

MUNICIPALITY OF ANCHORAGE

ORDINANCE No. 2023-123

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SIXTY-TWO MILLION THREE HUNDRED SEVENTY THOUSAND DOLLARS (\$62,370,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CAPITAL IMPROVEMENTS FOR THE ANCHORAGE SCHOOL DISTRICT AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 2, 2024.

Prepared by

K&L GATES LLP

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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.

Requested by: Chair of the Assembly at
the Request of the
Anchorage School District
Prepared by: Cynthia M. Weed, Bond
Counsel
K&L Gates LLP
For Reading: December 19, 2023

**MUNICIPALITY OF ANCHORAGE, ALASKA
ORDINANCE No. 2023-123**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF ANCHORAGE, ALASKA, THE QUESTION OF THE ISSUANCE OF NOT TO EXCEED SIXTY-TWO MILLION THREE HUNDRED SEVENTY THOUSAND DOLLARS (\$62,370,000) OF GENERAL OBLIGATION BONDS OF THE MUNICIPALITY OF ANCHORAGE TO PAY THE COSTS OF CAPITAL IMPROVEMENTS FOR THE ANCHORAGE SCHOOL DISTRICT AT THE ELECTION TO BE HELD IN THE MUNICIPALITY ON APRIL 2, 2024.

WHEREAS, the existing educational facilities serving the Municipality of Anchorage, Alaska (the "Municipality") are in need of building systems renewal, and replacements, planning, design, renovations, upgrades and construction projects; and

WHEREAS, the Assembly of the Municipality and School Board have identified necessary construction, renovations, replacements, upgrades, planning, design and improvements to school facilities; and

WHEREAS, in order to provide funds to perform the necessary construction, renovations, replacements, upgrades, planning, design 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 in the principal amount of not to exceed \$62,370,000 (the "Bonds"); now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Purpose. The Assembly hereby determines that the education facilities and building systems are in need of construction, renewal, replacement, design, renovation and upgrades (the "Projects"). Specifically, the Projects include roof replacements, structural and seismic upgrades at Alpenglow Elementary School, Central Middle School and Chugiak High School, construction of security vestibules and security improvements at Kasuun, Lake Hood and Klatt Elementary Schools, renovation design for Romig Middle School, replacement of Inlet View Elementary School and planning and design for 2024/2025 projects.

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

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 not
36 to exceed Sixty-Two Million Three Hundred Seventy Thousand Dollars
37 (\$62,370,000) (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 not to exceed 20 years from date
42 of issue. The Bonds shall be issued in an aggregate principal amount of not to
43 exceed \$62,370,000. The Bonds shall bear interest to be fixed at the time of sale
44 or sales thereof. The exact form, terms, conditions, contents, security, options of
45 redemption, and such other matters relating to the issuance and sale of said Bonds

1 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
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 voters of the Municipality the proposition of whether or not the Municipality should
11 issue the Bonds for the purpose of financing the costs of the approved Projects at
12 the regular municipal election to be held on April 2, 2024.

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 the
18 Municipality voting on the question to be approved. The proposition shall be
19 substantially in the following form:

20
21 PROPOSITION NO. _____

22 CAPITAL IMPROVEMENTS FOR THE ANCHORAGE
23 SCHOOL DISTRICT BONDS

24
25 For the purpose of providing educational capital improvements,
26 construction, upgrades, planning, design, and renovation of
27 school facilities and educational facility building life extension
28 projects within Anchorage, as provided in AO 2023-123, shall
29 Anchorage borrow money and issue up to \$62,370,000 in
30 principal amount of general obligation bonds?

31
32 The general obligation bond proceeds will be used to pay costs
33 of constructing, renovating, installing, planning, designing,
34 acquiring and equipping educational capital improvement
35 projects including, but not limited to, roof replacements,
36 structural, and seismic upgrades at Alpenglow Elementary
37 School, Central Middle School and Chugiak High School,
38 construction of security vestibules and security improvements
39 at Kasuun, Lake Hood and Klatt Elementary Schools,
40 renovation design for Romig Middle School, replacement of
41 Inlet View Elementary School and planning and design for
42 2024/2025 projects.

43
44 Voter approval of this bond proposition authorizes for each
45 \$100,000 of assessed taxable property value (based on the

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estimated 2024 assessed valuation) an annual increase in taxes of approximately \$12.69 to retire the proposed bonds.

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

YES NO

Section 4. 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 2, 2024. The remaining sections of this ordinance shall become effective upon passage and approval by the Assembly.

PASSED AND APPROVED by the Assembly of the Municipality of Anchorage, this ___ day of _____, 2023.

By _____
Chair of the Assembly

ATTEST:

Municipal Clerk