



KENAI PENINSULA BOROUGH

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DAVE CAREY
BOROUGH MAYOR

MEMORANDUM

TO: Milli Martin, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: *DK* David R. Carey, Borough Mayor

FROM: *SH* Shane Horan, Assessor
SB Scott Bloom, Assistant Borough Attorney

DATE: June 4, 2009

SUBJECT: Ordinance 2009- 36, amending KPB 5.12.090, Method of determining the full and true value of contaminated property, to allow the assessor to consider property contaminated upon receipt of a Phase II Contamination Report or equivalent report

KPB 5.12.090 provides the method of determining the full and true value of contaminated property. The current code does not allow the assessor to consider property contamination unless the taxpayer submits a Phase II Contamination Report or equivalent. Some property owners will submit reports, others will not, depending on their involvement with the property or desire to have the contamination recognized. In some cases, the assessor will obtain a contamination report from other entities but cannot appropriately adjust the value, per code, unless and until the same information is provided by the taxpayer.

It is recommended that the code be changed to allow the assessor to recognize contamination as it affects property values if the assessor receives contamination reports from any source. Allowing the assessor to recognize known contamination in valuing real property, even if the information is not provided by the taxpayer, is consistent with relevant state statutes that require property to be assessed at its full and true value.