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**CITY OF HOMER
HOMER, ALASKA**

*Not introduced
ordinance 17-23
was not
repealed*

Lewis

ORDINANCE 17-31

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
APPROPRIATING FUNDS IN THE AMOUNT OF \$1,121,591 FROM
THE HOMER PERMANENT FUND TO PAY OFF THE LIBRARY
CONSTRUCTION LOAN.

WHEREAS, The Homer Permanent Fund was established by Ordinance 05-14(S) for the purpose of receiving monies from the distribution of the Exxon Valdez Oil Spill settlement and other "wind-fall" funds, and serving as an endowment whose income would be used to support City government, and whose principal could be loaned to support City capital projects; and

WHEREAS, The City pays \$99,824 annually in debt service on a USDA loan from the construction of the Homer Public Library; and

WHEREAS, A portion of the Homer Permanent Fund could serve their purpose better if they were transferred to pay off debt; and

WHEREAS, The City of Homer can save \$464,314 in avoided interest charges over the next 17 years by paying the United States Department of Agricultural Rural Development Loan for library construction off early; and

WHEREAS, Reducing debt obligation is a valid goal of the Permanent Fund and in the future the Council could consider spending the remainder of the capital dollars for the new police station will allow the City of Homer to borrow less money to fund the project; and

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The City Council hereby appropriates \$1,121,591 from the Homer Permanent Fund pursuant HCC 3.12.060 to pay off in full the United States Department of Agricultural Rural Development Loan, (Library Construction Loan.)

Section 2. This Ordinance is a budget amendment, temporary in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of _____, 2017.

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CITY OF HOMER

BRYAN ZAK, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Hearing:
Second Reading:
Effective Date:

Reviewed and approved as to form:

Mary K. Koester, City Manager

Holly C. Wells, City Attorney

Date: _____

Date: _____

