

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Robin Ward  
For Reading: January 31, 2006

1  
2 CLERK'S OFFICE  
3 **AMENDED AND APPROVED**  
Date: 2-14-06  
4 IMMEDIATE RECONSIDERATION  
FAILED 2-14-06

MUNICIPALITY OF ANCHORAGE

5 ALASKA

6 ORDINANCE NO. AO 2006-32

7 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO  
8 THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE  
9 QUESTION OF THE ISSUANCE OF TWO MILLION  
10 DOLLARS (\$2,000,000) OF GENERAL OBLIGATION BONDS  
11 OF THE MUNICIPALITY OF ANCHORAGE TO PAY FOR THE  
ACQUISITION AND RESTORATION OF THE 4<sup>TH</sup> AVENUE  
12 THEATRE IN THE MUNICIPALITY OF ANCHORAGE AT AN  
ELECTION IN AND FOR THE MUNICIPALITY OF ANCHOR-  
13 AGE ON APRIL 4, 2006.

14 THE ANCHORAGE ASSEMBLY HEREBY ORDAINS:

15 Section 1. It is hereby determined to be for a public purpose and in the public  
16 interest of the Municipality of Anchorage, Alaska (the "Municipality") to incur general  
17 obligation bonded indebtedness in an amount not to exceed TWO MILLION DOLLARS  
18 (\$2,000,000) for the purpose of paying the costs of acquiring and restoring the 4<sup>th</sup> Avenue  
19 Theatre located in the Municipality. **It is further determined that if the proposition**  
20 **described in Section 3 hereof is approved by the majority of qualified voters and the**  
21 **4<sup>th</sup> Avenue Theatre is acquired and restored by the Municipality, the 4<sup>th</sup> Avenue**  
22 **Theatre will be used for those purposes and activities the Assembly finds would**  
23 **complement existing commercial activities within the Central Business District and**  
24 **enhance the cultural and economic vitality of the Downtown Area. Those findings**  
**must be set forth in an ordinance approving an operations plan for the Theatre.**

25 Section 2. The sum of not to exceed Two Million Dollars (\$2,000,000) shall be  
26 borrowed by, for and on behalf of the Municipality for the aforesaid capital improvements  
27 and shall be evidenced by the issuance of general obligation bonds of the Municipality. The  
28 bond proceeds shall be used only for payment of capital improvements and costs of

1 issuance of the bonds. The full faith and credit of the Municipality is pledged for the  
2 payment of the principal of and interest on the bonds, and ad valorem taxes upon all  
3 taxable property in the Municipality shall be levied without limitation as to rate or amount to  
4 pay the principal of and interest on the bonds when due. **No bonds shall be issued**  
5 **unless \$2,000,000 in matching funds are raised from any source, private or public**  
6 **within 24 months of voter approval of this proposal.**

7 Section 3. An election is to be held on April 4, 2006, in and for the Municipality, for  
8 the purpose of submitting a general obligation bond proposition to the qualified voters of  
9 the Municipality for approval or rejection. The proposition must receive an "areawide"  
10 majority vote of those in the Municipality voting on the question to be approved. The  
11 proposition shall be substantially in the following form:

12 PROPOSITION NO. \_\_\_\_\_

13 ACQUISITION AND RESTORATION OF  
14 THE 4<sup>TH</sup> AVENUE THEATRE BOND

15 Shall Anchorage borrow up to \$2,000,000 through the  
16 issuance of general obligation bonds to pay a portion of the  
17 costs of acquiring and restoring the 4<sup>th</sup> Avenue Theatre located  
18 in downtown Anchorage?

18 The Municipality will seek matching funds to pay for additional  
19 costs associated with the acquisition and restoration of the 4<sup>th</sup>  
20 Avenue Theatre. **No bonds shall be issued unless**  
**\$2,000,000 in matching funds are raised from any source,**  
**private or public within 24 months of voter approval of this**  
**proposal.**

21 Voter approval of this bond proposition authorizes for each  
22 \$100,000 of assessed taxable property value (based on the  
23 estimated total 2006 areawide assessed valuation in  
24 Anchorage) an annual increase in taxes of approximately  
25 \$0.65 to retire the proposed bonds.

24 The debt shall be paid from real and personal property taxes  
25 levied and collected areawide within Anchorage. Anchorage  
26 will also pledge its full faith and credit for payment of the  
27 bonds.

28 (No. AO 2006-32)



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

AO 2006- 32 Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE, ALASKA AT THE REGULAR MUNICIPAL ELECTION APRIL 4, 2006, THE QUESTION OF THE ISSUANCE OF TWO MILLION (\$2,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY FOR THE ACQUISITION AND RESTORATION OF THE 4<sup>TH</sup> AVENUE THEATRE IN THE MUNICIPALITY OF ANCHORAGE.

Sponsor: Mark Begich, Mayor  
 Preparing Agency: Heritage Land Bank and Real Estate Services  
 Others Impacted:

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**CHANGES IN EXPENDITURES AND REVENUES:** (Thousands of Dollars)  
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	FY07	FY08	FY09	FY10	FY11
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service	164	164	164	164	164
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>

6000 IGCs

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 FUNCTION COST:  
 -----

REVENUES:  
 -----

CAPITAL:  
 -----

POSITIONS:  
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**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of \$163,905 assumes bonds are sold as a package @ 5.25% interest, with bond repayments corresponding to the expected life of the assets financed; 20 years.

Annual operations and maintenance costs are estimated at \$0.  
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Prepared for Mark Begich, Mayor

Telephone:



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 81-2006

Meeting Date: January 31, 2006

1 **From:** Mayor

2  
3 **Subject:** An Ordinance for the Qualified Voters of Anchorage, Alaska in the Amount  
4 of \$2,000,000 of General Obligation Bonds for Area wide Acquisition and  
5 Restoration of the 4<sup>th</sup> Avenue Theatre  
6

7 The attached Ordinance No. AO 2006-32, on approval, will place a \$2,000,000 general  
8 obligation bond proposition for Areawide Acquisition and Restoration of the 4<sup>th</sup> Avenue  
9 Theatre on the ballot for the regular Municipal election to be held on April 4, 2006.  
10

11 The administration recommends scheduling a public hearing for this bond ordinance on  
12 February 14, 2006.  
13

14 The 4<sup>th</sup> Avenue Theatre is an icon of Anchorage's earlier days and one of Anchorage's  
15 and Alaska 's most important historic landmarks. The theatre is currently for sale with  
16 few prohibitions on use and none on demolition of the building. The bond provides  
17 funds for a grant for a portion of the cost to acquire and restore the building, which  
18 includes the theatre, façade and office space.  
19

20 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY  
21 APPROVE THE PROPOSED ORDINANCE PLACING THE AREAWIDE ACQUISITION  
22 AND RESTORATION OF THE 4<sup>TH</sup> AVENUE THEATRE BOND PROPOSITION ON  
23 THE APRIL 4, 2006 BALLOT.  
24  
25

26 Prepared by: Jeffrey E. Sinz, Chief Fiscal Officer  
27 Concurrence: Janet L. Mitson, Office of Management & Budget  
28 Concurrence: Denis C. LeBlanc, Municipal Manger  
29 Respectfully submitted: Mark Begich, Mayor