

Submitted by: Chairman of the Assembly at the  
Request of the Mayor  
Prepared by: Cynthia M. Weed  
K&L PRESTON GATES ELLIS LLP  
For Reading: January 30, 2007

CLERK'S OFFICE  
**AMENDED AND APPROVED**  
Date: 2-13-07

MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-29

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$5,700,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF PUBLIC SAFETY AND TRANSPORTATION IMPROVEMENTS AND RELATED CAPITAL IMPROVEMENTS, AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 3, 2007.

WHEREAS, the best interest of the citizens and property owners in the Municipality of Anchorage, Alaska (the "Municipality") require the Municipality to acquire and equip certain public safety vehicles, emergency signal system, radio communications, transit fleet and transportation systems, and

WHEREAS, the Assembly of the Municipality have identified necessary public safety and transportation improvement projects with Municipality; and

WHEREAS, in order to provide funds to perform the necessary acquisitions, upgrades and improvements as further described in Section 1 of this ordinance (the "Projects"), it is deemed necessary and advisable that the Municipality issue and sell its general obligation bonds (the "Bonds");

1 NOW, THEREFORE, THE MUNICIPALITY OF ANCHORAGE ORDAINS:

2 Section 1. Purpose. The Assembly hereby determines that the Municipality is in  
3 need of mobile intensive care units, areawide radio communication system upgrades, emergency  
4 signal system preempt program, replacement of people mover vehicles, transit fleet and facility  
5 improvements, and related capital improvements (the "Projects"). The Assembly of the  
6 Municipality hereby determines that the best interest of the residents and property owners within  
7 the Municipality require the Municipality to undertake the Projects at the time and in the order  
8 and in the manner deemed most necessary and advisable by the Municipality. The estimated cost  
9 of the Projects, including incidental costs and costs related to issuing and selling the Bonds as  
10 provided in this ordinance, is estimated to be \$5,700,000.

11 The Projects are described in more detail in the attachment to the Assembly Memorandum  
12 accompanying this ordinance. The cost of all necessary planning, acquisition of property for,  
13 site preparation, construction, installing and equipping of the Projects, architectural, engineering,  
14 design, and other consulting services, inspection and testing, administrative expenses, costs of  
15 issuance of the Bonds (hereinafter defined) and other costs incurred in connection with the  
16 Projects shall be deemed to be costs of the approved Projects. The approved Projects may be  
17 completed with all necessary equipment and appurtenances.

18 The Municipality shall determine the application of available moneys as between the  
19 various Projects so as to accomplish, as nearly as may be, all of the Projects described or  
20 provided for in this section.

21 If the Municipality shall determine that it has become impractical to accomplish any portion  
22 of the approved Projects by reason of changed conditions or needs, incompatible development or

1 costs substantially in excess of those estimated, the Municipality shall not be required to  
2 accomplish such portions and shall apply Bond proceeds as set forth in this section.

3 If the approved Projects have been completed in whole or in part, or their completion duly  
4 provided for, or their completion found to be impractical, the Municipality may apply Bond  
5 proceeds or any portion thereof to other Municipality public safety and transportation capital  
6 improvements at its sole discretion. Otherwise, the Municipality shall apply such remaining  
7 proceeds solely to payment of principal or interest on the Bonds, as provided in the Home Rule  
8 Charter. In the event that the proceeds of sale of the Bonds, plus any other monies of the  
9 Municipality legally available, are insufficient to accomplish the approved Projects, the  
10 Municipality shall use the available funds for paying the cost of those portions of the approved  
11 Projects deemed by the Municipality most necessary and in the best interest of the Municipality.  
12 No Bond proceeds shall be used for any purpose other than a capital improvement.

13 For the purpose of providing funds for the undertaking of the Projects, which are hereby  
14 found to be a public purpose and in the public interest, the Municipality hereby proposes to issue  
15 general obligation bonded indebtedness in an amount not to exceed Five Million Seven Hundred  
16 Thousand Dollars (\$5,700,000) (the "Bonds").

17 Section 2. Details of Bonds. The Bonds shall be sold in such amounts and at such  
18 time or times as deemed necessary and advisable by the Assembly and as permitted by law and  
19 shall mature over a period of 20 years from date of issue. The Bonds shall be issued in an  
20 aggregate principal amount of not to exceed \$5,700,000. The Bonds shall bear interest to be  
21 fixed at the time of sale or sales thereof. The exact form, terms, conditions, contents, security,  
22 options of redemption, and such other matters relating to the issuance and sale of said Bonds as

1 are deemed necessary and advisable by the Assembly shall be as hereinafter determined and/or  
2 delegated by ordinance and/or resolution of the Assembly.

3 The full faith and credit of the Municipality is pledged for the payment of the principal of  
4 and interest on the Bonds, and ad valorem taxes upon all taxable property in the Municipality  
5 shall be levied without limitation as to rate or amount to pay the principal and interest on the  
6 Bonds when due.

7 Section 3. Ballot Proposition. The Assembly hereby submits to the qualified electors  
8 of the Municipality the proposition of whether or not the Municipality should issue the Bonds for  
9 the purpose of financing the costs of the approved Projects at the regular municipal election to be  
10 held on April 3, 2007.

11 The Clerk shall prepare the ballot proposition to be submitted to the voters as provided by  
12 this ordinance and the Municipal Code and shall perform all necessary steps in accordance with  
13 law to place this proposition before the voters at the regular election. The proposition must  
14 receive an areawide majority vote of those in the Municipality voting on the question to be  
15 approved. The proposition shall be substantially in the following form:

16 PROPOSITION NO. \_\_\_\_

17  
18 AREAWIDE PUBLIC SAFETY AND  
19 TRANSPORTATION CAPITAL IMPROVEMENT BONDS

20  
21 For the purpose of providing public safety upgrades, including  
22 acquisition of ambulances, areawide communication upgrades,  
23 emergency signal system preemption and public transportation  
24 vehicles and related capital improvements, shall Anchorage issue  
25 up to \$5,700,000 in principal amount of general obligation bonds  
26 and increase the municipal tax cap by an amount not to exceed  
27 ~~\$30,000~~ \$200,000 to pay annual operations and maintenance costs?  
28 The proposed capital improvements would be located within  
29 Anchorage.  
30

1 Voter approval of this bond proposition authorizes for each  
2 \$100,000 of assessed taxable property value (based on the  
3 estimated total 2007 areawide assessed valuation in Anchorage)  
4 (i) an annual increase in taxes of approximately \$1.60 to retire the  
5 proposed bonds, and (ii) an annual increase in the Municipal Tax  
6 Cap (Charter 14.03(b)(2)) of approximately ~~\$0.10~~ **\$0.68** to pay for  
7 annual operations and maintenance costs related to the proposed  
8 capital improvements.  
9

10 The debt shall be paid from real and personal property taxes levied  
11 and collected areawide within Anchorage. Anchorage will also  
12 pledge its full faith and credit for payment of the bonds.  
13

14 (No. AO 2007-\_\_)

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

19 PROPOSITION NO. \_\_\_\_\_ BONDS, YES   
20 BONDS, NO

21 Section 5. Effective Dates. Section 2 of this ordinance shall become effective only if  
22 the proposition described in Section 3 is approved by a majority of the qualified voters voting on  
23 the proposition at the regular election held on April 3, 2007. The remaining sections of this  
24 ordinance shall become effective upon passage and approval.

1 PASSED AND APPROVED by the Anchorage Assembly, this 13<sup>th</sup> day of  
2 February, 2007.

3 Dan Sullivan  
4 Chair

5  
6 ATTEST:

7  
8 Rolando S. Fuentes  
9 Municipal Clerk  
10

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Prepared by

K&L PRESTON GATES ELLIS LLP

MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2007-29

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

AO Number: 2007- 29                      Title: \$5,700,000 - Public Safety and Transportation Improvements  
 Sponsor:  
 Preparing Agency: Public Finance and Investments  
 Others Impacted:

**CHANGES IN EXPENDITURES AND REVENUES:**                      (Thousands of Dollars)

	FY07	FY08	FY09	FY10	FY11
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	0	30	30	30	30
4000 Debt Service	0	467	467	467	467
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>	<b>0</b>	<b>497</b>	<b>497</b>	<b>497</b>	<b>497</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 \$467,400 assumes bonds are sold as a package @ 5.25% interest, with bond repayments corresponding to the expected life of the assets financed of 5 to 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$30,000.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$467,400 equate to an estimated property tax increase of .0160 mills or \$1.60 per year on \$100,000 of assessed valuation for Public Safety and Transportation.

When fully operational, increased annual operations and maintenance costs are estimated at \$30,000 and equate to an estimated property tax increase of .0010 mills or \$0.10 per year on \$100,000 of assessed valuation for Public Safety and Transportation.

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 \$1.70 per \$100,000 of assessed valuation for Public Safety and Transportation.



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 99 -2007

Meeting Date: January 30, 2007

1 **From:** Mayor

2  
3 **Subject:** An Ordinance for the Qualified Voters of Anchorage, Alaska in the Amount  
4 of \$5,700,000 of General Obligation Bonds for Public Safety and  
5 Transportation Improvements  
6  
7

8 The attached ordinance will place a \$5,700,000 general obligation bond proposition for  
9 Public Safety and Transportation Improvements on the ballot for the regular Municipal  
10 election to be held on April 3, 2007.  
11

12 The administration recommends scheduling a public hearing for this bond ordinance on  
13 February 13, 2007.  
14

15 The 2007 Public Safety and Transportation bond will implement the priorities  
16 established in the recently approved 2007-2012 Capital Improvement Program. The  
17 bond focuses on public safety upgrades, including acquisition of ambulances, areawide  
18 communication upgrades, and emergency transportation vehicles and related capital  
19 improvements.  
20

21 THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY  
22 APPROVE THE PROPOSED ORDINANCE PLACING THE PUBLIC SAFETY AND  
23 TRANSPORTATION BOND PROPOSITION ON THE APRIL 3, 2007 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  
30  
31  
32  
33  
34

AM 2007 Public Safety Prop



Municipality of Anchorage

DETAILED LIST OF 2007 BOND PROJECTS  
BY SERVICE AREA

PROJECT TITLE	(000's)					Total Project	Debt Service	O & M
	GO Bonds	State	Federal	Other Funds				
<b>Areawide - Public Safety &amp; Transportation</b>								
AMBULANCES-REPLACE (4) MOBILE INTENSIVE CARE UNITS	\$1,000	\$0	\$0	\$0	\$0	\$1,000	\$82.0	\$0.0
AREAWIDE RADIO COMMUNICATIONS SYSTEM	\$3,500	\$0	\$1,000	\$0	\$0	\$4,500	\$287.0	\$0.0
EMERGENCY SIGNAL SYSTEM PREEMPT PROGRAM	\$300	\$950	\$0	\$0	\$0	\$1,250	\$24.6	\$30.0
REPLACE ANCHORIDES AND PEOPLEMOVER VEHICLES	\$351	\$2,569	\$3,548	\$0	\$0	\$6,468	\$28.8	\$0.0
TRANSIT FLEET & FACILITY IMPROVEMENTS	\$549	\$0	\$262	\$0	\$0	\$811	\$45.0	\$0.0
<b>TOTAL Areawide - Public Safety &amp; Transportation</b>	<b>\$5,700</b>	<b>\$3,519</b>	<b>\$4,810</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,029</b>	<b>\$467.4</b>	<b>\$30.0</b>

"It is the expectation of the Municipality of Anchorage that the general obligation bonds proposed for April 2007 will be used to make capital improvements to facilities in each service area noted. Project details describe how MOA expects to use the bond proceeds. However, as project development progresses, changes in scope, project feasibility, phasing, timeline, or estimated costs may occur that result in acceleration, delay, or substitution of projects."

**Content Information**

**Content ID :** 004755

**Type:** Ordinance - AO

An Ordinance for the Qualified Voters of Anchorage in the Amount  
**Title:** of \$5,700,000 of G.O. Bonds for Public Safety & Transportation  
 Improvements, Finance

**Author:** pruittns

**Initiating Dept:** Finance

**Keywords:** Proposition, General Obligation, Bonds, Public Safety,  
 Transportation

**Date Prepared:** 1/19/07 12:09 PM

**Director Name:** Jeffrey E. Sinz

**Assembly Meeting  
 Date MM/DD/YY:** 1/30/07

**Public Hearing Date  
 MM/DD/YY:** 2/13/07

M.O.A.  
 2007 JAN 22 AM 10:15  
 CLEANS OFFICE

**Workflow History**

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllOrdinanceWorkflow	1/19/07 12:14 PM	Checkin	pruittns	Public	004755
Finance_SubWorkflow	1/19/07 12:55 PM	Approve	sinzje	Public	004755
OMB_SubWorkflow	1/19/07 1:05 PM	Approve	mitsonjl	Public	004755
Legal_SubWorkflow	1/19/07 1:06 PM	Approve	fehlenrl	Public	004755
MuniManager_SubWorkflow	1/19/07 2:08 PM	Approve	leblancdc	Public	004755
MuniMgrCoord_SubWorkflow	1/19/07 3:25 PM	Approve	abbottmk	Public	004755