

Submitted by: ASSEMBLY MEMBER SULLIVAN
Prepared by: Assembly Counsel from AO 2008-19
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Bond Counsel
K&L PRESTON GATES ELLIS LLP
For Reading: February 12, 2008

See AO 2008-19

MUNICIPALITY OF ANCHORAGE
ORDINANCE No. AO 2008-19(S)

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.

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

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

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"); now, therefore,

1 **THE ANCHORAGE ASSEMBLY ORDAINS:**

2 **Section 1.** **Purpose.** The Assembly hereby determines that the roads and storm
3 drainage within the Anchorage Roads and Drainage Service Area are in need of
4 improvement, renewal and renovation (the "Projects"). The Assembly of the Municipality
5 hereby determines that the best interest of the residents and property owners within the
6 Anchorage Roads and Drainage Service Area require the Municipality to undertake the
7 Projects at the time and in the order and in the manner deemed most necessary and
8 advisable by the Municipality. The estimated cost of the Projects, including incidental
9 costs and costs related to issuing and selling the Bonds as provided in this ordinance, is
10 estimated to be \$36,600,000 ~~\$44,800,000~~.

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

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

22 If the Municipality shall determine that it has become impractical to accomplish
23 any portion of the approved Projects by reason of changed conditions or needs,
24 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 **THIRTY-SIX MILLION SIX HUNDRED THOUSAND DOLLARS (\$36,600,000)**
18 ~~Forty-Four Million Eight Hundred Thousand Dollars (\$44,800,000)~~ (the "Bonds").

19 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at such
20 time or times as deemed necessary and advisable by the Assembly and as permitted by law
21 and shall mature over a period of 20 years from date of issue. The Bonds shall be issued in
22 an aggregate principal amount of not to exceed **\$36,600,000** ~~\$44,800,000~~. The Bonds shall
23 bear interest to be fixed at the time of sale or sales thereof. The exact form, terms,
24 conditions, contents, security, options of redemption, and such other matters relating to the

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

4 The full faith and credit of the Municipality is pledged for the payment of the
5 principal of and interest on the Bonds, and ad valorem taxes upon all taxable property in
6 the Municipality shall be levied without limitation as to rate or amount to pay the principal
7 and interest on the Bonds when due. The principal of and interest on the Bonds are to be
8 paid first from ad valorem taxes levied and collected within the Anchorage Roads and
9 Drainage Service Area.

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

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

20 PROPOSITION NO. _____
21

22 **ANCHORAGE ROADS AND DRAINAGE SERVICE**
23 **AREA ROAD AND STORM DRAINAGE BONDS**
24

25 For the purpose of providing streets and roads
26 improvements, streets and roads safety improvements,
27 drainage collection, drainage treatment and related capital
28 improvements, shall Anchorage borrow money and issue up
29 to **\$36,600,000** \$44,800,000 in principal amount of general

1 obligation bonds and increase the municipal tax cap by an
2 annual amount not to exceed ~~\$1,579,000~~ \$1,899,000 to pay
3 the associated annual operations and maintenance costs?
4 The proposed capital improvements would be located within
5 the Anchorage Roads and Drainage Service Area. The debt
6 shall be paid from real and personal property taxes levied
7 and collected within the Anchorage Roads and Drainage
8 Service Area.
9

10 Anchorage will also pledge its full faith and credit for
11 payment of the debt.
12

13 Voter approval of this bond proposition authorizes for each
14 \$100,000 of assessed taxable property value (based on the
15 estimated 2008 assessed valuation in the Anchorage Roads
16 and Drainage Service Area): (i) an annual increase in taxes
17 of approximately \$. \$14.70 to retire the proposed bonds,
18 and (ii) an annual increase necessary to fund the proposed
19 increase in the municipal tax cap (Charter 14.03(b)(2)) of
20 approximately \$. \$7.77 to pay for annual operations and
21 maintenance costs related to the proposed capital
22 improvements.
23

24 (No. AO 2008-____)

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

29 PROPOSITION NO. _____ BONDS, YES
30 BONDS, NO

31 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective only if
32 the proposition described in Section 3 is approved by a majority of the qualified voters
33 voting on the proposition at the regular election held on April 1, 2008. The remaining
34 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 _____
Municipal Clerk

**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	\$1,800	
	\$36,600	\$1,579	

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
Agenda Document Control Sheet

AO 2008-19(S)

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT S VERSION - ARDSA BOND	DATE PREPARED 2/1/08
		Indicate Documents Attached <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input type="checkbox"/> AM <input type="checkbox"/> AIM
2	DEPARTMENT NAME Assembly	DIRECTOR'S NAME Dan Coffey, Assembly Chair
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Julia Tucker, Assembly Counsel	HIS/HER PHONE NUMBER 343-4419
4	COORDINATED WITH AND REVIEWED BY	INITIALS
	Mayor	
	Municipal Clerk	
	Municipal Attorney	
	Employee Relations	
	Municipal Manager	
	Anchorage Parks & Recreation	
	Fire	
	Health & Human Services	
	Merrill Field Airport	
	Municipal Light & Power	
	Office of Management and Budget	
	Police	
	Port of Anchorage	
	Office of Economic & Community Development	
	Solid Waste Services	
	Public Transportation	
	Anchorage Water & Wastewater Utility	
	Executive Manager	
	Planning Department	
	Chief Fiscal Officer	
	Heritage Land Bank	
	Information Technology Department	
	Project Management & Engineering	
	Purchasing	
	Other	
5	Special Instructions/Comments	
	New Public Hearings, 14.	
6	ASSEMBLY HEARING DATE REQUESTED 2/12/08	7
		PUBLIC HEARING DATE REQUESTED 2/12/08

2008 FEB - 1 PM 3:49
 M.D.