

SELDOVIA
CITY COUNCIL

WEDNESDAY
July 26th, 2017
7:30 PM



REGULAR MEETING
MULTI-PURPOSE ROOM

MEMORANDUM
CITY OF DENVER

MEMORANDUM
FOR THE BOARD OF
CITY COMMISSIONERS

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MULTI-PURPOSE ROOM
REGULAR MEETING

**AGENDA FOR A REGULAR MEETING
OF SELDOVIA CITY COUNCIL
COUNCIL CHAMBERS**

**Wednesday
July 26, 2017
7:30pm**

LETHIN SWEATT COLBERG PATRICK MORRISON ROJAS

- A. Call to Order & Roll Call:
- B. Pledge of Allegiance:
- C. Excused Absences:
- D. Agenda Approval:
- E. Approval of Minutes: Minutes of the Regular Meeting, July 12, 2017
- F. Treasurer's Report/ Utility Report: None
- G. Voucher/Payroll Report :
- H. Ordinance Introduction:
- I. Proclamations: None
- J. Public Presentation Prior Notice: (each presenter has up to 10 min) None
- K. Public Presentation for Items not on Agenda: (public has 3 min each)
- L. Committee and Advisory Board Reports: (each member has 5 min)
- M. Unfinished Business:
 - 1. Discussion on Jakolof Dock Ordinance
 - a. Presentation by Staff or Council
 - b. Public Presentation (public has 3 min each)
 - c. Council Discussion
 - d. Action/Disposition
- N. New Business:
 - 1. Discussion on the Kenai Peninsula Borough's proposed "bed tax"
 - a. Presentation by Staff or Council
 - b. Public Presentation (public has 3 min each)
 - c. Council Discussion
 - d. Action/Disposition
 - 2. Discussion on the Clinic Future
 - a. Presentation by Staff or Council
 - b. Public Presentation (public has 3 min each)
 - c. Council Discussion
 - d. Action/Disposition
- O. Informational Items Not Requiring Action:
- P. City Manager's Report: See laydown
- Q. Council and Mayor Comments Concerning Items Not on the Agenda:
- R. Next Meeting: Regular Meeting will be held on August 9, 2017 at 7:30 pm
- S. Adjournment:

* IF YOU REQUIRE SPECIAL ASSISTANCE TO ATTEND THE MEETING, PLEASE NOTIFY THE CITY OFFICE 24 HOURS
IN ADVANCE AND ARRANGEMENTS WILL BE MADE *

Seldovia City Council Regular Meeting July 26th, 2017

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Pages 5-10	Ordinance 18-01 Jakolof Bay Dock for Council Review
Pages 11-14	Memorandum KPB Ordinance 2017-, to establish 8% area-wide sales tax on temporary lodging
Pages 15-17	KPB Ordinance 2017- (bed tax)
Pages 18-20	Rasmuson Foundation Grant paperwork



NOTES:

John Doe
123 Main St
City, State 12345

(1234567890)

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MINUTES FROM A REGULAR MEETING
OF SELDOVIA CITY COUNCIL
COUNCIL CHAMBERS

Wednesday
July 12, 2017
7:30pm

SWEATT
COLBERG
PATRICK
MORRISON
ROJAS
LETHIN

- A. Call to Order & Roll Call: MEETING CALLED TO ORDER BY MAYOR LENT AT 7:30 PM IN ATTENDANCE; SWEATT, COLBERG (telephonic), PATRICK, ROJAS, LETHIN
- B. Pledge of Allegiance: HELD
- C. Excused Absences: MORRISON
- D. Agenda Approval:

ROJAS/SWEATT MOVED TO APPROVE THE AGENDA
VOICE VOTE/UNANIMOUS/MOTION PASSED

- E. Approval of Minutes: Minutes of the Regular Meeting, June 28, 2017

PATRICK/LETHIN MOVED TO APPROVE THE MINUTES OF JUNE 28, 2017
VOICE VOTE/UNANIMOUS/MOTION PASSED

- F. Treasurer's Report/ Utility Report:

FINANCE OFFICER/TAYLOR- Presented the treasurer's report in the laydown.

- G. Voucher/Payroll Report :

SWEATT- Inquired about the Levesque payment for records request.

ROJAS- Asked if the records request payment was for one month or two? Asked if a payment on the voucher was for buying flowers around town and if it was a budget item under parks?

PATRICK- Asked about the payment for the survey on Rocky Street.

CM LARSON-Clarified that the records request was from a Freedom of Information Request for one month. He would like to submit a bill to get the \$1942 back. \$250 was authorized for purchasing flowers, around \$200 was spent. The Warning Lites payment was for the new big signs around town . The survey was the rest of the pay out from the agreement made.

ROJAS/LETHIN MOVED TO APPROVE THE VOUCHER REPORT
VOICE VOTE/UNANIMOUS/MOTION PASSED

- H. Ordinance Introduction: None

- I. Proclamations: None

- J. Public Presentation Prior Notice: (each presenter has up to 10 min) None

- K. Public Presentation for Items not on Agenda: (public has 3 min each)

LAUREL HILTS- Spoke to the success of the Coming Home and Fourth of July celebrations. Her kudos to Jackie for the work she did for the Fourth of July. She would ask to move the children playing sign on the corner by Paula's liquor store closer to the park where children are actually playing. She discussed the 8% bed tax being proposed at the upcoming assembly meeting and will be discussed at the upcoming chamber meeting. Thanks again to Fire and EMS for letting the German band play downstairs when it was raining.

- L. Committee and Advisory Board Reports: (each member has 5 min)

- M. Unfinished Business:

- 1. Discussion on Jakolof Dock Ordinance

- a. Presentation by Staff or Council

CLERK/GEAGEL- Discussed how the port fee is only set in city limits at this time and was put in place in FY10 as a noncode ordinance to help with the extra resources being used by passengers such as toilet paper, water usage, policing and EMS. A copy of the current fee schedule was included in the laydown along with a copy of

the Uniform Minor Offense Table which has the current fine for mooring without payment of \$250. The fee schedule and UMOT fines can be discussed at a later date because they are separate from the ordinance for Jakolof. She then discussed the draft for council review of 18-01 Jakolof Bay Dock in the lay down and asked the council for a decision on whether live-aboards will be allowed or not?

b. Public Presentation (public has 3 min each)

c. Council Discussion

ROJAS- Asked what the current policy on live-aboards was in the harbor. Agreed with Layla to eliminate live-aboards.

HARBORMASTER PEDERSEN- Discussed the current policy was the same shown on page 29 for the Jakolof Bay Ordinance. Her opinion was to strictly prohibit because of the extra resources being used such as toilet paper and trash. Dogs on a leash, instead of on a leash or at heel were changed from past experiences.

d. Action/Disposition

COUNCIL WILL REVIEW THE DRAFT AND DISCUSS AT THE NEXT MEETING

N. New Business:

1. ORDINANCE 17-23 A NON-CODE ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA, FOR KPB PARCEL NUMBER 19112223 TO BE CONSIDERED FOR LEASE NEGOTIATIONS FOR A BENEFICIAL NEW INDUSTRY OR ECONOMIC DEVELOPMENT BUSINESS OPPORTUNITY

a. Presentation by Staff or Council

CLERK/GEAGEL- This is the non-code ordinance on pages 5 and 6 of your packet allowing the 60 acre property above the reservoir to be considered for lease. It was introduced in the previous meeting.

b. Public Presentation (public has 3 min each)

SCOTT OGAN- Introduced himself as the CEO of Seldovia Bay Adventures LLC, and introduced his consultant Paul Cummings CEO of Strategic Adventures, who is doing a fiscal analysis and will tell him whether or not they have a project. He has hiked up there all around, what makes it such a good space for a zipline is also what makes it difficult to access. The report will be done in a little over a month. Two cogs still missing, waiting on DOT, they have to cross a little corner of the airport. The University says if the city doesn't object he is next in the cue to work out a deal with them on their land that needs to be used. He has a builder he has been talking to, that says he is available this fall as soon as he is given the go ahead. He can get it done and they will be operational next spring. He is optimistic. After the report is back he will approach the city manager to begin negotiations. They are working entirely below the dam where the water is drawn. Every person on the tour will be accompanied by guides unless they are up there on the public trail already available.

PAUL CUMMINGS- Discussed that he is doing a feasibility study on opening a zipline tour on that particular piece of property, to see if it makes sense to move forward. If there is not a structured facility to use the restroom before the tour then there can be a porta-potty to use before and when they get back. It is about a two hour tour.

c. Council Discussion

PATRICK- Asked if this is the same property that was originally purchased from the university, next to the water shed. Requested a clear answer on how the zipline would affect our water shed. She would like to go up and look at it.

ROJAS- Spoke in support of the lease option and clarified that should the feasibility study not work out that the ordinance is non-code so it can be withdrawn.

CM LARSON- Clarified that the zipline would not affect the water shed as it is down below the dam.

d. Action/Disposition

ROJAS/LETHIN MOVED TO ADOPT ORDINANCE 17-23 A NON-CODE ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA, FOR KPB PARCEL NUMBER 19112223 TO BE CONSIDERED FOR LEASE NEGOTIATIONS FOR A BENEFICIAL NEW INDUSTRY OR ECONOMIC DEVELOPMENT BUSINESS OPPORTUNITY
VOICE VOTE/UNANIMOUS/MOTION PASSED

2. ORDINANCE 17-25 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA, AMENDING TITLE 11 STREETS, SIDEWALKS AND PARK LAND* BY ADOPTING A NEW CHAPTER 11.14 CEMETERY ADVISORY COMMISSION

a. Presentation by Staff or Council

CLERK/GEAGEL- This ordinance, page 7-10 in your packet, was introduced at the last meeting, it will amend Title 11 by adopting a new chapter "Cemetery Advisory Commission" and establishing a dedicated account in the general fund to receive money for the cemetery. 17-25 will become effective upon its adoption date.

b. Public Presentation (public has 3 min each)

c. Council Discussion

SWEATT- Discussed that it was placed in Title 11 because that is where other communities had fit it in.

COLBERG- Spoke in support, does not want anything set in stone, but it's a start.

PATRICK- Spoke in support and agrees it was gone over last time. She spoke with Tod about its placement in the code and how she did not agree it should be with the sidewalks.

ROJAS- Spoke in support. It was thoroughly gone over last time and she feels they have a finished product. We went with this placement because when Homer's was looked at, that's where theirs was placed.

CLERK/GEAGEL- Clarified that it was placed in title 11 because that was the title for the cities public lands and parks. The cemetery is a city public land. The title is Streets, Sidewalks, and Park Land, now it will be Streets, Sidewalks, Park Land and Cemetery because it encompasses all of the city public property that is open for use.

d. Action/Disposition

SWEATT/ROJAS MOVED TO ADOPT ORDINANCE 17-25 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA, AMENDING TITLE 11 STREETS, SIDEWALKS AND PARK LAND* BY ADOPTING A NEW CHAPTER 11.14 CEMETERY ADVISORY COMMISSION
VOICE VOTE/UNANIMOUS/MOTION PASSED

O. Informational Items Not Requiring Action:

LETHIN- Discussed an application form used by the Rasmuson Foundation that he passed out to the council. He went through all the invoices that La Maestra had used to purchase equipment for the clinic and duplicated that request in this application, so that they can replace all that equipment and update the clinic. He brings it in front of the council to get a consensus allowing the city manager to put in a letter of inquiry, seeing whether or not the Rasmuson Foundation would give a grant to the City of Seldovia to upgrade their equipment. If we have a first class facility we can offer it to physician to use without cost to bring in the services the community needs.

ROJAS- Spoke in support. This is a similar discussion as last time. If we can find monies for free to update our clinic to make it more inviting at least we would have updated equipment.

SWEATT- Asked that any grants that are being pursued to update equipment will be with the knowledge that we do not have a provider to use that equipment. Will we still be able to pursue those grants?

PATRICK- Spoke that it was acceptable.

COLBERG- Spoke in agreement.

P. City Manager's Report:

CM LARSON- Presented the city manager's report and then asked if the council did want the children at play sign moved.

ROJAS- Asked for clarification. Spoke in support of having the signs moved.

LAUREL HILTS- Asked that the yellow caution sign with the two kids on the seesaw be moved to where the park actually is and to replace with something that says drive slowly.

POLICE OFFICER DANIELS- Discussed replacing it with something that advises caution heavy pedestrian traffic.

SWEATT- Spoke in support and that this has been discussed before and was supported.

FO/TAYLOR- Spoke that it is a blind corner. The caution sign should be on right side of the road.

COLBERG- Discussed putting up a no pedestrian sign right at that corner.

PATRICK- Asked how about a sign that says speed enforced?

Q. Council and Mayor Comments Concerning Items Not on the Agenda:

SWEATT- Thank everybody for being here and thank you girls at the city office for all your hard work.

COLBERG- Thanks everybody for the good Fourth of July and thank the ladies in the office for making it happen.

PATRICK- Its very enlightening the amount of work that our employees give us every week.

ROJAS- Kudos to everyone who volunteers and the city office, you always do a great job. Is hoping the city council will get on board, would like to encourage the P&Z to look at the zoning and either rezone areas or enforce areas that are commercial marine that have no residential in them at all. Trying to save pennies and cents, if we need to collect commercial rates at places that are commercial, that's what we need to do. Otherwise change the zoning and go by our rules. She encourages council and P&Z work together to fix this. We could have a work session together.

LETHIN- Thanks to the staff and everybody for the great Fourth of July and all the hard work that was done, Laurel thank you.

MAYOR LENT- Thank you staff, good job. Council good job.

R. Next Meeting: Regular Meeting will be held on July 26, 2017 at 7:30 pm

S. Adjournment:

SWEATT/ROJAS MOVED TO ADJOURN AT 8:42 PM

VOICE VOTE/UNANIMOUS/MOTION PASSED

I certify the above represents accurate minutes of City of Seldovia Council meeting of July 12, 2017.

Heidi Geagel, City Clerk

Approved by Council _____

CITY OF SELDOVIA

ORDINANCE 18-01

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA,
AMENDING TITLE 15 HARBORS AND BOAT MOORAGE BY ADOPTING A NEW CHAPTER
15.18 JAKOLOF BAY DOCK AND AMENDING CHAPTER 15.08 DEFINITIONS**

WHEREAS, THE CITY OF SELDOVIA HAS OWNERSHIP AND MAINTAINS JAKOLOF BAY DOCK.

WHEREAS, THE CITY OF SELDOVIA ASSUMES FINANCIAL AND MAINTENANCE RESPONSIBILITY FOR ITS OWNERSHIP ROLE.

WHEREAS, MUNICIPAL OWNERSHIP OF HARBOR FACILITIES MEANS THAT REGULATIONS AND MOORAGE RATES TO THE PUBLIC MUST BE ESTABLISHED TO MAINTAIN AND RESTORE THE FLOAT TO GOOD CONDITION.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SELDOVIA:

SECTION 1. CLASSIFICATION. This ordinance is permanent in nature and shall become a part of the Municipal Code of the City of Seldovia.

SECTION 2. EFFECTIVE DATE. This ordinance becomes effective upon its adoption by the City Council.

SECTION 3. AMENDING TITLE 15 HARBORS AND BOAT MOORAGE BY ADOPTING A NEW CHAPTER 15.18 JAKOLOF BAY DOCK AND AMENDING CHAPTER 15.08 DEFINITIONS, BY REMOVING LANGUAGE IN STRIKEOUT AND ADDING LANGUAGE IN **HIGHLIGHT TO READ AS FOLLOWS:**

**Title 15
Harbors and Boat Moorage**

Chapters:

- 15.04 General provisions
- 15.08 Definitions
- 15.12 Boat operation
- 15.14 Set nets and gill nets
- 15.16 Small boat harbor

- 15.18 Jakolof Bay Dock
- 15.20 Enforcement
- 15.30 Harbor advisory commission

Chapter 15.08 Definitions

Sections:

- 15.08.010 Boat.
- 15.08.020 Length.
- 15.08.030 Operator.
- 15.08.035 Reserved Mooring.
- 15.08.040 Small boat harbor.
- 15.08.045 Jakolof Bay Dock.
- 15.08.050 Transients.
- 15.08.060 Waterway.
- 15.08.070 Abandoned.

15.08.045 Jakolof Bay Dock. "Jakolof Bay Dock" means the "L" shaped floating dock that extends 225 feet seaward of the high tideline, 150 feet north from the end of the previously mentioned portion, and is 10 feet wide. Located within Section 20, T. 8 S., R. 13 W., Seward Meridian; USGS Quad Map Seldovia B-5; Latitude 59.4657 N., Longitude 151.5365 W.; Kenai Peninsula Borough; in Jakolof Bay near Seldovia, Alaska.

15.08.070 Abandoned. "Abandoned" means any undocumented vessel moored or otherwise located within the boundaries of the Seldovia Harbor or while moored at the Jakolof Bay Dock which is forsaken, abandoned, deserted, or cast away, which by appearances give evidence of being forsaken, abandoned, deserted, or cast away, or which in the opinion of any recognized marine surveyor is unsound, unseaworthy and unfit for its trade or occupation and which by any substantial evidence of neglect may be considered abandoned. (Ord. 86-8 Sec. 1, 1986)

Chapter 15.18 Jakolof Bay Dock

Sections:



- 15.18.010 Registration Required.
- 15.18.020 Transient Moorage.
- 15.18.030 No Preferential Right-- Rafting.
- 15.18.040 Services of Harbormaster.
- 15.18.050 Mooring without payment prohibited.
- 15.18.060 Moorage fees.
- 15.18.070 Transient Moorage—Collection Action.
- 15.18.080 Maximum vessel length.
- 15.18.090 Floats--Kept free of objects.
- 15.18.100 Emergency services.
- 15.18.110 Dumping debris prohibited.
- 15.18.120 Occupant to keep area neat.
- 15.18.130 Welding prohibited on float.
- 15.18.140 Float bumpers.
- 15.18.150 Wheeled vehicles on float facilities.
- 15.18.160 Children under twelve on float.
- 15.18.170 Dogs on float facilities.
- 15.18.180 Combustible liquids.
- 15.18.190 Live-aboard Policy.

15.18.010 Registration Required. Every owner, master or authorized agent of a vessel using Jakolof Bay Dock for longer than four hours, shall register an application and mooring agreement that includes, the person's name, address, and telephone number, and the vessel's name, home port, official number or state registration number, color, length, breadth and draft, and such other information as the harbormaster may require. As a condition precedent to securing of moorage space each owner or authorized agent shall, in writing, agree to the removal of his boat by the Harbormaster in the event of delinquent fees. All cost of removal of any boat shall be at the owner's expense and risk.

15.18.020 Transient Moorage. Mooring spaces are first come first serve unless otherwise designated by the Harbormaster and their decision shall be final. A written and signed application for such space on a form provided by the harbormaster shall be provided to the harbormaster within the time allowed for registration. Prepayment of fees for moorage is required. Approval of such application by the harbormaster confers no rights in the land or water constituting the space. The applicant shall promptly notify the harbormaster of any changes in the information set forth on the application.

15.18.030 No Preferential Right--Rafting. Users have no preferential right to moor in any particular location in transient moorage, nor the right to return to the same space if another vessel is occupying that space. Rafting of vessels in transient moorage space shall be permitted. All moored vessels are subject to yet another vessel tethering aside.

15.18.040 Services of Harbormaster. The Harbormaster is granted the power and authority to, from time to time as circumstances require but without any

obligation or duty to do so, and without any obligation or liability on his part or that of the City for his failure to do so, replace defective mooring lines, attach additional mooring lines, pump vessels which are in a dangerous condition for lack of pumping, and to move any boat for the purpose of protecting such boat from fire or other hazard or for the protection of other vessels or property therefrom. The harbormaster shall have authority to move a vessel in transient moorage space to another location to better maximize the use of available space.

15.18.050 Mooring without payment prohibited. It is unlawful for any person to moor, berth, tie, attach or connect to any harbor improvement or facility, any vessel, or other waterborne structure for an overnight period without paying rental charges.

15.18.060 Moorage fees. Day moorage constitutes any vessel mooring for a period longer than four consecutive hours. The monthly fee period is any calendar month beginning on the first day of the month and ending on the last day of the month. Annual transient moorage must be requested in advance. The annual fee period is February 28th to March 1st of each year.

15.18.070 Transient Moorage—Collection Action. Mooring fees shall be paid in accordance with the published schedule. Delinquent accounts are subject to collection in accordance with the credit policy adopted by the City Council and in effect.

15.18.080 Maximum vessel length. Maximum vessel length for mooring at Jakolof Bay Dock is thirty- five (35) feet.

15.18.090 Floats--Kept free of objects. All floats shall be kept clear of any objects or items that are not appurtenances to the floats. Any such items found on the floats are subject to impoundment. Impounded items will be released after proof of ownership and payment of an impoundment fee. Items not claimed within ninety days may be sold by the City.

15.18.100 Emergency services. Boats requiring emergency service by city employees will be charged for such service by the City at cost.

15.18.110 Dumping debris prohibited. No person in charge of or occupying any boat shall dump or throw garbage, paper, bottles, cans or debris into the waters or onto the floats of Jakolof Bay Dock. No person shall pump bilges containing oil or gasoline or transferred gasoline or any other highly inflammable liquid or substance while moored at Jakolof Bay Dock.

15.18.120 Occupant to keep area neat. Persons in charge of or occupying boats shall at all times keep the floats and premises adjacent to such watercraft in a neat and orderly condition, free from trash, rubbish, repair parts, machinery equipment and debris of all kinds.

15.18.130 Welding prohibited on float. For the safety of the general public and protection of the boat float, there shall be no welding on the boat float. Violators of this section shall be subject to the general penalty provision in Section 1.08.010 of this code.

15.18.140 Float bumpers. Float bumpers made from used tires, rope, old fire hose, etc., shall not be secured either permanently or temporarily to the float system under any circumstance. The lessee may install standardized premolded rubber, vinyl bumpers of commercial manufacture if so desired.

15.18.150 Wheeled vehicle on float facilities. There shall be no driving of any wheeled bicycle or wheeled or tracked motorized piece of equipment upon the float facilities, except equipment authorized by the Harbormaster.

15.18.160 Children under twelve on float. It is unlawful for any children under the age of twelve years to be on the float, unless accompanied by an adult.

15.18.170 Dogs on float facilities. Dogs on floats to and from boats shall remain on a leash at all times. Owners are responsible for messes and damage caused by their dog.

15.18.180 Combustible liquids. It is unlawful for any person to store upon any of the floats, docks or gangways owned, constructed or maintained by the City, any gasoline, lubricating oil or other combustible liquids or oils of any nature or description.

15.18.190 Live-aboard Policy. A person living aboard a boat moored at the Jakolof Bay Float for fifteen days within any thirty-day period is considered a live-aboard. Live-aboard's are strictly prohibited while moored at Jakolof Bay Dock.

1. The first part of the question asks for the definition of a function. A function is a set of ordered pairs where each first element is associated with exactly one second element.

2. The second part asks for the domain and range of a function. The domain is the set of all possible input values, and the range is the set of all possible output values.

3. The third part asks for the graph of a function. The graph is a visual representation of the function, showing the relationship between the input and output values.

4. The fourth part asks for the composition of two functions. The composition of two functions f and g is a new function $g \circ f$ defined by $(g \circ f)(x) = g(f(x))$.

5. The fifth part asks for the inverse of a function. The inverse of a function f is a function f^{-1} such that $f^{-1}(f(x)) = x$ and $f(f^{-1}(y)) = y$.

6. The sixth part asks for the properties of a function. A function can be one-to-one, onto, or bijective. A function is one-to-one if it maps distinct elements to distinct elements. A function is onto if every element in the codomain is mapped to by at least one element in the domain. A function is bijective if it is both one-to-one and onto.



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Kelly Cooper, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Mike Navarre, Mayor

FROM: Larry Persily, Chief of Staff
Brandi Harbaugh, Acting Finance Director

DATE: July 6, 2017

SUBJECT: Ordinance 2017-____, Amending KPB Chapter 5.18 to Establish an 8 Percent Areawide Sales Tax on Temporary Lodging and Providing for an Exemption of Up to 4 Percent of the Levy on Temporary Lodging within the Boundaries of Cities in the Borough that Levy a Similar Sales Tax in Addition to an Existing General Sales Tax, Subject to Approval by the Voters in the Regular Election on October, 3, 2017 (Mayor)

Due to the continuing decline in state assistance to municipalities, the increasing loss in revenues to the borough from real property tax exemptions, and increasing reliance on borough funding for the school district, the borough is considering a variety of measures to maintain its unrestricted fund balance within the financially prudent and responsible parameters established by Resolution 2017-031.

Currently, 43 Alaska cities and boroughs have a “bed tax” in addition to other sales taxes. Of those municipalities that impose the tax as a percentage of the room rate, the tax ranges from a low of 4 percent (Seward, Gustavus and the Haines Borough) to a high of 12 percent (Anchorage and Bethel). The Kenai Peninsula Borough and the Aleutians East Borough are the only boroughs of the seven second-class boroughs in the state without such a temporary lodging sales tax. The other five second-class boroughs have taxes that range from 5 percent to 10 percent.

The arguments in support of a bed tax in the Kenai Borough are substantial. The several hundred thousand visitors that travel to the Kenai Peninsula each year are a large part of the area’s economy, and create a large demand on public services (direct services for visitors and indirect for the almost 3,000 people employed each month in the Kenai Peninsula visitor industry). Absent the general sales tax, the borough receives no direct revenue from visitors to the peninsula. While the revenue generated from this additional sales tax on temporary lodging

would be used for educational purposes, as required by borough code for all sales tax revenues, it could make available property tax revenues that otherwise might have gone to educational funding to help offset such visitor costs. "Temporary lodging" is currently defined in the borough sales tax code as "a service to provide any lodging of less than one month."

We estimate that a year-round 8 percent borough-wide temporary lodging sales tax would generate \$4.3 million a year in revenue, based on our estimate of about \$54 million a year in taxable transactions.

As proposed, the tax would be structured to provide that the same 8 percent rate shall be applied borough-wide, both inside and outside of cities, regardless of whether a city chooses to enact its own such tax in addition to an existing sales tax. As proposed, this ordinance provides for an exemption of up to a maximum of 4 percent of the 8 percent levy for such rentals occurring in incorporated cities in the borough that adopt, if they choose, their own such tax. The exempt amount of the 8 percent levy would match the percentage rate levied by a city up to a 4 percent tax rate so that the total levy in all sales is 8 percent to be allocated between the borough and city. The intent in this proposal is to implement the same tax rate (8 percent) borough-wide, so as to avoid any competitive advantage or disadvantage to a business based on their physical location in or out of a city's boundaries, while allowing cities to participate and receive up to half of the collections within their jurisdiction.

As proposed, with the \$4.3 million full-year estimate of annual revenues, and if all of the cities participate at the 4 percent maximum rate, we estimate the revenues would be distributed as follows:

Estimated Tax Revenue (full fiscal year)			
Borough	\$ 3,100,000	Homer	\$ 480,000
Kenai	\$ 150,000	Seward	\$ 420,000
Soldotna	\$ 170,000	Seldovia	\$ 16,000


The temporary lodging tax would require hotels, motels, bed and breakfasts, inns, lodges and other establishments providing lodging for a guest of less than one month to collect an 8 percent tax on a per-unit, per-night basis for all temporary lodging sales, just as is the current code requirement for applying the borough's general sales tax. Businesses currently covered under an exemption in KPB Chapter 5.18 would continue to be covered under those same borough exemptions for purposes of the new accommodations tax. For example, a hospital or a university would not be required to collect and remit the tax on the lodging portion of their sales. If cities adopt a temporary lodging tax, their exemptions might vary from borough exemptions.

We plan to use the same sales tax return form we currently require, minimizing the work and avoiding any new forms for business owners. For example, if a hotel currently completes two columns on its Joint Sales Tax Form (one for the borough and one for a city), it would complete a third column for the accommodations tax. Businesses would be required to track and collect the tax on temporary lodging sales and report those figures to the borough, including any tax-exempt sales, just as with general sales and services transactions. They would have the ability to

provide one payment with one return. The borough would then remit to each respective city its portion of the collections.

If approved by voters, borough sales tax staff would conduct presentations on the new tax at multiple locations throughout the borough. We would provide information about the tax, how to compute and report it, and would provide opportunities to ask questions. Materials also would be made available on the borough website, and we would provide an information hand-out with the first few sales tax form mailings in 2018.

Example of how the borough's sales tax return could be revised to include an extra column for reporting the additional sales tax on temporary lodging.



58195

BOROUGH AND CITIES JOINT SALES TAX RETURN

Kenai Peninsula Borough
144 North Binkley, Soldotna, Alaska 99669-7520
(907) 714-2175 or (800) 478-4441 ext. 2175
www.borough.kenai.ak.us/salestax

For Filing Period Ended: **03 2018**
Registration #: **9999999**

Request to pre-file No Sales (1 year maximum)
From Period: [][] / [][] / [][][][] Thru Period: [][] / [][] / [][][][]

RETURN HAS NO SALES

No longer conducting business
Date Business Sold or Closed: [][] / [][] / [][][][]

Business Sold To: _____

Corrected

Amended

DBA: Temporary lodging business

DUE BY: _____

ONLY ROUND SALES FIGURES TO THE NEAREST DOLLAR (for lines 1, 2, and 3)

	99	40	42
JURISDICTION CODE (from Table)	99	40	42
1. GROSS SALES (NOT INCLUDING SALES TAX)	20,000.00	20,000.00	19,500.00
2. NON-TAXABLE SALES			
A) Sales outside the Borough			
B) Sales for Resale			
C) Government Agencies	1,000.00	1,000.00	1,000.00
D) Excess of Individual Sales Over \$500.00			
E) Non-Prepared Food	500.00		
F) Other (Specify)			
G) TOTAL NON-TAXABLES	1,500.00		
3. TAXABLE SALES (LINE 1 MINUS LINE 2G)	18,500.00	19,000.00	18,500.00
4. ENTERTAX RATES (from Table)	3.00%	4.00%	8.00%
5. SALES TAX - DO NOT ROUND	555.00	760.00	1,480.00

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111

111 - 111

11

111 - 111

111 - 111



Introduced by: Mayor
Date: 07/18/17
Hearing: 08/15/17
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2017-**

**AN ORDINANCE AMENDING KPB CHAPTER 5.18 TO ESTABLISH AN 8 PERCENT
AREAWIDE SALES TAX ON TEMPORARY LODGING AND PROVIDING FOR AN
EXEMPTION OF UP TO 4 PERCENT OF THE LEVY ON TEMPORARY LODGING
WITHIN THE BOUNDARIES OF CITIES IN THE BOROUGH THAT LEVY A
SIMILAR SALES TAX IN ADDITION TO AN EXISTING GENERAL SALES TAX,
SUBJECT TO APPROVAL BY THE VOTERS IN THE REGULAR ELECTION ON
OCTOBER, 3, 2017**

- WHEREAS,** due to the continuing decline in state assistance to municipalities along with the increasing loss in property tax revenues to the borough from exemptions on real property, and due to increasing reliance on borough funding for the school district, the borough must take steps to maintain its unrestricted fund balance into the future within financially prudent and responsible parameters; and
- WHEREAS,** currently, 43 Alaska municipalities including cities and boroughs have a bed tax in addition to other sales taxes, with such bed tax rates ranging from a low of 4 percent to a high of 12 percent; and
- WHEREAS,** the Kenai Peninsula Borough and the Aleutians East Borough are the only second-class boroughs in the state without an additional sales tax on temporary lodging; and
- WHEREAS,** several hundred thousand visitors travel to the Kenai Peninsula each year and contribute in a large way to the area's economy but also create a large demand on public services in the borough; and
- WHEREAS,** other than the general sales tax, the borough currently receives no direct revenue from these visitors to the peninsula; and
- WHEREAS,** while the revenue generated from this additional sales tax on temporary lodging would be used for educational purposes, it would make other borough revenues available to offset these visitor costs; and
- WHEREAS,** to enable the cities to levy a similar tax and allow the tax to apply evenly throughout the borough, the ordinance exempts from the borough's 8 percent

temporary lodging tax any similar additional city tax up to 4 percent so as to share revenues between the borough and cities; and

WHEREAS, “temporary lodging” is currently defined in the borough sales tax code as “a service to provide any lodging of less than one month”; and

WHEREAS, as this is an increase in the sales tax rate, voter approval is required before this could go into effect;

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

SECTION 1. That KPB 5.18.100 is hereby amended as follows:

5.18.100. - General—Levied—Amount.

- A. There is levied by the borough a consumer's sales tax of up to 3 percent maximum rate on all retail sales, on all rents, and on all services made or rendered within the borough, measured by the gross sales price of the seller.
- B. In addition to the tax levied in paragraph A of this section, there is levied in the borough a sales tax on the rental of temporary lodging of up to 8 percent of the rental price of all such rentals within the borough, except as specifically exempted herein.
- C. In addition to the sales taxes levied by the borough, any municipality within the borough may levy a consumer's sales tax and temporary lodging tax as provided by Alaska Statute which shall be reported, collected, and enforced according to the terms of this chapter.

SECTION 2. That KPB 5.18.215 is hereby enacted as follows:

5.18.215. - Exemptions/waivers—Temporary lodging within cities in the borough.

Rentals of temporary lodging within any city in the borough are exempt from the borough's 8 percent tax in an amount equal to the amount of a similar sales tax that may be levied by the applicable city in addition to the city's general sales tax, if any, up to a maximum exemption of 4 percent of the rental price.

SECTION 3. That a ballot proposition shall be placed before borough voters at the regular election on October 3, 2017 to read as follows:

Shall Ordinance 2017-___, providing for the levy of a tax on temporary lodging of up to 8 percent of the rental price, subject to existing exemptions in the borough sales tax code and an exemption of up to 4 percent in any city in the

borough that levies a similar additional sales tax on temporary lodging in its boundaries, be approved? "Temporary lodging" means "a service to provide any lodging of less than one month".

Yes _____ A "yes" vote means you approve of a temporary lodging tax of up to 8 percent of the rental price in the borough, with an exemption of up to 4 percent in any city in the borough that levies a similar additional temporary lodging tax.

No _____ A "no" vote means you oppose a temporary lodging tax of up to 8 percent of the rental price in the borough, with an exemption of up to 4 percent in any city in the borough that levies a similar additional temporary lodging tax.

SECTION 4. That Sections 3 and 4 of this ordinance shall become effective immediately upon enactment of this ordinance. Sections 1 and 2 of this ordinance shall become effective April 1, 2018, only if the proposition contained in Section 3 is approved by a majority of voters voting on the question in the regular election of October 3, 2017.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2017.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, Borough Clerk



TIER 1 / TIER 2

REQUEST FOR REALLOCATION OF FUNDS

Organization _____

Project _____

Grant award date _____ Grant # _____

Grant award amount _____

Prior payment(s) _____

Balance of award _____

Amount to be reallocated _____

Purpose for reallocation: Attach a narrative detailing how reallocated funds will enhance project scope.

CURRENT AWARD BY BUDGET LINE ITEM

REQUESTED BUDGET REVISION

ITEM	AMOUNT	MATCH REQUIRED?	ITEM	AMOUNT

Typed or printed name _____ Title _____

Grantee Authorized Representative signature _____

FOR RASMUSON USE ONLY

Reallocation recommendation _____ Approved Not Approved

Program Officer _____ Date _____

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