City of Soldotna

177 North Birch • Soldotna Alaska 99669 • Phone (907) 262-9107

August 14, 2008

Attn: Honorable Mayor John Williams Kenai Peninsula Borough 144 N. Binkley Street Soldotna, AK 99669

RE: Request for Ordinance

Dear Honorable Mayor John Williams,

The City of Soldotna adopted the attached resolution at its August 13th, 2008 Council Meeting.

The resolution is requesting you and the Borough Assembly to introduce and enact an ordinance that allows the City of Soldotna the option to continue to tax non-prepared food, regardless of the outcome of the initiative.

We think the timing of the action is important and request that the public hearing on the ordinance be held prior to the election.

Assemblyman Pete Sprague attended our meeting and noted that the normal process of ordinance introduction and hearing will not permit the timing request except by using a "shortened hearing process."

I hope that you will coordinate with Mr. Sprague to get this on the agenda as soon as possible and that you will shepherd this through, so that a public hearing can be held in September.

If you have any questions on this, please contact me.

Sincerely,

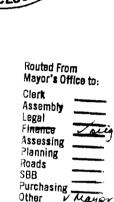
Lawrence A. Semmens

City Manager

LS/slw

cc: Pete Sprague, KPB Assemblyman





The undersigned hereby certifies that this document entitled Resolution 2008 - D5 2—
is a True and Correct Copy of the Official Record of the City of Soldotna on file in the City Clerk's Office.

Signed at Soldotna, Alaska this day of August, 2008.

City Clerk

Introduced By: Date: Action: Vote: City Manager August 13, 2008 Adopted 5 Yes, 1 No

CITY OF SOLDOTNA RESOLUTION 2008-052

A RESOLUTION REQUESTING THE KENAI PENINSULA BOROUGH MAYOR AND ASSEMBLY TO GIVE THE CITY OF SOLDOTNA THE OPTION TO TAX NON-PREPARED FOOD

WHEREAS, the State Statutes require a General Law City, located in a Borough that has a sales tax, to adopt the sales tax code of the Borough; and,

WHEREAS, State Statutes also provide a means whereby the Borough can authorize the City to tax items that the Borough does not tax; and,

WHEREAS, the revenues of the City of Soldotna will be severely impacted by the passage of the Borough initiative to exempt non-prepared food from taxation; and,

WHEREAS, home rule cities will not be affected by the Borough initiative because they can amend their city sales tax code to continue to collect sales tax on non-prepared foods; and,

WHEREAS, it is in the best interest of the City of Soldotna to have the option to continue collecting sales tax on non-prepared food, if the Borough initiative passes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA:

<u>Section 1</u>. The City Council of the City of Soldotna hereby requests that the Borough Mayor and Assembly introduce and enact an amendment to the Borough Code which will allow the City of Soldotna the option to continue to tax non-prepared food items sold in the City, regardless of the outcome of the initiative to exempt non-prepared food from taxation by the Borough.

<u>Section 2</u>. The City Council of the City of Soldotna further requests that the Borough Assembly enact this ordinance prior to October 2008.

<u>Section 3</u>. This resolution becomes effective immediately upon its adoption.

ADOPTED THIS 13th DAY OF AUGUST, 2008.

David R. Carey, Mayor

ATTEST:

Teresa Fahning, City Clerk

Stogsdill, Horan, Obendorf, Micciche, McLane

Noes: Slea

Ayes:

Sleater