April 9, 2021

Honorable Members of the House Finance Committee,

City of Cordova is an isolated fishing town of nearly 2500 people. We take pride in being able to maintain a good quality of life through services paid for with local sales and property taxes.

Cordova looks to the State as a partner in investments in our economic future but also for support in extraordinary times of need. In FY20, COVID-19 resulted in an unexpected loss of nearly $700K in budgeted revenue, eroding our reserves, and potentially impacting essential services City of Cordova provides its residents.

Cordova cannot make up this lost revenue on its own. The State can help by avoiding cost-shifting or cuts that impact local governments. We ask that you fully fund Community Assistance and School Bond Debt Reimbursement programs. We applaud rejection of the Department of Law’s misdemeanor proposals. We encourage continued revenue sharing arrangements.

Economic growth is only possible with investment. As a coastal community, Cordova has relied on the Alaska Marine Highway for its transportation needs for over 50 years. The sudden and dramatic defunding of the ferry system (last year we had no service for eight months) has been debilitating. Cordova pleads for appropriate funding of the Alaska Marine Highway system.

Cordova’s economy is fisheries based and we are consistently ranked among the top ten commercial fishing ports nationally, producing over 80 million pounds of seafood valued at over $60 million dollars. Cordova contributes an average of $1.3 million annually to the State of Alaska in fisheries taxes. Reliable science-based Fisheries policy and adequate funding for Alaska Department of Fish and Game for management is essential for the statewide fishing industry to succeed.

Rebuild of our South Harbor is Cordova’s top infrastructure priority. We have been the state’s top-rated harbor project for two years and hope our $5M request is funded this year. This nearly $30M harbor improvement project will sustain the fishing fleet that drives our economy. Cordova has skin in the game with a voter approved $5M bond and we are actively pursuing other funding avenues.

We acknowledge the difficult financial decisions you are facing, but also understand the possibilities presented by the Federal Government through the American Rescue Act. I encourage you to invest those resources for maximum local impact.

Sincerely,

Helen Howarth
City Manager

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