

October 21, 2019

Assembly Member Brett Hibbert  
Kenai Peninsula Borough  
144 N Binkley  
Soldotna, AK 99669

**Re: Ordinance 2019-19-15**

Dear Assembly Member Hibbert:

Please note our strong objection to the subject and request that it not be approved.

We have no Objection to it being introduced; even bad ideas deserve a hearing. The reasoning behind our objection is as follows:

1. The 4<sup>th</sup> Whereas recognizes the Borough's statutory authority to support ***"...tourism in the areas outside of the cities..."***

This poses an interesting question: If the stated goal is to benefit *"areas outside of the cities"* then why are General Funds being expended? Why not create a Tourism Service Area, *outside of the cities*, and tax for the matter specifically? The good news of that idea includes the fact that we will no longer complain that the property tax dollars of The Uptown Motel and Louie's Restaurant, are being spent to support a non-profit organization that uses those same tax dollars to subsidize our competitors advertising

2. The 8<sup>th</sup> Whereas suggesting that KPTMC is somehow responsible for ***"a significant contribution towards the Borough's economy"*** is pure conjecture and is not supported by evidence of fact. Instead, any credit given KPTMC relies on a theory best described by President George H.W. Bush as: ***"Voodoo Economics!"*** or a biblical description of faith found in Hebrews 11:1<sup>1</sup>

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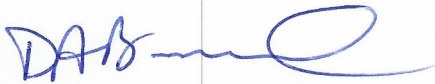
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3. This issue was previously introduced, the public testified and the Assembly debated and has taken action in the normal budget process. Other than the election of new Assembly members that could perhaps be more inclined to override the predictable mayoral veto, what has materially changed?
4. Finally, Assembly member Kelly Cooper recently was found by this Assembly to have had a conflict when 'bed-tax' was debated as she would have been responsible for collecting and remitting the proposed bed tax to the KPB from a hospitality business she is affiliated with. That proposed ordinance suggested funds raised from the new tax could offset expenditures for tourism promotion

This Ordinance appropriates funds that arguably would support her business, As such, we ask that this same Assembly find that there is a conflict as defined in KPB Ordinance 2.58.040<sup>2</sup> Or, contrarily, agree that the KPTMC is ineffective and not responsible for steering revenue to hospitality providers; a stark contrast to their own claims.

Thank you for your attention to this important matter.

Respectfully submitted



Duane Bannock  
General Manager

Cc: Assembly Member Hal Smalley  
Assembly Member Jesse Bjorkman  
Assembly Member Tyson Cox  
Assembly Member Norn Blakely  
Assembly Member Kenn Carpenter  
Assembly Member Brent Johnson  
Assembly Member Kelly Cooper  
Assembly Member Willy Dunn  
Borough Mayor Charlie Pierce  
Collette Thompson, Borough Attorney  
Johni Blankenship, Borough Clerk

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<sup>1</sup> ***"Now faith is the substance of things hoped for, the evidence of things not seen"***

<sup>2</sup> No assembly member or member of any service area board or commission may vote on any question on which he or she has a substantial direct or indirect financial interest unless an assembly member is not excused from voting as provided in KPB 22.40.140