

Submitted by: ASSEMBLY MEMBER SULLIVAN  
Prepared by: Assembly Counsel from materials  
drafted by Cynthia M. Weed,  
Bond Counsel  
K&L PRESTON GATES ELLIS LLP  
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*Postponed indefinitely 2/14/08*

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. AO 2008-31**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE NOT TO EXCEED EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS (\$8,200,000) TO PAY THE COSTS OF CERTAIN ANCHORAGE DOWNTOWN PEDESTRIAN, LIGHTING AND CONNECTIVITY ENHANCEMENTS AND RELATED CAPITAL IMPROVEMENTS AND THE QUESTION OF AN INCREASE IN THE MUNICIPAL TAX CAP LIMITATION TO PAY ASSOCIATED OPERATIONS AND MAINTENANCE COSTS OF THREE HUNDRED TWENTY THOUSAND DOLLARS (\$320,000) IN THE ANCHORAGE ROADS AND DRAINAGE SERVICE AREA AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 1, 2008.

**WHEREAS**, in order to provide funds to perform the necessary acquisitions, construction, renovations, 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"), subject to voter approval; now, therefore,

**THE ANCHORAGE ASSEMBLY ORDAINS:**

**Section 1.**     **Purpose.**     The Assembly hereby determines that roads, streets and pedestrian areas within downtown Anchorage and the Anchorage Roads and Drainage Service Area are in need of improvement, renewal and renovation, including heated sidewalks and other downtown pedestrian, lighting and safety improvements on the E Street Corridor Phase I from 4<sup>th</sup>/5<sup>th</sup> Alley to 7<sup>th</sup>/8<sup>th</sup> Alley and connectivity between F Street and G Street (the "Projects"). The Assembly of the Municipality hereby determines that the best interest of the residents and property owners within the Anchorage Roads and

1 Drainage Service Area require the Municipality to undertake the Projects at the time and in  
2 the order and in the manner deemed most necessary and advisable by the Municipality.  
3 The estimated cost of the Projects, including incidental costs and costs related to issuing  
4 and selling the Bonds as provided in this ordinance, is estimated to be \$8,200,000.

5 The Projects are identified in the Attachment #2 to the Assembly Memorandum  
6 accompanying this ordinance. The cost of all necessary planning, acquisition of property  
7 for, site preparation, construction, installing and equipping of the Projects, architectural,  
8 engineering, design, and other consulting services, inspection and testing, administrative  
9 expenses, costs of issuance of the Bonds (hereinafter defined) and other costs incurred in  
10 connection with the Projects shall be deemed to be costs of the approved Projects. The  
11 approved Projects may be completed with all necessary equipment and appurtenances.

12 The Municipality shall determine the application of available moneys as between  
13 the Projects so as to accomplish, as nearly as may be, the Projects described or provided  
14 for in this section.

15 If the Municipality shall determine that it has become impractical to accomplish  
16 any portion of the approved Projects by reason of changed conditions or needs,  
17 incompatible development or costs substantially in excess of those estimated, the  
18 Municipality shall not be required to accomplish such portions and shall apply Bond  
19 proceeds as set forth in this section.

20 If the approved Projects have been completed in whole or in part, or their  
21 completion duly provided for, or their completion found to be impractical, the  
22 Municipality may apply Bond proceeds or any portion thereof to other Municipality road  
23 and storm drainage capital improvements at its sole discretion. Otherwise, the

1 Municipality shall apply such remaining proceeds solely to payment of principal or interest  
2 on the Bonds, as provided in the Home Rule Charter. In the event that the proceeds of sale  
3 of the Bonds, plus any other monies of the Municipality legally available, are insufficient  
4 to accomplish the approved Projects, the Municipality shall use the available funds for  
5 paying the cost of those portions of the approved Projects deemed by the Municipality  
6 most necessary and in the best interest of the Municipality. No Bond proceeds shall be  
7 used for any purpose other than a capital improvement.

8 For the purpose of providing funds for the undertaking of the Projects, which are  
9 hereby found to be a public purpose and in the public interest, the Municipality hereby  
10 proposes to issue general obligation bonded indebtedness in an amount not to exceed  
11 **EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS (\$8,200,000)** (the  
12 "Bonds").

13 **Section 2.** **Details of Bonds.** The Bonds shall be sold in such amounts and at such  
14 time or times as deemed necessary and advisable by the Assembly and as permitted by law  
15 and shall mature over a period of 20 years from date of issue. The Bonds shall be issued in  
16 an aggregate principal amount of not to exceed **\$8,200,000**. The Bonds shall bear interest  
17 to be fixed at the time of sale or sales thereof. The exact form, terms, conditions, contents,  
18 security, options of redemption, and such other matters relating to the issuance and sale of  
19 said Bonds as are deemed necessary and advisable by the Assembly shall be as hereinafter  
20 determined and/or delegated by ordinance and/or resolution of the Assembly.

21 The full faith and credit of the Municipality is pledged for the payment of the  
22 principal of and interest on the Bonds, and ad valorem taxes upon all taxable property in  
23 the Municipality shall be levied without limitation as to rate or amount to pay the principal

1 and interest on the Bonds when due. The principal of and interest on the Bonds are to be  
2 paid first from ad valorem taxes levied and collected within the Anchorage Roads and  
3 Drainage Service Area.

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

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

14 PROPOSITION NO. \_\_\_\_\_  
15

16 **ANCHORAGE DOWNTOWN PEDESTRIAN, LIGHTING AND CONNECTIVITY**  
17 **BONDS**  
18

19 For the purpose of undertaking heated sidewalks and other  
20 downtown pedestrian, lighting and safety improvements and  
21 connectivity, shall Anchorage borrow money and issue up to  
22 **\$8,200,000** in principal amount of general obligation bonds  
23 and increase the municipal tax cap by an annual amount not  
24 to exceed **\$320,000** to pay the associated annual operations  
25 and maintenance costs? The proposed capital improvements  
26 would be located within the Anchorage Roads and Drainage  
27 Service Area. The debt shall be paid from real and personal  
28 property taxes levied and collected within the Anchorage  
29 Roads and Drainage Service Area.  
30

31 Anchorage will also pledge its full faith and credit for  
32 payment of the debt.  
33

1 Voter approval of this bond proposition authorizes for each  
2 \$100,000 of assessed taxable property value (based on the  
3 estimated 2008 assessed valuation in the Anchorage Roads  
4 and Drainage Service Area): (i) an annual increase in taxes  
5 of approximately **\$2.69** to retire the proposed bonds, and  
6 (ii) an annual increase necessary to fund the proposed  
7 increase in the municipal tax cap (Charter 14.03(b)(2)) of  
8 approximately **\$1.31** to pay for annual operations and  
9 maintenance costs related to the proposed capital  
10 improvements.

11  
12 (No. AO 2008-31)

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

17 PROPOSITION NO. \_\_\_\_\_

BONDS, YES ☐

18 BONDS, NO ☐

19 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective only if  
20 the proposition described in Section 3 is approved by a majority of the qualified voters  
21 voting on the proposition at the regular election held on April 1, 2008. The remaining  
22 sections of this ordinance shall become effective upon passage and approval.

23 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this \_\_\_\_  
24 day of \_\_\_\_\_, 2008.

25  
26  
27 By \_\_\_\_\_  
28 Chair of the Assembly

29 ATTEST:

30  
31 \_\_\_\_\_  
32 Municipal Clerk