Service District One: Representation Without Taxation?

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Jay Barrett/KMXT

Some residents of Service District One, the sprawling taxation region to the east of city limits responsible for road maintenance, do not pay the same taxes as their neighbors. That’s because the borough has exempted them because they access their property from a state road, not a borough-maintained one. Rezanof and Otmeloi are two of the main roads affected.

Service area board member Ed Mahoney says the exemptions amount to a sizable portion of the tax base in the district:

-- (Service 1 27 sec “… don’t have enough funds to maintain the roads.”)

The issue boils down to representation without taxation:

-- (Service 2 32 sec “… it is now, it seems a little bit unfair.”)

Mahoney said he didn’t really have a preference whether those residents should start paying taxes or if their property should be removed from the district, but he did say it would be “a nightmare” to redraw the boundaries to exclude them.

Mahoney

brought up the topic with the Kodiak Island Borough Assembly on Thursday night. Assemblywoman Pat Branson suggested the service area board hold a public hearing and bring a plan back to the assembly for them to consider:

-- (Service 3 19 sec “… come to us and say, ‘what’s this all about?’”)

Assemblyman Tom Abell, who was chairing the work session in the mayor’s absence, said such a meeting would likely draw a lot of attention and discussion:

-- (Service 4 27 sec “… a lot of important things to vote on, I feel.”)

Mahoney also brought up the specter of current paved roads eventually needing replacement, and said the service area does not have the money to do that. He suggested the assembly consider looking at borough-wide road service powers, rather than having several different assessment districts.

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