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Requested by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Cynthia M. Weed, Bond Counsel
K&L PRESTON GATES ELLIS LLP
For Reading: January 29, 2008

8 MUNICIPALITY OF ANCHORAGE
9 ORDINANCE No. AO 2008-19
10

11 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED
12 VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF
13 NOT TO EXCEED FORTY-FOUR MILLION EIGHT HUNDRED THOUSAND
14 DOLLARS (\$44,800,000) OF GENERAL OBLIGATION BONDS OF THE
15 MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM
16 DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF
17 AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY
18 ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE
19 ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN
20 THE MUNICIPALITY ON APRIL 1, 2008.

21
22 **WHEREAS**, the best interest of the citizens and property owners in the Anchorage Roads
23 and Drainage Service Area serving the Municipality of Anchorage, Alaska (the
24 "Municipality") require the Municipality to the construct certain road improvements,
25 roadway safety improvements, storm collection drainage and treatment improvements and
26 related capital improvements; and

27 **WHEREAS**, the Assembly of the Municipality have identified necessary capital
28 acquisitions, construction, renovations, upgrades and improvements within the Anchorage
29 Roads and Drainage Service Area; and

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

34 **THE ANCHORAGE ASSEMBLY ORDAINS:**

1 **Section 1.** Purpose. The Assembly hereby determines that the roads and storm
2 drainage within the Anchorage Roads and Drainage Service Area are in need of
3 improvement, renewal and renovation (the "Projects"). The Assembly of the Municipality
4 hereby determines that the best interest of the residents and property owners within the
5 Anchorage Roads and Drainage Service Area require the Municipality to undertake the
6 Projects at the time and in the order and in the manner deemed most necessary and
7 advisable by the Municipality. The estimated cost of the Projects, including incidental
8 costs and costs related to issuing and selling the Bonds as provided in this ordinance, is
9 estimated to be \$44,800,000.

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

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

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

1 Municipality shall not be required to accomplish such portions and shall apply Bond
2 proceeds as set forth in this section.

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

14 For the purpose of providing funds for the undertaking of the Projects, which are
15 hereby found to be a public purpose and in the public interest, the Municipality hereby
16 proposes to issue general obligation bonded indebtedness in an amount not to exceed
17 Forty-Four Million Eight Hundred Thousand Dollars (\$44,800,000) (the "Bonds").

18 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at such
19 time or times as deemed necessary and advisable by the Assembly and as permitted by law
20 and shall mature over a period of 20 years from date of issue. The Bonds shall be issued in
21 an aggregate principal amount of not to exceed \$44,800,000. The Bonds shall bear interest
22 to be fixed at the time of sale or sales thereof. The exact form, terms, conditions, contents,
23 security, options of redemption, and such other matters relating to the issuance and sale of

1 said Bonds as are deemed necessary and advisable by the Assembly shall be as hereinafter
2 determined and/or 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
4 principal of and interest on the Bonds, and ad valorem taxes upon all taxable property in
5 the Municipality shall be levied without limitation as to rate or amount to pay the principal
6 and interest on the Bonds when due. The principal of and interest on the Bonds are to be
7 paid first from ad valorem taxes levied and collected within the Anchorage Roads and
8 Drainage Service Area.

9 **Section 3.** **Ballot Proposition.** The Assembly hereby submits to the qualified electors
10 of the Municipality the proposition of whether or not the Municipality should issue the
11 Bonds for the purpose of financing the costs of the approved Projects at the regular
12 municipal election to be held on April 1, 2008.

13 The Clerk shall prepare the ballot proposition to be submitted to the voters as
14 provided by this ordinance and the Municipal Code and shall perform all necessary steps in
15 accordance with law to place this proposition before the voters at the regular election. The
16 proposition must receive a majority vote of those in the Municipality voting, both in the
17 Anchorage Roads and Drainage Service Area and areawide, on the question to be
18 approved. The proposition shall be substantially in the following form:

19 PROPOSITION NO. _____

20
21 ANCHORAGE ROADS AND DRAINAGE SERVICE
22 AREA ROAD AND STORM DRAINAGE BONDS
23

24 For the purpose of providing streets and roads
25 improvements, streets and roads safety improvements,
26 drainage collection, drainage treatment and related capital
27 improvements, shall Anchorage borrow money and issue up
28 to \$44,800,000 in principal amount of general obligation

bonds and increase the municipal tax cap by an annual amount not to exceed \$1,899,000 to pay the associated annual operations and maintenance costs? The proposed capital improvements would be located within the Anchorage Roads and Drainage Service Area. The debt shall be paid from real and personal property taxes levied and collected within the Anchorage Roads and Drainage Service Area.

Anchorage will also pledge its full faith and credit for payment of the debt.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated 2008 assessed valuation in the Anchorage Roads and Drainage Service Area): (i) an annual increase in taxes of approximately \$14.70 to retire the proposed bonds, and (ii) an annual increase necessary to fund the proposed increase in the municipal tax cap (Charter 14.03(b)(2)) of approximately \$7.77 to pay for annual operations and maintenance costs related to the proposed capital improvements.

(No. AO 2008-_____)

Section 4. Submission of Question to Voters. 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. _____

BONDS, YES ☐

BONDS, NO ☐

Section 5. Effective Dates. 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 regular election held on April 1, 2008. The remaining sections of this ordinance shall become effective upon passage and approval.

1 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this ____
2 day of _____, 2008.

By _____

Chair of the Assembly

3
4
5
6
7 ATTEST:

8
9
10 _____
11 Municipal Clerk
12

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. AO 2008-19

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FORTY-FOUR MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$44,800,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2008.

Prepared by

K&L PRESTON GATES ELLIS LLP

MUNICIPALITY OF ANCHORAGE
ORDINANCE No. AO 2008-19

TABLE OF CONTENTS*

	Page
Section 1. Purpose	2
Section 2. Details of Bonds	3
Section 3. Ballot Proposition.....	4
Section 4. Submission of Question to Voters.....	5
Section 5. Effective Dates	5

* This Table of Contents and the cover page are for convenience of reference and are not intended to be a part of this ordinance.

**2008 Anc Roads Drainage Service Area
Bond Proposition Project Summary**

Project Name	Amount x\$1000	O&M x\$1000	Assy Dist
100th Ave Reconstruction (RTP)- Pointe Resolution Dr to Victor Rd	200	120	6
16th Ave/Chance Ct Area Circulation Improvements - Medfra St to Orca St	800	11	1
32nd Ave Upgrade - Muldoon Rd to Brookridge Dr	400	0	5
35th Ave/McRae St Upgrade - Wisconsin St to Spenard Rd	400	0	3
40th Ave Extension - Lake Otis Pkwy to Dale St	500	91	4
40th Ave Signal at Arctic Blvd	900	25	4
48th Ave/Boniface Pkwy Extension - Tudor Rd to Elmore Rd	200	398	4
58th Ave Reconstruction RID - Arctic Blvd to Silverado Way	2,800	6	4
6th Ave Reconstruction - Patterson St to Muldoon Rd	400	0	5
72nd Ave Upgrade - Brayton Dr to Lake Otis Pkwy	200	107	4
72nd Ave/Spruce St/Lore Rd Upgrade (RTP) - Lake Otis Pkwy to Elmore Rd	200	121	4
80th Ave Upgrade (RTP) - Lake Otis Pkwy to Spruce St	200	65	4
88th Ave Upgrade - Lake Otis Pkwy to South Cir	200	58	4
ADA Improvements	200	20	ARDSA
Alaska Railroad Crossing Rehabs	500	40	ARDSA
Anchorage Signal System, Signage, and Safety Improvements	600	40	ARDSA
ARDSA Road and Drainage System Rehab	600	0	ARDSA
ARDSA Street Light Improvements	200	10	ARDSA
Arlene St/Pelican Dr/Pelican Cir/Kingfisher Dr Area Road Reconstruction RID	900	0	3
B St Reconstruction RID - 40th Ave to Tudor Rd	100	0	4
Bayshore West Subd Area Reconstruction RID	7,800	20	6
Chester Creek Improvements - Boniface Pkwy to Military Boundary	500	0	5
Dowling Rd Upgrade (East) - Lake Otis Pkwy to Elmore Rd	200	242	4
Downtown Pedestrian, Lighting, and Safety Improvements/ E St Corridor Enhancements Phase I - 4th/5th Alley to 7th/8th Alley	6,700	160	1
Electrical Load Center Upgrades	50	0	ARDSA
F St and G St Connectivity	1,500	160	1
Fairview Area Pedestrian and Street Amenities	250	15	1
Flooding/Glaciation/Drainage Improvements	1,000	0	ARDSA
Independence Dr Reconstruction - Abbott Rd to Ridgmont Dr	200	34	6
Intersection Safety Improvements	500	25	ARDSA
Little Campbell Creek Drainage Improvements - west of Lake Otis Pkwy	500	0	4
Local Road RID Reconstruction and Upgrades	200	0	ARDSA
Marston Dr/Foraker Dr RID Construction	3,900	23	3
Pavement Rehab Matching Program	2,500	0	ARDSA
Pedestrian Safety and Rehab Improvements	500	25	ARDSA
Peninsula Dr Extension	100	0	6
Pine St/4th Ave Storm Reconstruction - DeBarr Rd to Boniface Pkwy	200	0	ARDSA
Raspberry Rd Upgrade - Arctic Blvd to C St	200	0	3,4
Recycled Asphalt Pavement (RAP) and Chip Seal Upgrades	1,500	0	ARDSA
Spruce St Upgrade/Extension - Dowling Rd to 68th Ave	500	0	4
Traffic Calming and Safety Improvements	700	50	ARDSA
Van Buren St/48th Ave Circulation and Access Improvements - South of 48th Ave	4,300	33	3
Water Quality Upgrades on Storm Drain Outfalls	500	0	ARDSA

Anchorage Roads & Drainage Service Area

\$44,800

\$1,899

2008 Areawide
Bond Proposition Project Summary

Project Name	Amount x\$1000	O&M x\$1000	Asmb. Dist.
Ambulance Replacement Progam	1,100	0	9
Air Resources Replacement (EMS)	300	0	9
Sullivan/Museum/Loussac Facility Roof Replacement	5,125	0	9
Public Transportation Federal Grant Matching Program (4:1)	650	0	9
Areawide \$7,175		\$0	

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2008-19 Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FORTY-FOUR MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$44,800,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2008

Sponsor: Mayor
Preparing Agency: Finance
Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)

	FY08	FY09	FY10	FY11	FY12
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services	0	1,899	1,899	1,899	1,899
4000 Debt Service	0	3,595	3,595	3,595	3,595
5000 Capital Outlay					
TOTAL DIRECT COSTS:	0	5,494	5,494	5,494	5,494

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 \$3,594,868 assumes bonds are sold as a package @ 5.00% interest, with bond repayments corresponding to the expected life of the assets financed of 5 and 20 years.

When projects are completed and fully functioning, increased annual operations and maintenance costs are estimated at \$1,899,000.

PRIVATE SECTOR ECONOMIC EFFECTS:

Estimated annual debt service payments of approximately \$3,594,868 equate to an estimated property tax increase of 0.147 mills or \$14.70 per year on \$100,000 of assessed valuation in the Anchorage Roads & Drainage Service Area.

When fully operational, increased annual operations and maintenance costs are estimated at \$1,899,000 and equate to an estimated property tax increase of 0.0777 mills or \$7.77 per year on \$100,000 of assessed valuation in the Anchorage Roads & Drainage 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 \$22.47 per \$100,000 of assessed valuation in the Anchorage Roads & Drainage Service Area.



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 64-2008

Meeting Date: January 29, 2008

From: Mayor

Subject: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED FORTY-FOUR MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$44,800,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF ROAD, STORM DRAINAGE AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2008

The attached ordinance will place a general obligation bond proposition for the Anchorage Roads and Drainage Service Area (ARDSA) on the ballot for the regular Municipal election to be held on April 1, 2008.

The administration recommends scheduling a public hearing for this bond ordinance on February 12, 2008.

The 2008 ARDSA road bond will implement the priorities established in the recently approved 2008-2013 Capital Improvement Program. The bond provides funds for reduced traffic congestion, improves public safety, promotes economic development, and addresses rehabilitation needs on deteriorating collector and arterial streets.

THE ADMINISTRATION RECOMMENDS THAT THE MUNICIPAL ASSEMBLY APPROVE THE PROPOSED ORDINANCE PLACING THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA BOND PROPOSITION ON THE APRIL 1, 2008 BALLOT.

Prepared by: Sharon Weddleton, CFO

Concurrence: Janet L. Mitson, Director, Office of Management & Budget

Concurrence: James N. Reeves, Municipal Attorney

Concurrence: Denis C. LeBlanc, Municipal Manager

Respectfully submitted: Mark Begich, Mayor

AM 2008 ARDSA Prop.doc

Content Information**Content ID :** 005937**Type:** Ordinance - AO**Title:** An Ordinance for Submission of G.O. Bonds to Pay the Costs of Road, Storm Drainage and Related Capital Improvements, Finance**Author:** maglaquijp**Initiating Dept:** Finance**Keywords:** G.O., Bonds, \$44,800,000, Roads, ARDSA, proposition, bond prop**Date Prepared:** 1/18/08 10:23 AM**Director Name:** Sharon Weddleton**Assembly Meeting Date:** 1/29/08**Public Hearing Date:** 2/12/08

M.O.A.
 2008 JAN 22 PM 12:40
 CLERK'S OFFICE

Workflow History

Workflow Name	Action Date	Action	User	Security Group	Content ID
AllOrdinanceWorkflow	1/18/08 10:29 AM	Checkin	pruittns	Public	005937
AllOrdinanceWorkflow	1/18/08 10:33 AM	Reject	pruittns	Public	005937
AllOrdinanceWorkflow	1/18/08 10:37 AM	Checkin	pruittns	Public	005937
Finance_SubWorkflow	1/18/08 10:43 AM	Approve	weddletonsb	Public	005937
OMB_SubWorkflow	1/18/08 12:55 PM	Approve	mitsonjl	Public	005937
Legal_SubWorkflow	1/18/08 2:43 PM	Approve	westoverrf	Public	005937
MuniManager_SubWorkflow	1/18/08 2:48 PM	Checkin	maglaquijp	Public	005937
MuniManager_SubWorkflow	1/22/08 8:20 AM	Approve	abbottmk	Public	005937
MuniMgrCoord_SubWorkflow	1/22/08 8:20 AM	Approve	abbottmk	Public	005937