

Introduced by: Sprague
Date: 06/16/09
Hearing: 07/07/09 & 08/04/09
Action: Postponed as Amended Until 08/04/09
Action: Tabled
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2009-35**

**AN ORDINANCE PROVIDING FOR SUBMISSION TO THE QUALIFIED VOTERS OF
THE KENAI PENINSULA BOROUGH CENTRAL PENINSULA MULTI-USE
FACILITY SERVICE AREA THE QUESTION OF THE ISSUANCE OF GENERAL
OBLIGATION BONDS OF THE CENTRAL PENINSULA MULTI-USE FACILITY
SERVICE AREA IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT-TO-EXCEED
\$25,500,000 TO PAY A PORTION OF THE COSTS OF THE CAPITAL
IMPROVEMENTS, AT AN ELECTION IN AND FOR THE CENTRAL PENINSULA
MULTI-USE FACILITY SERVICE AREA**

WHEREAS, the Kenai Peninsula Borough (the "Borough") has formed the Central Peninsula Multi-Use Facility Service Area to construct and operate a large-scale multi-use facility for youth and adult sports, wellness programs, community recreational opportunities, exhibitions, and other special events year-round; and

WHEREAS, the Borough expects the capital construction costs for the proposed facility will total approximately \$25,500,000 and can be completed with a combination of grant funds and bond proceeds; and

WHEREAS, the bonds would be in an amount not to exceed \$25,500,000 which would be issued only if funding of \$1,000,000 is received from other sources; and

WHEREAS, voter approval is required for the issuance of general obligation bonds;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. It is hereby determined to be for a public purpose and in the public interest of the Kenai Peninsula Borough, Alaska (the "Borough") that the Central Peninsula Multi-Use Facility Service Area (the "Service Area") incur general obligation bonded indebtedness in an amount not to exceed Twenty-Five Million Five Hundred Thousand Dollars (\$25,500,000), for the purpose of paying the costs of planning, designing, acquiring property for, site preparation, financing, constructing, acquiring, renovating, expanding, installing and equipping the Central Peninsula Multi-Use Facility Service Area facility (the "Project").

SECTION 2. The sum of not to exceed Twenty-Five Million Five Hundred Thousand Dollars (\$25,500,000) shall be borrowed by the Borough for the aforesaid multi-use capital improvements and shall be evidenced by the issuance of general obligation bonds of the Borough. The full faith and credit of only the Service Area are pledged for the payment of the principal of and interest on the bonds, and ad valorem taxes upon all taxable property in the Service Area shall be levied without limitation as to rate or amount as necessary to pay the principal of and interest on the bonds when due.

SECTION 3. An election is to be held at the regular election in October 2009, in and for the Service Area, for the purpose of submitting a general obligation bond proposition to the qualified voters of the Service Area for approval or rejection. The proposition must receive at less 50 percent of the votes of those in the Service Area voting on the question to be approved. The proposition shall be substantially in the following form:

PROPOSITION NO. _____

CENTRAL PENINSULA MULTI-USE FACILITY SERVICE AREA CAPITAL IMPROVEMENT PROJECT AND ISSUANCE OF GENERAL OBLIGATION BONDS

Shall the Kenai Peninsula Borough issue up to \$25,500,000 of Central Peninsula Multi-Use Facility Service Area general obligation bonds to provide funding for capital improvements in the service area?

The bond proceeds and any grant funds received for the project will be used to pay the costs of planning, designing, acquiring property for, site preparation, financing, constructing, acquiring, renovating, expanding, installing and equipping the Central Peninsula Multi-Use Facility Service Area facility located within the Central Peninsula Multi-Use Facility Service Area. Issuance of the bonds is subject to the availability of other funds in the amount of \$1,000,000.

The general obligation bond debt will be paid from operating revenues generated by the Central Peninsula Multi-Use Facility and from ad valorem taxes on all taxable property levied and collected in the Central Peninsula Multi-Use Facility Service Area. The Central Peninsula Multi-Use Facility Service Area will pledge its full faith and credit for payment of the general obligation bond debt.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed real and personal property value in the Central Peninsula Multi-Use Facility Service Area (based on the estimated 2009 year assessed valuation) an annual tax of approximately \$ _____ to retire the proposed general obligation bond debt.

(Ordinance No. 2009-__)

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

PROPOSITION NO. _____ Yes
No

SECTION 5. Section 2 of this ordinance shall become effective only if the proposition described in Section 3 is approved by no less than 50 percent of the qualified voters voting on the proposition at the regular election in October 2009. The remaining sections of this ordinance shall become effective upon passage and approval.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS *
DAY OF * 2009.**

Milli Martin, Assembly President

ATTEST:

Johni Blankenship, Borough Clerk

Vote on Motion to Table:

Yes: Fischer, Knopp, Long, Pierce, Smalley, Smith, Sprague, Superman, Martin

No: None

Absent: None