

Annual
Boundary
Comm. Rpt.



Alaska State Legislature

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Senator Randy Phillips, Chair
Senator Robin Taylor, Vice Chair
Senator Loren Leman
Senator Al Adams
Senator Fred Zharoff

SESSION:
State Capitol
Juneau, Ak 99801-1182
(907) 465-4989

INTERIM:
P. O. Box 142
Eagle River, Ak 99577
(907) 694-4949

AGENDA

February 22, 1994
9:00 AM

Butrovich Room
Room 205

1. Call to Order (time and members present)
2. State of Alaska Local Boundary Commission
Briefing on 1994 Annual Report to Legislature

Chairman: Darroll Hargraves
CRA Staff: Dan Bockhorst
3. SB 291 = Borough Incorporation and Annexation

Sponsor - Senator Donley - will not be at the hearing
Staff - Alexis Miller
4. Adjourn

NOTICE OF MEETINGS

STATE OF ALASKA LOCAL BOUNDARY COMMISSION



Darroll Hargraves, Chair, At-Large
Shelley Dugan, Vice-Chair, Fourth Judicial District
H. Toni Salmeier, Third Judicial District
Myrtle Johnson, Second Judicial District
Frances Hallgren, First Judicial District



The Local Boundary Commission is scheduled to meet in Juneau as noted below to review 1993/1994 activities and issues.

- February 21, 1994 at 1:30 p.m. in the Nugget Room of the Baranof Hotel, 127 North Franklin Street.
- February 22, 1994 at 9:00 a.m. in the State Capitol [the Commission will address the Senate Community and Regional Affairs Committee during a meeting of that Committee].
- February 22, 1994 at 1:00 p.m. in the State Capitol [the Commission will address the House Community and Regional Affairs Committee during a meeting of that Committee].

Additionally, the Chairman of the Local Boundary Commission is scheduled to testify before the Senate Judiciary Committee regarding CSSB 164(CRA) on February 23 at 1:30 p.m. in the State Capitol. CSSB 164(CRA) is a bill for an act entitled "An Act relating to municipal incorporation, reclassification, and dissolution, and municipal school districts."

CONTACT 269-4560 FOR MORE INFORMATION

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

FEB 4 1993

MUNICIPAL & REGIONAL ASSISTANCE DIVISION

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January 27, 1994

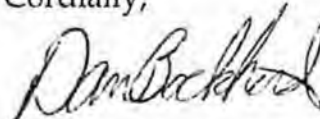
Ms. Shirley Armstrong
Senate Community & Regional Affairs Committee Staff
Room 103
State Capitol
Juneau, Alaska 99801-1182

Dear Ms. Armstrong:

This is to confirm arrangements for the Local Boundary Commission to meet with the Senate Community & Regional Affairs Committee on February 22 at 9:00 a.m. The purpose of the meeting is to discuss the Commission's report to the 1994 legislature, including the three recommendations for annexation presented in the report. The Commission has arranged for a similar meeting with the House Community and Regional Affairs Committee on the same date at 1:00 p.m.

In response to your request, I have prepared and enclosed a one-page summary of the principal effects of CSSB 164(CRA). I have also prepared and enclosed a three-page sectional analysis of the bill.

Cordially,



Dan Bockhorst
Local Boundary Commission Staff

Enclosures: CSSB 164(CRA) Summary
CSSB 164(CRA) Sectional Analysis

cc (w/enclosures): Kevin Sullivan, Senate Judiciary Committee Staff
Bruce Geraghty, Deputy Commissioner, DCRA

SUMMARY OF PRINCIPAL PROVISIONS OF CSSB 164(CRA)*

A bill for an act entitled, "An Act relating to municipal incorporation, reclassification, and dissolution, and municipal school districts."

*Summary prepared January 27, 1994 by Dan Bockhorst, Local Boundary Commission Staff,
Department of Community & Regional Affairs, telephone 269-4500*

- ❖ **Establishes mechanism for first class and home rule cities to reclassify as second class cities.** Under current law, such can only be done by dissolving the first class or home rule city and incorporating a second class city.
- ❖ **Provides State oversight concerning all municipal reclassifications.** The State has legitimate interests in any city reclassification. Such interests are particularly significant in cases involving the reclassification of second class cities in the Unorganized Borough because it automatically creates new municipal school districts. There are 27 second class cities in the Unorganized Borough that could unilaterally reclassify to first class cities. That represents a potential 50% increase in the number of school districts. Communities which are presently unincorporated could add to that number.
- ❖ **Permits direct incorporation of home rule cities and unified municipalities, and confirms that home rule cities and home rule boroughs may be created through merger and consolidation.** Interest in such options is strong. In 1985, the law was amended to allow direct incorporation of home rule boroughs. Three of the four boroughs formed since that law took effect were home rule boroughs.
- ❖ **Confirms the discretion of the Local Boundary Commission in approving, denying or amending petitions.** The Local Boundary Commission has explicit discretion in acting on petitions for annexation and detachment. However, the statutes do not expressly recognize the Commission's discretion in dealing with other petitions. This may create unintended consequences. For example, it is widely interpreted that AS 29.06.500 may not give the Commission any discretion in dealing with a proposal presently being developed to dissolve the City of Seldovia. This is so even if the Kenai Peninsula Borough were to refuse to form a service area to assume any responsibility in terms of succeeding to the assets, duties, powers, functions and liabilities of the City of Seldovia. Under those circumstances, AS 29.06.520 dictates that the State of Alaska would be burdened with such responsibilities.
- ❖ **Confirms that the Local Boundary Commission has legislative authority to adopt regulations for incorporation and dissolution.** A superior court judge recently ruled that the Commission has legislative authority to adopt regulations for annexation, detachment, merger and consolidation. However, he concluded that the Commission has only interpretative authority to adopt regulations concerning municipal incorporation. The ruling never addressed the Commission's authority to adopt regulations concerning dissolution. In making his ruling, the judge noted that courts need not give the same level of deference to interpretative regulations as they must give to legislative regulations.

* For further analysis and details concerning the effects of CSSB 164(CRA), see the three-page "Sectional Analysis of CSSB 164(CRA)" prepared by DCRA on January 27, 1994.

SECTIONAL ANALYSIS

CSSB 164(CRA)

A bill for an act entitled, "An Act relating to municipal incorporation, reclassification, and dissolution, and municipal school districts."

*Sectional analysis prepared January 27, 1994 by Dan Bockhorst, Local Boundary Commission Staff,
Department of Community & Regional Affairs, telephone 269-4500*

Section 1 simply recognizes under AS 14.12.010 what is already provided by AS 29.35.260(b) – that a home rule city in the Unorganized Borough is a city school district.

Section 2 makes the following changes:

1. It permits a first class or home rule city to reclassify as a second class city.¹
2. It provides State oversight in the reclassification of any city government.²

Sections 3 - 5 amend procedures for municipal reclassification to further implement State review of reclassification proposals. **Section 3** requires a petition to the Local Boundary Commission to initiate a reclassification proposal. **Section 4** requires the Local Boundary Commission to notify the city upon approval of a reclassification petition, thereby triggering a municipal election on the matter. **Section 5** eliminates references to particular classes of city government, thereby acknowledging that any class of city may be reclassified.

Section 6 allows incorporation of a home rule city.³

Section 7 allows incorporation of a unified municipality.⁴

¹ Currently, this can be done only in effect by dissolving the home rule city or first class city and incorporating a second class city – a lengthy and difficult process.

² The State has legitimate interests in any city reclassification. Such interests are particularly significant in cases involving the reclassification of second class cities in the Unorganized Borough, since such automatically creates new municipal school districts. Yet, under current law the State has no provision to regulate municipal reclassification. There are a total of 27 second class cities in the Unorganized Borough that could reclassify as first class cities. Some are currently exploring the possibility of doing so. There are also 11 unincorporated communities in the Unorganized Borough that could incorporate as second class cities and subsequently reclassify as first class cities. Collectively, those 38 communities represent a potential 70 percent increase in the number of school districts in Alaska. CSSB 164(CRA) assigns responsibility to the Local Boundary Commission to oversee reclassification.

³ Under current law, forming a home rule city generally requires that a community first become a first class city and then undertake a separate process to adopt a home rule charter. Some communities have shown strong interest in allowing direct incorporation as a home rule city. State law was amended in 1985 to allow direct incorporation of home rule boroughs. Three of the four boroughs incorporated since then have incorporated as home rule boroughs. [Note: the Northwest Arctic Borough is not counted among the four. The Northwest Arctic Borough prepared its petition for incorporation before the 1985 law took effect. However, the Northwest Arctic Borough subsequently reclassified as a home rule borough.]

⁴ There are presently three unified municipalities in Alaska – Anchorage, Juneau and Sitka. Under current law, in order to form a unified municipality, there must be both an organized borough and at least one city government. Interest has been expressed in allowing other regions of the state to form unified municipalities. These include areas which may have neither a city government nor an organized borough, or only one of the two.

Sections 8, 10 - 13 and 19 provide procedures for the incorporation of home rule cities and unified municipalities. **Section 8** amends the law specifying the contents of a petition in the case of proposals for incorporation of home rule cities and unified municipalities. **Section 10** acknowledges that if voters approve incorporation of a home rule city or unified municipality, the home rule charter is adopted. **Section 11** adds a new section providing that incorporation of a unified municipality dissolves all other municipal governments within the boundaries of the unified municipality. **Section 12** extends organizational grants to newly formed unified municipalities, except those that occupy the area formerly occupied by an organized borough.⁵ **Section 13** extends transitional assistance to newly incorporated unified municipalities, again, except those that occupy the area formerly occupied by an organized borough. **Section 19** amends current law to acknowledge that any of the following may incorporate as a unified municipality: a) an area which has neither a city government nor an organized borough; b) an area which has one or more city governments, but no organized borough; or c) an area which has an organized borough, but no city governments.

Sections 9, 14, 17 and 21 confirm that the Local Boundary Commission has discretion in the approval of all petitions that come before it.⁶ The referenced sections also confirm that the Commission has broad power to amend such petitions.⁷ **Section 9** does so with respect to municipal incorporation, **Section 14** concerns municipal annexation and detachment, **Section 17** addresses merger and consolidation, and **Section 21** confirms the Commission's discretion and authority to amend a dissolution petition; and expressly extends requisite "best interests" determinations to all dissolutions.

Section 15 confirms that a home rule city or home rule borough may be formed through merger or consolidation.

Sections 16 and 18 amend existing procedures for merger or consolidation relating to home rule cities and home rule boroughs. **Section 16** provides that a home rule charter must be included with a petition to form a home rule city or home rule borough through merger or consolidation. **Section 18** states that a charter for a home rule city or home rule

⁵ Boroughs would remain eligible for organizational grants under this bill. The term "municipality" which is substituted for the term "borough" currently used under AS 29.05.190(a) and (b) does not mean only a unified municipality, but includes both boroughs and unified municipalities.

⁶ The Local Boundary Commission has explicit discretion in acting on petitions for annexation and detachment. However, the statutes do not expressly recognize the Commission's discretion in other matters. This may create unintended consequences. For example, it is widely interpreted that AS 29.06.500 may not give the Commission any discretion in dealing with a proposal presently being developed to dissolve the City of Seldovia. This is so even if the Kenai Peninsula Borough were to refuse to form a service area to assume any responsibility in terms of succeeding to the assets, duties, powers, functions and liabilities of the City of Seldovia. Under those circumstances, AS 29.06.520 dictates that the State of Alaska would be burdened with such responsibilities.

⁷ The Department of Law has concluded that the Local Boundary Commission implicitly possesses such authority. For example, with respect to incorporations, the Department of Law noted, "[the statutes] do not bind the commission to either accept or reject the petition in its entirety . . . the commission is exercising a delegated fact finding function when it considers the creation of a new municipal government. The commission stands in the shoes of the state legislature when it considers these matters. Absent an express limitation on the powers of the commission, the commission should be presumed to possess the same powers as the legislature in this area." (Assistant Attorney General James L. Baldwin, inf. op. July 7, 1987; see also Assistant Attorney General James L. Baldwin, inf. op. May 30, 1984.)

borough proposed to be formed through merger or consolidation is adopted upon voter approval of the merger or consolidation proposition.

Section 20 makes the statutes consistent in the use of the last regular election of a municipality as the basis for determining the number of signatures needed to file a petition to dissolve that municipality. This is currently the case in all instances except AS 29.06.470(a)(3), which bases the requirement on the last [State] general election.

Sections 22 - 28 make amendments relating to the creation of a home rule city or home rule borough through merger or consolidation, or the incorporation of a home rule city or unified municipality. **Section 22** acknowledges that a home rule charter may be adopted through merger or consolidation, or as a result of the incorporation of a home rule city or unified municipality. **Section 23** provides that a proposed charter for a home rule municipal government is to be filed with the petition for incorporation, merger or consolidation. **Section 24** requires the Department of Community and Regional Affairs to prepare a model charter for a home rule city and a unified municipality. **Section 25** provides that the proposed charter for a home rule municipality to be formed by incorporation, merger or consolidation must be submitted to the voters for approval. **Section 26** stipulates that, upon certification of favorable election results, the charter becomes the organic law of a home rule municipal government formed by incorporation, merger or consolidation. **Section 27** states that if the voters reject a proposal to incorporate, merge or consolidate as a home rule municipal government the charter is rejected. **Section 28** requires a home rule municipality to file a copy of any amendments to its charter with certain officials.⁸

Section 29 removes any question that the Local Boundary Commission has legislative authority to adopt regulations providing standards and procedures for municipal incorporation and dissolution.⁹

Section 30 makes the following changes:

1. It repeals the requirement that a city council hold a public hearing on a proposed reclassification of the city.¹⁰
2. It repeals the provision that allows a second class city with a population of at least 3,500 permanent residents and jurisdictional boundaries encompassing at least 35 square miles to adopt a home rule charter.¹¹

⁸ AS 29.10.080 presently requires a home rule municipal government to file a charter only upon its adoption. Current law requires no filing of amendments.

⁹ Superior Court Judge Michael A. Thompson ruled on June 7, 1993 (case No. 1JU-92-1126 CI), that the Commission has legislative authority to adopt regulations for annexation, detachment, merger and consolidation. However, he concluded that the Commission has only interpretative authority to adopt regulations concerning municipal incorporation. The ruling never addressed the Commission's authority to adopt regulations concerning dissolution. In making his ruling, Judge Thompson noted that courts need not give the same level of deference to interpretative regulations as it must give to legislative regulations.

¹⁰ Section 2 of CSSB 164(CRA) requires the Local Boundary Commission to conduct such a hearing.

¹¹ The current law applies to only one of Alaska's 116 second class cities.

Prepared Remarks to the Senate Community & Regional Affairs Committee
by Darroll Hargraves, Chairman, Local Boundary Commission
February 22, 1994

Introduction. Mr. Chairman, members of the Committee: Thank you for the opportunity to address you this morning. I am Darroll Hargraves from Ketchikan, Chair of the Local Boundary Commission. With me are Shelley Dugan, Vice Chair from Fairbanks; Myrtle Johnson, member from Nome; Frances Hallgren, member from Sitka; and Toni Salmeier, member from Anchorage.

Background. The Local Boundary Commission acts on petitions for city and borough incorporation, annexation, detachment, dissolution, merger and consolidation. The Commission's role is to objectively consider arguments for and against such proposals, taking areawide and statewide needs into consideration. The Commission is one of five boards or commissions with origins in Alaska's Constitution.

The Commission consists of five members. One is appointed from each of Alaska's four judicial districts; the fifth member is appointed at-large. Procedures used by the Commission are designed to secure the reasonable, timely and inexpensive determination of municipal boundary proposals. These procedures include extensive public notice and opportunity for comment, thorough study, public informational meetings, public hearings, a decisional meeting of the Commission and opportunity for reconsideration. A summary of these procedures is provided on pages 2 - 5 of the Commission's January 19, 1994 report to the Legislature.

Decisions of the Commission are based upon criteria or standards set out in statutes and regulations. The Department of Community and Regional Affairs provides staff support to the Commission.

During 1993, the Commission held 20 meetings. Annexations were implemented or approved in Cordova, Palmer, Hoonah, Haines, Fairbanks, Seldovia, Soldotna, Thorne Bay and King Cove. The Commission also denied one annexation proposal.

Annexations Subject to Review by 1994 Legislature. The Commission filed three formal recommendations for annexation with the Legislature on January 19, 1994. Under provisions of the Constitution and statutes, the Legislature has 45 days to consider the proposed annexations (or until the end of the Session, whichever occurs first). If the Legislature takes no action, the annexations gain automatic legislative approval 45 days after the recommendations were filed by the Commission. In this case the 45-day review period expires Saturday, March 5, 1994. Alternatively, the Legislature may deny any one or more of the annexations by adopting "a resolution concurred in by a majority of the members of each house" on or before March 5.

decisional documents. Of course, the Commission will also attempt to answer any questions you may have at this time.

Pending Legislation. There are three bills that I wish to address briefly.

CSSB 164(CRA) I want to thank this Committee for introducing Senate Bill 164 last year and forwarding it to the Senate Judiciary Committee. The bill makes technical amendments to the law that have been sought by the Local Boundary Commission for the past several years. The need for the amendments is discussed in detail on pages 38 and 39 of the Commission's report to the Legislature. While this Committee has already acted on the measure, the Commission would appreciate your support as the measure receives further consideration. The Senate Judiciary Committee is scheduled to conduct a hearing on the bill tomorrow.

SB 291, is an Act whose express purpose is, "... to eliminate the unorganized borough by including all regions of the state in an organized borough or unified municipality." The Commission recognizes that there are legitimate arguments on both sides of that very thorny issue. In the Commission's view, the matter is a political issue to be addressed by the Legislature.

Members of the Commission have agreed that it is appropriate for our quasi-judicial body to remain neutral in any debate over SB 291. The Commission feels that a neutral stance is critical to maintaining the integrity of its mission - to objectively consider arguments for and against the establishment or alteration of specific municipal boundaries. By either supporting or opposing SB 291, the Commission is certain to be viewed by residents of this state as having a bias when it comes to considering a boundary proposal for their particular region.

HB 427, provides compensation for the Commission. While the Commission recognizes that today's economic climate is less than ideal for such a proposal, it feels strongly that the matter deserves serious consideration. The Commission urges you to review the discussion of this long-standing issue on pages 39 - 41 of its report to the Legislature. The Department of Community and Regional Affairs has issued a position paper in support of the measure. If you concur that the matter warrants consideration, the Commission urges this Committee to introduce and support a measure comparable to HB 427.

Prospective 1994 Activities. I will end my prepared remarks with a brief summary of proposals currently being contemplated for presentation to the Local Boundary Commission. These are based upon reports from the Department of Community and Regional Affairs. In nearly all cases, the reports stem from direct contact between the Department and local officials or residents.

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FOLLOWING
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Remarks to Senate C&RA Committee
February 22, 1994
Page Two

The three recommendations for annexation are addressed in moderate detail on pages 18 through 37 of the Commission's report to the Legislature. However, I will discuss them very briefly here:

King Cove. The first involves the proposed annexation of 21 square miles to the City of King Cove. King Cove is located 1,100 miles southwest of here in the Aleutians East Borough. While the area proposed for annexation is inhabited by only 8 residents, it holds substantial development. The area includes all of one subdivision and part of another, the community's airport, a portion of the City's landfill and the City's hydroelectric project (currently under construction). The area also includes sites proposed for the construction of a new port facility and a new water utility system. I will pass around a map showing the area proposed for annexation.

Seldovia. The second and third recommendations involve the proposed annexation, respectively, of 42.8 acres and 1.8 acres to the City of Seldovia. Seldovia is a community located 650 miles west of here in the Kenai Peninsula Borough. Most of the territory proposed for annexation consists of that portion of the Seldovia airport not presently within the boundaries of the City. Because the City's boundaries bisect the community's airport, confusion and uncertainty exist with respect to the levy of city sales taxes and property taxes at the airport. The same holds true for the extension of municipal services and other jurisdictional issues at the airport. The remaining area proposed for annexation contains 13 enclaves or "holes" in the area under the City's jurisdiction. Until recently, those enclaves were believed to have been formally included within the corporate boundaries of the City. For the past 25 years or so, the City has taxed those properties and has extended full services to them. The enclaves are reportedly inhabited by three individuals.

I will pass around three maps showing the collective 44.6 acres proposed for annexation to the City of Seldovia. The first map shows the enclaves that comprise 6.2 acres. The second shows the airport property identified in the City's annexation petition. Together, those two areas comprise the 42.8 acres addressed by the Commission's formal Recommendation Number Two.

Again, the third recommendation proposes a separate annexation of 1.8 acres to the City of Seldovia. That area consists of a segment of the airport that the City had inadvertently omitted from its petition. The Commission filed a separate recommendation for the annexation of that property for procedural reasons.

If the Committee desires additional details concerning any of the three recommended annexations, I can provide you with a copy of the appropriate

Remarks to Senate C&RA Committee
February 22, 1994
Page Three

decisional documents. Of course, the Commission will also attempt to answer any questions you may have at this time.

Pending Legislation. There are three bills that I wish to address briefly.

CSSB 164(CRA) I want to thank this Committee for introducing Senate Bill 164 last year and forwarding it to the Senate Judiciary Committee. The bill makes technical amendments to the law that have been sought by the Local Boundary Commission for the past several years. The need for the amendments is discussed in detail on pages 38 and 39 of the Commission's report to the Legislature. While this Committee has already acted on the measure, the Commission would appreciate your support as the measure receives further consideration. The Senate Judiciary Committee is scheduled to conduct a hearing on the bill tomorrow.

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Members of the Commission have agreed that it is appropriate for our quasi-judicial body to remain neutral in any debate over SB 291. The Commission feels that a neutral stance is critical to maintaining the integrity of its mission - to objectively consider arguments for and against the establishment or alteration of specific municipal boundaries. By either supporting or opposing SB 291, the Commission is certain to be viewed by residents of this state as having a bias when it comes to considering a boundary proposal for their particular region.

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Prospective 1994 Activities. I will end my prepared remarks with a brief summary of proposals currently being contemplated for presentation to the Local Boundary Commission. These are based upon reports from the Department of Community and Regional Affairs. In nearly all cases, the reports stem from direct contact between the Department and local officials or residents.

However, in a few cases, the accounts may stem from unsubstantiated reports. While it is not possible to accurately predict how many of these proposals will be formally presented to the Commission, the length and diversity of the list suggest that 1994 will be another active and interesting year for the Commission.

Generally, the list of prospective activities includes proposals for incorporation of eight boroughs and six cities, annexation to one borough and eight cities, detachment from four boroughs and two cities, dissolution of twelve cities and one borough, and merger or consolidation of municipal governments in three regions. More specifically, the contemplated proposals entail:

- ❖ Borough incorporations in the following regions: Dillingham, North Pole, Wrangell, Petersburg, Kake, Glacier Bay, Portage Pass, and Susitna.
- ❖ Borough annexation by the Ketchikan Gateway Borough.
- ❖ Borough detachments involving the following boroughs: Matanuska-Susitna (as many as 3 proposals), Municipality of Anchorage, Kodiak Island, and Fairbanks North Star (as many as 2 proposals).
- ❖ Borough dissolution of the Matanuska-Susitna Borough.
- ❖ City incorporations in the following communities: Cantwell, Egegik, Nikiski, Gustavus, Sterling, and Port Protection.
- ❖ City annexations by the following cities: Ketchikan, Kodiak, Fairbanks (multiple proposals), Sand Point, Craig, Whittier, Newhalen, and Haines.
- ❖ City detachments in the cities of Unalaska and St. Mary's.
- ❖ City dissolutions involving the following cities: Seldovia, Chefornak, Mekoryuk, Quinhagak, Toksook Bay, Nightmute, Atmoutluak, Kasigluk, Newtok, Tuluksak, Tununak and Angoon.
- ❖ City and borough consolidations or mergers in the Northwest Arctic Borough, Fairbanks North Star Borough and the Ketchikan Gateway Borough.

Conclusion. That concludes my prepared remarks. If you have any questions or would like me to elaborate on any of the points that I have covered, please ask. Also, if there are any other issues involving the Commission that you would like to raise, please feel free to do so.

SENATE AND HOUSE JOINT JOURNAL SUPPLEMENT

January 19, 1994

Wednesday

No. 13

RECOMMENDATIONS

BY

THE LOCAL BOUNDARY COMMISSION

IN ACCORDANCE WITH AS 44.47.567

AND

ARTICLE X, SECTION 12

CONSTITUTION OF THE STATE OF ALASKA

Received
January 19, 1994
8:30 a.m.

City Of Seldovia

P.O. Drawer B

Seldovia, Alaska 99663

Phone (907) 234-7643

FAX (907) 234-7430

January 25, 1994

Senator Randy Phillips
Alaska State Legislature
Chair, Community and Regional Affairs
Room 103
Juneau, AK 99801-1182

Dear Senator Phillips:

The City of Seldovia has petitioned the Local Boundary Commission to annex the balance of the airport as well as what everyone always believed to be inside the City limits. That annexation has been approved by the Local Boundary Commission and was given to the Alaska State Legislature for consideration by its members on January 19th.

The City has worked long and hard to deal with a very difficult situation. The fact that all of the City's waterfront, boat harbor, city offices and dock in addition to other public and private properties were found to be outside of the City limits was quite a shock to us all.

The City has had to put itself "back together" through the process of three separate annexations. The first involved City-owned property. The second involved those property owners who petitioned the City for annexation. This third annexation is the final piece of the process to make the City "whole again." This last annexation included the balance of the State airport, property owners who submitted their petitions too late and those who failed to petition for annexation. Other than at the airport, in no case has the City attempted to annex any individuals or property except for those who had always believed they were in the City, paid taxes to the City and/or voted in City elections in the past.

In the best interests of the City of Seldovia, and according to the Local Boundary Commission, the best interests of the State of Alaska, we ask the Alaska State Legislature support the Local Boundary Commission's recommendations. To accomplish that end, the Legislature is required to have a non-objection to the City's annexation. With this letter, I am asking for your support of non-objection to the City's annexation.

If you have any questions, please call me at 234-7643.

Sincerely,

Ivan L. Widom

Ivan L. Widom
City Manager
cc: Mayor and City Council