

Presented by: Mayor and Assembly
Introduced: 04/21/88
Drafted by: B.J.B.

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 1302

A RESOLUTION URGING THE ALASKA LEGISLATURE TO ADOPT CSSB NO. 500 AUTHORIZING MUNICIPALITIES TO EXEMPT CERTAIN INTERESTS IN FEDERALLY FUNDED LOW-INCOME HOUSING FROM MUNICIPAL PROPERTY TAXATION.

WHEREAS, legislation has been introduced in the Alaska Legislature, Committee Substitute for Senate Bill No. 500, which authorizes municipalities to exempt certain interests in federally funded low-income housing projects from municipal property taxation, and

WHEREAS, the State of Alaska, Department of Community and Regional Affairs, has not previously required municipalities to assess taxes against private possessory interests in Regional Native Housing Authority ("RNHA") projects due in part to a 1985 Attorney General's opinion which concludes that such taxation would be contrary to the intent of the RNHA enabling statutes, and

WHEREAS, under Alaska law, RNHA's and the property of RNHA's is exempt from all taxes and special assessments of the state or a political subdivision of the state, and

WHEREAS, the Department of Community and Regional Affairs recently sought a second Attorney General's opinion on the issue of taxation of private possessory interests in RNHA property, which opinion concludes that such an interest is taxable and that municipalities have no authority under state law to exempt such an interest from taxation, and

WHEREAS, the Department of Community and Regional Affairs will now require municipalities to assess property taxes against individuals with a possessory interest in a federally funded low-income housing project, and

WHEREAS, such a requirement would impose an unexpected tax burden upon project residents, would substantially disrupt the administration of every RNHA project in the state, and would jeopardize the ability of municipalities to assist in providing an adequate supply of low-income housing for their residents, and

WHEREAS, under federal law, the United States Department of Housing and Urban Development ("HUD") may provide financial assistance to a RNHA low-income housing project only if such project is exempt from all real and personal property taxes and special assessments levied or imposed by any taxing body, and

WHEREAS, HUD will immediately withdraw its funds from any low-income housing project that is subject to municipal property taxation;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

1. That the Assembly urges the Alaska Legislature to adopt Committee Substitute for Senate Bill No. 500 authorizing municipalities to exempt certain interests in federally funding low-income housing projects from municipal property taxation.

2. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 21st day of April, 1988.



Mayor

Attest:



Clerk