CITY OF UNALASKA P.O. Box 610 Unalaska, AK 99685-0610 (907) 581-1251 Fax (907) 581-4469



March 17, 2015

Representative Cathy Munoz Alaska House of Representatives State Capitol, Room 501 Juneau, AK 99801

RE: HB 146

Dear Representative Munoz:

On behalf of the City of Unalaska, I wish to extend our support regarding changes to AS 29.45.041 as it pertains to tax exemption/deferral of certain subdivision property.

HB 146 would give municipalities the flexibility to abate increases in property taxes on subdivided parcels until a lot is sold or a city grants a building permit for that piece of property. It would allow local governments to adopt optional abatement for all or a portion of a subdivided portion. It would let a municipality decide the terms of paying the tax abatement and when those payments would be due.

The purpose of the bill is to encourage land development for more housing and let local governments decide whether property tax abatement will benefit them. This is an important issue in Unalaska and would help us address our ongoing housing shortage.

I urge the legislature to pass this bill.

Sincerely,

Mayor Shirley Marquardt

City of Unalaska