



The Cordova Center Project Community Inspired Development

www.cityofcordova.net

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RECEIVED

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July 31, 2008

Office of the Governor
Anchorage

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OFFICE OF THE GOVERNOR
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HALLROOM

Honorable Sarah Palin
550 West 7th Avenue, Suite 1700
Anchorage, AK 99501

Dear Governor Palin,

It is with great pleasure that I write to share this update on the Cordova Center project. After many years of persistent conversations and work with state and federal members of the Exxon Valdez Oil Spill Trustee Council (EVOSTC), the community of Cordova is pleased to inform you that the Trustee Council voted on May 1st to commit up to \$7 million dollars towards the construction of the Cordova Center.

Over 250 residents attended the nearly six-hour meeting with the EVOSTC. That 100% of the testimony was in support of the project, showed the importance the community placed on "Our Center". With the unanimous vote of the Trustee Council, we are all finally in agreement that this project meets the criteria of restoring the damaged resource of tourism and human services which were destroyed in the Exxon Valdez Oil Spill (EVOS) 19 years ago.

Unfortunately, it took almost 5 years for the EVOSTC to reach this decision. During that time, the skyrocketing cost of steel and energy has increased the budget of the entire project from the original estimate of \$12.5 million to \$19.8 million. We need to begin construction soon, as inflation keeps pushing the project just out of reach every time we hit another milestone.

To date, \$12.2 million has been secured for the project through federal, state and local appropriations. This includes the EVOSTC commitment as well as a \$1.5 million commitment from the City of Cordova. The land for the preferred site for the Cordova Center has already been purchased by the City, and construction documents for the project are now 90% complete.

The recent decision by the Supreme Court to drastically lower the amount in punitive damages to be paid out to the oil spill plaintiffs has been another direct blow to the economy of our community. Although much has been accomplished in restoring the damaged resources injured in the 1989 oil spill (many species have fully recovered), there are still gaps in reaching full recovery. One such gap is the Prince William Sound herring fishery, which was a powerful economic engine in Cordova prior to its collapse in 1993. Some studies have now linked the herring collapse directly to the oil spill. Another gap is the restoration of the human services impacted by EVOS. It is time to restore that long neglected category, but direct state aid is needed to assist us in restoring that resource as our economy has suffered from the collapsed herring fishery and now punitive damage



funds will fall far short of making a meaningful contribution.

We are at a very critical stage in this process. We must secure sufficient funding soon so that we can solicit construction bids and lock in a construction price. This new multi-use facility will be energy and fuel efficient. It will consolidate city services and replace two aging and economically draining buildings that are now too small to meet the community needs. It is imperative in this day and age of rising fuel and energy costs that we move into the future for our community. The Cordova Center design includes the highest LEEDS (Leadership in Energy Efficient Design) rating we can obtain for energy efficiency.

The Cordova Center project occupies the preeminent role in the recovery and rejuvenation of this community from the economic set-back experienced after the 1989 oil spill. We request that you favorably consider our request for funds for the City of Cordova for use in support of the Cordova Center, a services and economic restoration project. The Cordova Center will provide economic restoration for the oiled community of Cordova by providing:

- energy efficiency and consolidation of city services for effective delivery of multi-use community services.
- diversification of Cordova's injured fishing and tourism-based economy;
- economic revitalization locally and regionally for Prince William Sound;
- public outreach, emergency response and an information sharing center.

We will be sending to you a packet of information on the Cordova Center under separate cover. Once you have had the opportunity to review that information, we would like the opportunity to discuss with you in person the merits and objectives of this project. We pride ourselves for bringing together many partners and collaborators for this project. Although it enjoys immense local support, our community no longer has the economic engine from our fishing industry to complete this project on our own. We are very close to reaching our goal of beginning this economic diversification project, but need the catalyst the state can provide to move it off the drawing board and into reality.

The Supreme Court decision has insured that the oiled communities will bear the economic burden of the oil spill far into the future. We are asking you, as Governor, to consider the impacts of that decision and how communities such as Cordova must now deal with lost economies and revenues that were never considered in the original verdict in 1994. We believe the inclusion in your FY 2010 budget of the Cordova Center, a facility being designed with a minimum 50 year life span, would certainly speak to the state's support for this area which was so devastated in 1989. Especially now since Cordova, the community at the heart of the oil spill, has been dealt such a heavy blow by our federal court system.

In a year where the estimated revenues from our state resources may well exceed \$9 billion dollars, helping to fund the Cordova Center is worthwhile investment in the future of our community and the state. Strong local economies contribute to a strong state economy. To use this unexpected windfall to help endow Cordova with the ability finally realize the



creation of this community-based project will help us regain the standing we enjoyed in Prince William Sound prior to the devastating 1989 oil spill.

Again, thank you for your time and continued support for our community and for this project which is vital to the long-term economic viability and development of Cordova and the State of Alaska.

Sincerely,

A handwritten signature in blue ink, which appears to read "Timothy H. Joyce".

Tim Joyce
Mayor, City of Cordova

CC: State Representative Bill Thomas
Senator Albert Kookesh

CITY OF CORDOVA



September 8, 2009

The Honorable Sarah Palin
Governor of Alaska
550 W. 7th Ave, Suite 1700
Anchorage, AK 99501

OFFICE OF
MANAGEMENT & BUDGET

SEP 11 2008

Re: Funding for Cordova Center/ \$7.6 million

Dear Governor Palin:

First of all, I want to congratulate you on your recent nomination. To be chosen as the Vice-presidential running mate by Senator McCain honors you as well as the great state of Alaska. I wish you all the best of luck in the election in November.

This correspondence is a follow-up to my earlier letter of July 31, 2008, (which is attached) regarding the status of the Cordova Center. As I promised, we have recently completed the formal information packets for this \$19.8 million dollar project, and I wanted you and your Director of the Office of Management and Budget, Karen Rehfeld, to have the first copies.

The City of Cordova is requesting state participation in this project in the amount of \$7.6 million. To date we have received commitments \$12.2 million, and we are working to secure additional commitments from foundations and other organizations to help in the final steps of furnishing the interior of the building. Our funding includes \$7 million from the Exxon Valdez Oil Spill Trustee Council (EVOSTC), as well as over \$1.6 million in obligations from the City of Cordova and \$1 million from the state.

As stated in my earlier letter, the price of this project has risen in the past 6 years by over \$1 million a year. Time is of the essence as materials and energy costs continue to skyrocket from month to month. Our community has been working on this project since 2002 and it is a priority for everyone in Cordova who has been impacted by the 1989 oil spill and the recent decision of the Supreme Court.

A funding commitment from the State of Alaska is critical at this time. The City has an agreement in place with EVOSTC which states that the construction of this project must begin prior to Dec. 31 of 2010, or the money they have committed to the Cordova Center will have to be returned to the Council.

Keeping in line with your administration's commitment to renewable and sustainable energy, the Cordova Center will be certified with the U.S. Green Building Council through the Leadership in Energy and Environmental Design (LEED) rating system. The project will be energy and fuel efficient and will:

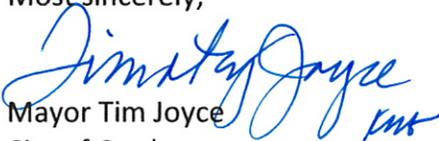
- Use recycled or renewable materials when appropriate;
- Incorporate available water storage to cool the facility and passive solar heat to supplement the heating system;
- Optimize daylight, through window placement, use energy efficient T8 and compact fluorescent lighting with electronic ballasts and occupancy sensors to reduce lighting; and
- Install low-maintenance materials throughout.

I have been living and breathing the Cordova Center for so long, that I could go on and on about the project. Instead, I will allow you and your staff to review my earlier correspondence which goes into much greater detail. That information, in addition to the "The Cordova Center Project-Community Inspired Development" packet that is attached, will provide the insight needed to allow you to understand more clearly the importance of this project to our community.

I look forward to discussing this further with Ms. Rehfeld in the near future as research continues regarding the FY 2010 capital budget funding scenario. In this year of astounding surpluses for Alaska, it is my hope that this priority from Cordova will become one of your priorities as well.

Thank you for your continued support of Cordova and your consideration of this proposal. Please contact me directly if you have any questions. And again, I wish you Godspeed in the upcoming election. We will all be watching with great pride and anticipation.

Most sincerely,


Mayor Tim Joyce
City of Cordova

Enc: Letter of July 31, 2008

Cc: Ms. Karen Rehfeld, Director, Office of Management and Budget
Mr. Randy Ruraro, Deputy Chief-of staff
Senator Albert Kookesh
Rep. Bill Thomas