

2-15-00 Failed

Submitted by: AssemblyMember
Clementson

Prepared by: Department of Law

For reading: February 1, 2000

ANCHORAGE, ALASKA

AO NO. 2000- 46

1 AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE MUNICIPALITY
2 AT THE REGULAR MUNICIPAL ELECTION APRIL 4, 2000 A BALLOT PROPOSITION
3 ASKING WHETHER THE ASSEMBLY OR THE STATE OF ALASKA SHOULD GRANT
4 REAL PROPERTY TAX RELIEF TO LOW INCOME HOUSING PROJECTS RECEIVING LOW
5 INCOME HOUSING TAX CREDITS FROM THE FEDERAL GOVERNMENT OR BELOW
6 MARKET INTEREST RATE MORTGAGE LOANS TO FINANCE SAID PROJECTS IN
7 EXCHANGE FOR LIMITATIONS ON RENTAL RATES.
8
9

10 WHEREAS, qualified low-income housing projects may receive low-income housing tax
11 credits from the federal government to be used as a credit against federal income taxes on rental
12 income; and
13

14 WHEREAS, qualified low-income housing projects may also receive below-market, low-
15 interest mortgage loans to finance their construction; and
16

17 WHEREAS, both the federal low-income housing tax credits and low interest mortgage loans
18 for construction financing are granted to qualified low-income housing projects in exchange for
19 restricting the level of rent for low-income tenants; and
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21 WHEREAS, Alaska Statutes now require real property taxes to be levied on the full and true
22 (market) value of the property; and
23

24 WHEREAS, calculation of full and true (market) value, if reduced by restrictions on rental
25 income granted in exchange for either income tax credits or low-interest mortgage loans, would
26 provide considerable additional tax relief to the property owner; and
27

28 WHEREAS, in the tax year 2000 it is estimated that the difference in the amount of property
29 taxes to be collected using the current assessment method and the proposed assessment method
30 exceeds \$260,000; and
31

32 WHEREAS, in light of State-wide ballot proposition set to appear on the November, 2000
33 State election ballot which will, if approved, cap property tax mill rates at 10 mills, voters and
34 property tax payers should advise their elected representatives whether additional tax relief should
35 be granted;
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37
38

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1: A ballot proposition in substantially the following form shall be submitted to the qualified voters of the Municipality at the regular municipal election to be held April 4, 2000:

Proposition

**ADVISING ON PROPERTY TAX RELIEF FOR LOW-INCOME HOUSING
RECEIVING FEDERAL LOW-INCOME HOUSING TAX CREDITS
OR BELOW-MARKET, LOW-INTEREST MORTGAGE LOANS**

Shall the Anchorage Assembly or the State Legislature, as may be authorized by law, grant local, real property tax relief to low-income housing projects already receiving low-income housing income tax credits and/or below-market, low-interest mortgage loans in exchange for restricted rental rates by authorizing a reduction in the taxable value of their low-income rental property ?

Yes []

No []

If the described tax relief is implemented, the estimated tax impact for the tax year 2000 to maintain the same tax revenues without the tax relief will be to increase other property taxes by approximately \$263,000.

Section 2: The Proposition set forth in Section 1. of this ordinance shall become effective upon certification of the election at which presented, only if said Proposition is approved by a majority of the qualified voters voting on the Proposition. All other Sections of this ordinance shall become effective immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this day of _____, 2000.

Chair of the Assembly

ATTEST:

Municipal Clerk

**MUNICIPALITY OF ANCHORAGE
MUNICIPAL CLERK'S OFFICE
AGENDA DOCUMENT CONTROL SHEET**

AO 2000-46

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS ... QUESTION OF WHETHER THE ASSEMBLY OR THE STATE SHOULD GRANT REAL PROPERTY TAX RELIEF TO LOW INCOME HOUSING PROJECTS RECEIVING ... TAX CREDITS ...	DATE PREPARED Indicate Documents Attached <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input type="checkbox"/> AM <input type="checkbox"/> AIM	
2	DEPARTMENT NAME <p style="text-align: center;">ASSEMBLY</p>	DIRECTOR'S NAME <p style="text-align: center;">KEVIN MEYER, CHAIRMAN</p>	
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY <p style="text-align: center;">WILLIAM A. GREENE - MUNICIPAL ATTYS. OFFICE</p>	HIS/HER PHONE NUMBER <p style="text-align: center;">343-4545</p>	
4	COORDINATED WITH AND REVIEWED BY	INITIALS	DATE
	Mayor		
	Municipal Clerk		
	Municipal Attorney		
	Employee Relations		
	Municipal Manager		
	Cultural & Recreational Services		
	Fire		
	Health & Human Services		
	Merrill Field Airport		
	Municipal Light & Power		
	Office of Management & Budget		
	Police		
	Port of Anchorage		
	Public Works		
	Solid Waste Services		
	Public Transportation		
	Water & Wastewater Utility		
	Executive Manager		
	Community Planning & Development		
	Finance, Chief Fiscal Officer		
	Heritage Land Bank		
	Management Information Systems		
	Property & Facility Management		
	Purchasing		
	Other		
5	SPECIAL INSTRUCTIONS/COMMENTS <p style="text-align: center;">LAID ON THE TABLE; INCORPORATED INTO THE AGENDA VIA THE ADDENDUM</p>		
6	ASSEMBLY HEARING DATE REQUESTED <p style="text-align: center;">02-01-00</p>	7	PUBLIC HEARING DATE REQUESTED <p style="text-align: center;">02-15-00</p>