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Haines Borough Assembly

Comments regarding tax exemption for Hilltop Subdivision. This is neither for nor against the proposal. In 1994 I developed the Cathedral View Subdivision. It cost a lot of money to put in water, fire hydrants and electrical services. As soon as the lots were formed the borough upped the assessment as they were more valuable. There were a total of 29 lots. I sold the first lot in 1995 and have sold one or two lots a year since then. The assessed valuation is more than I ask for the lots and more than some of the lots sold for. I have now paid property tax on the remaining lots for 27 years. I maintained a "ROW" to access the property above the subdivision and the borough now considers that to be a separate lot valued at \$55,600.00, on the tax statement it reads "CATHEDRAL VIEW SUB.LOT7A,BLK D(driveway access)". I have three lots remaining and this year pay \$2303.09 property tax including the "ROW".

I present this information to show that it may take a long time to recoup the cost of development. But that is the gamble we take and no guarantee that it will ever be financially beneficial. The borough did not offer me the tax incentive but development costs were not quite as high then. A \$2.6 million price tag would be \$40,000.00 per lot, which seems high to me. If the lots are assessed as my lots and there are 65 lots, sale of one lot a year would pay the property tax on all and leave funds to help amortize the cost of development. What precedent does this set for future developers? Would the precedent be reversible for others?

Thanks for serving on the assembly and making tough decisions!

