

From: lsrourke@xyz.net [mailto:lsrourke@xyz.net]

Sent: Wednesday, May 23, 2018 7:26 PM

To: Blankenship, Johni <JBlankenship@kpb.us>

Subject: OPPOSED TO 12% Bed TAX

Borough Assembly Members ~

I am writing to express my opposition to a bed tax. I am a small business owner and think that a bed tax puts undue stress on only one portion of the tourism industry. It is not justifiable to impose a tax on beds and not restaurants, charters, etc. Please consider a tax that distributes the burden more equitably.

Sincerely,

LSRourke - Owner

A Home Away From Home in Homer, Alaska

Blankenship, Johni

02018-24

From: 2006kedon@gmail.com
Sent: Saturday, June 02, 2018 4:22 PM
To: Blankenship, Johni
Subject: Bed Tax

We at the Cranes Rest B&B oppose the bed Tax that is being brought up before the board. We feel this would be a very unfair tax on the hospitality providers of the Kenai Borough and would be devastating to the individual small business as well as all the tourism industry. People will stay away from the Kenai Borough and not come to Homer because of the high tax that is being proposed. The Borough first should be making sure that they are collecting tax money from all of the places that rent rooms out. There are over 300 Air B&BS in Homer alone, some of these places pay their tax while others do not. This puts an unfair burden on all of the places that pay their share of the taxes. Our costs will rise because of the new tax, but the places that choose not to get a business license and pay their share of the taxes get a free pass. This hurts everyone.

Why is the Borough discriminating against one form of tourism and letting others get a free pass on the tax hike like (Bear viewing, Fishing Charters, Kayaking, Dining establishments, Water Taxis) just to name a few. The Borough should look at how they can cut spending and be more responsible with the money they have and not kill the industry that provides them with a large share of their revenue.

Sincerely,
Keith & Melissa Kenaston

Sent from [Mail](#) for Windows 10

From: Kenai Peninsula Borough <webmaster@borough.kenai.ak.us>
Sent: Saturday, June 02, 2018 9:44 AM
To: BoroughAssembly
Subject: New Public Comment to Assembly Members

Your Name: Teresa Cosman

Your Email: sleepybear@alaska.net

Subject: No To The 12% KPB Bed Tax!

Message:

Around the country, bed taxes historically have been meant to support economy boosting projects such as Anchorage's Visit Anchorage Convention and Visitor Bureau, and operations of the Anchorage Convention Center (<https://www.anchorage.net/about-visit-anchorage/bed-tax-faqs/>) However, Anchor Point will not receive any reciprocal benefit or any portion of the bed tax funds in such a capacity. As one lodging owner stated to me, "Bed tax should be referred to as a tourism development tax as it is originally intended." The lodging industry already collects and pays a huge amount of borough sales tax since there is not a cap on nightly lodging. Why is the Assembly even considering putting further burden on our lodging industry when the monies collected will not meet the \$4 million deficit?

Anchor Point has a fragile economy heavily reliant on a combination of tourism and Alaskan/borough resident tourism. 12% bed tax (9% increase) has a more than likely chance of devastating the Anchor Point tourist industry and therefore the local economy. There is a school of thought that a bed tax would be easier to levy because you are only taxing tourists / people who don't live in the borough, but my business is open year-round and provides services to the locals and their families and friends in addition to tourists. The extra amount of tax just in the off-season alone will be a burden to most locals needing lodging for themselves, family, and friends. In addition, Visitors expect "bang for their buck", charging more tax without added tourist industry benefits specific to the local area for visitors cannot be justified.

Anchor Point businesses have a symbiotic relationship. What impacts the lodging businesses will also have a significant impact on the other businesses (stores, gas stations, fishing charters, tractor launch, laundromat, etc.) There has been a lot of talk over the years about instituting a bed tax on the peninsula. Most of what I have read points out the impact to the larger communities and/or incorporated cities and the benefits to the borough, but where is the consideration for the smaller unincorporated communities like Anchor Point who are being asked to bear the same burden as cities such as Homer, but who don't have the same resources at their disposal? Don't throw the baby out with the bath water. It may seem that such a tax is a drop in the bucket, but it is the ripples that leave a long-lasting impact on small areas such as Anchor Point. We are already in direct competition with larger communities like Homer to grow tourism in Anchor Point. The ripples of such a tax on an area like Anchor Point, no matter how temporary, could take years to settle, at which point the damage is already done to the tourist industry. The Anchor Point tourist industry is still recovering with regard to fishing in the Anchor River. Already, as of 29 May the Alaska Department of Fish and Game has implements closures for king salmon sport fishing on the Anchor River and Ninilchik Rivers Deep Creek Drainages effective from 12:01am 2 June through 11:59pm 15 July. We will feel the pinch from this.

I have heard some of the Assembly members support the idea of letting the voters decide. However, reality is that the vote would be askew. Below are some examples of this:

- Voters who don't thoroughly do their 'homework' will most likely vote for the lodging industry to bear all of

the burden versus everyone sharing a little bit of the burden because they believe they will not be impacted

- Voters who decide not to vote at all
- People who will be directly impacted because they own a local lodging business as well as those indirectly impacted because they own other types of businesses but are not able to vote because they are not Alaska / Kenai Peninsula Borough residents
- Cities who will be voting on behalf of all of us, but do not fully understand the impact to smaller communities because they do not face the same challenges we do
- People who work for lodging or tourist industry businesses who are impacted by such votes, but are not able to vote because they are not Alaska / Kenai Peninsula Borough residents

What other proposed tax options are on the table right now besides the 1/2% sales tax increase and the 12 % bed tax?

In a meeting with Willy Dunne at the Anchor Point Chamber of Commerce on Wednesday, 30 May, he stated he would not support the 12% bed tax if the 1/2% sales tax increase got voted in on 5 June. What if the 1/2% sales tax does not pass? I, and if I may be so bold as to speak on behalf of Anchor Point, am asking you to not support the 12% bed tax no matter what.

A 12% bed tax that singles out one small entity to carry the whole of the deficit burden, does not recoup the whole of the deficit burden, and does not proportionately provide funds directly to the community paying the increased bed tax to invigorate the local economy and tourist industry (therefore, negatively impacting the economy of said community) should not be considered as a viable option.