

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2017-01

**AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AMENDING DILLINGHAM MUNICIPAL CODE SECTION 4.15.030 PROPERTY EXEMPTIONS, SENIOR CITIZEN AND DISABLED VETERANS, TO ADD PFD RESIDENCY REQUIREMENT**

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WHEREAS, qualifying senior citizen and disabled veteran applicants who have not received a permanent disability are not required to reapply for a real property exemption annually and shall remain in exempt status until the time when changes in ownership, occupancy, property use, or other factors affecting the exemption causes the property to either spatially qualify or no longer qualify for exempt status; and

WHEREAS, the City Council wishes to add language that would require the City to have a procedure in place to regularly review the status of an applicant to be sure they still qualify for the exemption; and

WHEREAS, the City Council wishes to require that an individual also be eligible for a permanent fund dividend for that same year or, if the individual does not apply for the PFD that the individual would have been eligible for the permanent fund dividend had the individual applied;

BE IT ENACTED BY THE DILLINGHAM CITY COUNCIL:

**Section 1. Classification.** This is a code ordinance.

**Section 2. Amendment to Section 4.5.030.** That Dillingham Municipal Code Section 4.15.030 is hereby amended as follows (New language is shown as underlined):

**4.15.030 Real and personal property exemptions.**

- A. The property listed in AS 29.45.030 is exempt from general taxation, subject to the requirements set out therein and in this section.
- B. Application Required. An application provided by the city for an exemption from taxation of property shall be filed with the city in accordance with AS 29.45.030.
- C. Senior Citizen or Disabled Veteran Eligibility.
  - 1. Residents of the city of Dillingham are eligible for a real property tax exemption on the first one hundred fifty thousand dollars of assessed value on the real property they own and occupy as a primary residence and permanent place of abode if the individual meets one of the following requirements:
    - a. Sixty-five years of age or older;
    - b. Disabled veteran; or
    - c. At least sixty years old who is the widow or widower of a person who qualified for an exemption under subsection (C)(1)(a) or (b) of this section.

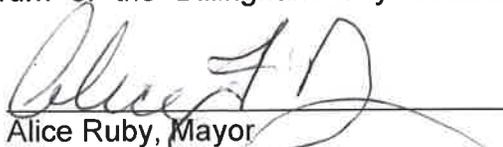
- d. To be eligible for an exemption under this subsection (C) for a year, the resident shall also meet all requirements for a permanent fund dividend under AS 43.23.005 for the same year or for the immediately preceding year.
2. Only one exemption may be granted for the same property and, if two or more persons are eligible for an exemption for the same property, the parties shall decide between or among themselves who is to receive the benefit of the exemption.
  3. Disabled veteran” means a disabled person:
    - a. Separated from the military service of the United States under a condition that is not dishonorable who is a resident of the state, whose disability was incurred or aggravated in the line of duty in the military service of the United States, and whose disability has been rated as fifty percent or more by the branch of service in which that person served or by the United States Department of Veterans Affairs; or
    - b. Who served in the Alaska Territorial Guard, who is a resident of the state, whose disability was incurred or aggravated while serving in the Alaska Territorial Guard, and whose disability has been rated as fifty percent or more.
  4. Assessment Date. In order to qualify for an exemption described in this section, an applicant must fulfill the requirements for the exemption as of January 1st in the tax year for which the exemption is sought.
  5. Filing Deadline. An application for exemption shall be filed no later than February 15th of the assessment year for which the exemption is requested.
  6. Deadline Extension for Good Cause. The assessor may accept an exemption application after February 15th and up to May 25th of the assessment year for which the exemption is requested only upon a showing of good cause. A request to accept a late filed exemption application for a tax year shall be filed with the finance director. A denial of such a request may be appealed to the board of equalization pursuant to subsection (C)(12) of this section. Notwithstanding any other provision of law, a request to accept a late filed exemption application shall not be granted if it is not filed on or before May 25th of the tax year for which the exemption is sought.
    - a. Good cause,” for purposes of waiver of the filing deadline, is a written explanation by a medical doctor which unequivocally establishes that the person seeking the exemption was physically or mentally incapacitated and therefore unable to submit a timely application or to appoint an authorized representative to file an exemption application on his or her behalf.
  7. Senior Citizen Applications.
    - a. Qualifying senior citizen applicants are not required to reapply annually and shall remain in exempt status until the time when changes in ownership, occupancy, property use, or other factors affecting the exemption causes the property to either spatially qualify or no longer qualify for exempt status.
  8. Disabled Veterans Applications.
    - a. The city shall accept disabled veteran applications for previous tax years only where the disabled veteran has made timely application for each year the exemption is sought and has received a qualifying retroactive disability evaluation from the Veterans Administration or applicable branch of service.

- b. Qualifying disabled veterans who are permanently disabled are not required to reapply annually and shall remain in exempt status until the time when changes in ownership, occupancy, property use, status of disability or other factor affecting the exemption causes the property to either spatially qualify or no longer qualify for exempt status.
- c. Disabled veterans who have not received a permanent disability rating are required to file annually.

9. Review Applications. The city's finance director will review 1/3 of the applications annually on a rotating basis.

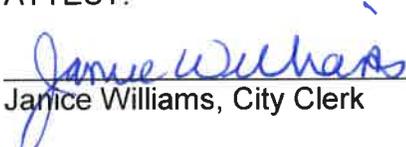
**Section 3. Effective Date.** This ordinance is effective upon passage.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on  
3/2/17

  
Alice Ruby, Mayor

ATTEST:

[SEAL]

  
Janice Williams, City Clerk

**City of Dillingham Information Memorandum**

Agenda of: March 2, 2017

Attachment to:

Ordinance No. 2017-01 / Resolution No. \_\_\_\_\_

**Subject:**

Amending Dillingham Municipal Code Section 4.15.030 Property Exemptions, Senior Citizen and Disabled Veterans, to Add PFD Residency Requirement

City Manager: Recommend Approval

Signature: Rose Laera

Fiscal Note:  Yes  No

Funds Available:  Yes  No

**Other Attachments:**

-An advertisement for a Public Hearing on Ordinance No. 2017-01 will be scheduled to appear in the February 23, 2017 edition of the Bristol Bay Times as required to be advertised in a local newspaper five days in advance of the public hearing.

**Summary Statement:**

This ordinance was introduced at the January 19, 2017, Council meeting, was scheduled for a public hearing February 2, 2017, but rescheduled to March 2, 2017 Council meeting.

This ordinance was vetted through the Code Review Committee and is being recommended for adoption.

Concerned residents may not be updating their eligibility status for Senior Citizen/Disabled Veteran real property tax exemption.

o Want to avoid questioning whether or not someone is eligible, but our criteria for Dillingham residency is not enough. The State does allow a municipality to require an applicant to apply on an annual basis contrary to what we thought was the law. Committee was not in favor of an annual filing.

Suggested we add language to include eligibility for PFD and for the Finance Director to proof at least 1/3 of the applications annually. Place all applicants on a three year rotation.

The pros for using the PFD included:

- o Serves to remove any question of eligibility, because:
- o Applications identifies primary residence, which is useful if someone has more than one home in Alaska;
- o Identifies medical as reason for allowable absence;
- o No PFD filing can be the result of individual has passed away, moved out of state.

Attachment to: 2017-01 / Resolution No. \_\_\_\_\_  
Ordinance No. \_\_\_\_\_

**Summary Statement continued:**

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	