MUNICIPALITY OF ANCHORAGE

ALASKA

ORDINANCE NO. AO 2006-32

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO
THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE
QUESTION OF THE ISSUANCE OF TWO MILLION
DOLLARS ($2,000,000) OF GENERAL OBLIGATION BONDS
OF THE MUNICIPALITY OF ANCHORAGE TO PAY FOR THE
ACQUISITION AND RESTORATION OF THE 4th AVENUE
THEATRE IN THE MUNICIPALITY OF ANCHORAGE AT AN
ELECTION IN AND FOR THE MUNICIPALITY OF ANCHOR-
AGE ON APRIL 4, 2006.

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 TWO MILLION DOLLARS
($2,000,000) for the purpose of paying the costs of acquiring and restoring the 4th Avenue
Theatre located in the Municipality. It is further determined that if the proposition
described in Section 3 hereof is approved by the majority of qualified voters and the
4th Avenue Theatre is acquired and restored by the Municipality, the 4th Avenue
Theatre will be used for those purposes and activities the Assembly finds would
complement existing commercial activities within the Central Business District and
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.

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

Section 3. An election is to be held on April 4, 2006, 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 an "areawide" 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. _____**

**ACQUISITION AND RESTORATION OF THE 4TH AVENUE THEATRE BOND**

Shall Anchorage borrow up to $2,000,000 through the issuance of general obligation bonds to pay a portion of the costs of acquiring and restoring the 4th Avenue Theatre located in downtown Anchorage?

The Municipality will seek matching funds to pay for additional costs associated with the acquisition and restoration of the 4th 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.**

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

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

(No. AO 2006-32)
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 4, 2006. The remaining sections of this Ordinance shall become effective upon passage and approval.

PASSED AND APPROVED by the Assembly of Anchorage, Alaska, this 14th day of February 2006.

[Signature]
Chair

ATTEST:

[Signature]
Municipal Clerk
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 4TH AVENUE THEATRE IN THE MUNICIPALITY OF ANCHORAGE.

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

<table>
<thead>
<tr>
<th>CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)</th>
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<tbody>
<tr>
<td>FY07</td>
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<tr>
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</tr>
<tr>
<td><strong>Operating Expenditures</strong></td>
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<td>1000 Personal Services</td>
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<tr>
<td>2000 Supplies</td>
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<tr>
<td>3000 Other Services</td>
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<tr>
<td>4000 Debt Service</td>
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<td>5000 Capital Outlay</td>
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<td><strong>TOTAL DIRECT COSTS:</strong></td>
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<tr>
<td>6000 IGCs</td>
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<td><strong>FUNCTION COST:</strong></td>
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<td><strong>POSITIONS:</strong></td>
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<tr>
<td><strong>PUBLIC SECTOR ECONOMIC EFFECTS:</strong></td>
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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.

Prepared for Mark Begich, Mayor  
Telephone:
From: Mayor

Subject: An Ordinance for the Qualified Voters of Anchorage, Alaska in the Amount of $2,000,000 of General Obligation Bonds for Area wide Acquisition and Restoration of the 4\textsuperscript{th} Avenue Theatre

The attached Ordinance No. AO 2006-\textsuperscript{32}, on approval, will place a $2,000,000 general obligation bond proposition for Area wide Acquisition and Restoration of the 4\textsuperscript{th} Avenue Theatre on the ballot for the regular Municipal election to be held on April 4, 2006.

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

The 4\textsuperscript{th} Avenue Theatre is an icon of Anchorage’s earlier days and one of Anchorage’s and Alaska’s most important historic landmarks. The theatre is currently for sale with few prohibitions on use and none on demolition of the building. The bond provides funds for a grant for a portion of the cost to acquire and restore the building, which includes the theatre, façade and office space.

THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE PROPOSED ORDINANCE PLACING THE AREAWIDE ACQUISITION AND RESTORATION OF THE 4\textsuperscript{TH} AVENUE THEATRE BOND PROPOSITION ON THE APRIL 4, 2006 BALLOT.

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