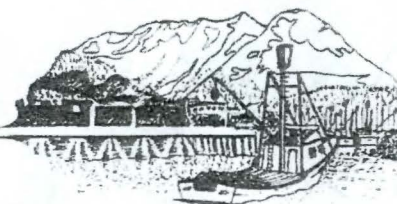


# CITY OF CORDOVA



Elise Hsieh, Executive Director  
Exxon Valdez Oil Spill Trustee Council  
441 W. 5<sup>th</sup> Avenue, Suite 500  
Anchorage, AK 99501

**RECEIVED**

AUG 07 2014

**EXXON VALDEZ OIL SPILL** July 14, 2014  
**TRUSTEE Council**

Dear Ms. Hsieh and Trustee Council Members:

Greetings from Cordova. It is with great pleasure that we write to share with you the Cordova Center project is about to head toward completion! Phase II of construction is set to begin shortly with Dawson Construction.

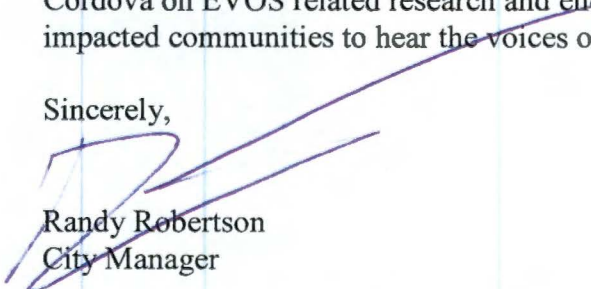
At this point, the City of Cordova would like to formally request the information necessary to begin accessing the additional \$1.3 million financial commitment of the Trustee Council to the Cordova Center project. The City of Cordova has dutifully met with the initial requirements set forth from the May 8, 2008 meeting of the Trustee Council when the financial commitment to the Cordova Center was passed unanimously and has continued its obligations to your resolution.

The City of Cordova has firm commitments for the funding of all the anticipated costs of construction of the Cordova Center. The Cordova Center will be used for EVOS related purposes as described in the January 19, 2007 proposal. The City Council of Cordova has committed by resolution to fund all operation and maintenance costs of the Cordova Center and does not intend to request future operation and maintenance funds from the EVOS Trustee Council.

Again, we want to thank each of the members of the Trustee Council for the time they have spent on this worthy project and for their efforts to hear the support from the community on herring restoration and the Community Center in May of 2008. The 5.5 hours of public testimony in support of the project prove why our community is so passionate about both herring restoration and human services restoration in Cordova; both of these topics generate very strong feelings within the community.

The meetings you held in Cordova were a very positive step toward a long enduring partnership with the EVOS Trustee Council and our community. We now look forward to more meetings in Cordova on EVOS related research and encourage the Trustees to continue to hold meetings in oil-impacted communities to hear the voices of the people of Prince William Sound.

Sincerely,

  
Randy Robertson  
City Manager

*Thank you!*

Enc: City of Cordova Resolution (2007); Financial Summary and Addendum; City of Cordova Resolution (2014)

**CITY OF CORDOVA, ALASKA  
SUBSTITUTE RESOLUTION 07-14-27**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
ADOPTING A CORDOVA CENTER PHASE II PROJECT BUDGET  
AS SUMMARIZED PURSUANT TO THE FOLLOWING TABLE:**

<b>Phase II</b>	<b>EXPENSES</b>	
426-402-70110	CoC Administration	\$ 193,228
426-402-70130	Construction	\$ 9,997,277
426-402-70140	Project Consultation and Management	\$ 325,500
426-402-70150	Administrative Contingency	\$ 699,809
426-402-70160	Furnishings	\$ 541,500
426-402-70180	1% for Art	\$ 235,000
		<b>\$ 11,992,314</b>

<b>Phase II</b>	<b>INCOME</b>	
secured	EVOS Trustee Council	\$ 3,675,937
secured	DCCED	\$ 4,994,478
anticipated	Capital Campaign	\$ 2,232,142
anticipated	City of Cordova	\$ 1,089,757
		<b>\$11,992,314</b>

**WHEREAS**, the City Manager submitted his proposed FY14 Operating Budget; and,

**WHEREAS**, the Cordova Center Phase II Project Budget was not complete at that time and City Council has conducted a work session reviewing the proposed Cordova Center project budget; and

**WHEREAS**, the Capital Campaign for the Cordova Center Project Phase II is currently and continually underway.


**NOW, THEREFORE BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby adopts the Cordova Center Phase II Project Budget.

**PASSED AND APPROVED THIS 16<sup>th</sup> DAY OF JULY, 2014.**



  
James Kacsh, Mayor

ATTEST:

  
Susan Bourgeois, CMC, City Clerk

**CITY OF CORDOVA, ALASKA  
RESOLUTION 08-11-36**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA  
PLEDGING A FIRM MONETARY COMMITMENT SUFFICIENT TO COMPLETE  
CONSTRUCTION OF THE CORDOVA CENTER PROJECT EQUAL TO ANY FUNDING  
DEFICIT.**

**WHEREAS**, the City of Cordova is committed to seeking economic development for the community and continually improving the quality of life for all Cordova; and

**WHEREAS**, the economy of the community of Cordova has been severely affected and is struggling to recover since the 1989 Exxon Valdez Oil Spill; and

**WHEREAS**, the Cordova Center project would continue to restore damaged tourism resources from the Exxon Valdez Oil Spill; and

**WHEREAS**, the Cordova Center Project will provide economic diversification, provide a state of the art facility that would benefit and improve the quality of life for year-round residents and visitors of Cordova as well as provide an opportunity for the development of a conference and meeting center; and

**WHEREAS**, the City of Cordova fully recognizes the importance of the Cordova Center Project to the recovering economy of the community; and

**WHEREAS**, the City of Cordova has already committed a contribution of \$1.5 million for the construction of the Cordova Center as well as an additional contribution of \$450,000 both in in-kind and cash for the project development, purchase of the site and clearing of the land; and

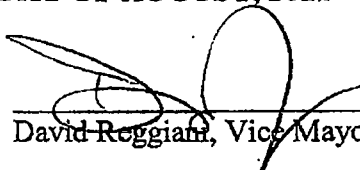
**WHEREAS**, the City of Cordova is committed to financial contributions to the long term operation and maintenance costs; and

**WHEREAS**, the City of Cordova is willing to demonstrate a clear and final commitment that all anticipated costs of construction for the Cordova Center will be met.


**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Cordova, Alaska, does hereby pledge a firm monetary commitment sufficient to complete construction of the Cordova Center Project equal to any funding deficit.

**PASSED AND APPROVED THIS 3<sup>rd</sup> DAY OF AUGUST, 2011**



  
David Reggiani, Vice Mayor

ATTEST:

  
Susan Bourgeois, City Clerk

**COPY**



## Cordova Center Project Addendum to Financial Summary

### Pending Revenue Status

- **DCCED FY15:** Paperwork for this has been completed and returned to the State.
- **EVOSTC Supplemental:** A request to release the additional funding is being sent to the Trustee Council.
- **Capital Campaign:** To date (FY14), over \$30K have been committed by corporate entities (Lynden) and local contributors with many more poised to donate once Phase II is underway.

### Anticipated Revenue

- **Foundations:** The Cordova Center Committee has entered into deliberate conversations with both the Rasmuson Foundation and the M. J. Murdock Charitable Trust. Both have completed site visits and have expressed a desire and level of interest in investing in the project (\$1,290,000). We are on the schedule for the Rasmuson Foundation's December review and the following months for Murdock Trust. The Committee is confident the numbers represented on the Financial Summary can be obtained.
- **Capital Campaign:** With the thorough review and input from the Cordova Center Committee and the benefits of working with Myren/Stern Consultants, the committee is confident the fund-raising goals outlined in the Capital Campaign can be obtained. As with the aforementioned Foundation conversations, work is already underway to reach this goal and includes applications for grants to Conoco Phillips for the theater and museum areas of the Cordova Center. Other phases of the Capital Campaign are poised to begin with Council's Notice to Proceed including but not limited to an effort involving CDFU, the fishermen and the processors as well as opportunities for local theater and art patrons to invest in the performance space.

### Estimated Expenses – Detail

- **CoC Administration:** This budget line includes the salary for the Cordova Center Project Manager (\$85,000); Capital Campaign (\$75,000); Administrative costs (\$33,228).
- **Grant Potential:** Staff has identified potential grant sources for many of the cultural, art and education aspects of the Cordova Center.

### Business Plan – Executive Summary- Long Term Revenue and Expense Projections

- The initial business plan was created in 2009 and is updated regularly. This represents estimated direct income and expenses to the City. As determined in the McDowell Report and as cited by the U.S. Department of Commerce Bureau of Economic Analysis, there will be additional multiplied revenue to the community in the form of indirect spending. The Proforma is also updated regularly as a part of this document.

## Cordova Center Project - Financial Summary

Updated July 17, 2014

### #1 Income - Actual received and spent on Pre-Const. and Phase I

EVOS Trustee Council	7,000,000	2008 awarded
Congressional appropriation	2,488,100	2000-2004 awarded
Alaska Legislative appropriation	6,525,000	2004, 2009, 2011 awarded
Governor's Capital Budget	1,000,000	received 2005
City of Cordova land purchase	362,000	2005, 2009
City of Cordova appropriation	1,500,000	received 2005
City of Cordova match to EDA grant	85,000	2002 awarded
Local events and individuals	24,112	through 2009
<b>TOTAL income through 2013</b>	<b>\$18,984,212</b>	

### #2 Income - Balance in hand for Phase II

EVOS Trustee Council	2,375,937	balance from 2008 award
DCCED FY14 approp.	994,478	awarded for construction
Businesses	0	
Individuals	342	
Events	300	
Lynden	10,000	
<b>Total in hand</b>	<b>\$3,381,057</b>	
<b>Income - Pending</b>		
DCCED FY14 approp.	4,000,000	awarded for construction
Lynden	20,000	In-Kind Freight
EVOS Trustee Council	\$1,300,000	awarded for construction
<b>Total Pending</b>	<b>\$5,320,000</b>	
<b>Total income secured Phase II</b>	<b>\$8,701,057</b>	

### #3 Future Income - Anticipated Sources\*

Foundations	1,290,000
Regional and State Corporate	475,000
Businesses	150,000
Individuals	136,500
Events	150,000
<b>TOTAL</b>	<b>\$2,201,500</b>

\*Details in Addendum

### #4 Expenses - Actual to date PAID

Pre-Construction	1,040,456
Phase I construction	14,619,957
Other expenses	\$947,862
<b>TOTAL expenses to date</b>	<b>\$16,608,275</b>
Income to date (see at left) minus expenses = Bal. Avail.	\$2,375,937
This balance is reflected in Phase II Income, at left below	

### #5 Expenses - Phase II

<b>*Potential for grant funding</b>	
Phase II Construction	9,997,277
Design Team Consultation	325,500
CoC Administration	193,228
Contingency 7% of construction costs	699,809
1% for Art	235,000
Conference Center - Furnishings	57,500
*Theater/Performance Space	125,000
*Project Room	1,500
*Education Room	2,500
*Library Offices, Patron Furnishings/Stacks	175,000
City Administrative Offices	10,000
*Museum Offices/Exhibits	125,000
AV/IT/Communications (RFP Pending by City)	45,000
<b>TOTAL Expenses Phase II</b>	<b>\$11,992,314</b>

### SUMMARY as of July 10, 2014

Est. Expenses for Phase II construction	\$	9,997,277
Est. Expenses for other items (listed above)	\$	1,995,037
<b>Total Expenses</b>	<b>\$</b>	<b>11,992,314</b>
Income now available for Phase II expenses	\$	8,701,057
Income anticipated from fundraising	\$	2,201,500
Final balance required - anticipated from City of Cordova	\$	1,089,757
<b>Total Revenues</b>	<b>\$</b>	<b>11,992,314</b>

Press Release

For Immediate Release

July 18, 2014

Contact: Laura Cloward, Public Information Office/Information Services, (907) 424-6288

### **Cordova Center on Track for 2015 Completion**

*Council Confidence Gives Project Two Thumbs Up!*

**CORDOVA, Alaska** – After many, many long years of planning and dedication, the \$25-million Cordova Center will soon be a new landmark for the city of Cordova, Alaska. On July 17, 2014, the city issued a *Notice to Proceed* to Dawson Construction for the first stage of the final phase. In light of positive City Council action and fundraising progress, City Manager Randy Robertson is firmly convinced that the project will be completed by the summer of 2015.

The Cordova Center is a new 34,000 square foot, fully accessible multi-use facility. The completed project will host City Hall, the Cordova Library, the Cordova Historical Society Museum, and a conference center capable of hosting up to 200 attendees.

City Council unanimously approved the Phase II budget at the July 16<sup>th</sup> Regular Meeting, sending a strong message to staff to move forward. With recent addition of a Professional Engineer to the city staff, Mr. Rich Rogers, combined with the Cordova Center Committee's formulation of a Capital Campaign, and the Phase II Contractor – Dawson Construction – on board, Cordovans can expect to see renewed site activity within the next few months.

Cordova's State Delegates, Representative Alan Austerman and Senator Gary Stevens, really came through for Cordova this session. \$4 million was appropriated by the state to the city of Cordova for the Cordova Center. This is a huge boost to the final push to completion, and the Capital Campaign can focus on the final \$3 million needed to finish the project. It's been a long time coming, but now the dream is within reach.

The Cordova Center project began in 2002, envisioned to replace aging public facilities and as a focal point for community activity and economic development. Civic leaders recognized that to accomplish the goal, a strategic plan utilizing a variety of funding sources would be necessary for the construction of a *large* facility in a community with a *small* population. The City of Cordova immediately committed to long-term operation and maintenance of the facility and to solidify their intent, purchased all the land necessary to appropriate the designated site.

In pursuit of the goal, local fundraising began immediately to kick off the project and build community support and consensus. Since 2002, \$22.5 million has been secured for the \$25.5 million project budget. Now, the Phase II Capital Campaign focuses on foundation and corporate funding sources, and a renewed emphasis on individual donors investing in the community dream. Community members will start quietly closing the gap and in September, kick off the final push to the goal.

Obtain more information about The Cordova Center at the City of Cordova website, [www.cityofcordova.net](http://www.cityofcordova.net).