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CLERK'S OFFICE
APPROVED
Date: 9-7-14

Submitted by: CHAIR TRAINI and
Assemblymember FAIRCLOUGH
Prepared by: Department of Assembly
For Reading: August 17, 2004

ANCHORAGE, ALASKA
AO NO. 2004-122

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED TWENTY-NINE MILLION SIX HUNDRED THOUSAND AND NO/00 DOLLARS (\$29,600,000) 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 A SPECIAL ELECTION IN AND FOR THE MUNICIPALITY OF ANCHORAGE ON NOVEMBER 2, 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 Twenty-Nine Million Six Hundred Thousand and no/00 Dollars (\$29,600,000), for the purpose of paying the costs of 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>
Bartlett High School Phase 3A - Design	\$1,000,000	\$-0-
Chugiak High School Phase 4 - Design	900,000	-0-
Clark Middle School Replacement - Preliminary Design	400,000	-0-
East High School - Phase 4A Construction/Phase 4B Design	7,000,000	-0-
Service High School Phase 2B Construction/Phase 3 Design	20,300,000	99,800

1 **Section 2.** The sum of not to exceed Twenty-Nine Million Six Hundred Thousand
2 and no/00 Dollars (\$29,600,000) shall be borrowed by, for and on behalf of the Municipality
3 for the aforesaid educational capital improvements and shall be evidenced by the issuance
4 of general obligation bonds of the Municipality. The bond proceeds shall be used only for
5 capital improvements and costs of issuance of the bonds. The full faith and credit of the
6 Municipality is pledged for the payment of the principal of and interest on the bonds, and
7 ad valorem taxes upon all taxable property in the Municipality shall be levied without
8 limitation as to rate or amount to pay the principal of and interest on the bonds when due.
9

10 **Section 3.** A special election is to be held on November 2, 2004, in and for the
11 Municipality of Anchorage, for the purpose of submitting a general obligation bond
12 proposition to the qualified voters of the Municipality for approval or rejection. The
13 proposition must receive a majority vote of those in the Municipality voting on the question
14 to be approved. The proposition shall be substantially in the following form:

15 **PROPOSITION NO. _____**

16 **EDUCATIONAL CAPITAL IMPROVEMENT BONDS**

17 Shall Anchorage borrow up to \$29,600,000 through the
18 issuance of general obligation bonds to pay for school
19 construction/design/site acquisitions and related educational
20 capital improvements within Anchorage and increase the
21 municipal tax cap by an amount of \$99,800 to pay for
22 associated annual operations and maintenance costs?
23 \$29,600,000 of the estimated costs of the projects currently
24 qualify for 60% or 70% State debt reimbursement (subject to
25 annual Legislative appropriation as described below).

26 The general obligation bond proceeds will be used to pay costs
27 of designing, acquiring property for, site preparation, construct-
28 ing, 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:

<u>Projects</u>	<u>Estimated Cost</u>	<u>Estimated Annual Operation and Maintenance</u>
Bartlett High School Phase 3A - Design	\$1,000,000	\$-0-
Chugiak High School Phase 4 - Design	900,000	-0-
Clark Middle School Replacement - Preliminary Design	400,000	-0-
East High School - Phase 4A Construction/Phase 4B Design	7,000,000	-0-
Service High School Phase 2B Construction/Phase 3 Design	20,300,000	99,800

Voter approval of this bond proposition authorizes for each \$100,000 of assessed real and personal property value (based on the 2004 assessed valuation): (i) an annual increase in taxes of approximately \$11.88 to retire the proposed bonds, and (ii) an annual increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately .47¢ to pay for annual operation and maintenance costs related to the proposed capital improvements.

\$29,600,000 of the estimated costs of the projects currently qualify for 60% or 70% State debt reimbursement. If the State chooses to make full reimbursement, the annual increase in taxes would be \$4.54 (based on \$100,000 of 2004 assessed real and personal property value). State reimbursement is subject to annual Legislative appropriation

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

(No. AO 2004-122)

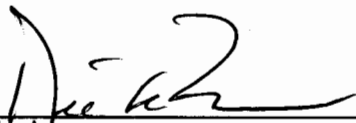
Section 4. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other general obligation bond propositions, and the following words shall be added as appropriate and next to a square provided for marking the ballot or voting by a machine:

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

1 proposition at the special election held on November 2, 2004. The remaining sections of
2 this Ordinance shall become effective upon passage and approval.

3 PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this 7th
4 day of September 2004.

5 
6 _____
7 Chairman

8 ATTEST:

9 
10 _____
11 Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2004-122

Title: \$29,600,000 ASD Bond Proposition

Sponsor: Chair Traini

Preparing Agency: Department of Assembly

Others Impacted: Anchorage School District

CHANGES IN EXPENDITURES AND REVENUES:

(In Thousands of Dollars)

	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor					
3900 Contributions					
4000 Debt Service	-	2.6	2.6	2.6	2.6
TOTAL DIRECT COSTS:	\$ -	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6
<hr/>					
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ -	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp

PUBLIC SECTOR ECONOMIC EFFECTS:

The estimated annual debt service will be \$2,528,536 based on a 20-year amortization schedule at an interest rate of 5.75%.

After completion of the Service High School Phase 2B Construction/Phase 3 Design, the annual operations and maintenances costs are estimated at \$99,800.

PRIVATE SECTOR ECONOMIC EFFECTS:

The estimated annual debt service will be \$2,528,536 which equates to an estimated property tax increase of \$11.88 per \$100,000 of assessed valuation.

An annual increase in the Municipal Tax Cap Limitation of \$99,800 will result in a cost of \$.047 per \$100,000 of the assessed valuation.

Prepared by: Elvi Gray-Jackson

Telephone: 343-4751



MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM

NO. ^{AM} 631-2004

Meeting Date: August 17, 2004

From: Chair Traini

Subject: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED TWENTY-NINE MILLION SIX HUNDRED THOUSAND AND NO/00 DOLLARS (\$29,600,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS

The attached ordinance is being submitted to remove the West High School/Romig Middle School Planning (\$200,000) project and the New Southwest Anchorage Area Elementary School Preliminary Design (\$150,000) project from the bond proposition because planning for future projects does not qualify for State debt reimbursement.

Your approval of AO 2004-122 is requested.

Respectfully submitted,

Prepared by:

Dick Traini
Chair

Elvi Gray-Jackson, Director
Budget and Legislative Services Office

EGJ/2004ASSEMBLYMEMORANDUMS/AM12

AO 2004-122

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

AO 2004-122

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT An Ordinance Providing for the Submission to the Qualified Voters of Anchorage, AK, the Questio of the Issuance of Not to Exceed \$29,600.00 to Pay the Costs of Educational Capital Improvements in the MOA	DATE PREPARED 8-Jun-04 <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM	
2	DEPARTMENT NAME Assembly	DIRECTOR'S NAME Dick Traini	
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Bond Counsel/Elvi Gray-Jackson	HIS/HER PHONE NUMBER 343-4751	
4	COORDINATED WITH AND REVIEWED BY	INITIALS	DATE
	Mayor		
	Heritage Land Bank		
	Merrill Field Airport		
	Municipal Light & Power		
	Port of Anchorage		
	Solid Waste Services		
	Water & Wastewater Utility		
	Municipal Manager		
	Cultural & Recreational Services		
	Employee Relations		
	Finance, Chief Fiscal Officer		
	Fire		
	Health & Human Services		
	Office of Management and Budget		
	Management Information Services		
	Police		
	Planning, Development & Public Works		
	Development Services		
	Facility Management		
	Planning		
	Project Management & Engineering		
	Street Maintenance		
	Traffic		
	Public Transportation Department		
	Purchasing		
	Municipal Attorney		
	Municipal Clerk		
	Other		
5	Special Instructions/Comments <div style="text-align: center; font-style: italic;">Addendum - Introduction</div>		
6	ASSEMBLY HEARING DATE REQUESTED <i>8/17/04</i>	7	PUBLIC HEARING DATE REQUESTED <i>9/7/04</i>

2004 AUG 13 AM 11:32
 CLERK'S OFFICE
 MOA