

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 36-2011

Meeting Date: January 18, 2011

From: ANCHORAGE SCHOOL DISTRICT

Subject: AO 2011-7 Three Ballot Propositions to Provide
AO 2011-8 for the Issuance of General
AO 2011-9 Obligation Bonds for Educational
Capital Improvements

The Anchorage School Board approved three ballot propositions to provide for the issuance of general obligation bonds for education-related capital projects on December 13, 2010: ASD Memorandum #161 (2010-2011), Recommendation for April 2011 Bonds. This recommendation includes proposed Proposition I to allow for the issuance of general obligation bonds of \$37,132,000 and re-direction of \$10,000,000 in previously authorized but unissued general obligation bonds for School Addition/Renewal Project; Proposition II for Design and Districtwide Building Life Extension Projects in the amount of \$16,865,000; and Proposition III for Career, Technical, and Vocational Education Upgrades in the amount of \$17,000,000. The total of these bond proposals is \$70,997,000.

The School Board requests the Anchorage Assembly place the three propositions, as stated on AO 2011-7, AO 2011-8, and AO 2011-9, on the April 5, 2011 ballot for consideration by qualified voters of the Municipality of Anchorage. These propositions will pay the cost of capital improvement projects for the Anchorage School District, including, but not limited to, the following:

Table with 3 columns: Proposition I: \$37,132,000, Estimated Cost, Estimated Annual Operating and Maintenance. Rows include Service High School Renewal (28,000,000), DEED Grant Participating Share (\$9,132,000), and Proposition I Total (\$37,132,000).

This proposal is designed to significantly reduce the burden on taxpayers by including matching funds needed to secure a \$21 million state grant necessary to complete the project. In addition, voters will be asked to authorize redirection of \$10 million of previously voter-approved but unsold bonds from 2007-08 for this project. The approximate annual amount of taxes on \$100,000 of assessed real and personal property value (based on the estimated total 2010 assessed valuation) to retire the proposed debt is \$9.47. Voters will not be asked to approve an increase in annual operating costs.

<b>1</b>	<b>Proposition II: \$16,865,000</b>	<u>Estimated Cost</u>
<b>2</b>		
<b>3</b>	Design Projects	\$ 5,100,000
<b>4</b>	Educational Capital Improvements and	
<b>5</b>	Facility Building Life Extension Projects	<u>11,765,000</u>
<b>6</b>		
<b>7</b>	Proposition II Total	<u>\$16,865,000</u>
<b>8</b>		

**9** The approximate annual amount of taxes on \$100,000 of assessed real and personal property  
**10** value (based on estimated total 2010 assessed valuation) to retire the proposed debt is \$4.30.  
**11** These projects will not increase annual operating costs.

<b>13</b>	<b>Proposition III: \$17,000,000</b>	<u>Estimated Cost</u>
<b>14</b>		
<b>15</b>	Career, Technical, and Vocational Facility Education Upgrades	<u>\$17,000,000</u>
<b>16</b>		
<b>17</b>	Proposition III Total	<u>\$17,000,000</u>
<b>18</b>		

**19** The approximate annual amount of taxes on \$100,000 of assessed real and personal property  
**20** value (based on estimated total 2010 assessed valuation) to retire the proposed debt is \$4.34.  
**21** These projects will not increase annual operating costs.

**23** A brief description of the projects in the three bond proposals is provided beginning on page  
**24** 4 of this memorandum.

**26** **Supporting Information**

**28** Beginning in 1993, the Alaska Legislature has approved State reimbursement programs that  
**29** provided for up to 70 percent reimbursement on voter-approved capital improvement school  
**30** bonds. Since then, Anchorage School District has received voter approval for approximately  
**31** \$1.1 billion in construction and renovation bonds. Of this amount, approximately \$811  
**32** million has received up to 70 percent State reimbursement through debt reimbursement  
**33** programs.

**35** Between the last successful election in April 2008 and the upcoming election in April 2011,  
**36** approximately \$148 million will have been retired. Over the next five years, the District will  
**37** be paying off between \$52 million and \$58 million of bonds each year, of which the State  
**38** will pay approximately 52 percent. Currently, the District has \$749 million of bonds  
**39** outstanding as of December 12, 2010. Of this amount, the State will pay approximately 55  
**40** percent.

**42** Proposition I of this bond proposal provides project funding for completion of the Service  
**43** High School renewal.

**45** Proposition II of this bond proposal provides funding for Design projects and Building Life  
**46** Extension Projects. The Districtwide building life extension projects includes roof  
**47** replacement, mechanical, electrical, traffic safety, general building and site upgrades at 16  
**48** facilities.

1 Proposition III of this bond proposal provides funding for Career, Technical and Vocational  
2 Education Upgrades at 13 facilities.

3  
4 **Documentation of Need:**

5  
6 The District operates and maintains the largest physical plant of any public entity in the  
7 State, with approximately 7.5 million square feet of facilities. The replacement value of  
8 District buildings exceeds \$2 billion. The District is responsible for 93 facilities, housing  
9 approximately 50,000 students (more students than the total of the next five largest Alaska  
10 districts), and over 6,500 staff members. Anchorage educates nearly 40 percent of the total  
11 student population of the State. Not only is the inventory large, it is aging. Fifty-one schools  
12 are over 20 years old. Of these schools, 22 have had no significant renewal and 29 have had  
13 partial renewals since 1990. Of the 12 schools over 50 years old, 6 have had no significant  
14 renewal and 6 have had partial renewals since 1990.

15  
16 **Building components wear out.** Facility systems only last so long. Roofs deteriorate and  
17 leak; heating, plumbing, and ventilation systems wear out; and structural systems age.  
18 Various code changes require updating electrical and mechanical systems; providing access  
19 for persons with physical disabilities; removing hazardous materials; and renewing various  
20 building system components. Moreover, significant renewals often require structural  
21 upgrades to meet more stringent seismic codes.

22  
23 **Functional obsolescence** is another fact of life for older schools. Over the life of a school,  
24 programmatic changes take place that demand updating the facility infrastructure. There is  
25 continual need to update the electrical distribution systems in the schools to accommodate  
26 current technology. Current educational delivery methods require physical layouts that are  
27 often different and more flexible than those of 30 to 40 years ago. Without renewal, these  
28 schools do not provide our students the same educational opportunities through parity of  
29 program and facilities across our school system.

30  
31 **Additional capacity** to house the constantly shifting student population is the third  
32 component of capital requirements. Anchorage is the largest district in the state, and, while  
33 its overall enrollment has been steady in recent years, the geographic distribution of students  
34 continues to shift due to the high mobility of Anchorage's population. The District has over  
35 130 relocatable classrooms available to meet short-term capacity needs in affected schools.

36  
37 **Effective operation and maintenance programs** are a critical component to extending the  
38 life of buildings, sites, systems and equipment, and for maintaining and providing a quality  
39 building environment for the instructional programs. The Maintenance Department's well-  
40 trained staff use a computerized maintenance management program that effectively  
41 accomplishes preventive and corrective maintenance tasks necessary to maintain and extend  
42 the life of District facilities. The Operations Department utilizes a Custodial Guide and  
43 ongoing staff training to maintain facilities in a safe, clean and orderly condition.

1 **Capital Request Advisory Committee**

2  
3 The District’s CRAC met on October 6, October 20, and November 10, 2010 to review  
4 options and develop recommendations for a 2011 bond. The committee recommended two  
5 bond propositions totaling \$101,115,000. The recommendations are summarized:  
6

7 **Proposed Bond 1:**

8	Service High School Addition and Renewal	\$38,000,000
9	Districtwide Turf Fields	<u>12,750,000</u>
10	Total Proposed Bond 1	\$50,750,000

11  
12 **Proposed Bond 2:**

13	Career and Technical Education Upgrades	\$17,000,000
14	Design Projects	8,500,000
15	Building Life Extension Projects	<u>24,865,000</u>
16	Total Proposed Bond 2	\$50,365,000

17  
18 Total Proposed Bonds 1 and 2 \$101,115,000  
19  
20

21 **Discussion of Debt Reimbursement Funding From Senate Bill 237**

22  
23 Senate Bill 237, passed by the Legislature in July 2010, provides for 60 percent or 70 percent  
24 debt reimbursement on school construction projects that have received local voter approval  
25 after October 1, 2006, and provides no expiration date on the debt reimbursement program.  
26 School projects that add space have been eligible for 60 percent reimbursement, and those  
27 projects that do not add space have been eligible for 70 percent reimbursement. The Design  
28 Projects and Career and Technical Vocational Facility Education Upgrades projects should  
29 be eligible for 60 percent reimbursement while the Educational Facility Building Life  
30 Extension projects should be eligible for 70 percent reimbursement. The Service High  
31 School Renewal should also be eligible for 60 percent reimbursement on \$28,000,000;  
32 however, the Service High School participating share of \$9,132,000 is not reimbursable. The  
33 District is currently in the process of submitting these projects to the State.  
34

35 **Project Descriptions**

36  
37 **SERVICE HIGH SCHOOL RENEWAL**

38 Service High School was built in 1971. In 2002 a conceptual master plan was developed to  
39 provide a road map for the school’s renewal; this was revised in 2008 to reduce construction  
40 costs by conserving more of the existing building. Between those years, approximately 50%  
41 of the master plan was constructed; this included two core academic classroom wings,  
42 science classrooms and visual arts classrooms. Major master plan elements remain to be  
43 completed, including: career and technical education classrooms, library/instructional media  
44 center, dining and food services, special education area, physical education, administration  
45 area, a 700-seat auditorium, and performing arts classrooms. In addition to meeting current  
46 and future educational needs, the fully completed Service High School renewal project will  
47 extend the facility’s useful life, reduce operating and maintenance costs, provide life safety  
48 measures, abate asbestos-containing materials, upgrade structure to seismic requirements,  
49 and install automatic sprinkler systems to remaining portions of the school. Site work will

1 improve site traffic, parking and landscaping. This project will complete renewal of Service  
2 High School.

#### 3 4 CAREER, TECHNOLOGY AND VOCATIONAL EDUCATION FACILITY UPGRADES

5 A district goal is that “all students will graduate from high school prepared for postsecondary  
6 academic/vocational/career opportunities”. Proposed districtwide middle and high school  
7 educational specifications reflect this goal in defining facilities needed to support Career,  
8 Technology and Vocational Education (CTVE) programs. All planned and existing middle  
9 and high school CTVE spaces were compared to these educational specifications. Extensive  
10 analysis and evaluation by the district identified and ranked a number of projects. The  
11 projects were ranked according to five criteria: 1) health/safety, 2) expansion/improvement,  
12 3) increase in student participation, 4) new programs, and 5) projects which address career  
13 cluster pathways based upon middle and high school attendance areas. Approval of funding  
14 will provide facilities and equipment critical for high-quality, relevant and current technical  
15 training for 18 projects at Bartlett, Chugiak, Dimond, Eagle River, East, Service and West  
16 high schools, Begich, Central, Hanshew, Mears, and Wendler middle schools, and the King  
17 Career Center. These projects will support delivery and expansion of Applied Technology,  
18 Biomedical/Health, Construction, Engineering and Material Science programs.

#### 19 20 DESIGN PROJECTS

##### 21 22 GIRDWOOD K-8 SCHOOL DESIGN

23 Girdwood Elementary School is located on a 27-acre site in Girdwood. The existing nine-  
24 classroom school delivers educational programs kindergarten through eighth grade. The  
25 school was originally built in 1981 with a four classroom addition in 1985. Girdwood  
26 community is continuing to mature beyond its origin as a seasonal resort by developing a  
27 permanent year-round population base. Major residential developments planned for the  
28 community will provide affordable housing units. Such units are expected to include  
29 younger families with school-aged children. Currently near capacity, the school will need to  
30 expand to accommodate a resulting increased enrollment. Previous funding allowed  
31 development of a master plan and initial design. Approval of requested funding for this  
32 project will result in completion of a design intended to meet the school’s growing  
33 educational needs.

##### 34 35 INLET VIEW ELEMENTARY SCHOOL DESIGN

36 Built in 1957, Inlet View Elementary School is one of Anchorage’s oldest and most  
37 established elementary schools. With a program capacity of 238 students, it is smaller than  
38 the standard 550-student elementary school, having 13 classrooms instead of 26, and a 7-acre  
39 site rather than the 15-acre standard for elementary schools. A 2003 conceptual master plan  
40 identified the need for a gymnasium, converting the existing into a multipurpose room, an art  
41 room and three new classrooms. When compared to current draft districtwide educational  
42 specifications, the school lacks a health classroom and required support facilities.  
43 Renovation is needed to rectify code deficiencies, implement greater energy conservation,  
44 and improve the site’s traffic safety. Approval of this request will fund schematic design of  
45 the school’s renewal.

1 GLADYS WOOD ELEMENTARY SCHOOL DESIGN

2 Built in 1970, Gladys Woods Elementary School is one of the district’s last schools with an  
3 “open classroom concept”. This concept has been shown to constrain delivery of quality  
4 educational programs due to acoustical interference, poor circulation, and impermanent  
5 walls. In addition to fixing open classrooms, this renewal project will address a number of  
6 code and regulatory deficiencies. A 2006 legislative grant funded a 2007 conceptual master  
7 plan developed with and supported by active community involvement. This project will add  
8 2 classrooms to total 26, an art room, a health classroom, and required support facilities.  
9 Approval of this request will fund schematic design of the school’s renewal.

10  
11 AIRPORT HEIGHTS ELEMENTARY SCHOOL PLANNING & DESIGN

12 Built in 1954, Airport Heights Elementary School has had minor additions over life of the  
13 facility. With an 8-acre site, 20 classrooms, and a 335-student program capacity, the school  
14 is smaller than the 15-acre, 26-classroom, and 550-student standard district elementary  
15 school. The school lacks a multi-purpose room, as well as art, health and music classrooms.  
16 The site has poor circulation and inadequate parking. Designated to serve students with  
17 special education intensive needs, the school lacks spaces to support them, as well as  
18 occupational therapy/physical therapy spaces. In 2005, a limited educational program  
19 analysis and master plan was carried out simply to coordinate direction of a life safety  
20 upgrade project. The proposed 2010 Districtwide Elementary Educational Specifications  
21 will provide basis for a more in-depth analysis of the facility. Approval of this request will  
22 fund development of a conceptual master and schematic design for the school’s renewal.

23  
24 WEST/ROMIG CTVE DESIGN

25 A master plan developed in May 2010 was approved in concept by the school board. The  
26 concept reflects the West High School – Romig Middle School campus as a center of  
27 community, fully engaging the community in life-long learning while meeting students’  
28 educational needs. The concept lays a framework in which to develop specific projects.  
29 This project will develop a design to integrate the Career, Technology and Vocational  
30 Education program into the master plan while considering ramifications on existing and  
31 future master planned facilities.

32  
33 EDUCATION FACILITY BUILDING LIFE EXTENSION PROJECTS

34 The District’s building life extension projects include roof replacements, structural,  
35 electrical, mechanical, and traffic safety/site projects that extend the useful life of existing  
36 facilities and mitigate potential safety issues.

37  
38 Roof upgrades and replacements at Chugiak High School, Turnagain and Rabbit Creek  
39 elementary schools are included with this recommendation.

40  
41 General building renewal upgrades for the auditorium dressing rooms at West High School  
42 and districtwide relocatables are also included.

43  
44 Electrical projects that are part of this request include upgrades to: fire alarm systems,  
45 lighting, and communication systems. These projects are needed to assure a safe  
46 environment for students and staff, and to provide adequate, efficient lighting in areas  
47 currently lacking appropriate lighting. These projects will impact the following schools:

- 48  
49 Inlet View, Huffman, Eagle River, and Scenic Park elementary schools; Mears and  
50 Mirror Lake middle schools; and Student Nutrition Building.

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Mechanical projects included with this request will address upgrades or replacement to various heating/boiler and ventilation systems; upgrades to equipment; and upgrades to various water and waste water systems. These projects are important in providing basic heat, ventilation, and utility services to the facilities in the District, and will impact the following schools and facilities:

Spring Hill, Bear Valley, College Gate, and Birchwood elementary schools.

The project to upgrade the tennis court at Chugiak High School will improve the overall condition and safety of the tennis courts, as well as enhance delivery of the instructional program.

The information that has been provided in this memorandum should assist the Assembly in making decisions regarding placing the recommended bond propositions on the ballot for the April 5, 2011 Municipal Election.

Respectfully submitted,

Carol Comeau  
Superintendent

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2011- 7

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED THIRTY SEVEN MILLION ONE HUNDRED THIRTY-TWO THOUSAND DOLLARS (\$37,132,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF RENEWAL OF SERVICE HIGH SCHOOL AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

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Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2011- 7**

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

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2  
3 Requested by: Chair of the Assembly at the  
4 Request of the Anchorage  
5 School District  
6 Prepared by: Cynthia M. Weed, Bond  
7 Counsel  
8 K&L Gates LLP  
9 For Reading: January 18, 2011

10  
11 **MUNICIPALITY OF ANCHORAGE, ALASKA**  
12 **ORDINANCE No. 2011-7**

13  
14 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED  
15 VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE  
16 OF NOT TO EXCEED THIRTY SEVEN MILLION ONE HUNDRED THIRTY-TWO  
17 THOUSAND DOLLARS (\$37,132,000) OF GENERAL OBLIGATION BONDS OF  
18 THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF RENEWAL  
19 OF SERVICE HIGH SCHOOL AT THE ELECTION TO BE HELD IN THE  
20 MUNICIPALITY ON APRIL 5, 2011.

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21  
22 **WHEREAS**, Service High School is in need of renewals (the "Project");

23  
24 **WHEREAS**, in order to provide a portion of the funds required to undertake the  
25 Project, it is deemed necessary and advisable that the Municipality issue and sell  
26 its general obligation bonds (the "Bonds"); now, therefore,

27  
28 **THE ANCHORAGE ASSEMBLY ORDAINS:**

29 **Section 1.** Purpose. The Assembly hereby determines that the Service High  
30 School is in need of additions and renewals. The Project is described in more  
31 detail in the Assembly Memorandum accompanying this ordinance. The total cost  
32 of the Project is approximately \$70,000,000. A portion of the total cost,  
33 \$21,000,000, is expected to be paid from a state grant. In addition, the District  
34 proposes to re-allocate \$10,000,000 of the authorized but unissued general  
35 obligation bonds in order to pay a portion of the cost of the Project. \$1,900,000  
36 will be re-allocated from Proposition No. 2007-4; \$2,100,000 from Proposition No.  
37 2007-5; and \$6,000,000 from Proposition No. 2008-2. The balance of the costs  
38 are expected to be paid from the proceeds of the Bonds authorized herein.

39  
40 The cost of all necessary planning, acquisition of property for, site  
41 preparation, construction, installing and equipping of the Project, architectural,  
42 engineering, design, and other consulting services, inspection and testing,  
43 administrative and relocation expenses, costs of issuance of the Bonds  
44 (hereinafter defined) and other costs incurred in connection with the Project shall  
45 be deemed to be costs of the approved Project. The approved Project may be  
46 completed with all necessary equipment and appurtenances.

1  
2 If the School District shall determine that it has become impractical to  
3 accomplish any portion of the approved Project by reason of changed conditions  
4 or needs, incompatible development or costs substantially in excess of those  
5 estimated, the School District shall not be required to accomplish such portions  
6 and shall apply Bond proceeds as set forth in this section.  
7

8 If the approved Project has been completed in whole or in part, or its  
9 completion duly provided for, or its completion found to be impractical, the School  
10 District may apply Bond proceeds or any portion thereof to other School District  
11 capital improvements as the School Board in its discretion shall determine and, if  
12 otherwise, then solely to payment of principal or interest on the Bonds, as provided  
13 in the Home Rule Charter. In the event that the proceeds of sale of the Bonds,  
14 plus any other monies of the School District legally available, are insufficient to  
15 accomplish the approved Project, the School District shall use the available funds  
16 for paying the cost of those portions of the approved Project for which the Bonds  
17 were approved deemed by the School Board most necessary and in the best  
18 interest of the School Board. No Bond proceeds shall be used for any purpose  
19 other than a capital improvement.  
20

21 For the purpose of providing funds for the undertaking of the Project, which  
22 are hereby found to be a public purpose and in the public interest, the Municipality  
23 hereby proposes to issue general obligation bonded indebtedness in an amount  
24 not to exceed Thirty-seven Million One Hundred Thirty-two Thousand Dollars  
25 (\$37,132,000) (the "Bonds").  
26

27 **Section 2.** Details of Bonds. The Bonds shall be sold in such amounts and at  
28 such time or times as deemed necessary and advisable by the Assembly and as  
29 permitted by law and shall mature over a period of 20 years of date of issue. The  
30 Bonds shall be issued in an aggregate principal amount of not to exceed  
31 \$37,132,000. The Bonds shall bear interest to be fixed at the time of sale or sales  
32 thereof. The exact form, terms, conditions, contents, security, options of  
33 redemption, and such other matters relating to the issuance and sale of said  
34 Bonds as are deemed necessary and advisable by the Assembly shall be as  
35 hereinafter determined and/or delegated by ordinance and/or resolution of the  
36 Assembly.  
37

38 The full faith and credit of the Municipality is pledged for the payment of the  
39 principal of and interest on the Bonds, and ad valorem taxes upon all taxable  
40 property in the Municipality shall be levied without limitation as to rate or amount to  
41 pay the principal and interest on the Bonds when due.  
42

43 **Section 3.** Ballot Proposition. The Assembly hereby submits to the qualified  
44 electors of the Municipality the proposition of whether or not the Municipality  
45 should issue the Bonds for the purpose of financing the costs of the approved  
46 Project at the regular municipal election to be held on April 5, 2011.

1  
2 The Clerk shall prepare the ballot proposition to be submitted to the voters  
3 as provided by this ordinance and the Municipal Code and shall perform all  
4 necessary steps in accordance with law to place this proposition before the voters  
5 at the regular election. The proposition must receive a majority vote of those in  
6 the Municipality voting on the question to be approved. The proposition shall be  
7 substantially in the following form:  
8

9 PROPOSITION NO. I

10 SERVICE HIGH SCHOOL  
11 RENEWAL GENERAL OBLIGATION BONDS  
12

13 Shall Anchorage borrow up to \$37,132,000 through the  
14 issuance of general obligation bonds to pay for a portion of  
15 the costs of additions to and renewals of Service High School  
16 and other educational capital improvements, as provided in  
17 Ordinance No. AO 2011-7 The Project currently qualifies for a  
18 state grant of \$21,000,000 based on \$9,132,000 of the  
19 issuance and also 60% State debt reimbursement on  
20 \$28,000,000 of the issuance (subject to annual Legislative  
21 appropriation as described below.)  
22

23 The general obligation bond proceeds will be used to pay a  
24 portion of the costs of additions to and renewals of Service  
25 High School, and if this proposition is approved the District will  
26 reallocate the proceeds of previously authorized but unissued  
27 bonds in the amount of \$10,000,000 to pay a portion of the  
28 project costs. The Project currently qualifies for a state grant  
29 of \$21,000,000 based on \$9,132,000 of the issuance and also  
30 60% State debt reimbursement on \$28,000,000 of the  
31 issuance. If the State chooses to make full reimbursement,  
32 the annual increase in taxes would be \$5.19 to retire the  
33 proposed bonds (based on \$100,000 of 2011 real and  
34 personal property value). State reimbursement is subject to  
35 annual Legislative appropriation.  
36

37 Without State reimbursement for debt service, voter approval  
38 of this bond proposition authorizes for each \$100,000 of  
39 assessed real and personal property value (based on the  
40 estimated 2011 assessed valuation) an annual increase in  
41 taxes of approximately \$9.47 to retire the proposed bonds.  
42

1 The debt will be paid from real and personal property taxes  
2 levied and collected areawide in Anchorage. Anchorage will  
3 also pledge its full faith and credit for payment of the debt.  
4

5 (No. AO 2011-7)  
6

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

12 PROPOSITION NO. I BONDS, YES   
13 BONDS, NO

14 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective  
15 only if the proposition described in Section 3 is approved by a majority of the  
16 qualified voters voting on the proposition at the regular election held on April 5,  
17 2011. The remaining sections of this ordinance shall become effective upon  
18 passage and approval by the Assembly.  
19

20 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this  
21 \_\_\_ day of \_\_\_\_\_, 2011.  
22

23  
24 By \_\_\_\_\_  
25 Chair of the Assembly

26 ATTEST:  
27

28 \_\_\_\_\_  
29 Municipal Clerk

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

AO Number: 2011-7

Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED THIRTY SEVEN MILLION ONE HUNDRED THIRTY-TWO THOUSAND DOLLARS (\$37,132,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF RENEWAL OF SERVICE HIGH SCHOOL AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

Sponsor: Mayor  
 Preparing Agency: Anchorage School District  
 Others Impacted: None

<b>CHANGES IN EXPENDITURES AND REVENUES:</b>					
(Thousands of Dollars)					
	FY11	FY12	FY13	FY14	FY15
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service		2,980	2,980	2,980	2,980
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>		2,980	2,980	2,980	2,980
ADD: 6000 Charge from Others					
LESS: 7000 Charge to Others					
<b>FUNCTION COST:</b>					
<b>REVENUES:</b>					
<b>CAPITAL:</b>					
<b>POSITIONS:</b> FT/PT and Temp.					

**PUBLIC SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service of \$2,979,567 assumes bonds are sold as a package @ 5.0% interest, with bond repayments corresponding to the expected life of the assets financed over 20 years. The State of Alaska has agreed to reimburse 60% of \$28,000,000 of the bonds (subject to annual appropriation) which would reduce the annual taxpayer debt service to \$1,631,492

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$2,979,567.75 equate to an estimated property tax increase of .0947 mills or \$9.47 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area. Estimated annual debt service payments with the anticipated State of Alaska participation is \$1,631,492 and would equate to an estimated property tax increase of .0519 mills or \$5.19 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area.

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2011- 8

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SIXTEEN MILLION EIGHT HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$16,865,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS AND FACILITY BUILDING LIFE EXTENSION AND DESIGN PROJECTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

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Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2011-8**

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

1  
2  
3 Requested by: Chair of the Assembly at  
4 the Request of the  
5 Anchorage School District  
6 Prepared by: Cynthia M. Weed, Bond  
7 Counsel  
8 K&L Gates LLP  
9 For Reading: January 18, 2011

10  
11 **MUNICIPALITY OF ANCHORAGE, ALASKA**  
12 **ORDINANCE No. 2011-8**  
13

14 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED  
15 VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF  
16 NOT TO EXCEED SIXTEEN MILLION EIGHT HUNDRED SIXTY-FIVE  
17 THOUSAND DOLLARS (\$16,865,000) OF GENERAL OBLIGATION BONDS OF  
18 THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF  
19 EDUCATIONAL CAPITAL IMPROVEMENTS AND FACILITY BUILDING LIFE  
20 EXTENSION AND DESIGN PROJECTS AT THE ELECTION TO BE HELD IN  
21 THE MUNICIPALITY ON APRIL 5, 2011.

---

22  
23 **WHEREAS**, the existing school facilities serving the Municipality of Anchorage,  
24 Alaska (the "Municipality") are in need of building systems renewal, replacements,  
25 renovations and undertaking of design projects; and

26  
27 **WHEREAS**, the Assembly of the Municipality and School Board have identified  
28 necessary renovations, upgrades and improvements to school facilities; and

29  
30 **WHEREAS**, in order to provide funds to perform the necessary renovations,  
31 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  
33 and sell its general obligation bonds (the "Bonds"); now, therefore,  
34

35 **THE ANCHORAGE ASSEMBLY ORDAINS:**

36 **Section 1. Purpose.** The Assembly hereby determines that the Building  
37 Systems are in need of renewal, replacement, renovation and the undertaking of  
38 design projects (the "Projects"). Specifically, it is proposed to undertake design  
39 projects for the future renovation of Girdwood K-8 and Airport Heights, Gladys  
40 Wood and Inlet View Elementary Schools, as well as the design of career,  
41 technical and vocational education improvements for the West/Romig campus.  
42

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

9  
10 The School District shall determine the application of available money as  
11 between the various Projects set forth above so as to accomplish, as nearly as  
12 may be, all of the Projects described or provided for in this section.

13  
14 If the School District shall determine that it has become impractical to  
15 accomplish any portion of the approved Projects by reason of changed conditions  
16 or needs, incompatible development or costs substantially in excess of those  
17 estimated, the School District shall not be required to accomplish such portions  
18 and shall apply Bond proceeds as set forth in this section.

19  
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 School District may apply Bond proceeds or any portion thereof to other School  
23 District capital improvements as the School Board in its discretion shall determine  
24 and, if otherwise, then solely to payment of principal or interest on the Bonds, as  
25 provided in the Home Rule Charter. In the event that the proceeds of sale of the  
26 Bonds, plus any other money of the School District legally available, are  
27 insufficient to accomplish the approved Projects, the School District shall use the  
28 available funds for paying the cost of those portions of the approved Projects for  
29 which the Bonds were approved deemed by the School Board most necessary  
30 and in the best interest of the School Board. No Bond proceeds shall be used for  
31 any purpose other than a capital improvement.

32  
33 For the purpose of providing funds for the undertaking of the Projects, which  
34 are hereby found to be a public purpose and in the public interest, the Municipality  
35 hereby proposes to issue general obligation bonded indebtedness in an amount  
36 not to exceed Sixteen Million Eight Hundred Sixty-five Thousand Dollars  
37 (\$16,865,000) (the "Bonds").

38  
39 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at  
40 such time or times as deemed necessary and advisable by the Assembly and as  
41 permitted by law and shall mature over a period of 20 years of date of issue. The  
42 Bonds shall be issued in an aggregate principal amount of not to exceed  
43 \$16,865,000. The Bonds shall bear interest to be fixed at the time of sale or sales  
44 thereof. The exact form, terms, conditions, contents, security, options of  
45 redemption, and such other matters relating to the issuance and sale of said  
46 Bonds as are deemed necessary and advisable by the Assembly shall be as

1 hereinafter determined and/or delegated by ordinance and/or resolution of the  
2 Assembly.

3  
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  
6 property in the Municipality shall be levied without limitation as to rate or amount to  
7 pay the principal and interest on the Bonds when due.

8  
9 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified  
10 electors of the Municipality the proposition of whether or not the Municipality  
11 should issue the Bonds for the purpose of financing the costs of the approved  
12 Projects at the regular municipal election to be held on April 5, 2011.

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

20  
21 PROPOSITION NO.II

22 EDUCATIONAL CAPITAL IMPROVEMENTS AND FACILITY  
23 BUILDING LIFE EXTENSION AND DESIGN PROJECT  
24 BONDS  
25

26 Shall Anchorage borrow up to \$16,865,000 through the  
27 issuance of general obligation bonds to pay for educational  
28 facility building life extension and design projects and other  
29 educational capital improvements within Anchorage, as  
30 provided in Ordinance No. AO 2011-8 The Projects currently  
31 qualify for 70% State debt reimbursement on \$11,765,000 of  
32 the issuance and 60% State debt reimbursement on  
33 \$5,100,000 of the issuance (subject to annual Legislative  
34 appropriation as described below.)  
35

36 The general obligation bond proceeds will be used to pay  
37 costs of undertaking design projects for the future renovation  
38 of Girdwood K-8 and Airport Heights, Gladys Wood and Inlet  
39 View Elementary Schools, as well as the design of career,  
40 technical and vocational education improvements for the  
41 West/Romig campus. The Projects currently qualify for 70%  
42 State debt reimbursement on \$11,765,000 of the issuance  
43 and 60% State debt reimbursement on \$5,100,000 of the  
44 issuance. If the State chooses to make full reimbursement,  
45 the annual increase in taxes would be \$1.42 to retire the

1 proposed bonds (based on \$100,000 of 2011 real and  
2 personal property value). State reimbursement is subject to  
3 annual Legislative appropriation.  
4

5 Without State reimbursement for debt service, voter approval  
6 of this bond proposition authorizes for each \$100,000 of  
7 assessed real and personal property value (based on the  
8 estimated 2011 assessed valuation) an annual increase in  
9 taxes of approximately \$4.30 to retire the proposed bonds.  
10

11 The debt will be paid from real and personal property taxes  
12 levied and collected areawide in Anchorage. Anchorage will  
13 also pledge its full faith and credit for payment of the debt.  
14

15 (No. AO 2011-8)  
16

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

22 PROPOSITION NO. II

BONDS, YES

23 BONDS, NO

24 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective  
25 only if the proposition described in Section 3 is approved by a majority of the  
26 qualified voters voting on the proposition at the regular election held on April 5,  
27 2011. The remaining sections of this ordinance shall become effective upon  
28 passage and approval by the Assembly.  
29

30 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this  
31 \_\_\_ day of \_\_\_\_\_, 2011.  
32  
33

34 By \_\_\_\_\_  
35 Chair of the Assembly

36 ATTEST:  
37  
38

39 \_\_\_\_\_  
Municipal Clerk

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

AO Number: 2011-8

Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SIXTEEN MILLION EIGHT HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$16,865,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS AND FACILITY BUILDING LIFE EXTENSION AND DESIGN PROJECTS AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

Sponsor: Mayor  
 Preparing Agency: Anchorage School District  
 Others Impacted: None

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

	FY11	FY12	FY13	FY14	FY15
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service		1,353	1,353	1,353	1,353
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>		<b>1,353</b>	<b>1,353</b>	<b>1,353</b>	<b>1,353</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 \$1,353,291 assumes bonds are sold as a package @ 5.0% interest, with bond repayments corresponding to the expected life of the assets financed over 20 years. The State of Alaska has agreed to reimburse 60% of \$ 5,100,000 of the bonds and 70% of \$11,765,000 on the bond debt service (subject to annual appropriation) which would reduce the annual taxpayer debt service to \$446,911.

-----  
**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$1,353,291 equate to an estimated property tax increase of .0430 mills or \$4.30 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area. Estimated annual debt service payments with the anticipated State of Alaska participation is \$446,911 and would equate to an estimated property tax increase of .0142 mills or \$1.42 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area.

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2011- 9

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SEVENTEEN MILLION DOLLARS (\$17,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS FOR CAREER, TECHNICAL AND VOCATIONAL FACILITY EDUCATION UPGRADES AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

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Prepared by

K&L GATES LLP

**MUNICIPALITY OF ANCHORAGE  
ORDINANCE No. 2011-9**

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1  
2  
3 Requested by: Chair of the Assembly at  
4 the Request of the  
5 Anchorage School District  
6 Prepared by: Cynthia M. Weed, Bond  
7 Counsel  
8 K&L Gates LLP  
9 For Reading: January 18, 2011

10  
11 **MUNICIPALITY OF ANCHORAGE, ALASKA**  
12 **ORDINANCE No. 2011-9**  
13

14 AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED  
15 VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE  
16 OF NOT TO EXCEED SEVENTEEN MILLION DOLLARS (\$17,000,000) OF  
17 GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE  
18 TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS FOR  
19 CAREER, TECHNICAL AND VOCATIONAL FACILITY EDUCATION  
20 UPGRADES AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON  
21 APRIL 5, 2011.

---

22  
23 **WHEREAS**, the existing certain educational facilities serving the Municipality of  
24 Anchorage, Alaska (the "Municipality") are in need of career, technical and  
25 vocational facility education upgrades; and

26  
27 **WHEREAS**, the Assembly of the Municipality and School Board have identified  
28 necessary renovations, upgrades and improvements to career, technical and  
29 vocational education facilities; and

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

35  
36 **THE ANCHORAGE ASSEMBLY ORDAINS:**

37 **Section 1. Purpose.** The Assembly hereby determines that the career,  
38 technical and vocational educational facilities are in need of renewal, replacement,  
39 renovation and acquisition (the "Projects"). Specifically, career, technical and  
40 vocational facilities at seven high schools, five middle schools and the King Career  
41 Center will be upgraded.

42  
43 The Projects are described in more detail in the Assembly Memorandum  
44 accompanying this ordinance. The cost of all necessary planning, acquisition of  
45 property for, site preparation, construction, installing and equipping of the Projects,  
46 architectural, engineering, design, and other consulting services, inspection and

1 testing, administrative and relocation expenses, costs of issuance of the Bonds  
2 (hereinafter defined) and other costs incurred in connection with the Projects shall  
3 be deemed to be costs of the approved Projects. The approved Projects may be  
4 completed with all necessary equipment and appurtenances.

5  
6 The School District shall determine the application of available money as  
7 between the various Projects set forth above so as to accomplish, as nearly as  
8 may be, all of the Projects described or provided for in this section.

9  
10 If the School District shall determine that it has become impractical to  
11 accomplish any portion of the approved Projects by reason of changed conditions  
12 or needs, incompatible development or costs substantially in excess of those  
13 estimated, the School District shall not be required to accomplish such portions  
14 and shall apply Bond proceeds as set forth in this section.

15  
16 If the approved Projects have been completed in whole or in part, or their  
17 completion duly provided for, or their completion found to be impractical, the  
18 School District may apply Bond proceeds or any portion thereof to other career,  
19 technical and vocational facility education upgrade capital improvements as the  
20 School Board in its discretion shall determine and, if otherwise, then solely to  
21 payment of principal or interest on the Bonds, as provided in the Home Rule  
22 Charter. In the event that the proceeds of sale of the Bonds, plus any other  
23 money of the School District legally available, are insufficient to accomplish the  
24 approved Projects, the School District shall use the available funds for paying the  
25 cost of those portions of the approved Projects for which the Bonds were approved  
26 deemed by the School Board most necessary and in the best interest of the  
27 School Board. No Bond proceeds shall be used for any purpose other than a  
28 capital improvement.

29  
30 For the purpose of providing funds for the undertaking of the Projects, which  
31 are hereby found to be a public purpose and in the public interest, the Municipality  
32 hereby proposes to issue general obligation bonded indebtedness in an amount  
33 not to exceed Seventeen Million Dollars (\$17,000,000) (the "Bonds").

34  
35 **Section 2. Details of Bonds.** The Bonds shall be sold in such amounts and at  
36 such time or times as deemed necessary and advisable by the Assembly and as  
37 permitted by law and shall mature over a period of 20 years of date of issue. The  
38 Bonds shall be issued in an aggregate principal amount of not to exceed  
39 \$17,000,000. The Bonds shall bear interest to be fixed at the time of sale or sales  
40 thereof. The exact form, terms, conditions, contents, security, options of  
41 redemption, and such other matters relating to the issuance and sale of said  
42 Bonds as are deemed necessary and advisable by the Assembly shall be as  
43 hereinafter determined and/or delegated by ordinance and/or resolution of the  
44 Assembly.

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

6 **Section 3. Ballot Proposition.** The Assembly hereby submits to the qualified  
7 electors of the Municipality the proposition of whether or not the Municipality  
8 should issue the Bonds for the purpose of financing the costs of the approved  
9 Projects at the regular municipal election to be held on April 5, 2011.  
10

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

18 PROPOSITION NO. III

19 CAREER, TECHNICAL AND VOCATIONAL FACILITY  
20 EDUCATION UPGRADES PROJECT BONDS  
21

22 Shall Anchorage borrow up to \$17,000,000 through the  
23 issuance of general obligation bonds to pay for career,  
24 technical and vocational facility education upgrades within  
25 Anchorage, as provided in Ordinance No. AO 2011-9 The  
26 Projects currently qualify for 60% State debt reimbursement  
27 (subject to annual Legislative appropriation as described  
28 below.)  
29

30 The general obligation bond proceeds will be used to pay  
31 costs of upgrades at career, technical and vocational facilities  
32 at seven high schools, five middle schools and the King  
33 Career Center. The Projects currently qualify for 60% State  
34 debt reimbursement. If the State chooses to make full  
35 reimbursement, the annual increase in taxes would be \$1.74  
36 to retire the proposed bonds (based on \$100,000 of 2011 real  
37 and personal property value). State reimbursement is subject  
38 to annual Legislative appropriation.  
39

40 Without State reimbursement for debt service, voter approval  
41 of this bond proposition authorizes for each \$100,000 of  
42 assessed real and personal property value (based on the  
43 estimated 2011 assessed valuation) an annual increase in  
44 taxes of approximately \$4.34 to retire the proposed bonds.  
45

1 The debt will be paid from real and personal property taxes  
2 levied and collected areawide in Anchorage. Anchorage will  
3 also pledge its full faith and credit for payment of the debt.  
4

5 (No. AO 2011-9  
6

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

12 PROPOSITION NO. III BONDS, YES   
13 BONDS, NO

14 **Section 5.** Effective Dates. Section 2 of this ordinance shall become effective  
15 only if the proposition described in Section 3 is approved by a majority of the  
16 qualified voters voting on the proposition at the regular election held on April 5,  
17 2011. The remaining sections of this ordinance shall become effective upon  
18 passage and approval by the Assembly.  
19

20 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this  
21 \_\_\_ day of \_\_\_\_\_, 2011.  
22

23  
24 By \_\_\_\_\_  
25 Chair of the Assembly

26 ATTEST:  
27

28 \_\_\_\_\_  
29 Municipal Clerk

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

AO Number: 2011-9

Title: AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SEVENTEEN MILLION DOLLARS (\$17,000,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS FOR CAREER, TECHNICAL AND VOCATIONAL FACILITY EDUCATION UPGRADES AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 5, 2011.

Sponsor: Mayor

Preparing Agency: Anchorage School District

Others Impacted: None

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

	FY11	FY12	FY13	FY14	FY15
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service		1,364	1,364	1,364	1,364
5000 Capital Outlay					
<b>TOTAL DIRECT COSTS:</b>		1,364	1,364	1,364	1,364

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 \$1,364,124 assumes bonds are sold as a package @ 5.0% interest, with bond repayments corresponding to the expected life of the assets financed over 20 years. The State of Alaska has agreed to reimburse 60% of the bond debt service (subject to annual appropriation) which would reduce the annual taxpayer debt service to \$545,650.

-----  
**PRIVATE SECTOR ECONOMIC EFFECTS:**

Estimated annual debt service payments of approximately \$1,364,124 equate to an estimated property tax increase of .0434 mills or \$4.34 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area. Estimated annual debt service payments with the anticipated State of Alaska participation is \$545,650 and would equate to an estimated property tax increase of .0174 mills or \$1.74 per year on \$100,000 of assessed valuation in the Anchorage Areawide Service Area.