

**CITY OF CORDOVA, ALASKA
RESOLUTION 12-14-48**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA
AUTHORIZING THE CITY OF CORDOVA TO ISSUE GENERAL OBLIGATION
BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,000,000 TO
FINANCE THE CORDOVA CENTER PROJECT AND TO SUBMIT THE QUESTION
OF THE ISSUANCE OF SUCH DEBT TO THE QUALIFIED VOTERS OF THE CITY
AT THE REGULAR CITY ELECTION IN MARCH 2015 AND DECLARING THE
INTENT OF THE CITY OF CORDOVA TO REIMBURSE ORIGINAL
EXPENDITURES FOR THE CORDOVA CENTER PROJECT STARTED AFTER THE
DATE OF THIS RESOLUTION BUT PRIOR TO THE ISSUANCE OF THE GENERAL
OBLIGATION BONDS**

WHEREAS, the City is a home rule city and under Section II of Article X of the Alaska Constitution may exercise all legislative power not prohibited by law or charter of the City; and

WHEREAS, Section 6-1 of the Cordova City Charter authorizes the City to issue general obligation bonds or other such evidences of indebtedness, but only when authorized by the council for capital improvements and ratified by a majority of the qualified voters of the City; and

WHEREAS, it is in the City's best interest to provide for potential reimbursement of expenditures occurring before the issuance of such bonds given the need to complete the Cordova Center without a stoppage in construction work; and

WHEREAS, the Cordova Center remains on the City's Capital Improvement Project list as one of the Council's top priorities; and

WHEREAS, the Rasmuson Foundation "Top Off" grant includes stipulations for the City to contribute at least 10% of the total project cost for the Cordova Center; and

WHEREAS, the City views the capital project authorized herein as necessary and beneficial to the community; and

WHEREAS, §1.150-2 of the Income Tax Regulations requires that the City timely declare its intent to reimburse original expenditures for costs of capital improvements with proceeds of tax exempt bonds so that the reimbursement will qualify as an expenditure of proceeds of the bonds.

NOW THEREFORE, BE IT RESOLVED THAT:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the City to incur general obligation bonded indebtedness in the amount not to exceed Three Million Dollars (\$3,000,000) for the purpose of paying the cost of completing the Cordova Center.

Section 2. The City is authorized to borrow the sum of Three Million Dollars (\$3,000,000) to finance the capital project described in Section 1, and the borrowing shall be evidenced by the issuance of general obligation bonds of the City. The full faith and credit of the City are pledged for payment of the principal of and interest on the bonds, and ad valorem taxes upon all taxable property in the City shall be levied without limitation as to rate or amount to pay the principal of and interest on the bonds when due.

Section 3. The City shall submit the following proposition to the qualified voters of the City at the March 2015 Regular City Election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. 1
GENERAL OBLIGATION DEBT FOR CORDOVA CENTER PROJECT

Shall the City of Cordova incur general obligation indebtedness in an amount not to exceed Three Million Dollars (\$3,000,000) for the purpose of paying for the Cordova Center Project?

Section 4. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other bond propositions, and the following words shall be added as appropriate and next to a space provided for marking the ballot for voting by hand or machine.

PROPOSITION NO. 1

YES
NO


Section 5. Sections 1 and 2 of this Resolution 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 March 2015 Regular City Election. The remaining sections of this Resolution shall become effective upon passage and approval.

PASSED AND APPROVED THIS 3rd DAY OF DECEMBER, 2014





James Kacsh, Mayor

Attest: 

Susan Bourgeois, CMC, City Clerk