

**LAID-ON-THE-TABLE**

Requested by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Cynthia M. Weed  
Bond Counsel, K&L Gates LLP  
For Reading: October 22, 2024

**MUNICIPALITY OF ANCHORAGE, ALASKA  
AR No. 2024-316(S)**

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, APPROVING THE ISSUANCE OF PORT REVENUE BONDS FOR THE MUNICIPALITY IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWO HUNDRED FIFTY MILLION DOLLARS (\$250,000,000) FOR THE PURPOSE OF PROVIDING FUNDS TO REFINANCE CERTAIN OUTSTANDING DEBT AND TO PROVIDE FOR ADDITIONAL FUNDS FOR CAPITAL IMPROVEMENTS AND RELATED FINANCING EXPENSES OF THE DON YOUNG PORT OF ALASKA.**

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**WHEREAS**, the Municipality of Anchorage, Alaska (the “Municipality”) owns and operates port facilities (the “Port Facilities”) as a public enterprise of the Municipality; and

**WHEREAS**, the Port Facilities have been undertaking modernization improvements (hereinafter defined as the “Projects”); and

**WHEREAS**, the Assembly of the Municipality approved Ordinance No. 2020-16 on February 11, 2020, authorizing the issuance of one or more series of Port Revenue Bonds in an aggregate principal amount of not to exceed \$100,000,000, of which \$34,905,000 remains authorized but unissued; and

**WHEREAS**, the Assembly of the Municipality approved Resolution No. 2020-188 on June 23, 2020, appropriating \$100,000,000 of borrowing proceeds to the Port of Alaska Capital Improvement Project Fund (570800); and

**WHEREAS**, the Assembly of the Municipality approved Ordinance No. 2021-100, As Amended on November 1, 2021, authorizing the issuance of one or more series of Port Revenue Bonds in an aggregate principal amount of not to exceed \$165,000,000, of which \$125,000,000 remains authorized but unissued, and the appropriation of such Bonds and/or Notes proceeds in an amount of not to exceed \$165,000,000; and

**WHEREAS**, the Assembly of the Municipality approved Ordinance No. 2024-11(S), As Amended (together with Ordinance No. 2020-16 and Ordinance No. 2021-100, As Amended, the “Bond Ordinances”) on February 27, 2024, authorizing the issuance of one or more series of Port Revenue Bonds in an aggregate principal amount of not to exceed \$453,000,000, of which \$453,000,000 remains authorized

1 but unissued, and the appropriation of such Bonds and/or Notes proceeds in an  
2 amount of not to exceed \$453,000,000; and

3  
4 **WHEREAS**, the Municipality has \$40,000,000 outstanding under the short-term  
5 borrowing program established pursuant to Ordinance Nos. 2020-16 and 2021-100,  
6 As Amended (the “Notes”); and

7  
8 **WHEREAS**, the Municipality finds it in its best interest to provide funding for a  
9 portion of the Port Facilities’ financial needs and to refinance all or a portion of the  
10 Notes through the issuance of long term revenue bonds; and

11  
12 **WHEREAS**, the Chief Fiscal Officer of the Municipality has held a public hearing on  
13 the issuance of the bonds that will be private activity bonds as required by  
14 Section 147(f) of the Internal Revenue Code of 1986, as amended; and

15  
16 **WHEREAS**, the Assembly introduced Resolution No. 2024-316 on October 22,  
17 2024 authorizing the issuance of**FINDS IT IS IN THE BEST INTEREST OF THE**  
18 **MUNICIPALITY TO ISSUE]** one or more series **of[AS]** long term revenue bonds  
19 (“Bonds”) pursuant to the Bond Ordinances with an aggregate principal amount of  
20 not to exceed Two Hundred Fifty Million Dollars (\$250,000,000); and

21  
22 **WHEREAS, subsequent to the introduction of Resolution No. 2024-316,**  
23 **additional limitations to the issuance of the Bonds are now deemed required**  
24 **which will reduce the aggregate principal amount of Bonds to be issued**  
25 **pursuant to this resolution;** now, therefore,

26  
27 **THE ANCHORAGE ASSEMBLY RESOLVES:**

28  
29 **Section 1. Purpose.** The purpose of this resolution is to approve the issuance of  
30 one or more series of Port Revenue Bonds in the maximum principal amount of Two  
31 Hundred Fifty Million Dollars (\$250,000,000) to provide moneys to finance,  
32 refinance and/or reimburse the costs of the Projects, to refinance the Notes, to  
33 provide for reserves, if any, and to pay costs of issuance.

34  
35 **Section 2. Definitions.** As used in this resolution, unless a different meaning  
36 clearly appears from the context:

37  
38 **Assembly** means the general legislative authority of the Municipality, as the  
39 same may be constituted from time to time.

40  
41 **Authorized Municipal Representative** means the Chief Fiscal Officer of the  
42 Municipality or his/her designee appointed in writing.

43  
44 **Bond Ordinances** means Ordinance No. 2020-16, approved by the  
45 Assembly on February 11, 2020, Ordinance No. 2021-100, As Amended,  
46 approved by the Assembly on November 1, 2021 and Ordinance

1 No. 2024-11(S), As Amended, approved by the Assembly on February 27,  
2 2024, authorizing the issuance of one or more series of Port Revenue Bonds.

3  
4 **Bonds** means the Port Revenue Bonds of the Municipality within one or more  
5 series, in the aggregate principal amount of not to exceed \$250,000,000,  
6 authorized pursuant to the Bond Ordinances and approved herein.

7  
8 **Chief Fiscal Officer** means the chief fiscal officer of the Municipality  
9 appointed and confirmed pursuant to Section 5.05 of the Charter.

10  
11 **Municipality** means Anchorage, Alaska, a municipal corporation organized  
12 and existing under the Constitution and laws of the State of Alaska.

13  
14 **Notes** means the Subordinate Lien Port Revenue Notes issued pursuant to  
15 a Revolving Credit Agreement between the Municipality and U.S. Bank  
16 National Association, authorized pursuant to Ordinance Nos. AO 2020-16  
17 and 2021-100, As Amended, currently outstanding in the amount of  
18 \$40,000,000.

19  
20 **Port** means the Don Young Port of Alaska, a public enterprise of the  
21 Municipality formerly known as the Port of Anchorage.

22  
23 **Port Facilities** mean the existing properties and facilities operated by the  
24 Port, as the same may be added to, improved and extended by the  
25 Municipality.

26  
27 **Projects** mean the improvements made to the Port Facilities, as approved in  
28 Section 3 of the Bond Ordinances.

29  
30 **Section 3. Approvals.** One or more series of Port Revenue Bonds in the  
31 aggregate principal amount of not to exceed Two Hundred Fifty Million Dollars  
32 (\$250,000,000) is hereby approved. Pursuant to the Bond Ordinances, authority is  
33 granted to the Authorized Municipal Representative to negotiate all terms and  
34 conditions deemed to be in the best interest of the Municipality, and to execute all  
35 documents and certificates necessary for the issuance of the Bonds, all in  
36 accordance with terms of Bond Ordinances.

37  
38 **Section 4. Limitation on Bond Amount. Notwithstanding Section 3, herein,**  
39 **the Authorized Municipal Representative may only approve the issuance of**  
40 **the principal amount of bonds that is required to i) retire the outstanding**  
41 **principal amount of the revolving loan agreement of Forty Million Dollars**  
42 **(\$40,000,000) for the Port's short term borrowing program, ii) deposit bond**  
43 **proceeds in the amount of not to exceed One Hundred Forty Million Dollars**  
44 **(\$140,000,000) into a Project Account to pay for capital expenditures of the**  
45 **Port, iii) deposit bond proceeds into a debt service reserve fund or account**  
46 **required by the investors as confirmed by the Municipality's Municipal**

1 **Advisor in an amount not to exceed the maximum annual debt service on the**  
2 **bonds being issued and iv) pay all costs of issuance for the bonds.**  
3

4 **Section 5[4].Revenue Bond Authorization.** The outstanding revenue bond  
5 authorizations contained in the Bond Ordinances will be reduced by the actual par  
6 (principal) amount of the Bonds approved and sold under this resolution. The  
7 reductions will be applied to the Bond Ordinances in the order of their date of  
8 adoption.  
9

10 **Section 6[5].Effective Date.** This resolution shall be effective immediately upon  
11 passage and approval by the Assembly.  
12

13 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage this  
14 \_\_\_\_ day of \_\_\_\_\_, 2024.  
15

16  
17 By \_\_\_\_\_  
18 Chair of the Assembly  
19

20 ATTEST:  
21  
22

23 \_\_\_\_\_  
24 Municipal Clerk

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects – Enterprises**

Title: AR 2024-316(S) A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, APPROVING THE ISSUANCE OF PORT REVENUE BONDS FOR THE MUNICIPALITY IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWO HUNDRED FIFTY MILLION DOLLARS (\$250,000,000) FOR THE PURPOSE OF PROVIDING FUNDS TO REFINANCE CERTAIN OUTSTANDING DEBT AND TO PROVIDE FOR ADDITIONAL FUNDS FOR CAPITAL IMPROVEMENTS AND RELATED FINANCING EXPENSES OF THE DON YOUNG PORT OF ALASKA.

Sponsor: Mayor  
 Preparing Agency: Public Finance and Investments Division  
 Others Impacted: Don Young Port of Alaska

**CHANGES IN REVENUES AND EXPENSES:**

(In Thousands of Dollars)

	FY24	FY25	FY26	FY27	FY28
Operating Revenues					
<b>TOTAL OPERATING REVENUES:</b>					
Operating Expenses					
<b>TOTAL OPERATING EXPENSES:</b>					
Non-Operating Revenues					
<b>TOTAL NON-OPERATING REVENUES:</b>					
Non-Operating Expenses					
<b>TOTAL NON-OPERATING EXPENSES:</b>					
4000 Debt Issuance Expense	<u>1,148</u> [1,176]	-	-	-	-
4000 Bond Interest	-	<u>5,938</u> [12,258]	<u>9,507</u> [12,702]	<u>9,434</u> [12,598]	<u>9,357</u> [12,489]
2000 Bond Principal	-	<u>-[2,520]</u>	<u>1,425</u> [2,075]	<u>1,500</u> [2,180]	<u>1,575</u> [2,290]
<b>TOTAL DEBT SERVICE:</b>	<u>1,148</u> [1,176]	<u>5,938</u> [14,778]	<u>10,932</u> [14,777]	<u>10,934</u> [14,778]	<u>10,932</u> [14,779]

POSITIONS FT/PT and Temp:

**PUBLIC SECTOR ECONOMIC EFFECTS:**

This[E] debt service represents the sale of \$183,250,000 of 40-year long-term revenue bonds, under AR 2024-316(S), sold in 2024 to generate i) \$180[250] million in proceeds, ii) funds to establish a debt service reserve fund and iii) funds to pay costs of issuance. Interest rates are based upon marketplace rates as of October 24[4], 2024. If the bonds had been sold on October 24[4], 2024, they would have had coupons of 5.00% and 5.25%, been priced at a premium and the All-In Cost of Funds would have been 4.929[4.706]%. The actual par amount of bonds sold will be determined by the marketplace on the date of sale. No further bonds will be issued under the authority of AR 2024-316(S).

**PRIVATE SECTOR ECONOMIC EFFECTS:**

The Don Young Port of Alaska Modernization Project (PAMP) provides for badly needed capital improvements to the Don Young Port of Alaska. Without such capital improvements, the Port will be required to be shut down within ten years. The PAMP is expected to extend the life of the Port for at least fifty years. Additionally, each time the Municipality sells bonds for the Port of Alaska, the Surcharge Concept in Item 272 of the Port's Tariff will change.