



Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Wayne Ogle, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor 

FROM: Brandi Harbaugh, Finance Director 

DATE: March 22, 2018

RE: Ordinance 2018-17. Amending KPB 5.35.155 and KPB 14.31.145 to Authorize the Mayor to Accept Late-Filed Applications for a Deferred Payment of Principal for a Utility Special Assessment or Road Improvement Assessment District (Mayor)

Both the utility special assessment district and the road improvement assessment code sections authorize qualifying economically disadvantaged property owners to apply for deferral of their payment on the principal of the lien. Both chapters require that a deferral application be filed by February 1. To be qualified as economically disadvantaged the applicant's adjusted gross income must be less than 200% of the U.S. Health & Human Services poverty guidelines for Alaska.

The code does not currently provide authority for the mayor to accept late-filed deferral applications. The consequences of denying a deferral application because it is late can be very severe. If the person is unable to make the annual payment the amount owed for the entire assessment becomes due 30 days after the date of notice of delinquency. If the property owner is unable to pay the full assessment they would lose title to their property in the annual borough foreclosure action.

This year the borough received an application from a person who demonstrated good cause based on medical reasons for failing to file the application by February 1, 2018. For this reason, the administration is requesting that this ordinance be retroactively effective on February 1, 2018, in order that it may process the late-filed property's owner deferral application for this year.

Your favorable consideration of this ordinance would be appreciated.