

CITY OF SELDOVIA
ORDINANCE 22-02 – *As amended*

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA, AMENDING SMC 3.08.010 AND 3.08.020 TO PROVIDE FOR AN INCREASE IN THE RATE OF THE CITY SALES TAX FROM 4.5% IN THE 2ND AND 3RD QUARTER TO 6.5%, WITH THE INCREASE PROVIDING FUNDS TO PAY ON THE OBLIGATIONS INCURRED TO FINANCE THE ACQUISITION OF A ROAD GRADER AND THEN FUND THE PUBLIC WORKS AND MAINTENANCE DEPARTMENT; AND SUBMITTING THE QUESTION OF THE SALES TAX RATE INCREASE TO THE QUALIFIED VOTERS OF THE CITY AT THE OCTOBER 5, 2021 REGULAR CITY ELECTION.

WHEREAS, The best interests of the citizens and property owners in the City of Seldovia (“City”) require the City to acquire, construct, renovate, upgrade and undertake certain road improvement capital projects and acquire the resources needed to perform the duties necessary for these capital improvements; and

WHEREAS, The City will develop and adopt the Seldovia Safe Roads Program in FY 2022 to prioritize the maintenance needs of the City’s most critical sections of unpaved roads; and

WHEREAS, Under the Seldovia Safe Roads Program and after prioritization is completed, the City will acquire an initial amount of road material to resurface and repair the most critical sections of unpaved roads; and

WHEREAS, A road grader is necessary in order to maintain City roads and fulfil the Seldovia Safe Roads Program, and City roads in need of maintenance could not be addressed by City staff if the City did not have the funding to acquire material necessary to maintain City roads or a functioning road grader; and

WHEREAS, The City’s current 1984 road grader has reached the end of its useful life and the City is in need of a new road grader; and

WHEREAS, Since Fiscal Year 2017, the City has requested the Alaska State Legislature and the State of Alaska to provide capital funding in order to secure a road grader for Seldovia and those efforts have been unsuccessful; and

WHEREAS, The City deems it necessary to increase the rate of the City sales tax to provide funds to pay on the obligations incurred to finance the acquisition of the road grader, which is an essential component of the Seldovia Safe Roads Program and the city’s rolling stock; and

WHEREAS, Once the loan or lease incurred in order to acquire a road grader is paid off, the increase in the rate of City sales tax will then be used to fund the Public Works and Maintenance Department; and

WHEREAS, Under the provisions of AS 29.45.700(b) and AS 29.45.670, the City may increase the rate of its sales tax only after an ordinance authorizing the increase is approved by a majority of those voting on the question at a regular or special election.

NOW, THEREFORE, THE CITY COUNCIL OF SELDOVIA ORDAINS:

SECTION 1. Seldovia Municipal Code 3.08.010 is amended to read as follows:

3.08.010 Sales tax—Levied. A consumer’s tax in an amount to be set by ordinance as follows:

1 st qtr:	2%
2 nd qtr:	4.5% 6.5%
3 rd qtr:	4.5% 6.5%
4 th qtr:	2%

is levied by the City on all sales, rents and services within the City except as may be otherwise exempted by law.

SECTION 2. Seldovia Municipal Code 3.08.020 is amended to read as follows:

3.08.020 Dedication. The consumer’s sales tax shall go to the general fund. After obligations incurred to finance the acquisition of a road grader have been paid off, a portion of the consumer’s sales tax will go towards the Public Works and Maintenance Department as follows:

During the 2nd qtr:	2%
During the 3rd qtr:	2%

SECTION 3. The City shall submit the following proposition to the qualified voters of the City at the October 5, 2021 regular City election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. ____
CITY SALES TAX RATE INCREASE TO 6.5% DURING 2ND AND 3RD QUARTER (APRIL 1 –
SEPTEMBER 30)

Shall the rate of the City sales tax be increased from 4.5% in the 2nd and 3rd quarter (April 1 – September 30) to 6.5% to provide for the purpose of paying on the obligations incurred to finance the acquisition of the road grader and then funding the Public Works and Maintenance Department once the obligations have been paid off?

SECTION 4. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot and the following words shall be added as appropriate next to a space provided for marking the ballot for voting by hand or machine:

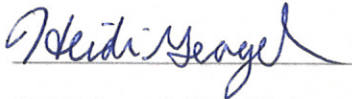
PROPOSITION NO. ____
O YES
O NO

SECTION 5. Sections 1 and 2 of this ordinance shall become effective only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the October 5, 2021 regular City election. The remaining sections of this ordinance shall become effective upon passage.

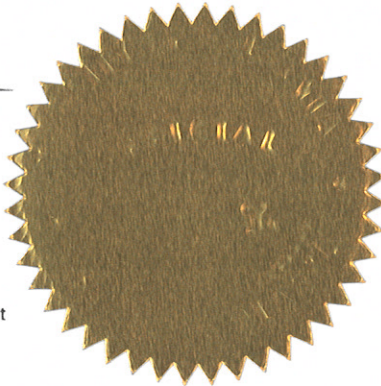
SECTION 6. Sections 1 and 2 of this Ordinance are of a permanent and general character and, if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the October 5, 2021 regular City election, shall be included in the City Code. The remainder of this ordinance is not of a permanent nature and as such, shall not be codified.

ENACTED by a duly constituted quorum of the City Council of the City of Seldovia, Alaska this 16th day of August, 2021.

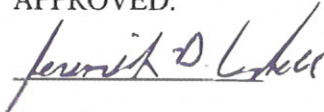
ATTEST:



Heidi Geagel, City Clerk



APPROVED:



Jeremiah Campbell, Mayor

Yes: Colberg, Morrison, Rojas, Nathan, Sweatt
No: Payton