

**CITY OF HOMER  
HOMER, ALASKA**

City Manager/City Attorney

**ORDINANCE 11-49**

AN EMERGENCY ORDINANCE OF THE HOMER CITY COUNCIL  
ADOPTING HOMER CITY CODE CHAPTER 15.10, OCEAN DRIVE LOOP  
SPECIAL SERVICE DISTRICT, TO CREATE A DIFFERENTIAL PROPERTY  
TAX ZONE TO LEVY PROPERTY TAXES TO FUND SPECIAL SERVICES  
PROVIDED IN THE DISTRICT.

WHEREAS, The City may by ordinance establish, alter, and abolish differential tax zones to provide and levy property taxes for services not provided generally in the City, or a different level of service than that provided generally in the City; and

WHEREAS, The City by Ordinance 06-53(S) established a differential tax zone known as the Ocean Drive Loop Special Service District ("District") for the purpose of providing special services to the properties in the Ocean Drive Loop Bluff Erosion Control Improvement District that are not provided elsewhere in the City; and

WHEREAS, Ordinance 06-53(S) provided for the formation of an association of property owners to receive and expend taxes levied in the District for the purpose of operating and maintaining the seawall that had been constructed in the Ocean Drive Loop Bluff Erosion Control Improvement District; and

WHEREAS, When no association of property owners formed as contemplated by Ordinance 06-53(S), the Council enacted Ordinance 10-19, finding that it would be in the best interest of the City to allow the owners of property in the District to determine among themselves what collective arrangements, if any, to make for funding the operation of the seawall, and abolishing the District; and

WHEREAS, Some property owners in the Ocean Drive Loop Bluff Erosion Control Improvement District continue to assert that the City is responsible for maintaining the seawall, and have induced the Army Corps of Engineers to require the City to repair damage to the seawall under the terms of the permit the Corps issued to the City for the seawall; and

WHEREAS, Until the issue of the City's obligations under the Corps permit can be resolved, it is necessary for the City to have a source of funds to pay costs of repairing the seawall; and

WHEREAS, For the purpose of providing funds required to pay the cost of repairs to the seawall, it is in the best interest of the City to immediately establish a new differential tax zone known as the Ocean Drive Loop Special Service District for the purpose of providing special services to the properties in the Ocean Drive Loop Bluff Erosion Control Improvement District of a special kind and greater level of service than those provided generally in the City.

47 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:  
48

49 Section 1. The Homer City Council finds that an emergency ordinance is appropriate in  
50 order to meet an immediate need for funding to pay the cost of repairs to the seawall during the  
51 current winter storm season, and that providing that funding through the establishment of a  
52 differential tax zone that includes only the properties that are benefited by this service is in the  
53 public interest.  
54

55 Section 2. Homer City Code Chapter 15.10, Ocean Drive Loop Special Service District,  
56 is adopted to read as follows:

57 Chapter 15.10  
58

59 OCEAN DRIVE LOOP SPECIAL SERVICE DISTRICT  
60

61 Sections:  
62

- 63 15.10.005 Definitions  
64 15.10.010 Ocean Drive Loop Special Service District established  
65 15.10.020 Property tax levy  
66 15.10.030 Payment in lieu of taxes  
67 15.10.040 Administration  
68 15.10.050 Services authorized  
69 15.10.060 Excess tax revenue  
70

71 15.10.005 Definitions. As used in this chapter:  
72

73 "*Improvement District*" means the Ocean Drive Loop Bluff Erosion Control  
74 Improvement District previously established by the City as a local improvement district to  
75 construct an erosion control seawall.  
76

77 "*Operate*" and "*Operation*" with respect to the Seawall includes operation, maintenance,  
78 repair, reconstruction, improvement, insurance, administration and other related or similar  
79 activities conducted in the course of making and keeping the Seawall operational for its intended  
80 erosion control purpose for the benefit of the properties in the Improvement District.  
81

82 "*Seawall*" means the erosion control seawall constructed in the Improvement District.  
83

84 "*Special Service District*" means the Ocean Drive Loop Special Service District  
85 established under this chapter.  
86

87 15.10.010 Ocean Drive Loop Special Service District established. a. There is established  
88 a special service district within the City designated as the "Ocean Drive Loop Special Service  
89 District" for the purpose of providing special services to the properties in the Ocean Drive Loop

90 Bluff Erosion Control Improvement/Assessment District that are not provided elsewhere in the  
91 City.

92 b. The Special Service District consists of the properties in the Homer Recording  
93 District that are described as follows:

94  
95 Oscar Munson Subdivision Lot 34

96  
97 Oscar Munson Subdivision Lot 35

98  
99 Oscar Munson Subdivision Lot 36

100  
101 Oscar Munson Subdivision Lot 37

102  
103 Oscar Munson Subdivision Lot 38

104  
105 Oscar Munson Subdivision Lot 39

106  
107 Oscar Munson Subdivision Lot 40

108  
109 Oscar Munson Subdivision Lot 41

110  
111 Oscar Munson Subdivision Lot 42

112  
113 Oscar Munson Subdivision Lot 43

114  
115 Oscar Munson Subdivision Lot 44

116  
117 Oscar Munson Subdivision No. 18 Lot 45B

118  
119 Oscar Munson Subdivision No. 18 Lot 45A

120  
121 Tamian Subdivision Lot 1

122  
123 A portion of T6S R13W Section 21, Beginning at corner of Sections 20, 21, 28,  
124 and 29; thence N 64 degrees 10 minutes E a distance of 50.00 feet; thence S 64  
125 degrees 10 minutes E a distance of 50.00 feet; thence E a distance of 35.00 feet;  
126 thence N 0 degrees 05 minutes W a distance of 450.00 feet; thence W a distance  
127 of 125.00 feet; thence S 0 degrees 05 minutes E a distance of 450.00 feet to the  
128 point of beginning.

129  
130 Seabreeze Subdivision Lot 5

131  
132 Lake St ROW south of Ocean Drive Loop

133

134 Pedestrian Easement south of Ocean Drive Loop between Lots 37 and 38, Oscar  
135 Munson Subdivision  
136

137 15.10.020 Property tax levy. a. The Special Service District shall be funded by a property  
138 tax levied on the properties in the Special Service District. The City Council shall annually set  
139 the mill levy pursuant to Section 9.04.040. The tax shall be assessed and collected as other real  
140 property taxes levied by the City.

141 b. Any property tax levied for the purpose of funding the Special Service District  
142 shall be excluded from the calculation of the mill rate contingency set forth in Section 9.16.020  
143 for purpose of determining whether the City's sales tax levy shall remain in effect.  
144

145 15.10.030 Payment in lieu of taxes. In lieu of paying taxes on tax exempt property owned  
146 by the City in the Special Service District, the City will annually appropriate money to the  
147 district or perform in-kind services for the district equivalent in value to the amount of taxes that  
148 would be levied on the City property if it were taxable.  
149

150 15.10.040 Administration. The administration of this chapter is a function of the  
151 Department of Administration.  
152

153 15.10.050 Services Authorized. Revenue collected by the City under this chapter may be  
154 appropriated and expended for the limited purpose of funding Operation of the Seawall for the  
155 benefit of all properties in the Improvement District.  
156

157 15.10.060 Excess tax revenue. If at any time the City Council determines Special Service  
158 District tax revenues exceed the needs of the Special Service District, the City Council may  
159 authorize a refund of the excess tax revenues collected under this chapter to the taxpayers in  
160 proportion to amounts paid in by such taxpayers.  
161

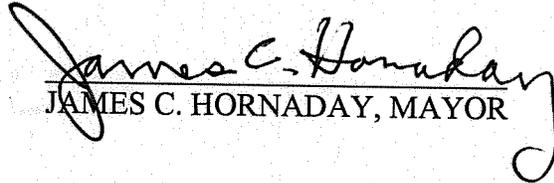
162 Section 3. This Ordinance is of a permanent and general character and shall be included  
163 in the City Code.  
164

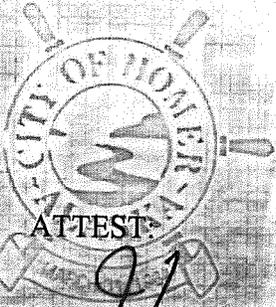
165 Section 4. This ordinance shall become effective on December 19, 2011.  
166

167 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 19<sup>th</sup> day of  
168 December, 2011.

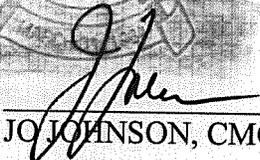
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CITY OF HOMER

  
JAMES C. HORNADAY, MAYOR



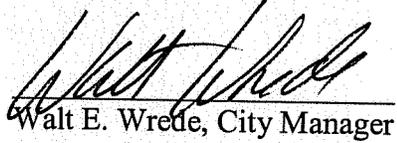
ATTEST:

  
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JQ JOHNSON, CMC, CITY CLERK

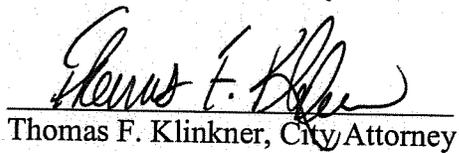
YES: 5  
NO: 1  
ABSTAIN: 0  
ABSENT: 0

First Reading: 12/19/11  
Public Hearing:  
Second Reading:  
Effective Date: 12/19/11

Reviewed and approved as to form:

  
\_\_\_\_\_  
Walt E. Wrede, City Manager

Date: 12/21/11  
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Thomas F. Klinkner, City Attorney

Date: 12-27-11  
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