Proposed by: Administration
Attorney Review: 07/04/2012
Civic Affairs Review: 07/31/2012
First Reading: 11/01/2012
Second Reading: 11/08/2012

Vote: 6 Aye 0 Nay 0 Absent

MUNICIPALITY OF SKAGWAY, ALASKA

ORDINANCE NO. 12-19

AN ORDINANCE OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING CHAPTER 4.10.030 EXEMPTION FOR CERTAIN IMPROVEMENTS TO REAL PROPERTY TO ALLOW FOR PAYMENTS IN LIEU OF TAXES FOR CERTAIN LOW-INCOME HOUSING.

WHEREAS, The Municipality of Skagway recognizes the need for additional low-income housing within the Skagway Borough; and

WHEREAS, AS 29.45.050(I) states that a municipality may by ordinance exempt from taxation an interest, other than record ownership, in real property of an individual residing in the property if the property has been developed, improved, or acquired with federal funds for low-income housing and is owned or managed as low-income housing by the Alaska Housing Finance Corporation under AS 18.55.100 - 18.55.960 or by a regional housing authority formed under AS 18.55.996; and

WHEREAS, AS 29.45.050(I) further states that the corporation may make payments to the municipality or political subdivision for improvements, services, and facilities furnished by it for the benefit of a housing project, and a municipality is not prohibited from receiving those payments or any payments in lieu of taxes authorized under federal law;

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

<u>Section 1.</u> <u>Classification.</u> This ordinance is of a general and permanent nature and shall become a part of the Skagway Municipal Code.

<u>Section 2.</u> <u>Purpose.</u> To amend Chapter 4.10.030, Exemption for certain improvements to real property to allow for payments in lieu of taxes for certain low-income housing. The Skagway Municipal Code is hereby amended (<u>strike through</u>) indicates text to be deleted from and (<u>bold</u>) indicates text added to the current code as follows:

Section 3. Amendment. Chapter 4.10.030 is hereby amended as follows:

- 4.10.030 Exemption for certain improvements to real property.
 - C. Exemption for certain low-income housing. An interest, other than record ownership, in real property of an individual residing in the property is exempt if the property has been developed, improved or acquired with federal funds for low-income housing and is owned or managed as low-income housing by the Alaska Housing Finance Corporation under AS 18.55.100—18.55.960 or a regional housing authority formed under AS 18.55.996. This subsection does not prohibit the Municipality of Skagway from receiving payments in lieu of taxes authorized under federal law.

<u>Section 4.</u> <u>Severability.</u> 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.

MUNICIPALITY OF SKAGWAY, ALASKA ORDINANCE NO. 12-19 PAGE 2 OF 2

<u>Section 5.</u> <u>Effective Date.</u> This ordinance shall become effective immediately upon adoption by the Municipality of Skagway Borough Assembly.

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 8th day of November, 2012.

Stan Selmer, Mayor

ATTEST:

Emily Deach, Borough Clerk

(SEAL)

