

POSSIBLE MOTION

I MOVE TO approve Ordinance 2011-35
on second and final reading.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2011-35

BALLOT PROPOSITION OCTOBER 2011

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA PROPOSING
TO AMEND THE HOME RULE CHARTER OF THE CITY AND BOROUGH OF
SITKA TO RAISE THE PROPERTY TAX LIMIT FROM 6 MILLS TO 6.5 MILLS TO
PAY FOR CERTAIN MUNICIPAL INFRASTRUCTURE, EQUIPMENT AND ITS
MAINTENANCE, AND SUBMIT THIS CHARTER AMENDMENT AND QUESTION
TO THE VOTERS FOR RATIFICATION**

1. **CLASSIFICATION.** This ordinance is of a permanent nature and includes at Subsection 4A a provision intended to become a part of the Home Rule Charter of the City and Borough of Sitka if approved by the voters at the October 4, 2011 regular election.

2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstance shall not be affected.

3. **PURPOSE.** The City and Borough of Sitka has municipal infrastructure and/or equipment that needs to be purchased, replaced, repaired, and/or maintained. Current revenues are limited to meet these needs. If ratified by the voters, this ordinance would amend the Sitka Charter to raise the property tax limit from 6 mills to 6.5 mills, to fund such municipal infrastructure, equipment, and its maintenance. The revenues gained from the property tax limit increase will be used to pay for purchase, replacement, repair and/or maintenance, such as for municipal owned buildings, structures, equipment, and roads, including Sitka Community Hospital's new roof and new mammogram machine. The increased revenues will not be used for infrastructure, equipment and its maintenance for schools and enterprise funds (e.g. electric; harbors; water; wastewater; solid waste; Sawmill Cove Industrial Park; airport terminal; Marine Service Center). The schools and the enterprise funds already have sources of revenues or options to obtain such revenues regarding their infrastructure, equipment and its maintenance.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that:

- A. The Home Rule Charter of the City and Borough of Sitka is amended by amending Section 13.03, Property Tax Limit, to read as follows (new language underlined; deleted language stricken):

13.03 Property Tax Limit.

The property tax levy shall not exceed six and one half tenths of one percent (6.5 mills) ~~six-tenths (0.006) of one per cent (6 mills)~~ of the

assessed valuation of the property to be taxed. The voters may raise this limit by an affirmative vote of the majority of the voters participating in a special or regular election.

This section shall not in any way limit the ability of the municipality to meet its bonded obligations and in no event shall the property tax levy during a year exceed three percent (thirty mills) of the assessed value of the property in the municipality.

B. The following proposition shall be placed on the ballot at the general election on October 4, 2011:

Ballot Proposition No. _____

Shall the Charter of the City and Borough of Sitka be amended to raise the property tax limit from 6 mills to 6.5 mills, with any increased revenues used to fund certain municipal infrastructure and its maintenance?

☐

Yes

☐

No

Informational: The revenues gained from the property tax limit increase will be used to pay for municipal infrastructure, equipment and its maintenance, such as for municipal owned buildings, structures, equipment, and roads, including Sitka Community Hospital's new roof and new mammogram machine. The increased revenues will not be used for infrastructure, equipment and its maintenance for schools and enterprise funds (e.g. electric; harbors; water; wastewater; solid waste; Sawmill Cove Industrial Park; airport terminal; Marine Service Center), which have their own sources or better options for funding.

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage. The amendment to the Home Rule Charter of the City and Borough of Sitka set out in Subsection 4.A shall become effective on January 1, 2012 only if a majority of the voters voting on this ballot proposition at the regular election on October 4, 2011 approve the ballot proposition.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this ____ day of August, 2011.

Cheryl Westover, Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk