



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

P.O. Box 110809  
Juneau, Alaska 99811-0809  
Main: 907.465.4733  
Programs fax: 907.465.4761

April 18, 2016

**RE: FY 17 PAYMENT IN LIEU OF TAXES PROGRAM FOR CITIES IN THE UNORGANIZED BOROUGH**

Dear Municipal Official:

On December 23, 2015 President Obama signed into law a bill that provides full funding for the FFY2016 Payments in Lieu of Taxes (PILT) program. The \$1.1 trillion omnibus spending package funds the federal government through September 2016. The bill appropriated a total of \$452 million for PILT.

The State of Alaska expects to receive the funds for the PILT program in June 2016. This will allow the Department of Commerce, Community, and Economic Development to disburse payments to all PILT recipients in July, 2016. At this time it is unknown how much the State of Alaska will receive for the cities in the unorganized borough.

If your city is looking for an estimated payment in order to prepare an annual budget, please know that DCRA has not received any payment information from the US Department of the Interior. As always, DCRA suggests that the city budget \$0 if at all possible under this program. If a balanced budget is unattainable with a \$0 line item for PILT, then it is suggested that the city estimate a minimum of a 25% reduction of the FY16 actual PILT payment received.

Program regulations require that to receive payment under the PILT program, a city must submit to the Department a resolution which requests payment and certifies that certain minimum standards have been met. Program regulations also require that a city submit to the Department a copy of its FY 17 approved budget (2016 budget for cities operating on a calendar fiscal year) and a copy of its FY 15 audit or certified financial statement. However, if you have already submitted these documents to the Department, you do not have to submit them again.

Enclosed is a sample resolution for the FY 17 Payment in Lieu of Taxes (PILT) Program for cities in the unorganized borough. The adopted resolution, FY 17 budget, and FY 15 audit or certified financial statement should be submitted to:

Division of Community and Regional Affairs  
Community Aid and Accountability Section  
Payment in Lieu of Taxes Program  
P.O. Box 110809  
Juneau, AK 99811

Should you have any questions regarding the FY 17 PILT program, please feel free to contact me. I can be reached via email at [danielle.lindoff@alaska.gov](mailto:danielle.lindoff@alaska.gov), or you may call me at 907-465-4733.

Sincerely,

A handwritten signature in blue ink that reads "Danielle Lindoff". The signature is written in a cursive style and is positioned above the typed name.

Danielle Lindoff  
Local Government Specialist IV

Enclosure: Sample FY 17 PILT Resolution

**FY 17 PAYMENT IN LIEU OF TAXES  
FUNDING RESOLUTION**

\_\_\_\_\_  
*(City)*

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION REQUESTING FY 17 PAYMENT IN LIEU OF TAXES FUNDING FROM THE DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT.

WHEREAS, 3 AAC 152.100 requires the governing body of a city to adopt a resolution requesting funding from the Payment in Lieu of Taxes Program for cities in the unorganized borough and to submit the resolution to the Department of Commerce, Community, and Economic Development; and

WHEREAS, the city has conducted a regular election during the preceding state fiscal year and has reported the results of the election to the commissioner; and

WHEREAS, regular meetings of the governing body are held in the city and a record of the proceedings is maintained; and

WHEREAS, ordinances adopted by the city have been codified in accordance with AS 29.25.050;

NOW THEREFORE BE IT RESOLVED THAT: The City Council by this resolution hereby requests distribution from the FY 17 Payment in Lieu of Taxes Program by the Department of Commerce, Community, and Economic Development on the date required by law.

PASSED AND APPROVED by a duly constituted quorum of the city council this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

SIGNED: \_\_\_\_\_  
*(Mayor)*

ATTEST: \_\_\_\_\_  
*(City Clerk)*