CITY OF HOMER 1 2 HOMER, ALASKA Smith 3 4 ORDINANCE 18-27(A) 5 6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, 7 APPROPRIATING FUNDS IN THE AMOUNT OF \$5,000 FROM THE 8 POLICE STATION RESERVE FUND FOR A PUBLIC INFORMATION CAMPAIGN IN SUPPORT OF THE BALLOT PROPOSITION TO ISSUE 9 GENERAL OBLIGATION BONDS OF \$5 MILLION DOLLARS TO 10 FINANCE THE CONSTRUCTION OF A POLICE STATION AND 11 12 PROVIDE FOR AN INCREASE IN THE RATE OF CITY SALES TAX FROM 4.5% TO 4.85% WITH 0.3% OF THE INCREASE PROVIDING 13 FUNDS TO PAY DEBT SERVICE ON THE GENERAL OBLIGATION 14 15 BONDS WHICH WILL EXPIRE ON DECEMBER 31 THE YEAR WHEN 16 THE CITY HAS RECEIVED SUFFICIENT FUNDS FROM THE INCREASE TO PAY ALL OF THAT DEBT SERVICE, INCLUDING INFORMATION 17 THAT MAY INFLUENCE THE OUTCOME OF THE ELECTION ON THE 18 PROPOSITION. 19 20 21 WHEREAS, City Council has previously shown through approval of Resolution 13-087(A) and Resolution 14-093 that having a new Public Safety Building was one of the top five Capital 22 Improvements Projects and due to the decline in revenues, particularly from the State of 23 24 Alaska, the City faces the probability of the project not receiving additional funding; and 25 WHEREAS, The City Council views the acquisition and construction of a new police 26 27 station and related capital improvements as necessary and beneficial to the community, and determines that to fund such improvements general obligation bonds of the City should 28 29 be authorized, issued and sold; and 30 WHEREAS, It is prudent long-term planning to identify a source of funds required to 31 properly maintain this important public asset over time; and 32 33 34 WHEREAS, It is the Council's duty and desire to ensure all city voters are aware of the impact that issuing General Obligation Bonds and implementing a 0.35% sales tax would have 35 on the construction and financing of the new Police Station; and 36 37 WHEREAS, AS 15.13.145(c)(2) permits the City to provide the public with nonpartisan 38 information about a ballot proposition, but AS 15.13.145(b) prohibits the City from using funds 39 to influence the outcome of an election concerning a ballot proposition unless the City 40 specifically appropriates the funds for that purpose by ordinance; and 41

WHEREAS, The Alaska Public Offices Commission ("APOC"), which enforces AS

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15.13.145, has interpreted nonpartisan information permitted under AS 15.13.145(c)(2) very narrowly, so that the City cannot inform the public fully about the effects of the ballot proposition to issue general obligation bonds in an amount of \$5 million dollars and increase the sales tax 0.35% to pay debt service without including information that APOC likely would categorize as influencing the outcome of the election on the ballot proposition.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The City Council hereby appropriates funds from the Police Station Reserve Fund to provide public information on the ballot proposition to issue General Obligation Bonds in the amount of \$5 Million Dollars to finance the acquisition and construction of a police station and provide for an increase in the rate of city sales tax from 4.5% to 4.85% with 0.3% of the increase providing funds to pay debt service on the general obligation bonds which will expire on December 31 the year when the city has received sufficient funds from the increase to pay all of that debt service and 0.05% remaining into perpetuity for the sole purpose of police station operations and maintenance , including information that may influence the outcome of the election on the proposition.

| Account | <u>Description</u> Police Station Reserve Fund | <u>Amount</u> \$5,000.00 |
|----------------|---|-----------------------------|
| Expenditure: | Description | |
| <u>Account</u> | <u>Description</u> | <u>Amount</u> |
| | Public Information Campaign | |

<u>Section 2.</u> This is a budget amendment ordinance, is temporary in nature and shall not be codified.

on Ballot Proposition

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this <u>H</u> day of <u>May</u>, 2018.

8081 ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

PRYAN ZAK, MAYOR

CITY OF HOMER

\$5,000.00

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| 87 | YES: 💪 | |
| 88 | NO: O | |
| 89 | ABSTAIN:O | |
| 90 | ABSENT: D | · |
| 91 | | |
| 92 | First Reading: 4.23.18 | |
| 93 | Public Hearing: ട년사 | |
| 94 | Second Reading: 5.14.18 | |
| 95 | Effective Date: らいいり | |
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| 97 | Reviewed and approved as to form: | 2 |
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| 100 | Katie Koester, City Manager | Holly C. Wells, City Attorney |
| 101 | C 10 10 | |
| 102 | Date: S·ll·l | Date: 6.8.18 |