

CITY OF HOMER

Ordinance No. 89-17

AN ORDINANCE OF THE COUNCIL OF THE CITY OF HOMER, ALASKA, PROVIDING FOR AN ELECTION TO SUBMIT TO THE QUALIFIED VOTERS OF THE CITY A PROPOSITION FOR THE ISSUANCE OF GENERAL OBLIGATION ROAD BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$4,355,000 FOR THE PURPOSE OF PROVIDING FUNDS TO PLAN FOR, ACQUIRE, CONSTRUCT, AND RECONSTRUCT ROADS AND RELATED IMPROVEMENTS WITHIN THE CITY OF HOMER AND TO REPAY PRIOR INTERIM FINANCING OF ROAD PROJECTS; PROVIDING FOR THE FORM OF THE BALLOT PROPOSITION AND SPECIFYING CERTAIN OTHER DETAILS CONCERNING THE ELECTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Homer (the "City") has initiated the Homer Accelerated Road Program (the "Project") to construct and pave roads within the City; and

WHEREAS, the voters of the City of Homer approved a 3/4 percent sales tax at the regular municipal election in October of 1987 to partially fund the Project, and

WHEREAS, the City will levy special assessments to provide a part of the funds needed to finance the Project, and

WHEREAS, in order to provide part of the funds to enable the City to acquire, construct, and reconstruct roads and related improvements, it is deemed necessary and advisable that the City issue and sell its general obligation bonds in the principal amount of not to exceed \$4,355,000; and

WHEREAS, the laws of the State of Alaska provide that the question of whether or not such bonds may be issued and sold for such purposes must be submitted to the qualified voters of the City for their ratification or rejection;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HOMER:

Section 1. Capital Improvements. It is hereby found and declared that the City should plan for, acquire, construct, and reconstruct roads and related improvements within the City, pursuant to the Project, including modifications to the Project as

are approved by the Council. The costs of the Project include but are not limited to the costs of preliminary investigations, engineering drawings and specifications, right-of-way acquisition, inspection and testing, administrative and relocation expenses, consulting services, lands and interests in land, financing costs, construction, paving and all other costs incurred in connection with the making of the foregoing capital improvements.

Section 2. Authorization of Bonds. For the purpose of providing part of the funds necessary to pay the cost of the Project described in Section 1 hereof, together with incidental costs and costs related to the sale and issuance of the bonds, and the repayment of advances made to the Project pursuant to Ordinance 88-19, the City shall issue and sell its general obligation bonds in the principal amount of not to exceed \$4,355,000. Such bonds shall be issued in an amount not exceeding the amount approved by the qualified voters of the City as required by the laws of the State of Alaska.

Section 3. Details of Bonds. The bonds provided for in Section 2 hereof shall be sold in such amounts and at such time or times, shall bear interest at such rate or rates, and shall mature in such amounts, at such times as authorized by resolution or ordinance adopted by the Council and as provided by law. Said bonds shall be general obligations of the City and the principal and interest on the bonds shall be paid from the proceeds of the 3/4 of one percent sales tax approved by the voters on October 6, 1987 for road purposes. If not paid from such sales tax proceeds, or from special assessments and other revenues the Council may make available, both principal thereof and interest thereon shall be payable out of annual tax levies to be made upon all the taxable property within the City, without limitation as to rate or amount. The full faith and credit of the City shall be irrevocably pledged for the payment of both the principal of and interest on such bonds. The exact date, form, terms, maturities and such other matters relating to the issuance and sale of said bonds shall be as hereafter fixed by ordinance or resolution of the Council.

After voter approval of the bond proposition and in anticipation of the issuance of such bonds, the Council may issue bond anticipation notes, under such date and in such amount, form, terms, maturity, and bearing such rate or rates of interest, all as may hereafter be fixed by ordinance or resolution of the Council.

Section 4. Bond Election. The City Clerk shall submit to the qualified voters of the City the proposition of whether or not the City shall issue such bonds for such purposes at the regular election to be held in the City on October 3, 1989. The City hereby authorizes the submittal to the qualified voters of the City at such regular election the proposition in substantially the

following form:

PROPOSITION NO. **B**

CITY OF HOMER

ROAD BONDS - \$4,355,000

Shall Ordinance 89-17 of the City of Homer be approved and the City be authorized to issue its General Obligation Bonds in the principal amount of not to exceed \$4,355,000 for the purpose of providing a part of the funds necessary to plan for, acquire, construct, and reconstruct roads within the City of Homer pursuant to the Homer Accelerated Roads Program; said bonds to be paid first out of the proceeds of the 3/4 of one percent sales tax approved by the voters on October 6, 1987 and then, if necessary, from special assessments and other revenues of the City. The full faith and credit of the City shall be irrevocably pledged for the payment of both principal and interest on the bonds.

BONDS, YES

BONDS, NO

Section 5. Conduct of Election. The City Clerk and other appropriate City officials are hereby authorized and directed to take all action necessary and appropriate to the calling and conduct of the election on the proposition authorized hereunder.

Section 6. Effective Date. This ordinance shall be effective immediately upon its adoption.

ADOPTED this 24th day of July, 1989.

CITY OF HOMER, ALASKA

BY: John P. Calhoun
John P. Calhoun, Mayor
P.

ATTEST:

Patti J. Whalin
Patti J. Whalin, City Clerk

First Reading _____
Public Hearing 7-10-89
Second Reading 7-24-89
Effective Date _____