

LOCAL

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Comm.

100M 7-63  
Form SA2 Rev. 6-59

STATE OF ALASKA  
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From: \_\_\_\_\_  
Dept: Public Safety Agency Date: 2/15/69  
By: Tom Stank

Just. Com. file

Local Boundary Commission  
State of Alaska

Decision Regarding the Proposed Nenana Boundary Change

On February 1, 1969, the Local Boundary Commission convened in Nenana, Alaska, for the purpose of hearing public comment on a petition to annex certain lands lying south of and contiguous to the City Boundaries.

At the hearing testimony was advanced in support of the proposed annexation and no opposition to the proposal was expressed. Based on the testimony and information submitted by the Local Affairs Agency, the Commission finds as follows:

- (1) A petition in proper form was filed on December 20, 1968, by the Honorable Ray Brown, Mayor, on behalf of the City of Nenana;
- (2) No answer or other written objection to the petition has been filed;
- (3) Public notice of the hearing has been given in compliance with statutory requirements and Commission regulations;
- (4) The City of Nenana is subject to recurrent flooding from the Tanana and Nenana Rivers;
- (5) The area proposed to be annexed is at a sufficient elevation to give the City developable land safe from flooding;
- (6) The southward expansion of the City is one of the alternatives for development recommended by the Alaska State Housing Authority's comprehensive plan for the City of Nenana;
- (7) It appears that future development will take place in the area proposed to be annexed;
- (8) Annexation will enable the City to provide for the planned and orderly development of the area;

(9) The area will benefit from annexation through receiving fire and police protection, public utilities, and other municipal services.

It is the conclusion of the Commission, based on the foregoing, that the boundary change proposed by the petition is in the best interests of the City of Nenana and the area concerned.

Now therefore, it is the decision of the Local Boundary Commission that the Commission recommend to the Legislature, pursuant to Article X, Sec. 12, of the Alaska State Constitution and Alaska Statutes 44.19.260, that the boundaries of the City of Nenana be described as follows:

From the point of Beginning, which is the Southeast Corner of Section Thirty-six (36), Township Four (4) South, Range Eight (8) West, Fairbanks Meridian, go Northerly along the Township Line to the point in Section 24, Township 4 South, Range 8 West, Fairbanks Meridian, where the Township line intersects the Southerly Bank of the Tanana River; thence Meandering along the Southerly bank of the Tanana River in a Northwesterly, Westerly and Southwesterly direction to the confluence of the Tanana River and the Nenana River; thence meandering along the Easterly Bank of the Nenana River, in a Southwesterly, Southerly, Southeasterly, Westerly, Northwesterly, Easterly and Northeasterly direction to the intersection of the Easterly bank of the Nenana River with the Southerly Township line of Township 4 South, Range 8 West, Fairbanks Meridian, which intersection is located in Section 34, Township 4 South, Range 8 West, Fairbanks Meridian; thence East along the South Township line of Township 4 South, Range 8 West, Fairbanks Meridian, to the Southeast corner of Section 36, Township 4 South, Range 8 West, Fairbanks Meridian, the point of beginning.

The Director of the Local Affairs Agency is hereby directed to prepare a recommendation in accordance with this decision, and to submit the same to the Legislature on behalf of the Commission.

February 1, 1969

James K. Singleton  
James K. Singleton, Chairman

Victor Gill  
Victor Gill

Grace Johnson  
Grace Johnson

George Norton  
George Norton

Bernice Stokke  
Bernice Stokke

100M 7-63  
Form SA2 Rev. 6-59

STATE OF ALASKA  
Inter-Department Route Slip

TO: Home Local Gov. Committee

DEPT: Home Local Gov. Committee

ATTN: Barry Jackson

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Remarks:

From: S. A. A. Date: 1/18/69

By: John B. Seal

MINUTES  
LOCAL BOUNDARY COMMISSION  
IN A HEARING

February 1, 1969

Mr. Singleton: At this time we will call to order the meeting of the a Local Boundary Commission in Nenana, Alaska to consider a petition of the City to extend its boundaries. With me today are members of the Local Boundary Commission: Mrs. Johnson from Nome; Mrs. Stokley from Petersburg, Mrs. Stokke; Mr. Norton from Delta Junction; Mr. Gill from Anchorage; and as representative of the Local Affairs Agency, Mr. Beard. I am Jim Singleton, Chairman of the Local Boundary Commission. Our normal procedure since we have in the report to the Local Boundary Commission a statement of the procedures that have been carried on so far to give public notice of the meeting. We can, I believe, waive any additional discussion of that and proceed directly to the presentation by the proponent of annexation. It is my understanding, Mr. Coghill, that you are going to speak today on behalf of the proponents of annexation.

Mr. Coghill: That is correct.

Mr. Singleton: Our procedure is to allow the proponents to make a brief opening statement, outlining first of all what the City desires in the way of annexation? Why the City desires such annexation? What the function of the additional land is to be and what services, if any, will be performed in that area? You can or you may, for purposes of your statements, take for granted that each member of the Local Boundary Commission has had an opportunity to review all the materials assembled with the petition. You may also assume that the Local Affairs Agency has made a report to the Local Boundary Commission in which it has included a statement or information drawn from the various state agencies regarding the proposed annexation. That information, incidently, is available to you and I don't know whether you've had an opportunity to look at it yet. Naturally, that material will be made available to the City. So, if we may then, we would like to begin with you, Mr. Coghill, and then if anyone else wishes to speak on behalf of the petition, we will hear from them and finally, we will hear briefly from anyone who wishes to oppose the petition. Once those desiring to oppose the petition have finished their remarks, you will be given a brief opportunity to answer any questions that they might have propounded, or to offer any rebuttalment here that they might have come up with. So at this time, we'll turn the meeting over to you and ask you to speak on behalf of the annexation petition.

Mr. Coghill: Thank you, Mr. Chairman. First of all, I'd like to greet all of you folks here to Nenana. Nenana, of course, has its place in the history of and place in the events of Alaska. We are the riverport community; we serve just about 1/3 of the large mass of land to the west of the railbelt area; we are the riverport community for interior Alaska. And, of course, on this river, we have our annual Nenana Ice Classic event, which is

the thing that brings tourist attraction to our community every spring. Nenana, of course, being a small community, came about being brought into the direct travel of the new Alaska with the highway system and the completion of the highway bridge across the Tanana River about a year ago. The problems we see in our small community at this particular time is that of "what is going to happen to the area?" Are we going to have a checkerboard development in the valley? Are we going to have people putting up nice homes in certain areas along the road, more particularly, close to Nenana and at the same breath have somebody that is trying to reek a living out of wrecking cars and building a junkyard putting in a massive wrecking yard right next to someone that desires to build a \$50 or \$60,000 home? I think that, basically, this is the key to the City's proposal to annex a portion to the south of Nenana, basically, for zoning purposes. You are all aware of that August 14 of 1967 we had a disastrous flood in the Tanana Valley. Since that time, why we have spent quite a few hours trying to devise means and methods of controlling the Tanana Valley as far as our small community is concerned. We are situated 60 miles south of Fairbanks; of course, we're not in the North Star Borough, but we are a first class city incorporated in 1923. This gives us our legal entity to contract with state government or with the federal government as far as any type of flood control program we might desire to do. And I believe that we could have gone for a limited type flood control program, but we have to look a little bit to the future before we ask state and federal agencies to spend large sums of tax money to aid a community of four or five hundred people. We have to look a little bit to the future, and of course, this brings in the second phase of our request for annexation, and that is, that we want to develop to the south of Nenana and hinge our hopes on the possibility of the North Commission becoming successful in pushing forward their much needed rail link into the Arctic and to the mineraly enriched area of the Kobuk Valley. We feel that, I personally feel, that in order to spend large sums of money, you have to spend them to a solid future; you can't spend them just to something that is just contemporary or something that has been in the past. If we were to build a dike around Nenana or we were to build Nenana up and then the railroad became a reality, the riverport community for interior of Alaska would move to the Yukon River, because in transportation, river transportation, for the interior of Alaska, the Tanana River is really the stopping block of being able to haul larger loads; have larger barges; and have larger tugs, and once they put a port, a river port on the Yukon River, why their annual capacity of moving freight will almost go five times greater because of the draft of the river. So we see a reality that possibly Nenana could then no longer be identified as the riverport community. So in looking to the future, we felt that before homestead entry, before many other types of entry developed into this area that we requested, that the City of Nenana should have this as part of their City and then therefore, be able to control to a great degree how it's developed and it would actually, in fact, cost much less when the community would be developed in this area because if we had to go in and buy out entries that had already been placed after the fact,

why, this of course, we find in development in many areas where the community is growing, so I would say that this is the second reason. Now the third reason being that our community is basically a railroad orientated community of 1918 through 1923. In 1923 we were incorporated. At that time we were incorporated into approximately a mile square area, according to your exhibits and the maps which we have produced for you. In 1941 the C.A.A. built an airfield about a mile and one half to the south of us and was operated by the F.A.A. up until we took, until we became a state in 1959. The F.A.A. under contract operated this airfield for three more years under a contract with the state. In 1963 the City of Nenana, through the surplus properties agreement with General Services Administration, took over the operation and the ownership of the Nenana airport. Since that time we have up-graded it and now we have a first class field of about 4700 feet. However, the area around the airport and the airport itself is not within the City boundaries; it just happens to be a piece of city property. And between the airport and our southern boundary there are many acreages; lots that were sold by the Land Department that are a part of what they call the Nenana Acreage Addition, but they're not within our taxing unit. These people that acquired this property bought it for \$25.00 a block acreage just by paying for the filing fee and now today they're speculating on it and we have no tax revenue off this property or no way of saying "well, either develop it or turn it over to somebody that is going to develop it" so we do have a stifeling effect to our economy where this is more or less put into a freeze area. We feel that this is the third most important part of our fight to get this area annexed. The coupling of all three of these items together is basically the reason for the, for the petition to annex. It has to do with development; how we can plan; how we can go forward; how we can keep things in their proper perspective, but if somebody is going to put a junk yard in or wants to put in a parking lot or a trucking firm or a trucking area; wants to build a housing development, then the City has the power to zone so that we can keep the development in their proper place. Nenana has a school - it has the capacity of holding about 400, about 300 people, 300 students. To this date, we're, our average daily membership is around 225. We have the possibility of developing more. Out of this 225, almost a hundred of them are transported into our system and out of our tax base. The City Council decided in their annexation of last year, of their proposal for annexation, of last year, when I was still mayor, that we only proposed to go to the end of Section 36 - and personally, I would like to see it go farther, but this comes into the area of how far does the Boundary Commission and the Local Affairs Agency wish to develop this and how large can a city be before we get into the area of where does a borough start and where does a city stop? One of the things that's very definite, gentlemen, ladies and gentlemen, is that Nenana and the Nenana area does not want to become a part of the North Star Borough. If there's any leads in this way or any developments that looks like they're going to try to extend their southern boundary, why, then we would respectively submit to you that a hearing be held in Nenana because I would imagine probably this would

force dual government in the valley. I don't think we're large enough yet to have dual government and this is the reason why we're asking just to have a city enlarged, just this far, for this particular time. I think that pretty well sums up our presentation.

Mr. Singleton: Thank you very much, Mr. Coghill. I will ask at this time if any of the members of the Boundary Commission have any questions they wish to direct to Mr. Coghill, they do so. Mrs. Johnson, did you have anything you wanted to ask?

Mrs. Johnson: No, thank you.

Mr. Singleton: Mrs. Stokke?

Mrs. Stokke: The talk of tax bases, that's for school purposes?

Mr. Singleton: Yes.

Mrs. Stokke: You don't plan to give other services on that area that you annex?

Mr. Coghill: We actually give this service now, in a limited manner. What we would probably do in this annexed area, we would pay for the street lights that the individuals now pays for themselves. We would, in part, help pay for the police protection. We had a contract state trooper living in Nenana and because of the financial burden, and because of other things, why the Public Safety Department decided not to contract anymore but to leave a policeman here and we'd provide certain services, we'd provide him with an office and such stuff as this, though, actually, the community is in effect in a small way, participating in this. The tax base, our tax base, is ten mills. Out of the ten mills, why we have our fire protection, we have our street snow removing of which would be extended into this area; we have our street light program which, of course, would be extended into this area.

Mr. Norton: That's volunteer - fire department?

Mr. Coghill: Yes, yes sir, in this type of thing. And we have our school. As I remember our income is basically around \$20,000 a year from our tax -

Mr. Norton: On the ten mill basis?

Mr. Coghill: On the ten mill basis. And out of that why we pay about 11 or 12,000 of the total paid. You know, a real interesting . . .

Mr. Norton: That's augmented by the 219 or 220 per student that comes in above the regulars?

Mr. Coghill: Oh yes, yes. We would never be able if we didn't have state tuition formula and the Public Law 874 formula and the school Foundation formula, why we would be a state operated school.

Mr. Norton: I can understand that.

Mr. Coghill: In fact, you know, I might digress for a minute - this is one of the problems that we have in the smaller communities - of being able to provide this basic function which is schools. If you go to some of the unincorporated areas, and George, I now talk about Big Delta, or Tok Junction, or Glennallen and you compare your school facilities with ours which we have built on our own - we've got - our assessed evaluation is around a million five hundred thousand and we have a million dollar school facility that was built by this community -

Mr. Norton: I know what you're talking about.

Mr. Singleton: George, did you have anything else you wanted to ask?

Mr. Norton: No.

Mr. Singleton: Vic?

Mr. Gill: Yes. How far does the North Star Borough, how far does it come,

how close does it get - what milepost maybe?

Mr. Coghill: You drove down?

Mr. Gill: Yes.

Mr. Coghill: Up on top of the rise as you come out of Fairbanks, and you pass the Curtis Lumber, I don't know whether you . . .

Mr. Gill: They don't have a sign here anymore.

Mr. Coghill: They don't have a sign there anymore but you pass a . . .

Mr. Gill: There's a little bar there. Did you notice that little bar there?

Mr. Coghill: Just off to the left there's a place that has an Olympia beer sign - and there's a couple houses there . . . .

Mr. Gill: Cripple Creek. Where is it in relation to Cripple Creek?

Mr. Coghill: Its more than 30 miles . . . Well, I'll tell you, if you notice where you hit the pavement, its about four miles before you get off the pavement.

?: Oh, is it on the top? . . . .

Mr. Coghill: It's on the top of the hill. It's barely in there - its barely in the borough.

Mr. Gill: That puts it roughly, how far away from here?

Mr. Coghill: Roughly, 22 miles away from here. I could show you on the map.

Mr. Gill: No, I just wanted to know how close it is.

Mr. Coghill: They cut across the hills there and cut in just below Saulich and Dunbar on the railroad, went over to the Chatanika River and followed the Chatanika River up behind Fairbanks and then cut off into down by Salcha - cut across and took in the whole bombing range and come down to the watershed of the Wood River and the Wood River comes into the Tanana River about twenty miles north of us.

Mr. Gill: Well, my point was if it is close here, why maybe the North Star Borough could move in here because by the same token its a long ways away; it may be wiser, and you'd have to study the economy, to form your own little borough if it was forced upon you.

Mr. Coghill: I would imagine that if we were faced with this decision that you would find a south star borough.

Mr. Gill: Yea, yea . . . That was why I was wondering how far away it was. I have no more questions.

Mr. Coghill: I might add, Mr. Chairman, that I probably am the largest by far property holder in this area to be annexed, and as far as taxes are concerned, I would be paying probably 50% of the tax base earned in this particular area. I am building a \$60,000 home out, on, in the section 36 section.

Mr. Singleton: You don't contemplate any change in your mill rate or any change in your taxation level. You are just anticipating extending the tax level you have already reached to this new area.

Mr. Coghill: This is correct, we . . .

Mr. Singleton: Approximately how many people would be involved in the extension or the expansion, Mr. Coghill?

Mr. Coghill: I would say that probably about, about, 15 to 20 families.

Mr. Singleton: And they all use, shop in Nenana, they use the Nenana post office, is that right?

Mr. Coghill: That is correct, yes.

Mr. Singleton: In otherwords, they would have, the people in that area . . .

Mr. Gill: This says 45 persons.

Mr. Singleton: . . . the people would have . . .

Mr. Coghill: About 15 or 20 families would be about 45 or 50 people.

Mr. Gill: That's right.

Mr. Singleton: But, I assume that these people were aware of this meeting.

Mr. Coghill: It has been posted on our bulletin board. We have two of the members of the council here, Mr. Chairman, Mr. Burlingame and Mr. Speck.

Mr. Speck: It has been well talked about. I hear about it every night.

Mr. Coghill: Mr. Speck has the Moocher's Bar on the corner and of course, he is a very valuable person on the council because he is the buffer board for the council as far as public opinion. (laughs)

?: That's understandable.

Mr. Singleton: Alright, then if that's the end of your presentation and there are no further questions from the Boundary Commission, I would ask if there is anyone else here who wishes to speak on behalf of the petition.

Mr. Beard: Mr. Chairman, might I address one or two questions to Mr. Coghill?

Mr. Singleton: Oh, certainly.

Mr. Beard: Can you give us an idea - do you know how much area you are talking about? In square miles or acres? If you extend the boundaries proposed to the baseline of Section 36.

Mr. Coghill: We're talking about three sections.

Mr. Beard: Well . . .

Mr. Coghill: Our township is about three sections. Now a section has about . . .

Mr. Beard: 640 acres.

Mr. Coghill: 640 - so we're talking in the - probably around 2,000 acres.

Mr. Beard: Do you have any idea how this property will be assessed? What value, assessed value you're going to be picking up?

Mr. Coghill: It will be assessed in the same manner, I imagine.

Mr. Beard: No, but I mean do you now know what the value is? Can you project at this time what the additional city revenues will be?

Mr. Coghill: No, I don't have that information off hand - we could probably get a barnyard guess on it for you, but you see its not really a move to increase revenue as much as it is to zone and control.

Mr. Beard: That I understand, but as I understand it you're also talking about being able to make services available to this additional section and I wondered if you had any way of comparing the cost that the City would be called upon to expend with the revenues that it would generate.

Mr. Coghill: Oh, the City would make money off it, because the only things that you would be - they already have the volunteer fire department - they're already supporting the schools - the tuition rate from these children would not offset the personal property tax and the real property tax. A large portion of these forty-five people would be coming from the now FAA station, that is -

Mr. Beard: So there'd still be no federal money?

Mr. Coghill: But yes, we'd get this not only in taxes but we also get it in Public Law 874 fund.

Mr. Beard: How many students are there in this area?

Mr. Coghill: In this area? There are about 22.

?: Might I ask this, Jack? This section 36 that you're speaking of, of course, if its a section or whatever plot of ground it is, it isn't intersurveyed in lots or anything, is it?

Mr. Coghill: No sir, there is, there are five parcels of property on this school ground section 36 that the state subdivided about five or six years ago, and they were sold and they've just been sitting and nobody has done anything with them -

?: Yes, I can understand that type of operation. It happens every place.

Mr. Coghill: And what they've done is they've just plucked them off and let it sit . . .

? Speculation . . .

Mr. Coghill: . . . and they're just betting on the \_\_\_\_\_ and the thing is if we have some way or another of getting in there and say "Buster, you'd better start doing something" because you go try to buy one of these pieces of property and it's worth 20 times what they paid for it, alright, if its worth 20 times, they can pay taxes on it.

? Same thing exists at home.

Mr. Coghill: And its the same thing as is true around our airport. There's some property around the airport on this, in this, acreage addition. You try to buy a piece of that property and it's worth six - seven thousand dollars. Alright, this is worth six - seven thousand dollars, let them put it in their own self-assessment forms of which we - this is the form of which we operate.

? Self-assessment, huh?

Mr. Coghill: We have a self-assessment system.

? (laugh) That's pretty nice.

Mr. Beard: One more serious question.

Mr. Coghill: Yes, sir?

Mr. Beard: I take it this ground is on higher ground and will not be subject to flooding like the present town?

Mr. Coghill: Yes, we have, we have a series of plans that were projected by an engineering firm through the, through the Alaska State Housing Authority under a contract between the City, the state, and ASHA and they came up with, oh, four or five different plans. They came up with one of building up the community -- some of it was quite sophisticated.

Mr. Coghill Present.

? What?

Mr. Coghill: The present community.

Mr. Coghill: The present community.

Mr. Beard: A land fill.

Mr. Coghill: Some, one was a landfill, of different natures. I have those all right here before me, Mr. Chairman, I could present them to you.

Mr. Beard: Well, I wonder if you could just advise the Commission as to what effect this annexation will have on flood relief.

Mr. Coghill: This annexation thing, if we should have another flood this year and get into as much damages as we had before - we've all pretty much signed waivers that we're living in a flooding area and we're going to have to move, well, if the Tanana Valley is getting so saturated with dams, dikes and roads and stuff like this where this flow or this raise is a permanent type thing in the Tanana, why then we're going to have to move someplace.

Mr. Beard: And this will be safer ground?

Mr. Coghill: This did not get wet during, - it got wet from the rain because we had 22 days of constant rain but it was not innovated by the water.

Mr. Beard: Do you expect that by the very fact that it will be within city boundaries will help to generate movement on an individual basis from the present townsite, of individual.

Mr. Coghill: I think so, plus the fact that this will be an orderly movement, if it takes place.

Mrs. Stokke: You plan to zone the whole area before you start this movement?

Mr. Coghill: Yes, mam, yes, mam, this is probably one of the first issues

that would take place.

Mr. Singleton: Any further questions, does anyone else have any further questions? (To the Commission members) Was there anyone else who wished to speak on behalf of the petition? (To the audience) Have anything to say that Mr. Coghill hasn't covered? If there are none, is there anyone who wishes to speak against the petition. And if there are none, we wish to thank the people of Nenana for having us here for the hearing today and you will be receiving word of the Local Boundary Commission decision very shortly, Mr. Coghill. Thank you.

Mr. Coghill:

Thank you.

Transcribed from tape of Nenana Hearing of February 1, 1969 by

Loretta B. Wilke

MINUTES OF LOCAL BOUNDARY COMMISSION MEETING

NENANA, ALASKA February 1, 1969

Chairman Singleton convened the meeting of the Boundary Commission on February 1, 1969, at 1:55 P.M. in Nenana, Alaska immediately following the hearing on the petition to change the boundaries of the City of Nenana.

Members of the Commission present were Victor Gill, Bernice Stokke, Grace Johnson, George Norton, and James Singleton. Also in attendance was John Beard, Director of the Local Affairs Agency.

Chairman Singleton indicated that the purpose of the meeting was to discuss and reach a decision upon the proposed boundary change. A general discussion followed and it was observed that the necessity and desirability of the boundary change was fully documented in the presentation of Mr. Coghill, the only person who testified at the hearing. It was noted that no person had spoken in opposition to the proposal.

The members of the Commission agreed that the information presented to the Commission demonstrated that the area to be annexed would provide the City with land, free from flooding, in which to develop.

Mr. Gill moved, seconded by Mrs. Johnson, and it was passed without objection that the boundary change as presented in the petition be accepted and recommended to the Legislature.

It was then discussed that the recommendation must be submitted to the Legislature within the first ten days of the session. Mr. Gill requested that the Local Affairs Agency prepare a formal Memorandum of Decision, setting forth the findings of the Commission as previously discussed. Chairman Singleton directed Mr. Beard to prepare this memorandum and to circulate it for the signatures of the Commission members; and to draft a formal recommendation of the boundary change and submit the recommendation to the Legislature, on behalf of the Commission, within the 10 day requirement.

Meeting adjourned at 2:05 P.M.

ATTEST:

APPROVED:

Loretta B. Wilke  
Secretary, Local Affairs Agency

James K. Singleton, Chairman  
by: John R. Beard  
John R. Beard  
Director, Local Affairs Agency

LOCAL AFFAIRS AGENCY REPORT

to

LOCAL BOUNDARY COMMISSION

Nenana Annexation

January 27, 1969

### Proceedings to Date

On December 20, 1968, the Local Affairs Agency received a petition, in the form of a letter from Ray Brown, Mayor of Nenana, on behalf of the Nenana City Council, for a boundary change that would effect an annexation of certain lands to the City of Nenana.

The Agency determined, upon review of the petition, that it was in proper form and that, there being no political subdivisions in and about the territory involved other than the petitioning city, proper service of the petition had been accomplished.

To date, no answer to the petition has been filed with the Agency.

From information contained in the petition, and from further information in the Agency's file, the Agency determined that it was highly desirable that the Local Boundary Commission hold its hearing in time for its recommendation to be submitted to the forthcoming legislative session. Upon ascertaining that a quorum of the Local Boundary Commission could be assembled in Nenana on February 1, 1969, the Agency sent notice of the hearing, by certified mail, to the city of Nenana. Notice was received by the petitioner on January 15, 1969. Notice was published in the Fairbanks News-Miner, a newspaper of general circulation in the Nenana area, on January 17, 1969. The City was requested to post copies of the notice in three public and prominent places in the City and was instructed to have a copy of the petition available for public inspection at the City Clerk's office. A copy of the Notice of Hearing is appended to this report.

It is the opinion of the Local Affairs Agency that all statutory and regulatory notice requirements have been complied with.

### Introduction

Due to the limited time between receipt of the petition and date of hearing, the Agency has not had an opportunity to resort to all of the sources of information upon which it usually draws in preparing its reports to the Commission. The Alaska State Housing Authority is preparing a staff report on the Nenana economy, however, and has provided us a preliminary draft of that report. The draft, which is also appended, provides a great deal of pertinent information. This Agency's report will summarize ASHA's major findings and provide such supplemented information as is available.

## Vital Statistics

Population of Nenana: 396. This figure was provided by Mayor Brown. It is assumed that it includes residents of St. Mark's native village, an area located east of (and not included within) city boundaries. ASHA study estimates 282 in City, 28 in St. Mark's as of August, 1968.

Population of area to be annexed: 45. (provided by Mayor Brown)

School enrollment: 210 (provided by Mayor Brown). ASHA estimates that about 100 students reside outside the City. The Agency has no figures on students residing in the area of proposed annexation.

School costs: \$1,012 per average daily member. The City is reimbursed by the state, for nonresident students, at the rate of \$219.72 per student.

Location: Bounded on the north by the Tanana River, on the west by the Nenana River.

Access: Highway (approx. 60-65 miles from Fairbanks on Anchorage-Fairbanks Highway); Air (City owned airport, located south of and contiguous to city boundary, in area to be annexed; no scheduled service); Railroad (passenger service to Anchorage and Fairbanks, daily in summer, twice weekly in winter; year-round freight service); River (railhead for Tanana-Yukon waterway)

## The Annexation Proposal

Nenana is not located within an organized borough. The territory which the City proposes to annex is primarily rural in nature - the nearest "urban" development to the south being in the Anderson-Clear area, some 15-20 miles away. The present petition, then, does not represent an attempt to resolve jurisdictional disputes or to consolidate contiguous urbanized areas under a central governing authority. To this extent, the Commission is not being called upon to resolve the conflicting claims of City, Borough, and/or service area that each is best designed and most able to provide needed services to residents of the affected area. The considerations that would apply to a boundary change in the Anchorage area, for example, and that are anticipated in much of the Minnesota legislation, are not wholly applicable in this instance.

Nenana's petition appears to have been prompted largely, if not entirely, by the City's flooding problem. The nature of this problem is

discussed briefly on page 11 of the ASHA report, and its influence on Nenana's plans for the future is a continuing theme through that report. ASHA concludes (pp 37 et. seq.) that without flood alleviation, Nenana's population "could drop as low as 250-275 by 1971" and would be unlikely to grow "much beyond 350-400 by 1985", notwithstanding possible industrial development. Moreover, recurrent flooding would cause constant population fluctuation, with the probable gradual loss of business and population to the Anderson area.

The 1967 flood, by its severity, focused attention on Nenana's acute need for flood relief. Studies by the Corps of Engineers, ASHA, and private consultants resulted in four proposed flood protection programs (ASHA report, p. 29). The report discusses only the last two of the alternatives, considering them to be the most practicable; and by its petition and supporting information, the City indicates that it envisages the fourth - southward relocation - to be the more desirable.

No funds are currently available for a concerted relocation project. Quite possibly, monies would be more readily available once the land were brought under City's jurisdiction. The City feels, however, that individual residents would be attracted away from the river and into the safer Sand Hill area, even without financial assistance, if the area were annexed to the City. (It may be that such individual resettlement in this area is already occurring. The Commission will perhaps wish to inquire into this, for purposes of gauging the present need for City planning and zoning).

The economic effect of relocation in the Sand Hill area is also assessed by the ASHA study, page 37. Briefly, it is estimated that the City's population would stabilize at 400-450 people by 1985, barring significant industrial growth. Over the land-fill alternative, the annexation-relocation approach has the advantages of (a) being less costly and (b) affording room for additional growth in the event of rapid development.

Rapid development, as more fully explained in the report, is not to be expected, however. Of primary significance is Nenana's situation at the railhead of the Tanana-Yukon river highway. It is the staging area for river commerce to the interior. When the proposed North railway is constructed, Nenana will lose this advantage. Goods will be shipped by rail to the Yukon River and thence distributed downriver. (ASHA, pp. 33-35)

The City is hopeful, at least, that the northern spur will join the mainline at Nenana. This would generate substantial economic activity

during the construction period and would possibly retain for Nenana maintenance and storage facilities, with attendant jobs.

### Conclusion

Nenana has been the subject of a good deal of economic and development study of late. Most of these studies have not been entirely finalized - and have been unavailable to the Agency - but the apparent lesson of all will be a need for flood protection. It seems, too, that accord has been reached on development of a "new city" in the area of proposed annexation as a viable answer to that need.

The Agency considers annexation to be a good first-step toward such development. It would enable the City to extend services - water, sewer, police, streets - into the protected area, thus encouraging individuals to remove from the present flood plain (and perhaps fostering, as well, an immigration of residents from further south). Should funds become available for a total relocation project, annexation will be essential.

The Agency does not have sufficient information on the residents and land owners in the area of expansion to determine how annexation will affect them. The Commission will want to know (and the City has been so informed) what services will be made available to this area and what the cost of these services - both to the City and to the residents - will be.

It should be noted, in addition, that the City has stressed, as a reason supporting annexation, its desire that the airfield be within city boundaries. The Agency understands that the airfield is city-owned, located on city property contiguous to the present boundaries. This being the case, the airport could be annexed by ordinance (AS 29.70.210). Should it develop at the hearing that the airfield is the only justification for annexation, the Agency recommends that the Commission deny the petition and make no recommendation to the Legislature.

Subject to the above qualifications, it is the Agency's opinion that the proposed Nenana boundary change would serve a positive purpose and is in the best interest of the State and the City.

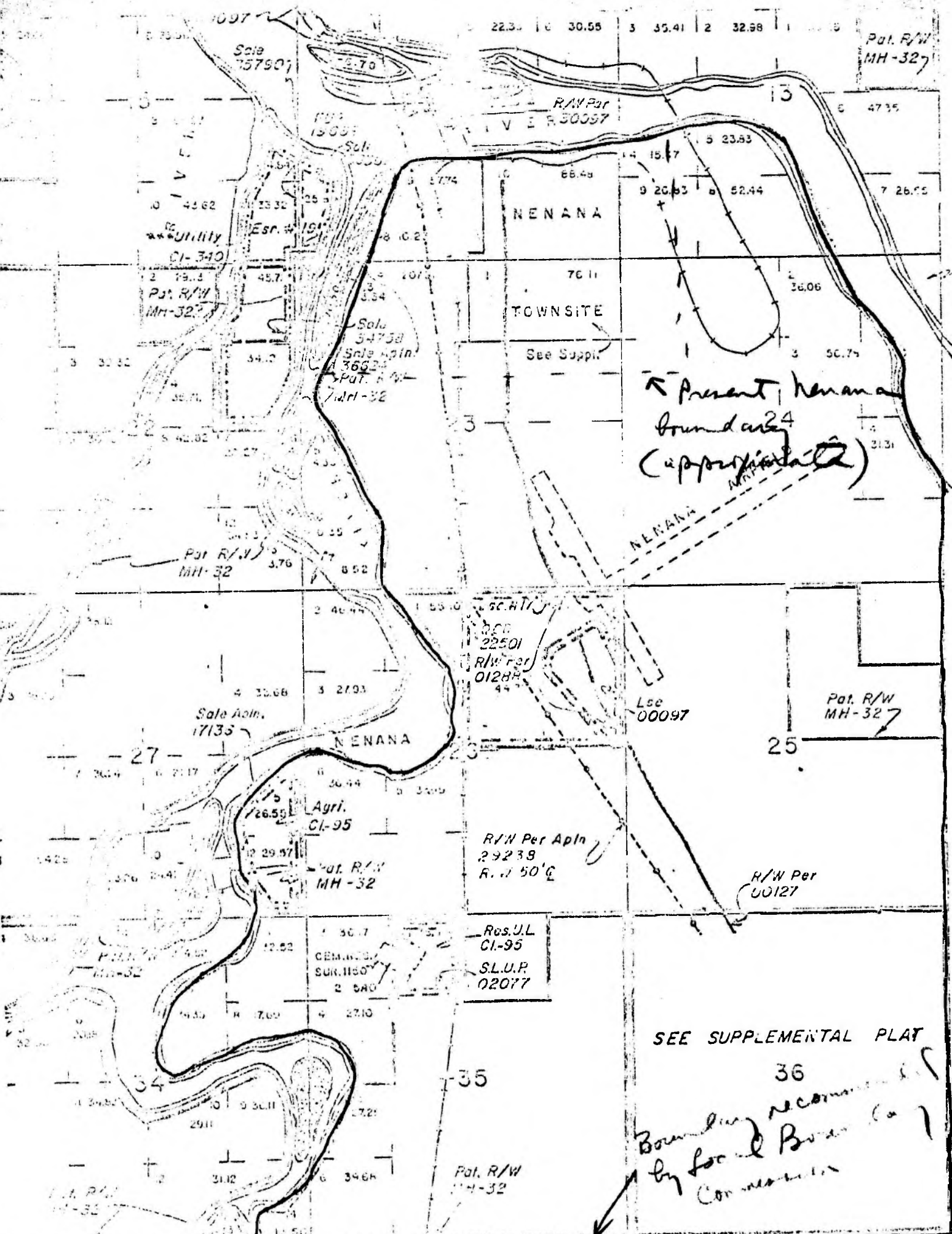
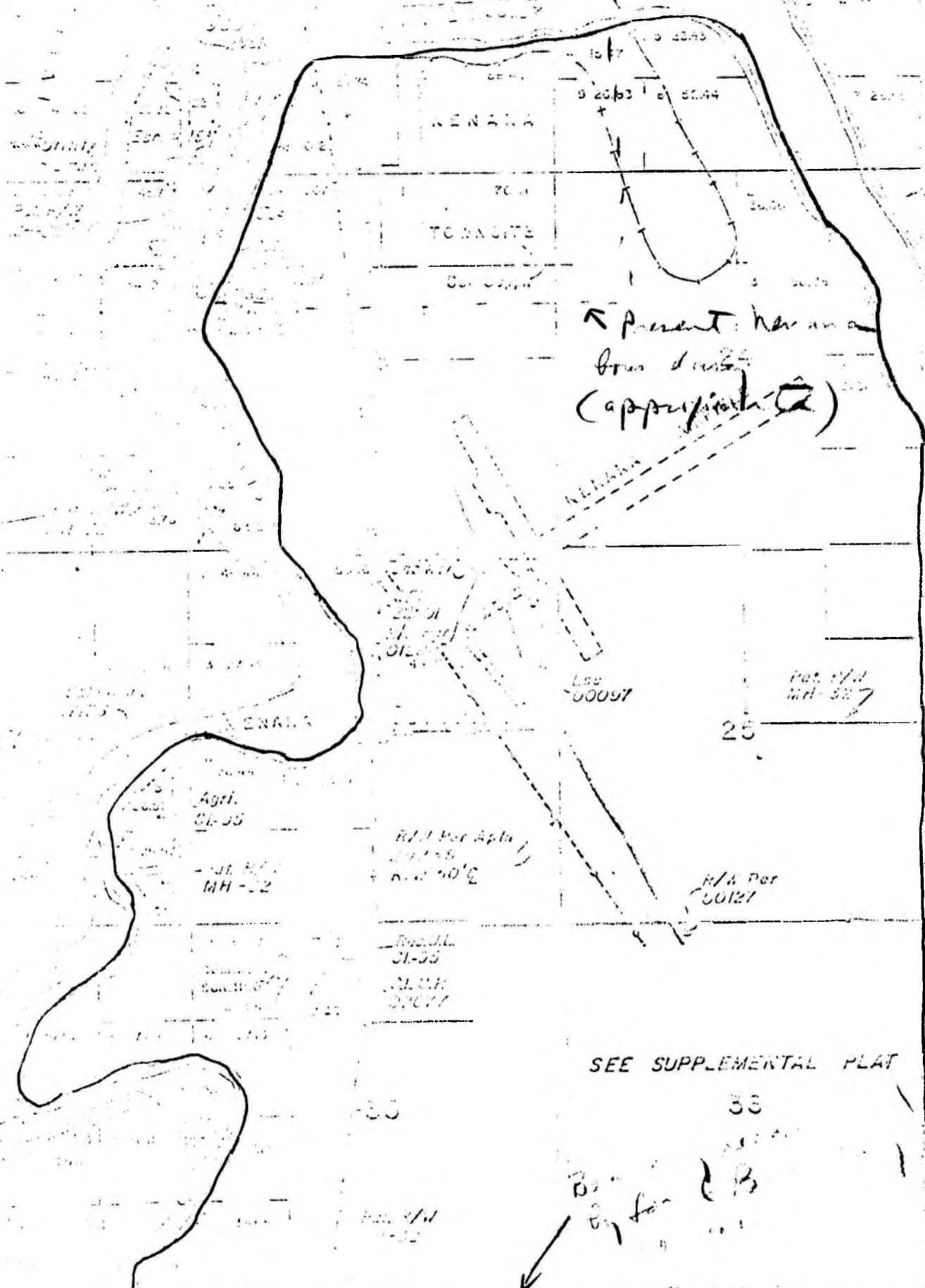


Exhibit A

22. 30.05 3 30.41 2 32.51 1.

Pat. #11  
MH-527



RENANA

TORONTO

ENANA

Agri.  
SI-35

Pat. #11  
MH-52

R/A Per Apla  
SI-35  
MH-5012

R/A Per  
SI-35  
MH-5012

Lot  
50097

Pat. #11  
MH-527

25

33

SEE SUPPLEMENTAL PLAT

B  
B

Sheet #1