

CITY OF KODIAK
ORDINANCE NUMBER 1443

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING
KODIAK CITY CODE TITLE 3, CHAPTER 8 SALES TAX**

WHEREAS, Ordinance No. 1310 was adopted on August 8, 2013, which amended KCC 3.08.025, allocation of tax proceeds, to eliminate the December 31, 2013, sunset date for a portion of the city sales tax; and

WHEREAS, Council discussed the proposed code amendments during their November 28, 2023, work session.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

Section 1: This is a code ordinance.

Section 2: Kodiak City Code 3.080.025 is hereby amended as follows:

3.08.025 Allocation of sales tax proceeds.

- (a) One-seventh of the sales taxes collected under KCC 3.08.010 (b) ~~and one-eleventh of the sales taxes collected under KCC 3.08.010 (a)~~ shall be allocated to a separate fund or account to be appropriated and utilized solely for road improvements and capital equipment and for park construction and capital improvements; provided, however, that the total amount of sales taxes allocated to the foregoing fund with respect to any one fiscal year shall not exceed ~~\$500,000~~ **\$1,500,000**. This tax is to be allocated as follows:
- (1) ~~Ninety percent~~ **Two-thirds** for road improvements and capital equipment; and
 - (2) ~~Ten percent~~ **One-third** for park construction and capital improvements.
- (b) One-seventh of the sales taxes collected under KCC 3.08.010 (b) ~~and one-twelfth of the sales taxes collected under KCC 3.08.010 (a)~~ of this chapter shall be allocated to a separate fund or account to be appropriated and utilized solely for harbor capital improvements constructed by or on behalf of the city; provided, however, that the total amount of sales taxes allocated to the foregoing fund with respect to any one fiscal year shall not exceed ~~\$500,000~~ **\$1,500,000**. **Two-thirds of** this tax will be allocated for port **and harbor** infrastructure maintenance, repair, replacement, and capital equipment. **One-third will be allocated to the shipyard.**
- (c) ~~Five-twelfths~~ **All** of the sales taxes collected under KCC 3.08.010(a) shall be allocated to a separate fund or account to be appropriated and utilized solely for increased development of the tourist industry, and is to be allocated as follows:
- (1) Seventy percent or less to a council approved tourism program;

(2) Twenty percent or more for tourism enhancement projects, such as beautification within the city, development of which shall be solely at the council's discretion; and

(3) Ten percent for the administrative costs associated with such programs.

(d) The balance of sales taxes collected shall be deposited to the general fund of the city to be appropriated as determined by the council.

Section 3: This ordinance shall be effective one month after its final passage and publication in accordance with Kodiak Charter Section 2-13.

~~Deleted language~~, **Added language**



CITY OF KODIAK


MAYOR

ATTEST:


CITY CLERK

First Reading: February 8, 2024
Second Reading: March 14, 2024
Effective Date: April 19, 2024