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| Proposed by: | Assemblymember Hylton |
| Attorney Review: | 03/06/2023 |
| First Reading: | 03/16/2023 |
| Second Reading: | 04/06/2023 |

MUNICIPALITY OF SKAGWAY, ALASKA
ORDINANCE NO. 23-08

AN ORDINANCE OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING SMC SECTION 12.01.070 PORT FUND TO PROVIDE FOR THE ALLOCATION OF UPLANDS LEASE REVENUE TO THE GENERAL FUND.

WHEREAS, Skagway Municipal Code (SMC) Section 12.01.070 Port Fund regulates the use of income, money, resources, and property of the Port of Skagway; and

WHEREAS, pursuant to SMC 12.01.010, the Port of Skagway includes all waterfront-zoned lands; and

WHEREAS, all uplands lease areas are zoned Waterfront (W) and include the areas currently leased by TEMSCO, Petro 49, Alaska Marine Lines, Cruise Line Agencies Alaska, Skagway Fish Company, and the Smokehouse; and

WHEREAS, the Municipality of Skagway would like to allocate income from uplands leases to the General Fund to provide for current and future community services not located within the Port of Skagway;

NOW THEREFORE BE IT ORDAINED AND ENACTED BY THE MUNICIPALITY OF SKAGWAY, ALASKA AS FOLLOWS:

Section 1. Classification. Section 3 of this ordinance is of a general and permanent nature and shall become a part of the Skagway Municipal Code.

Section 2. Purpose. To amend SMC Section 12.01.070 Port Fund to provide for the allocation of uplands lease revenue to the General Fund to fund current and future community services not located within the Port of Skagway.

Section 3. Amendment. The Skagway Municipal Code is hereby amended; (~~strike through~~) indicates text to be deleted from and (**bold underscore**) indicates text added to the current code. SMC Section 12.01.070 is hereby amended as follows:

12.01.070 Port fund.

- A. The Port of Skagway shall be operated in a businesslike manner such as other public utilities and enterprises and shall be operated from a fund separate from the general fund. An accounting system for this fund shall be established within the general accounting system of the municipality, and shall be set up and maintained so as to reflect the financial

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condition of the enterprise and its income and expense. All balance sheets and statements of income and expense (profit and loss) shall be made for this enterprise annually and as often as the assembly may require, and published annually in a condensed form.

- B. None of the income, money, resources or property of the Port of Skagway shall be placed in the general fund or be used for the benefit of anything outside of the fund to which it belongs without due compensation or due value received in return **except as noted in this section**; provided, that this shall not prohibit payment into the general fund by the port fund of an amount in lieu of taxes reasonably estimated to be the amount which the enterprise would pay in taxes if it were privately owned. A portion of monies in the port fund may be allocated to the general fund to reimburse for services provided to the Port of Skagway by other municipal departments such as police, fire, emergency medical, garbage, water, and sewer services. **Revenue from the lease of waterfront-zoned uplands may be allocated to the general fund with no restriction as to use.**
- C. Dedication of Revenues. All revenues generated by municipally operated port facilities shall be dedicated to the port fund, for use in paying costs of operation, maintenance, and repair of the port facilities, **and may be allocated as allowed in SMC 12.01.070(B).**
- D. Fees related to use of the Port of Skagway shall be established in the Skagway Port Tariff document.

Section 4. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 5. Effective Date. This ordinance shall become effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this ___ day of _____, 2023.

Andrew Cremata, Mayor

ATTEST:

Steve Burnham Jr., Borough Clerk

(SEAL)