

Submitted by: Chair of the Assembly at
the Request of the Mayor
Prepared by: Real Estate Department
For reading: January 17, 2012

CLERK'S OFFICE

APPROVED

1-31-12

ANCHORAGE, ALASKA
AR No. 2012-17

1 **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING**
2 **AN AMOUNT NOT TO EXCEED ONE HUNDRED SIX THOUSAND DOLLARS**
3 **(\$106,000) AS A CONTRIBUTION FROM THE 2011 OPERATING BUDGET,**
4 **REAL ESTATE DEPARTMENT AREAWIDE GENERAL FUND (101) TO THE**
5 **AREAWIDE GENERAL CIP FUND (401) FOR PAYMENT OF PRINCIPAL AND**
6 **INTEREST ON AN INTER-FUND LOAN FOR THE EAGLE RIVER TOWN**
7 **CENTER IN THE REAL ESTATE SERVICES DIVISION.**

8
9 **WHEREAS**, construction of the Eagle River Town Center was funded in part by
10 an inter-fund loan of One Million Seven Hundred Thousand Dollars (\$1,700,000)
11 and authorized by AO 2007-147 for a twenty-year term; and

12
13 **WHEREAS**, interest is charged based upon the general cash pool earnings rate;
14 and


15
16 **WHEREAS**, the total computed principal and interest owed for 2011 is an amount
17 not to exceed One Hundred Six Thousand Dollars (\$106,000); now, therefore,

18
19 **THE ANCHORAGE ASSEMBLY RESOLVES:**

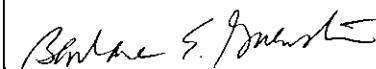
20
21 **Section 1:** The not to exceed sum of One Hundred Six Thousand Dollars
22 (\$106,000) as a contribution from the 2011 Operating Budget of the Real Estate
23 Department's Real Estate Services Division Areawide General Fund (101) is
24 hereby appropriated to the Areawide General CIP Fund (401) for repayment of
25 principal and interest on an inter-fund loan for the Eagle River Town Center, in the
26 Real Estate Services Division.

27
28 **Section 2:** This resolution shall become effective immediately upon passage and
29 approval by the Assembly.

30
31 PASSED AND APPROVED by the Anchorage Assembly this 31st day of
32 January 2012.

33
34 
35 Chair of the Assembly

36 ATTEST:

37 
38
39 Municipal Clerk

40
41 **Department of Appropriation:**
42 Real Estate Department/Real Estate Services Division: \$106,000



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 61-2012

Meeting Date: January 17, 2012

1 **From:** MAYOR

2

3 **Subject:** A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE

4 APPROPRIATING AN AMOUNT NOT TO EXCEED ONE HUNDRED

5 SIX THOUSAND DOLLARS (\$106,000) AS A CONTRIBUTION

6 FROM THE 2011 OPERATING BUDGET, REAL ESTATE

7 DEPARTMENT AREAWIDE GENERAL FUND (101) TO THE

8 AREAWIDE GENERAL CIP FUND (401) FOR PAYMENT OF

9 PRINCIPAL AND INTEREST ON AN INTER-FUND LOAN FOR THE

10 EAGLE RIVER TOWN CENTER IN THE REAL ESTATE SERVICES

11 DIVISION.

12

13 The Eagle River Town Center project was funded in part by an inter-fund loan of

14 \$1,700,000 approved by the Anchorage Assembly in AO 2007-147 (see Appendix

15 A). The loan is amortized over a 20-year term and repaid by means of space rental

16 payments charged to the occupying municipal agencies.

17

18 The loan was activated in June 2009, and carries a variable interest rate

19 corresponding to the general cash pool earnings rate. The Assembly has approved

20 AR 2010-2 and AR 2010-370 to annually appropriate funds for payments in 2009

21 and 2010 on the principal and interest on the loan.

22

23 This Assembly Resolution seeks to appropriate funds for calculated payment of

24 accumulated principal and interest on the loan for year-end 2011 at a total not to

25 exceed amount of One Hundred Six Thousand Dollars (\$106,000).

26

27 The budget and accounting detail is as follows:

28 **REVENUE:**

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
401-1619-161906-9601 BP2008	Contributions from Other Funds	\$106,000
	Total:	\$106,000

32 **EXPENDITURES:**

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
401-0611	Due to Areawide	\$ 66,000
401-1619-3819-161906 BP2008	Interest Other	40,000
	Total:	\$106,000

37

1
2 **THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION OF**
3 **THE MUNICIPALITY OF ANCHORAGE APPROPRIATING AN AMOUNT NOT**
4 **TO EXCEED ONE HUNDRED SIX THOUSAND DOLLARS (\$106,000) AS A**
5 **CONTRIBUTION FROM THE 2011 OPERATING BUDGET, REAL ESTATE**
6 **DEPARTMENT AREAWIDE GENERAL FUND (101) TO THE AREAWIDE**
7 **GENERAL CIP FUND (401) FOR PAYMENT OF PRINCIPAL AND INTEREST**
8 **ON AN INTERFUND LOAN FOR THE EAGLE RIVER TOWN CENTER IN THE**
9 **REAL ESTATE SERVICES DIVISION.**

10
11 Recommended by: Tammy R. Oswald, Director
12 Real Estate Department

13 Fund Certification: Lucinda Mahoney, CFO
14 101-1223-3901-BP2011 \$106,000
15 (2011 Operating Budget)

16 Concur: George J. Vakalis, Municipal Manager

17 Respectfully submitted: Daniel A. Sullivan, Mayor

18
19 **Appendix:**

20 Appendix A – Eagle River Town Center Loan: Finance Dept. Spreadsheet

APPENDIX A

LOAN TO AREAWIDE GENERAL CIP FUND
 MUNICIPALITY OF ANCHORAGE
 INTERFUND LOAN FROM 101 AREAWIDE TO 401 AREAWIDE GENERAL CIP
 FOR COST ASSOCIATED WITH THE ACQUISITION OF INTERESTS IN THE VALLEY RIVER CENTER
 TO BE REPAYED BY MONTHLY LEASE REPAYMENTS ASSESSED TO MUNI TENANTS

Per AO 2007-147,

"bearing a variable interest rate equal to the monthly cash pool earning rate, to be repaid
 in full on or before December 31, 2028"

These funds were expended at 401-1619-161906 on 06/03/09- \$38,640, 2,838.08 refunded on 6/15/09, 6/25/09- \$1,323,940,
 8/14/09- \$326,750, 9/15/09- \$10,670

Loan Balance	
6/30/2009	1,359,741.92
8/31/2009	1,675,346.32
9/30/2009	1,678,795.00

234	1,360,222.12	5,810.86
232	326,750.00	7,221.32
231	10,670.00	7,267.51

Repayment Months	# of Months Remaining	# of Days in Loan Outstanding	Date	GCP Rate	Payment	Principal	Interest	Balance	Total Principal	Total Int.	Total Pmt	JE Reference
211	24	30	6/30/2011	2.30%	\$9,057.36	6,088.15	2,969.21	1,564,579.03				765729
210	25	31	7/31/2011	2.30%	\$9,057.12	6,000.83	3,056.29	1,558,578.20				767430
209	26	31	8/31/2011	2.79%	\$9,423.82	5,730.63	3,693.19	1,552,847.57				769780
208	27	30	9/30/2011	2.30%	\$9,059.44	6,123.92	2,935.52	1,546,723.65				773604
207	28	31	10/31/2011	2.30%	\$9,059.20	6,037.79	3,021.41	1,540,685.87				775813
206	29	30	11/30/2011	2.30%	\$9,059.53	6,147.00	2,912.53	1,534,538.86				
205	30	31	12/31/2011	2.30%	\$9,059.29	6,061.69	2,997.61	1,528,477.18	71,388.32	38,981.28	\$110,369.60	
									168,684.74	108,966.43	\$277,808.46	

Fund Contributed from Operating Funds Amount Needed to be Funded from Operating Funds for BP 2011

(\$172,631.14)

\$105,177.32

\$106,000.00

204	31	31	1/31/2012	2.50%	\$9,204.82	5,968.30	3,236.53	1,522,508.88				
203	32	29	2/29/2012	2.50%	\$9,205.14	6,189.24	3,015.90	1,516,319.64				
202	33	31	3/31/2012	2.50%	\$9,204.19	5,993.41	3,210.79	1,510,326.23				
201	34	30	4/30/2012	2.50%	\$9,204.51	6,109.58	3,094.93	1,504,216.66				
200	35	31	5/31/2012	2.50%	\$9,204.19	6,019.04	3,185.16	1,498,197.62				