | 0        | 4          | 4          | 4          | 4          |
| 4000 Debt Service          | 0        | 160        | 160        | 160        | 160        |
| 5000 Capital Outlay        |          |            |            |            |            |
| <b>TOTAL DIRECT COSTS:</b> | <b>0</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 @ 5.5% 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 \$4,000.

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PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$159,700 equate to an estimated property tax increase of .0688 mills or \$6.88 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 \$4,000 and equate to an estimated property tax increase of .0017 mills or \$.17 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 \$7.06 per \$100,000 of assessed valuation in the Eagle River-Chugiak Parks & Recreation Service Area.


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

Validated by OMB: \_\_\_\_\_ Date: 1/30/04

Approved by:  Date: 2/03/04  
(Director, Preparing Agency)

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

Approved by:  Date: 2/3/04  
(Municipal Manager)



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 110-2004

Meeting Date: February 3, 2004

From: Mayor

Subject: \$1,870,000 Eagle River-Chugiak Parks & Recreation Service Area Bond Proposition - April 6, 2004 Election

1 The attached ordinance AO 2004-38, on approval, will place a \$1,870,000 general  
2 obligation bond proposition for the Eagle River-Chugiak Parks & Recreation Service  
3 Area (ERCPRSA) on the ballot for the general election to be held on April 6, 2004. The  
4 ordinance represents general obligation bond funding reflected in the Approved 2004  
5 General Government Capital Improvement Budget. Scheduling of the public hearing for  
6 this bond ordinance is recommended for February 17, 2004.

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  
10 playground equipment.

11  
12 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY  
13 APPROVE THE PROPOSED ORDINANCE PLACING THE EAGLE RIVER-CHUGIAK  
14 PARKS & RECREATION SERVICE AREA BOND PROPOSITION ON THE APRIL 6,  
15 2004 BALLOT.

16  
17 Concurrence:

18   
19  
20

21 Denis C. LeBlanc  
22 Municipal Manager

23  
24 Respectfully submitted,

25   
26  
27

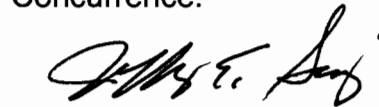
28 Mark Begich  
29 Mayor

Prepared by:



Paul J. Wiltse  
Office of Management & Budget

Concurrence:



Jeffrey E. Sinz  
Chief Fiscal Officer

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

*AD 2004-38*

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

|          |  |  |                                      |
|----------|--|--|--------------------------------------|
| <b>1</b> | <b>SUBJECT OF AGENDA DOCUMENT</b>  | <b>DATE PREPARED</b>   |                                      |
|          | <b>APRIL 2004 EAGLE RIVER/CHUGIAK PARKS AND RECREATION SERVICE AREA BOND ORDINANCE</b> | February 3, 2004<br><i>2004 FEB -3 PM 4:11</i>   |                                      |
|          |  | <b>Indicate Documents Attached</b><br><input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM |                                      |
| <b>2</b> | <b>DEPARTMENT NAME</b>   | <b>DIRECTOR'S NAME</b>   |                                      |
|          | <b>Office of Management &amp; Budget</b>   | Paul J. Wiltse   |                                      |
| <b>3</b> | <b>THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY</b>                                | <b>HIS/HER PHONE NUMBER</b>  |                                      |
|          | Bruce Holmes   | 343-4479   |                                      |
| <b>4</b> | <b>COORDINATED WITH AND REVIEWED BY</b>  | <b>INITIALS</b>  | <b>DATE</b>                          |
| X        | Mayor  | <i>[Signature]</i>   |                                      |
| X        | Municipal Manager  | <i>[Signature]</i>   | <i>2/3/04</i>                        |
|          | AWWU   |  |                                      |
|          | Development Services   |  |                                      |
|          | Employee Relations   |  |                                      |
|          | Fire   |  |                                      |
|          | Health & Human Services  |  |                                      |
|          | Maintenance & Operations   |  |                                      |
|          | Merrill Field  |  |                                      |
|          | ML&P   |  |                                      |
|          | PM&E   |  |                                      |
|          | Police   |  |                                      |
|          | Public Transportation  |  |                                      |
|          | Solid Waste  |  |                                      |
|          | Traffic  |  |                                      |
|          | <b>Economic &amp; Community Development</b>  |  |                                      |
|          | Planning   |  |                                      |
|          | HLB  |  |                                      |
|          | Port   |  |                                      |
|          | CDD  |  |                                      |
|          | Library  |  |                                      |
|          | Museum   |  |                                      |
|          | Park & Rec   |  |                                      |
| X        | Finance  | <i>[Signature]</i>   | <i>2/03/04</i>                       |
| X        | OMB  | <i>[Signature]</i>   | <i>2/03/04</i>                       |
|          | Purchasing   |  |                                      |
|          | IT   |  |                                      |
|          | <b>Municipal Attorney</b>  |  |                                      |
|          | <b>Municipal Clerk</b>   |  |                                      |
|          | <b>Other</b>   |  |                                      |
| <b>5</b> | <b>Special Instructions/Comments</b>   |  |                                      |
|          | <i>Said on the Table</i>   |  |                                      |
|          | refers to AO AO 2004-38 and AM 110-2004  |  |                                      |
|          |  |  |                                      |
|          |  |  |                                      |
| <b>6</b> | <b>ASSEMBLY HEARING DATE REQUESTED</b>   |  | <b>PUBLIC HEARING DATE REQUESTED</b> |
|          | February 3, 2004   |  | February 17, 2004                    |