

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Reynolds

4 **RESOLUTION 15-111**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 REQUESTING THAT THE ALASKA STATE LEGISLATURE AMEND
8 ALASKA STATUTES 29.45.030(e) TO ALLOW LOCAL
9 MUNICIPALITIES TO DETERMINE THE VALUE OF PROPERTY TAX
10 EXEMPTION FOR RESIDENTS OVER THE AGE OF 65.

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12 WHEREAS, Alaska Statutes 29.45.030(e) exempts real property owned and occupied as
13 the primary residence and permanent place of abode by a resident who is 65 years of age or
14 older from municipal property taxes; and

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16 WHEREAS, Alaska Statutes 29.45.030(g) states that the State shall reimburse a
17 borough or city, as appropriate, for the real property tax revenues lost to it by the operation
18 of AS 29.45.030(e); and

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20 WHEREAS, A mechanism that serves to reimburse boroughs and cities for the lost
21 revenue from senior property tax exemptions is revenue sharing; and

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23 WHEREAS, The State's ability to disburse revenue sharing may be jeopardized because
24 of the change in oil revenues; and

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26 WHEREAS, In 2014 the value of property eligible for the mandatory senior property tax
27 exemption in the City of Homer was \$61,208,700 which corresponds to \$275,439 in
28 uncollected revenue to the City of Homer; and

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30 WHEREAS, Increased availability of high-level medical care in Alaska has increased the
31 number of seniors moving to Alaska to retire or retiring in place; and

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33 WHEREAS, Communities benefit from the experience, expertise, income and
34 volunteerism of the growing senior population; and

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36 WHEREAS, According to the Alaska Department of Labor and Workforce Development
37 population projections, the population of residents over the age of 65 on the Kenai Peninsula
38 is expected to grow from 12.9% of population in 2012 to 24.2% of population in 2027; and

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40 WHEREAS, This shift in demographics disproportionately places the burden of
41 providing municipal services on other property owners; and
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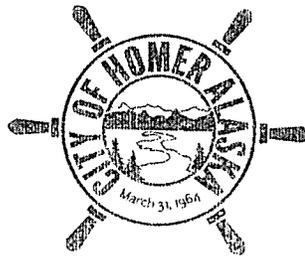
43 WHEREAS, The increased tax burden is particularly harmful to young families and
44 lower income property owners; and

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46 WHEREAS, The mandatory property tax exemption coupled with the increasing senior
47 population is untenable given the declining revenue Alaskan municipalities are facing.

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49 NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that the City
50 of Homer requests that the Alaska State Legislature amend Alaska Statutes 29.45.030(e) to
51 allow local governments to determine the value of property tax exemption for residents over
52 the age of 65.

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54 PASSED AND ADOPTED by the Homer City Council this 7th day of December, 2015.

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CITY OF HOMER

Mary E. Wythe
MARY E. WYTHE, MAYOR

ATTEST:

Jo Johnson

JO JOHNSON, MMC, CITY CLERK

Fiscal information: N/A