



**Council Members**

- Chris Napoli (Seat A) • Bill Rodawalt (Seat B) • Kaleb Westfall (Seat C)
- Curt Armstrong (Seat D) • Andy Anderson (Seat E) • Gregg Marxmiller (Seat F)

---

**DILLINGHAM CITY COUNCIL**

**David B. Carlson Council Chambers**

Dillingham City Hall, 141 Main Street, Dillingham, AK 99576 (907) 842-5212

<b>SPECIAL COUNCIL MEETING</b>	<b>12:15 P.M.</b>	<b>FEBRUARY 18, 2020</b>
--------------------------------	-------------------	--------------------------

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF AGENDA**
- 4. CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)**
- 5. SPECIAL BUSINESS**
  - a. Adopt Resolution No. 2020-07; A Resolution of the Dillingham City Council Adopting an Alternative Allocation Method for the FY20 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in FMA 5 Bristol Bay Area
- 6. CITIZEN'S DISCUSSION (Open to the Public)**
- 7. COUNCIL COMMENTS**
- 8. MAYOR'S COMMENTS**
- 9. ADJOURNMENT**

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2020-07

**A RESOLUTION OF THE DILLINGHAM CITY COUNCIL ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY20 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN FMA 5: BRISTOL BAY AREA**

---

**WHEREAS**, AS 29.60.450 requires that for a municipality to participate in the FY20 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2018 from fisheries business activities; and,

**WHEREAS**, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and,

**WHEREAS**, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and,

**WHEREAS**, The Dillingham City Council proposes to use an alternative allocation method for allocation of FY20 funding available within the FMA 5: Bristol Bay Area in agreement with all other municipalities in this area participating in the FY20 Shared Fisheries Business Tax Program;

**NOW THEREFORE BE IT RESOLVED THAT:** The Dillingham City Council certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2018 of fisheries business activity in FMA 5: Bristol Bay Area:

- **All municipalities share equally 40% of allocation; all share remaining 60% on a per capita basis.**
- **Lake & Peninsula Borough population is reduced by the population of the Cities of Newhalen, Nondalton, Pilot Point & Egegik**

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council this 18<sup>th</sup> day of February 2020.

---

Alice Ruby, Mayor

ATTEST:

[SEAL]

---

Lori Goodell, City Clerk

**City of Dillingham Information Memorandum**

Agenda of: February 18, 2020

Attachment to:

**Ordinance No.** \_\_\_\_\_ / **Resolution No.** 2020-07

**Subject:**

A resolution of the Dillingham City Council adopting an Alternative Allocation Method for FY20 Shared Fisheries Business Tax Program and certifying that this allocation fairly represents the distribution of significant effects of fisheries business activity in FMA:5 Bristol Bay

City Manager: Recommend Approval

Signature: \_\_\_\_\_

**Fiscal Note:**  Yes  No

**Funds Available:**  Yes  No

**Other Attachments:**

DCCED Letter

**Summary Statement:**

This is a routine annual resolution.

The Department's Shared Fisheries Business Tax Program was created in 1990 to help municipalities impacted by the effects of the rapidly expanding offshore fish processing industry. A previously existing fish tax sharing program (commonly referred to as the Raw Fish Tax Program), administered by the Department of Revenue, shares back to municipalities half of the state fisheries business tax collected from fish processors operating inside municipal boundaries. The Department's program extends tax sharing to include a sharing of fish taxes collected outside of municipal boundaries, primarily from floating processors. Applications are scheduled to be mailed to each eligible applicant by November 15 of each year and must be returned by February 18. Shared Fisheries Business Tax payments are issued in March of each fiscal year.

Under provisions of the Shared Fisheries Business Tax Program, the tax is levied against fishery resources processed or landed two years before. Dillingham falls under the Bristol Bay Area FMA 5, which calculates the funding under the Alternative Allocation Method in which all municipalities share equally 40% of the calculated allocation and the remaining 60% is shared on a per capital basis.

Attachment to:  
Ordinance No. \_\_\_\_\_ / Resolution No. 2020-07

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	



THE STATE  
of ALASKA

GOVERNOR MICHAEL J. DUNLEAVY

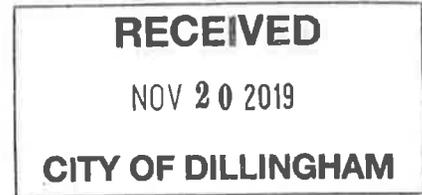
Department of Commerce, Community,  
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

455 Third Avenue, Suite 140  
Fairbanks, AK 99701-3110  
Main: 907.451.2718  
Programs fax: 907.451.2742

November 15, 2019

City of Dillingham  
PO Box 889  
Dillingham AK, 99576



Dear Municipal Official:

The Department of Commerce, Community, and Economic Development is pleased to announce availability of the **FY 2020 Shared Fisheries Business Tax Program**. The purpose of the program is to allocate a share of state fish tax collected outside municipal boundaries with municipalities affected by fishing industry activities. Municipalities around the state will share approximately \$1.6 million based on 2018 fisheries activity as reported by fish processors on their fish tax returns. Details of how the program works are included in the application under *Program Description*.

**Historically, your municipality along with the other communities in your fisheries management area (FMA 5: Bristol Bay) has filed using the Alternative Method found on the last four pages of this application.** A breakdown is included that details the communities in your FMA, in addition to the anticipated payment based on the agreed upon allocation method for your FMA. If this agreement is still in place with your FMA, you will only need to have your Council/Assembly pass the enclosed alternative method sample resolution in order to participate in the program.

If your FMA intends to change the alternative method of allocation, the new proposal must be submitted to our office no later than **January 15, 2020**. If an agreement cannot be made with all communities in your FMA, you will need to file using the standard method and claim your significant effects. Instructions on both of these methods are detailed in the application packet.

**DEADLINE FOR SUBMISSION OF COMPLETED APPLICATION IS  
FEBRUARY 18, 2020.**

Applications can be scanned and emailed to [cau@alaska.gov](mailto:cau@alaska.gov) with the subject line **"Municipality Name, FY20, SFBT"** If you have any questions about the program or require assistance in completing the application, please contact me at [kimberly.phillips@alaska.gov](mailto:kimberly.phillips@alaska.gov) or call (907) 451-2718.

Sincerely,

Kimberly Phillips  
Grants Administrator II

Enclosures