

~~ALASKA LEGISLATURE COMMITTEE FILED 1905-1900~~ 00/2

3845 SCRA LOCAL BOUNDARY COMM. REPORT, 14TH LEG. / 2ND SESSION 221



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State of AK

Local

Boundary

Commission

Report

14th Leg. 2nd S.

concern to the Commission, to municipalities proposing boundary changes and petitioners for municipal incorporation. The Federal Voting Rights Act requires that any change which affects or has the potential to affect voting rights must be precleared by the U.S. Department of Justice. The ramifications of this requirement, as it relates to matters concerning the Local Boundary Commission, are significant. Under provisions of the Act, any and all municipal incorporations, dissolutions, boundary changes, mergers and consolidations are subject to preclearance. Some of the matters requiring preclearance might not be immediately identifiable as affecting voting rights, such as the annexation of uninhabited territory contiguous to a municipality.

The Act provides that the Department of Justice has 60 days after receipt of a request for preclearance to object to the proposed change. Significantly, during the 60-day period, the change may not be enforced. It is also not uncommon for the Department of Justice to notify a submitting authority on or near the 60th day subsequent to receipt of a request for preclearance that additional information is required to enable the Department of Justice to make a final determination whether to grant preclearance. This is especially likely in the case of major changes such as controversial annexations or municipal incorporations. If the Department of Justice requests additional information, or if the petitioning municipality submits supplemental information, a new 60-day review period begins on the day the Department of Justice receives the information.

Adherence to the requirements of the Voting Rights Act can thus place extreme demands upon municipalities and others proposing virtually any action properly brought before the Commission. The Commission makes no specific recommendations to the Legislature in this regard, but has determined that the Legislature should be aware of the issue.

IV. RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE CITY OF ANGOON

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
ANGOON, ALASKA, OF APPROXIMATELY)
87 SQUARE MILES, CONSISTING)
OF KOOTZNOOWOO INLET INCLUDING)
MITCHELL, FAVORITE AND)
KANALKU BAYS, KILLISNOO ISLAND,)
A PORTION OF TABLE AND SAND)
ISLANDS AND HOOD BAY, INCLUDING)
NORTH ARM)

SUMMARY OF PROPOSED ACTION

On August 7, 1985, the City of Angoon submitted a petition for annexation of approximately 87 square miles, consisting of Kootznoowoo Inlet, including Mitchell, Favorite and Kanalku Bays, Killisnoo Island, a portion of Table and Sand Islands and Hood Bay, including North Arm. The annexation was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the State Legislature).

The Local Boundary Commission conducted a hearing on the petition in Angoon on November 22, 1985. Members of the Commission present at the hearing were Acting Chairman Charles Bettisworth, Dave Janson and Bert Greist.

Opposition to the proposed annexation was lodged by several property owners in the Hood Bay area. These individuals expressed a desire to remain in an unincorporated area and contended that they would accrue no measurable benefits as a result of the proposed annexation. They also stated that the City would not benefit by annexing the residents' property. Briefs opposed to the proposed annexation were also filed by the Alaska Pulp Corporation and Snee Atika, Inc.

The Commission conducted a decisional session on the petition in Anchorage on December 9, 1985. Present at the decisional session were Acting Chairman Charles Bettisworth, Dave Hanson, Jo Anderson and Bert Greist.

FINDINGS OF FACT

In arriving at its findings, documents and other evidence considered by the Commission included, but were not limited to, the petition and supporting briefs of the City of Angoon, briefs in opposition to the annexation filed by the Alaska Pulp Corporation and Snee Atika, Inc., the Report and Recommendation of the Department of Community and Regional Affairs and testimony provided at the Commission's November 22, 1985

hearing. Following its deliberations on this matter, the Local Boundary Commission made the following findings of fact:

1. The petitioner and residents of the community perceive a need to control land use and development of the area proposed for annexation in order to monitor and appropriately regulate growth, development and tourism activities in the area. Annexation of the amended area will afford the City an opportunity to more efficiently protect the area's significant economic resources, historical and cultural resources and the livelihood of its residents.
2. A demonstrated need exists for the extension of municipal services to those areas planned for development in the near future, particularly Killisnoo Island.
3. A road to Favorite Bay across village corporation lands is planned by the City to secure an additional water source. The road would open up the area for additional homesites, a new dump site and a cemetery. The petitioner has estimated that thirty additional homesites will be needed to accommodate increased resident population.
4. The City of Angoon provides search and rescue operations and related services in the area proposed for annexation. However, the City does not have the authority to provide such services extraterritorially. If this territory is annexed, it will allow the City to continue such activity without the present liabilities associated with the lack of municipal jurisdiction.
5. In its deliberations, the Commission noted that the area most likely to be impacted by development in the near future is Killisnoo Island. A subdivision containing approximately fifty 1-acre parcels exists on the eastern half of the Island. Another 190 acres is owned by the village corporation. The City is not presently providing services to this area, but is the logical entity to provide services as the area develops.
6. The 660 feet of land immediately above the mean high tide line in the Mitchell, Kanaku and Favorite Bay area is almost entirely owned by the Kootznoowoo Corporation. All development on these lands are subject to PL 96-487, Alaska National Interest Lands Conservation Act (ANILCA) Section 506.(a)(3)(C), which strictly limits development and activities on this land to ensure protection of subsistence resources and its uses.
7. The area of Hood Bay is also an economically important subsistence hunting and fishing area to the people of Angoon. The strong cultural links to the area were pointed out at the public hearing on the petition conducted by the Commission on November 22, 1985. Specifically, testimony

XIII. ISSUES TO BE BROUGHT TO THE ATTENTION OF THE LEGISLATURE

There are two issues which the Local Boundary Commission wishes to bring to the attention of the Legislature. The first relates to the desire of certain residents of the State to dissolve their municipal governments in favor of Native governments. The second issue concerns the impacts of the Federal Voting Rights Act upon the State and its political subdivisions on matters relating to Local Boundary Commission proceedings.

Dissolution of Municipal Governments

As was discussed in Section III of this Report, last year the Local Boundary Commission denied a petition of residents of the City of Akiacnak for the dissolution of their municipal government. It has been reported that residents of a number of other communities are also contemplating attempts to dissolve their municipal governments.

While the Commission denied the petition for dissolution of the City of Akiachak, it was sympathetic to the desire of the residents of Akiacnak for self-determination in that matter. It was amply demonstrated to the Commission that dissolution of the City of Akiacnak and the vesting of all local government powers in the Akiacnak IRA Council was strongly desired by many of the residents of the community.

The petition was denied simply because the present structure of State law concerning this matter would not permit the dissolution of the City under the current circumstances. The Commission suspects that residents of Akiacnak may now simply ignore their municipal government.

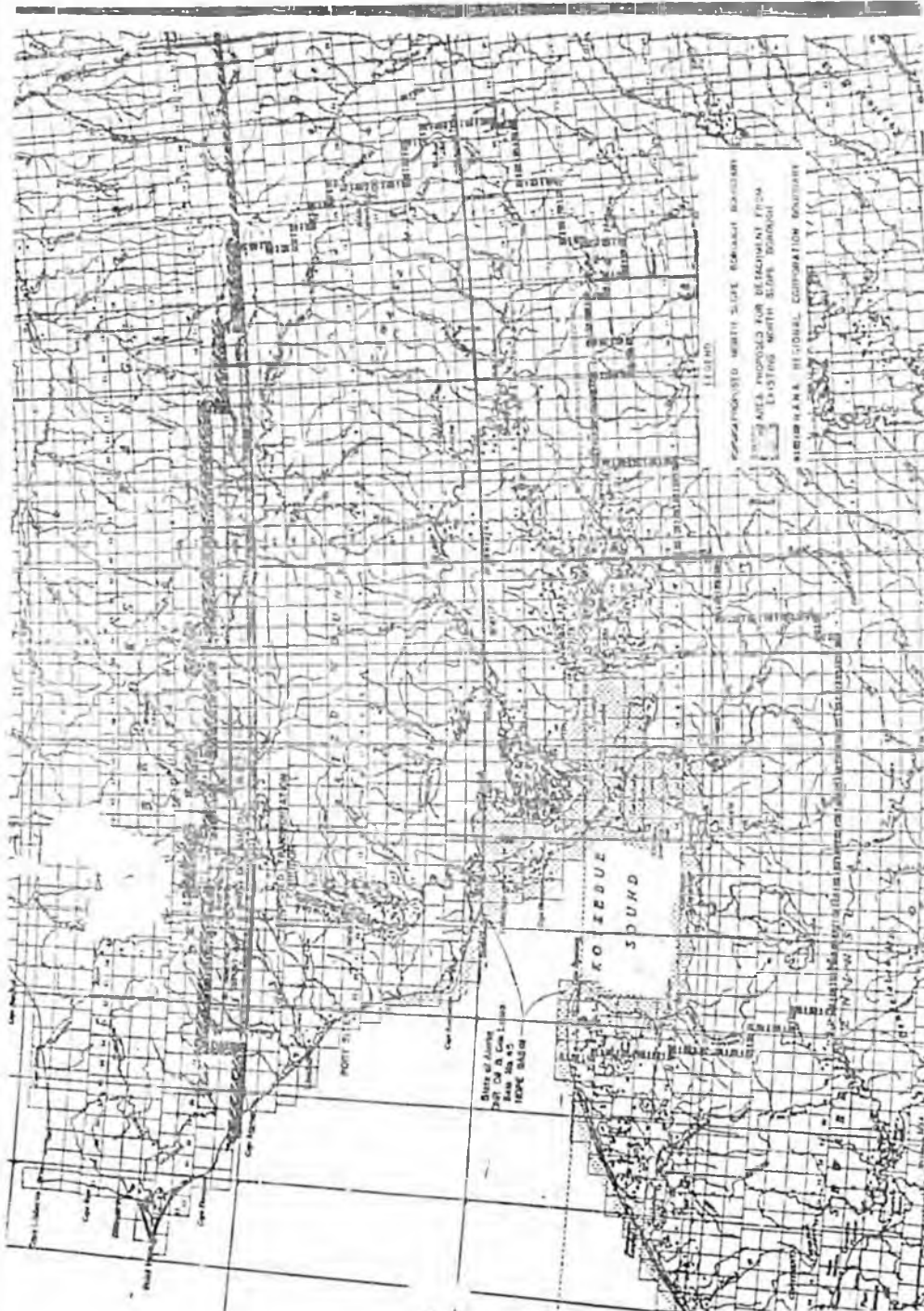
The Commission believes that this circumstance poses several significant public policy questions which encompass matters which are far beyond the responsibilities of the Local Boundary Commission. The Commission does not advocate any particular position in this matter, rather it believes that the matter should be considered carefully by the Governor and the Legislature.

Policy questions relating to this matter include the following:

- impacts of dissolution on both the State and the community;
- equitable delivery of public services to unincorporated communities;
- civil rights of citizens of Alaska;
- distribution of assets and liabilities of a municipal government in the event of dissolution; and
- standards and procedures for dissolution.

Federal Voting Rights Act

The impact of the Federal Voting Rights Act upon matters brought before the Local Boundary Commission is of particular



indicated that some 30% of the residents of the community grew up in Hood Bay and that the area is presently used extensively by community residents. The Council has also heard testimony that there is need for law enforcement services in the bay.

6. The petitioner indicated that residents of the community desire the City to regulate, to the extent possible, development and tourist activity on the Angoon Community Association (ACA) parcel in the Hood Bay Area and in the general vicinity of Hood Bay. Annexation of the territory would provide the City with the authority to do so.
9. Three land owners of the Hood Bay area opposed the annexation petition. The landowners submitted a letter to the Local Boundary Commission objecting to the annexation contending that it is nothing to be gained by the annexation, either by the City or their lives. There is one permanent resident living in this area.
10. The Nootnoowoo Corporation, the local village Native corporation, owns approximately 193 acres of Killisnoo Island and another 1,300 acres adjacent to the community. In addition, there are five Native Allotments within the territory proposed for annexation. The U.S. Forest Service Admiralty Monument is the largest land holder within the area proposed for annexation. The potential for many private land transfers and the prospect of upcoming ANCSA 14(c) land conveyances to residents and the City of Angoon have raised concerns regarding future development on important cultural and subsistence lands.
11. The population of a portion of the territory, specifically Killisnoo Island and Favorite Bay, may stem from growth of the City beyond its legal boundaries. Most of the territory proposed for annexation contains very steep slopes and is fairly remote. Growth is more likely to occur on Killisnoo Island. The growth may be attributed to a "spilling over" of present City population and the availability of City services such as sewer, water, police and fire protection.
12. Portions of the territory to be annexed may be valuable by reason of their suitability for prospective urban purposes. Specifically, Killisnoo Island may be suitable for additional residential development. The island is immediately adjacent to the present City limits, and is most likely to receive City services in the future.
13. There are no other municipalities in or near the territory proposed for annexation.
14. The City maintains that its volunteer fire department is in the position to provide service to the Killisnoo Island area. The City also states that it now currently serves

and would respond with City fire equipment wherever feasible to all lands proposed for annexation.

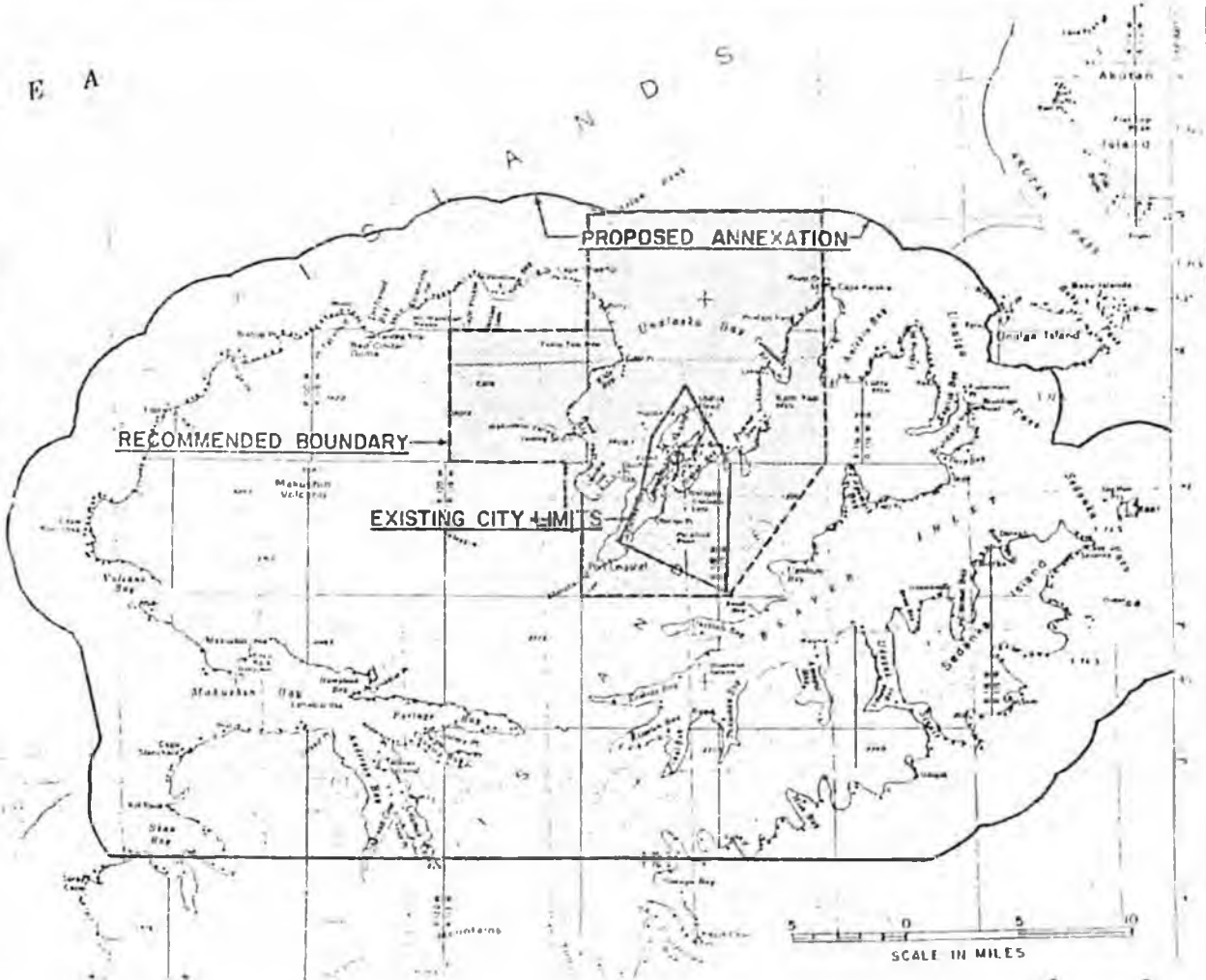
15. Fire service is provided by the Federal government for all Federal lands and for Kootznookoo corridor lands in Mitchell, Kanaku and Favorite Bays.
16. The City may be called upon to provide emergency services to Killisnoo Island, which is adjacent to the City and most likely to develop. The City may also be called upon to provide search and rescue and police protection to the Killisnoo Haroor area.
17. The potential for private or public development in the territory will determine the need by the City of Angoon to exercise municipal planning authority. The City has indicated in its petition that annexation of the territory will enable the City to plan for and control anticipated development. The petitioner lists anticipated development as a cold storage facility in Killisnoo Haroor, toilet facilities at the ferry terminal on Killisnoo Island, a road to Favorite Bay, a fish hatchery in Favorite Bay, non-site development on village corporation lands and the development of tourism and recreation in Hood Bay.
18. Local testimony at the Commission's public hearing on November 22, 1985 called for increased law enforcement service to Favorite and Hood Bays. Testimony was provided indicating that the City has the capability to provide such services to the areas.
19. Anticipated development pressures on Killisnoo Island may create a need for public services and facilities. Also, the proximity of this area to existing City services makes it most likely to develop in the near future. In addition, a road and hatchery may be developed in the Favorite Bay area.
20. Residents of Angoon testified at the November 22, 1985 hearing that they feel the protection of their subsistence resources, their livelihood and their way of life (which has been a major viable economy), and their cultural heritage are valid public purposes that would be protected through the annexation of this territory and subsequent land use controls that will lead to carefully planned and reasonably regulated development.
21. The Commission finds that the residential subdivision on Killisnoo Island and development of tourist interests, such as two lodges, may impact the cultural and subsistence resources of the entire Angoon community. The Commission concurs that a valid public purpose will be served by annexation of this area.

III. RECOMMENDATION FOR THE DETACHMENT OF TERRITORY FROM THE NORTH SLOPE BOROUGH

IN RE:)
THE DETACHMENT FROM THE NORTH)
SLOPE BOROUGH OF TERRITORY)
WITHIN AND ADJACENT TO THE)
NANA REGION)

Included in this Report and incorporated in this recommendation by reference is a copy of the Commission's formal Statement of Decision regarding the detachment of territory from the North Slope Borough, along with the Appendixes to that Statement of Decision which consist of a written summary of the Commission's evaluation of each of the 15 factors considered in this matter (labeled as "Appendix A") and a transcript of that portion of the Commission's decisional session when those factors were evaluated and the conclusions of the Commission were made (labeled as "Appendix B"). Because of the voluminous nature of this material it is included in the back of this Report as Section XIV, the Appendix.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the detachment of the territory from the North Slope Borough which is described in the November 22, 1985 Petition of the Commissioner of the Department of Community and Regional Affairs and which is shown on the attached map.



21. Only a portion of the territory proposed for annexation is reasonably likely either to demand or to receive city services, particularly emergency medical and fire services and police protection, in the near future. This area is known as Killisnoo Island and Killisnoo Harbor, the private landholdings in the Hood Bay area and the Favorite Bay area.

22. There is a reasonable likelihood that future growth and development will occur in the vicinity of Angoon. However, the Commission anticipates that this development will be limited to Killisnoo Island, Killisnoo Harbor, Hood Bay, and Favorite Bay.

CONCLUSIONS OF LAW

Applying the standards for annexation, only a portion of the area proposed for annexation can be justified for inclusion within the boundaries of the City of Angoon. This territory includes that area generally described as Killisnoo Island, Killisnoo Harbor, Favorite Bay, Hood Bay and the lands south and west of the existing municipal boundaries of the City of Angoon. The area encompasses approximately 30.14 square miles.

STATEMENT OF DECISION

Based upon the findings of fact and conclusions of law stated above, it is ORDERED:

Upon tacit approval of the second session of the Fourteenth Legislature under the provisions of Article 4, Section 12 of the State Constitution, the municipal boundaries of the City of Angoon shall be as follows:

Beginning at the NW corner Section 2, T51S, R67E, Copper River Meridian (C.R.M.); thence S to the SW corner of Section 11, T51S, R67E, C.R.M.; thence E to the SE corner of Section 7, T51S, R68E, C.R.M.; thence S to the SW corner of Section 20, T51S, R68E, C.R.M.; thence E to the SE corner of Section 20, T51S, R68E, C.R.M.; thence S to the SE corner of Section 23, T51S, R68E, C.R.M.; thence S to the SE corner of Section 26, T51S, R68E, C.R.M.; thence S to the SE corner of the NW 1/4 of Section 10, T52S, R68E, C.R.M.; thence E to the center of Hood Bay; thence meandering in an easterly direction along the center of Hood Bay to the center of North Arm of Hood Bay; thence meandering in a northeasterly direction along the center of North Arm of Hood Bay to a point at its intersection with the east boundary of Section 5, T52S, R69E, C.R.M.; thence N to the NE corner of Section 2, T52S, R69E, C.R.M.; thence N to the NW corner of Section 2, T52S, R68E, C.R.M.; thence N to the NE corner of Section 22, T51S, R68E, C.R.M.; thence E to the SE corner of Section 13, T51S, R68E, C.R.M.; thence N to the NE corner of Section 12, T51S, R67E, C.R.M.

R63E, C.R.M.; thence W to the NW corner of Section 10, T51S, R58E, C.R.M.; thence N to the NE corner of Section 4, T51S, R63E, C.R.M.; thence W to the NW corner of Section 4, T51S, R63E, C.R.M.; thence N to the NE corner of Section 32, T50S, R63E, C.R.M.; thence W to the NW corner of Section 32, T50S, R63E, C.R.M.; thence N to the NE corner of Section 19, T50S, R63E, C.R.M.; thence W to the NW corner of the NE 1/4 of the NE 1/4 of Section 23, T50S, R67E, C.R.M.; thence S to the NW corner of the NE 1/4 of the NE 1/4 of Section 2, T51S, R67E, C.R.M.; thence W to the NW corner of Section 2, T51S, R67E, C.R.M.; the point of beginning.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.

west to a point 3 nautical miles north of the intersection of the west boundary of T71S, R117W, S.H.; thence south 3 nautical miles to the point of beginning.

Containing 115.84 Sq. miles of land, more or less, and 93.56 sq. miles of water, more or less for a total combined area of 214.4 sq. miles, more or less.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.

the Makushin Valley. Although these areas may be restricted to receiving emergency services for the near future due to the cost of providing such other services as water, sewer, and roads.

CONCLUSIONS OF LAW

1. That the standards established in State Statutes and Administration Regulations are met by part, but not all, of the territory requested in the original petition.
2. The territory immediately adjacent to the present boundaries of the City, the wetland around Mateekin Bay, Tabletop Mountain, a portion of the Makushin Valley and areas in and around Captains Bay and Unalaska Bay meet the standards for annexation to a sufficient degree to warrant inclusion within the boundaries of the City. This territory comprises approximately 189 square miles.

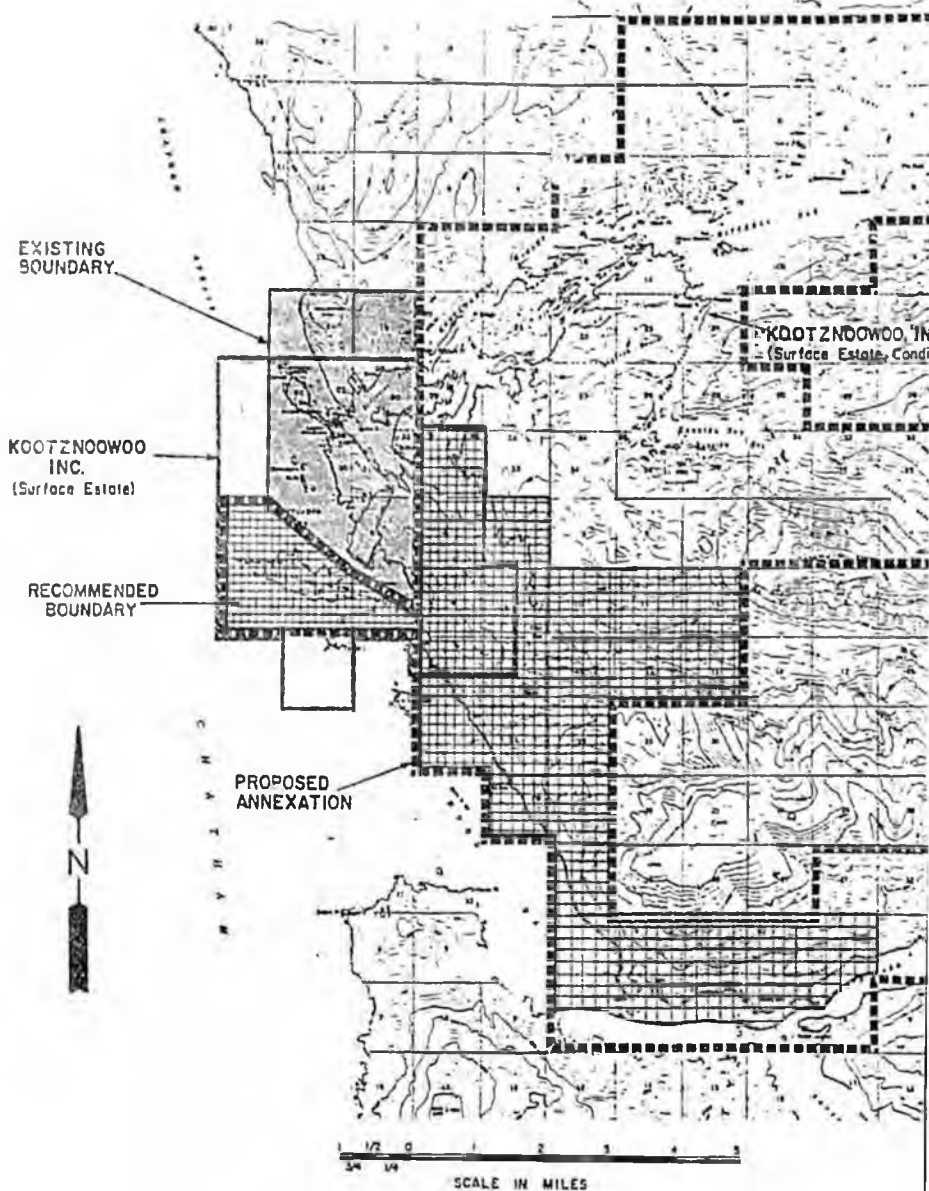
STATEMENT OF DECISION

Based upon the findings of fact and conclusions of law stated above, IT IS ORDERED:

The annexation of approximately 189 square miles of territory to the City of Unalaska, as described in the amended petition of the City of Unalaska, is hereby approved by the Local Boundary Commission. However, in recognition of the historical and current use of the territory proposed for annexation for subsistence hunting purposes, the Commission recommends or suggests that the City of Unalaska not extend the prohibition on the use of firearms to this area.

That upon tacit approval of the Second Session of the Fourteenth Legislature, in accordance with the provisions of Article X, Section 12 of the State Constitution, the municipal boundaries of the City of Unalaska shall be as follows:

Beginning at the intersection of the west boundary of T71S, R117W, Seward Meridian (S.M.) and the mean high tide line of the Bering Sea; thence south to the protracted NE corner of T72S, R118W, S.M.; thence west to the NW corner of T72S, R118W, S.M.; thence south to the SW corner of T72S, R118W, S.M.; thence east to the NW corner of Section 1, T73S, R119W, S.M.; thence south to the SW corner of Section 13, T73S, R119W, S.M.; thence east to the SE corner of Section 13, T73S, R119W, S.M.; thence south to the SW corner of T73S, R119W, S.M.; thence east to the SE corner of the W1/2 of Section 31, T73S, R117W, S.M.; thence in a northeasterly direction to the SE corner of the W1/2 of Section 35, T72S, R116W, S.M.; thence north to the intersection of the east border of the W1/2 of Section 23, T71S, R116W, S.M.; thence continuing north a distance of 3 nautical miles; thence



V. RECOMMENDATION FOR THE ANNEXATION OF THE BLM-KPU
ADDITIONS TO THE CITY OF KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 515.62 ACRES,)
DESCRIBED AS THE BLM-KPU ADDITIONS)

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of approximately 515.62 acres contiguous to the City and described as the BLM-KPU Additions. On November 24, 1985, the Local Boundary Commission held a public hearing in Ketchikan on the petition. The petition was submitted pursuant to Section 29.68.013(a) of the Alaska Statutes (i.e. the process which requires concurrence from the Legislature).

The majority of area proposed for annexation to the City of Ketchikan is owned by the United States Bureau of Land Management and the City of Ketchikan Public Utilities. Annexation will permit the City to provide needed urban services in an area where growth is anticipated and the City is the only logical entity to provide such services. The territory is readily accessible only via territory within the jurisdiction of the City of Ketchikan.

The territory is not urban in character. It is largely undeveloped open space, with the exception of a sanitary landfill and improvements related to the Ketchikan municipal water supply.

The territory will most probably be in need of municipal services as the community confronts growth caused by the development and operation of the U.S. Borax mine. The petitioner maintains that the City can provide services to the site more efficiently than any other municipality.

The petitioner asserts that there is a reasonable likelihood that the territory will become further developed in the foreseeable future. This assertion is based upon the City's contention that the area contains the surveyed right-of-way of a proposed bypass route linking the eastern and western portions of the City of Ketchikan; it contains lands identified for disposal and residential development and it has been identified as a probable location for future development related to operation of the U.S. Borax molybdenum mine. The petitioner maintains that it is prudent for the City to prepare for possible settlement and urban use of the territory.

The Ketchikan Gateway Borough has expressed no objection to the proposed annexation.

there exists no need or demand for municipal services, except for the possibility of extending planning authority.

12. The petitioner has made no claim that the welfare or safety of residents of Unalaska is endangered by any current or prospective condition in the territory proposed for annexation. However, at the Commission's hearing on January 4, 1986, residents did testify to the need for control of dumping of bilge water and garbage in the bays in proximity to the City. It is reasonable to conclude the City will need to impose some degree of control over this activity in those bays just outside its jurisdiction, such as Captains Bay and Unalaska Bay.

13. The petitioner claims that the potential for the development of geothermal energy resources exists twelve miles west of Unalaska at the base of Mt. Makushin. Available evidence indicates that this resource holds potential for development into a feasible utility that could meet a substantial portion of the community's power requirements. However, a formal feasibility study of the potential development has not yet been completed. Development of this resource would require the creation of a transmission corridor between the source and the community. It is likely that the City will play a role in the development of these energy resources, perhaps in the form of a utility enterprise. However, it would not be necessary for the area containing the geothermal resources to be annexed in order for the City to participate in such development of the resources.

Testimony received by the Commission at its January 4, 1986 hearing indicated that the geothermal project will not be operable for some time. Therefore, if the territory in the vicinity of the Makushin Volcano is not annexed at this time, the City of Unalaska retains the option of developing another petition to annex the Makushin Volcano area at a later date.

14. The petitioner has acknowledged that it does not routinely provide services, other than search and rescue and emergency medical response, on an extraterritorial basis. Considering that only four individuals reside within the vast territory proposed for annexation, it is not reasonable to conclude that these four individuals expect to receive City services. Further, it is questionable whether the City will be able to provide services to the four residents in the territory. Even though all cities generally have the function of providing an array of public services and facilities to the resident population of that City, there is a "threshold population" or minimum population size necessary to provide the demand that justifies that function. It is more likely that the City will provide services to areas just outside the present City limits such as Captains Bay, Broad Bay, Wide Bay, and

6. City services, other than those emergency services referenced previously, are not presently provided in the territory proposed for annexation, nor is there any indication that such services are either needed or desired by individuals residing within the territory. The Unalaska Corporation also expressed concern regarding the need for extension of planning and zoning authority over such a remote territory.
7. Evidence indicates that it is reasonable to expect the City may be called upon to provide emergency services such as fire, ambulance and police to both oil rigs and floating seafood processors moored in the bays and narrows located in the immediate vicinity of the City yet outside the present municipal boundaries.
8. Floating processors are transient but locate primarily in Unalaska Bay, Iliuliuk Bay, and Captains Bay. The Commission found persuasive the petitioner's argument that the City of Unalaska should be empowered to exercise control over these bays since the processors impact water quality, require City services and use City facilities. Offshore floating processors are likely to impact the community by bringing in a transient labor force which places demands on both emergency medical and local law enforcement services.
9. The present land status of the territory proposed to be annexed may inhibit it from being developed immediately. Again, much of the land is owned by the Native Corporation. The corporations have, for the most part, received interim conveyance to their land selections. The Unalaska Corporation has indicated that it has no immediate plans to open up land for development. Lands owned by the Unalaska Corporation that are in the immediate vicinity of the existing City, however, would more likely be developed before the more remote areas if the Corporation elects to develop its land. It is unlikely that these more remote areas will be requiring or demanding City services in the near future.
10. The Commission finds that annexing the land area adjacent to Beaver Inlet and Makushin Bay merely to control processors in these waters is not justified under the guise of "planning authority" alone. The Alaska Coastal Management Program (ACMP) provides the City with an alternative means for planning and regulating land use within the territory proposed for annexation. Under the ACMP, districts are authorized to develop a coastal management program for their area of jurisdiction. Districts include first-class cities such as the City of Unalaska and also Coastal Resource Service Areas.
11. The Commission finds it is inappropriate for a municipal government to annex vast amounts of territory in which

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs and oral testimony provided at the November 24, 1985 hearing. After due consideration, the Commission finds that the area proposed for annexation conforms to several of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

1. The territory will be in need of municipal services if a planned local land disposal and consequent residential development occurs. The City of Ketchikan can provide necessary services to the site more efficiently than any other municipality.
2. The health, welfare or safety of City residents could potentially be endangered if the watershed located within the area proposed for annexation were substantially disturbed. The referenced territory is in close proximity to residential areas, and this access poses increased potential for fire hazards in the watershed and for vandalism to water service facilities. It is prudent for the City of Ketchikan extend police and fire protection services to the territory.
3. There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to prudently plan for and control that development pursuant to [19 A.C. 10.070(5)].

CONCLUSIONS OF LAW

The annexation of territory known as the BLM-KPU Addition to the City of Ketchikan, as described in the petition of the City of Ketchikan, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of Ketchikan.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature in accordance with the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

A parcel of land located in the Ketchikan Recording District (K.R.D.), First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at the northernmost corner of Lot 2, Block 4, U.S.M.S. 769, a brass cap monument as shown on plat 73-3, K.R.D.; thence northwesterly along the northern boundary of the Utica Lode Claim to the NW corner of said claim as shown on the plat of the claim of James A. Davis, Mineral Survey 769, recorded May 7, 1904, Juneau Land District; thence southwesterly to the NE corner of the Columbia Lode Claim; thence northwesterly to the NW corner of the Columbia Lode Claim, this point being in common with the western boundary of U.S.M.S. 769; thence northeasterly along said boundary to the NW corner of U.S.M.S. 769, this point being in common with the NW corner of the Cosmos Lode Claim; thence southeasterly along the north boundary of U.S.M.S. 769 to its point of intersection with the western boundary of the E 1/2 of the NW 1/4 of protracted section 19, T75S, R91E, Copper River Meridian (CRM); thence north to the NW corner of the E 1/2 of the NW 1/4 of protracted section 19, T75S, R91E, C.R.M.; thence east to the NE corner of the W 1/2 of the NE 1/4 of protracted section 19, T75S, R91E, C.P.M.; thence south to the northern boundary line of U.S.M.S. 769; thence southeasterly along said boundary line to its intersection with the north boundary of the NE 1/4 of the SE 1/4 of protracted section 19, T75S, R91E, C.R.M.; thence east to the NE corner of the SW 1/4 of protracted section 20 T75S, R91E, C.R.M.; thence south to the northern boundary of U.S.M.S. 769; thence southeasterly along said boundary to the NE corner of U.S.M.S. 769, this corner being in common with the NE corner of the Sterling Lode Claim; thence southwesterly along the eastern boundary of U.S.M.S. 769 to its point of intersection with the east boundary of U.S.S. 2635; thence north to corner 5 of U.S.S. 2635 as shown on plat 77-43, K.R.D.; thence west to corner 4 of U.S.S. 2635; thence north to corner 3 of U.S.S. 2635; thence west to corner 2 of U.S.S. 2635; thence north to corner 1 of U.S.S. 2635; thence northeasterly to corner 4 of U.S.S. 2435 according to the official government plat thereof; thence north along the centerline of the Ketchikan Creek to corner 3 of U.S.S. 2435; thence southwesterly to corner 2 of U.S.S. 2435; thence southwesterly to the NE corner of Washington Lode Claim; thence northeasterly along the northern boundary of the Washington, Tuscarora, and Utica Claims to the point of beginning.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.

not in need of municipal services and that the present municipal boundaries of the City of Unalaska contain areas which are suitable for development but not yet developed.

FINDINGS OF FACT

1. Most of the territory proposed for annexation is not platted or held for sale for residential or commercial purposes. The territory proposed for annexation is vast and remote and is largely undeveloped.
2. The population density of the territory proposed for annexation does not approximate that of the territory within the present boundaries of the City of Unalaska. The City's petition indicates that four individuals reside within the 1,294 square miles proposed for annexation. The population density of the territory proposed for annexation is 0.0031 people per square mile. By comparison, 1,922 individuals reside within the present boundaries of the City of Unalaska (which encompass approximately 25.4 square miles). The population density within the City is 75.7 persons per square mile.
3. The population of the territory proposed for annexation does not stem primarily from actual growth of the City beyond its legal boundaries. This is due, in part, to the difficulty in developing the lands outside the major river valleys and relatively accessible bay areas. In addition, a significant portion of the territory proposed for annexation is held by the village Native corporation and is not platted and available for purchase.
4. Portions of the territory proposed for annexation may be valuable by reason of their suitability for prospective urban purposes. Specifically, the land areas around Broad Bay, Wide Bay, Mateekin Bay, the Makushin Valley, and Summers Bay may be suitable for additional rural/low density residential development. In addition, Captains Bay presently harbors processors and oil rigs. It is likely that this activity will continue and even increase in the future.
5. The petitioner has acknowledged that the City of Unalaska does not routinely provide services outside its corporate limits. However, in 1984 the City emergency medical services staff responded to 56 marine calls. According to the City of Unalaska, the majority of these calls were to vessels moored in nearby bays that are outside the City limits. The City normally responds to marine calls by transporting rescue and emergency medical equipment to the harbor tug so City personnel can undertake rescue and emergency fire operations. Much of the demand on the City ambulance and fire services is from offshore seafood processors frequently anchored in Captains Bay and parts of Unalaska Bay.

XI. RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE CITY OF UNALASKA

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
UNALASKA, ALASKA OF)
APPROXIMATELY 1,294 SQUARE MILES,)
CONSISTING OF A PORTION OF)
UNALASKA ISLAND, AMAKNAK ISLAND,)
EGG ISLAND, HOG ISLAND,)
SEDANKA ISLAND AND THE TERRITORY)
THREE NAUTICAL MILES SEAWARD OF)
THESE ISLANDS)

SUMMARY OF PROPOSED ACTION

On August 21, 1985, the City of Unalaska petitioned for the annexation of approximately 1,294 square miles of territory contiguous to the City and described as Unalaska Island north of Township 76 and the islands of Sedanka, Hog, Egg and Amaknak, including the territory three nautical miles seaward from these islands. On January 4, 1986, the Local Boundary Commission conducted a public hearing in Unalaska on the petition. The petition was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the Legislature).

The majority of the area proposed for annexation (approximately 60 per cent) is land, the remainder is water. The petitioner asserts that annexation will permit the City to provide needed urban services in an area where growth is anticipated and the City is the only logical entity to provide such services.

The territory is not urban in character. It is largely undeveloped and uninhabited open space and water, with a only four residents, according to the petitioner.

The petitioner asserts that there is a reasonable likelihood that portions of the territory will become further developed in the foreseeable future. This assertion is based upon the City's belief that there is a demand for vacant, developable land to meet the needs of the oil and bottomfish industries. The petitioner also referenced the interest of private sector developers in the commercial geothermal potential of the Makushin Volcano area, which is located in the area proposed for annexation.

During the course of its proceedings, the Commission considered testimony, both written and oral, including that provided by the Unalaska Corporation. The Unalaska Corporation, which is a primary land holder in the area proposed for annexation, contended that much of the territory proposed for annexation is



VI. RECOMMENDATION FOR THE ANNEXATION OF THE
GISSE-FURUSETH-SPEAR ADDITIONS TO THE CITY OF
KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 58.609 ACRES)
CONSISTING OF THREE SEPARATE)
PARCELS, COLLECTIVELY DESCRIBED)
AS THE GISSE-FURUSETH-SPEAR)
ADDITIONS)

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of three separate areas totalling approximately 58.609 acres of land contiguous to the City. The referenced petition was submitted pursuant to Section 39.48.01(a) of the Alaska Statutes (i.e. the process which requires Legislative concurrence).

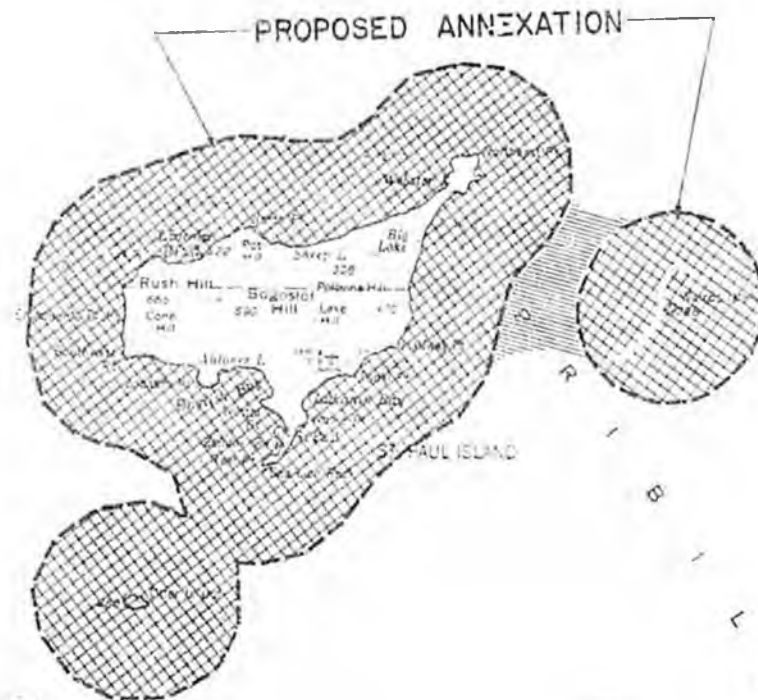
The territory proposed for annexation consists of the three parcels identified and described as follows and collectively described as the Gisse-Furusetn-Spear Additions:

1. the Furusetn Addition is in the northwest portion of the City adjacent to the University Addition and consists of 2.879 acres;
2. the Spear Addition, in the southeast part of the City, is virtually surrounded by property already within the boundaries of the City and consists of 0.47 acres; and
3. the Gisse-Furusetn Addition, an approved subdivision plat located near the Spear Addition, consists of 55.26 acres.

The Furusetn Addition is undeveloped and unpopulated. The Spear Addition is essentially one lot with a single-family dwelling, and it is almost entirely surrounded by territory within the City limits. The Gisse-Furusetn Addition is a 54 lot undeveloped subdivision, platted in the 1970's. The Gisse-Furusetn Addition is accessible by the Ketchikan Lakes Road, which also provides access to the sanitary landfill.

The petitioner states that its motive for proposing the annexation is to prepare for anticipated community growth and to resolve questions over service delivery.

The Gisse-Furusetn Addition is accessible, platted land which will be suitable for development as the demand for housing increases in the Ketchikan vicinity. The Furusetn Addition is undeveloped land which would be wholly surrounded by the City,



B E R I N G

become even more important with the expansion of outside fishing vessels using the St. Paul harbor as a base of operations.

10. The City will likely require additional revenue to provide basic services in the maritime territory proposed for annexation. If this territory is annexed, the City can collect a share of the raw fish tax revenues currently collected by the State for operations within the territory proposed for annexation.

CONCLUSIONS OF LAW

The annexation of territory described as the three mile nautical perimeter surrounding St. Paul Island, Walrus Island and Otter Island including Walrus Island and Otter Island to the City of St. Paul, as proposed in the petition of the City of St. Paul, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of St. Paul.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature under the provisions of Article X Section 12 of the State Constitution, the jurisdictional boundaries of the City of St. Paul shall be as follows:

All of the territory contained within a three nautical (geographical) mile perimeter and lying above the mean low water line surrounding St. Paul Island, Sea Lion Rock, Walrus Island and Otter Island of the Pribilof Group at Latitude 57° 10' N and Longitude 170° 15' W.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.

if property owned by the University of Alaska is annexed by the City. The annexation of the University of Alaska's property has been requested by University officials, and a petition for annexation of the property has been approved by the Commission for submission to the Second Session of the Fourteenth Legislature. The Furusetn Addition is adjacent to City streets and residential development. Like the Gisse-Furusetn Addition, the Furusetn Addition will be suitable for development as the demand for housing increases in the Ketchikan vicinity. The Furusetn Addition is an undeveloped, unpopulated parcel surrounded on three sides by the proposed University Addition annexation, and on the fourth side by the territory within the boundaries of the City of Ketchikan. It is conveniently accessible only from territory within the municipal boundaries of the City of Ketchikan.

The Spear Addition consists of a 1/2 acre lot containing a single-family dwelling. The Spear Addition is, for all practical purposes, totally surrounded by territory already within the City. The Spear family receives City water and sewer service, access to its property over City streets, and benefits from City fire and police protection due to the proximity of its property to the existing boundaries of the City of Ketchikan.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs, the opposing brief from Edward King on behalf of the Furusetn Estate, and oral testimony provided at the November 24, 1985 hearing. After due consideration, the Commission finds that all three areas proposed for annexation conform to several of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

1. Two of the three areas are urban in character pursuant to [19 AAC 10.070(a)(3)]. The Gisse-Furusetn Addition is judged to be urban in character principally because of its status as an approved subdivision plat and its potential for residential development. The Spear addition is urban in character because it is presently used for urban residential purposes.
2. All three areas are in need of municipal services which the City can provide more efficiently than another municipality [19 AAC 10.070(a)(4)]. These services include municipal sewer and water utilities, fire protection and police protection. Of the three areas, only the Spear Addition requires all of these services; the Gisse-Furusetn Addition requires only fire and police protection at this time.

3. The Furusetn Addition will be attractive for residential development as the demand for housing increases in the Ketchikan vicinity. There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to plan for and control that development [19 AAC 10.070(a)(5)].
4. Residents or property owners within the territory receive or may be reasonably expected to receive, directly or indirectly, the benefit of city government without commensurate property tax contributions [19 AAC 10.070(a)(8)]. This is particularly evident with respect to the Spear addition, the residents of which receive an entire range of basic city services without a concomitant tax contribution.
5. Further, the Commission considered the request by a representative of the Furusetn estate to reject the petition or to omit parcels owned in whole and in part by the Furusetn Estate. The Commission determined that this request should not be granted since the property in question met the above-referenced standards for annexation.

CONCLUSIONS OF LAW

The annexation of territory known as the Gisse-Furusetn-Spear Addition to the City of Ketchikan, as described in the petition of the City of Ketchikan, sufficiently meets standards for the annexation of territory to warrant inclusion within the boundaries of the City of Ketchikan.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature in accordance with the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

Gisse-Furusetn Addition

That portion of U.S. Survey 2635, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at corner 7 of U.S. Survey 2635 as shown on recorded plat 477-43, said corner being a B.L.M. monument, and being in common with the eastern most corner of U.S. Survey 1381, this point being the point of beginning:

thence N-59°41'00"-W a distance of 275.88 feet;
thence N-31°01'00"-E a distance of 438.88 feet;

4. With respect to the capabilities of other municipalities to provide these needed services, the Commission noted that the only other municipality in the area is the City of St. George, which is located approximately 40 miles southeast of St. Paul. This situation is particularly relevant with respect to 19 AAC 10.070(a)(4).
5. Potential development in the territory proposed for annexation warrants the provision of municipal planning authority in the territory. Sufficient evidence exists that there will likely be continued development of both the fisheries industry and offshore oil industry within and adjacent to the area proposed for annexation. Currently, the bottom fishing industry is rapidly expanding in the Pribilof area.
6. In addition to the development of the onshore fish processing industry, there also exists the potential for increased offshore processing. It is reasonable to conclude that the City will both desire and require control over waters contiguous to the existing municipal boundaries since processors impact water quality and utilize certain City services and facilities. Offshore floating processors will likely impact the community by bringing in large numbers of transient workers who, in turn, place a demand on both emergency medical and local law enforcement services.
7. The City of St. Paul is currently a Coastal District established under the Alaska Coastal Management Program (ACMP). Under the ACMP, districts are authorized to develop a coastal management program for their area of jurisdiction. In the case of St. Paul, expansion of its municipal boundaries seaward three nautical (geographical) miles will extend the City's planning jurisdiction over that territory. Presently, the City only has jurisdiction for coastal management to the shoreline.
8. A portion of the territory proposed for annexation is now part of the Alaska Maritime National Wildlife Refuge and is protected by the Federal government. However, an extension of the City's municipal boundaries to include this area would allow the City to provide coastal management planning to regulate impacts upon the coastal resources contiguous to the Refuge. The Refuge is identified by the Alaska Department of Fish and Game as part of the same coastal biophysical area as St. Paul Island proper.
9. As previously stated, the residents of St. Paul use the waters surrounding the Island for day fisheries operations and subsistence activities. Because there are no U.S. Coast Guard rescue facilities on or near St. Paul Island, the City provides marine rescue services. If the City is to legally provide such services, the marine territory must be within its municipal boundaries. The service will

of the proposed annexation. After reviewing the testimony, briefs and other material, the Commission conducted a decisional session on the proposed annexation in Anchorage on December 9, 1985.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition and supporting briefs of the City of St. Paul, the Report and Recommendation of the Department of Community and Regional Affairs, the opposing briefs from the Aleut Community of St. Paul and the Tanadusix Corporation, oral testimony provided at the November 24, 1985 hearing and information provided by Community and Regional Affairs staff after conducting an informational meeting in St. Paul on December 2, 1985. After due consideration, the Commission finds that all three areas proposed for annexation conform to several of the regulatory standards governing annexation. Following its deliberations on this matter, the Local Boundary Commission made the following findings of fact:

1. The City of St. Paul is now working toward diversifying the community's economy by reducing its dependence upon the seal harvesting industry and broadening the economic base of the community. To accomplish this, the City is developing a port facility to promote local development of the bottom fishing industry. St. Paul residents are investing in small boats and fishing off the coast of St. Paul Island. In addition, numerous other fishing boats and floating processors are operating immediately off the coast of St. Paul Island in the area proposed for annexation.
2. The City of St. Paul provides search and rescue operations and related services to the waters contiguous to its current municipal boundaries. However, the City does not have the authority to provide such services extraterritorially. If this territory is annexed, it will allow the City to continue such activity without the present liabilities associated with the lack of municipal jurisdiction. Testimony provided by the petitioner indicated that the City of St. Paul is involved in an average of at least two search and rescue missions per month. Thus the health, welfare or safety of City residents is endangered in the absence of such municipal jurisdiction.
3. The City of St. Paul also provides potable water to the floating processors and fishing boats operating offshore of the Island. As the fishing industry grows in the region, the City of St. Paul will be an increasingly important municipal service. To accommodate anticipated impacts, the City is currently preparing to develop alternative potable water sources.

thence N-64°52'00"-E a distance of 60.26 feet;
 thence N-85°16'00"-E a distance of 31.61 feet;
 thence N-70°22'00"-E a distance of 34.19 feet;
 thence N-83°56'00"-E a distance of 78.15 feet;
 thence S-38°42'00"-E a distance of 74.86 feet;
 thence S-59°18'00"-E a distance of 57.46 feet;
 thence S-73°59'00"-E a distance of 129.34 feet;
 thence N-29°21'17"-W a distance of 309.00 feet;
 thence N-47°23'23"-W a distance of 355.00 feet;
 thence N-6°40'44"-E a distance of 352.94 feet;
 thence North a distance of 37.00 feet;
 thence N-66°29'31"-W a distance of 239.64 feet;
 thence West a distance of 126.00 feet;
 thence N-39°10'00"-W a distance of 115.01 feet;
 thence North a distance of 178.24 feet;
 thence East a distance of 1311.97 feet;
 thence South a distance of 147.18 feet;
 thence East a distance of 460.35 feet;
 thence South a distance of 1623.60 feet;
 thence West a distance of 1483.68 feet to the point of beginning.

The hereinabove described parcel of land contains 55.26 acres, more or less.

Spear Addition

That parcel of land known as Tract A, U.S. Survey 2635, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at corner 1 of U.S.S. 2635 according to the official government plat thereof;

thence S-21°47'-W a distance of 34.65 feet;
 thence East a distance of 116.94 feet;
 thence S-23°00'00" -W a distance of 140.89 feet;
 thence N-59°34' -W a distance of 255.40 feet;
 thence N-79°-15'-E a distance of 174.24 feet to the point of beginning.

The hereinabove described parcel of land contains 0.47 acres, more or less.

Furusetn Addition

The parcel of land known as Tract E, U.S. Survey 1229, as shown on recorded plat #34-6, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at the southeastern most corner of Tract E, said corner being in common with the northeastern most corner of Lot 12A, Block 6, U.S. Survey 1229, this being the point of beginning;

thence N-89°48' -W a distance of 299.83 feet;
 thence North a distance of 15 feet;
 thence N-89°48' -W a distance of 175.27 feet;
 thence along a curve concave to the South, (Radius=430
 feet) an arc distance of 23.24 feet;
 thence along a curve concave to the North (Radius=30
 feet) an arc distance of 77.38 feet;
 thence N-89°48' -W a distance of 100.42 feet;
 thence North a distance of 200.00 feet;
 thence S-89°48' -E a distance of 650.00 feet;
 thence South a distance of 200.00 feet to the point of
 beginning.

The hereinabove described parcel of land contains 2,879 acres,
 more or less.

The Local Boundary Commission hereby respectfully submits its
 recommendation to the Second Session of the Fourteenth
 Legislature for the annexation of the territory included in the
 above description and shown on the attached map.

X. RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE
 CITY OF ST. PAUL

(IN THE MATTER OF THE PETITION)
 FOR ANNEXATION BY THE CITY OF)
 ST. PAUL, ALASKA OF APPROXIMATELY)
 194 SQUARE MILES CONSISTING OF)
 OTTER ISLAND, WALRUS ISLAND AND)
 THE TERRITORY THREE NAUTICAL)
 MILES SEAWARD FROM THESE ISLANDS)

SUMMARY OF PROPOSED ACTION

On July 11, 1985, the City of St. Paul petitioned the State of
 Alaska for the annexation of Otter Island, Walrus Island and
 the territory three nautical (geographical) miles seaward from
 these islands. The total area of the territory proposed for
 annexation is approximately 194 square miles, consisting of 193
 square miles of water and 1 square mile of land. The
 annexation was submitted pursuant to Section 29.68.010(a) of
 the Alaska Statutes (i.e. the process which requires
 concurrence from the State Legislature).

On November 7, 1985, the Commission held a public hearing on
 the petition in St. Paul. Chairman Robert Eder and
 Commissioners Greist, Hanson and Bettisworth participated in
 the hearing. Testimony was offered by eleven individuals.

The petitioner indicated that the proposed annexation is based
 upon the following assertions:

That a need exists to enhance the City's tax base by expanding
 its municipal boundaries seaward so that raw fish tax revenue
 paid to the State by floating fish processors operating
 immediately offshore of St. Paul Island may be shared with the
 City. That a need exists to control the impact upon the
 Community of development by the fishing and oil exploration
 enterprises on Walrus and Otter Islands and to control land use
 and development through planning in a larger area.

During the hearing, the Commission received testimony that the
 Aleut Community of St. Paul Island (IRA) and the Tanadusix
 Corporation, the major land holder in the area, oppose the
 proposed annexation.

The Commission considered briefs opposing the proposed
 annexation prepared on behalf of the Aleut Community of St.
 Paul Island and a response to the opposition brief filed by the
 City of St. Paul. In arriving at its decision, the Commission
 also considered the Report and Recommendation of the Department
 of Community and Regional Affairs on the proposed annexation,
 and an opinion of the Department of Law regarding the
 determination of the contiguity of Walrus Island in the context

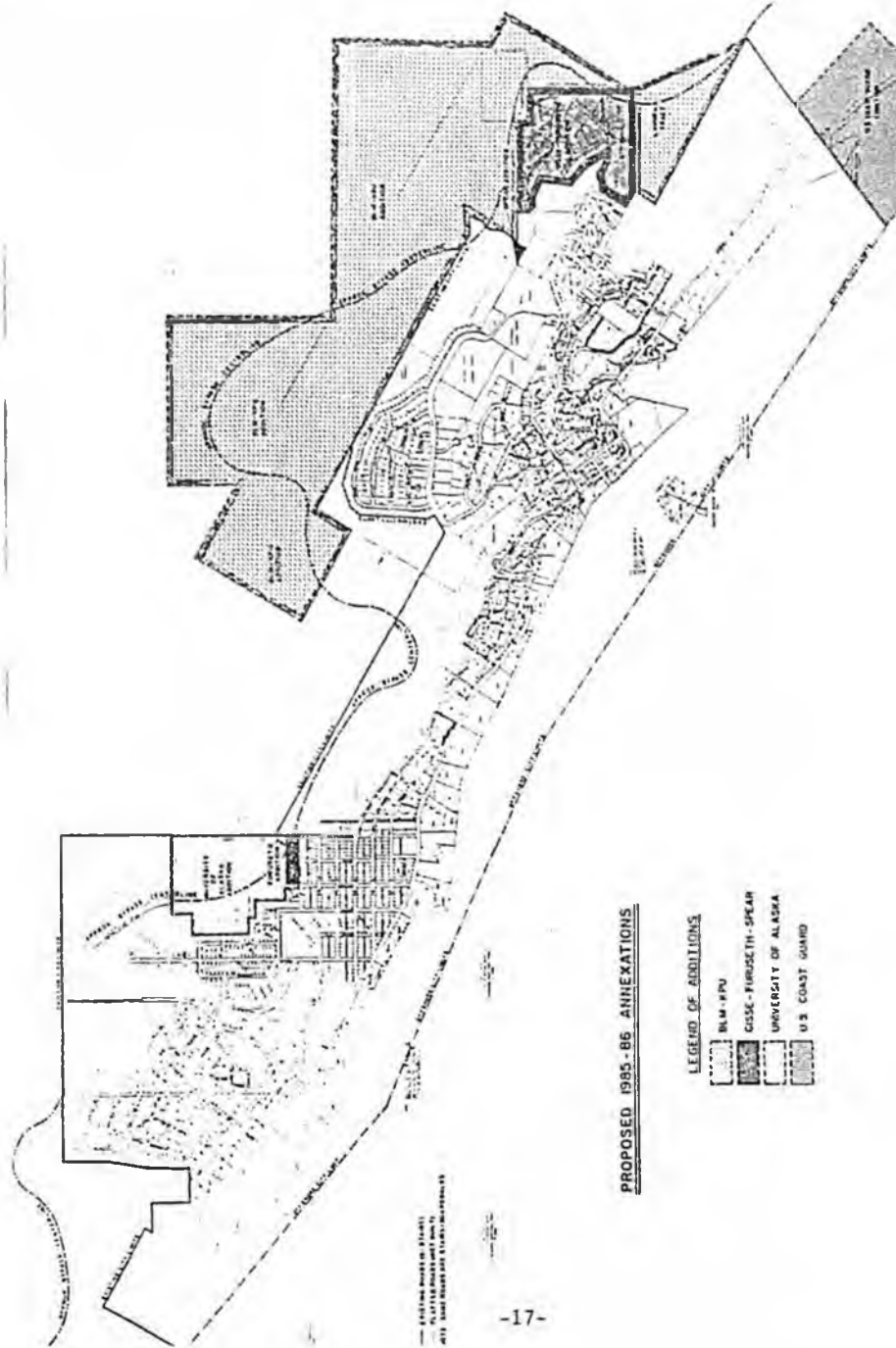
*Property Annexation
to City of North Pole*



R DEN
DESIGN ASSOCIATES

Existing Area 231 sq. miles
 Added Area 111.27 sq. miles
 Total Area 342.27 sq. miles

— Existing City Boundary
 - - - Proposed City Boundary



PROPOSED 1985-86 ANNEXATIONS

- LEGEND OF ADDITIONS
- BLM-FPU
 - GISE - FURUSETH-SPEAR
 - UNIVERSITY OF ALASKA
 - U.S. COAST GUARD

VII. RECOMMENDATION FOR THE ANNEXATION OF THE UNIVERSITY OF ALASKA ADDITION TO THE CITY OF KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 48.30 ACRES,)
UNIVERSITY OF ALASKA ADDITION)

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of approximately 48.30 acres contiguous to the City. On November 24, 1985, the Local Boundary Commission held a public hearing in Ketchikan on the petition. The petition was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the Legislature).

The area proposed for annexation to the City of Ketchikan is owned by the University of Alaska. A representative of the University, Ketchikan Community College Campus President John Menzie, offered testimony in support of the proposed annexation. The University also submitted a letter supporting the proposed annexation. The petitioner has asserted that submission of the petition was predicated on assumptions that the parcel is likely to undergo development and that the City of Ketchikan is the most logical municipality to provide needed services to the site. Anticipated development is associated with the proposed expansion of the Ketchikan Community College campus and the addition of dormitory housing and additional classroom space. The territory also contains a portion of the Ketchikan by-pass route right-of-way, a proposed arterial linking the east and west portions of the City of Ketchikan.

The City is not now providing services to the property, but is the logical entity to provide services as a need develops. The City maintains a policy of providing services only within municipal boundaries. The Ketchikan Gateway Borough provides no special services to this area, except those which are provided areawide to all residents of the Borough: planning and zoning; taxation; education; and animal control.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs and oral testimony provided at the November 24, 1985 public hearing in Ketchikan. After due consideration, the Commission finds that the area proposed for annexation conforms to certain of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

Further, the Commission considered the request by the ISC to omit the five acre parcel owned by ISC in Area #2. The Commission determined that this request should not be granted since the five acres met the same standards as the remainder of Area #2 and that the parcel would be surrounded on three sides by territory within the jurisdiction of the City of North Pole if the petition were amended to exclude the referenced parcel. The referenced parcel would also be geographically separated from territory outside municipal jurisdiction by the Thirtymile Slough.

Further, the Commission finds that the City of North Pole is capable of extending and is willing to extend full municipal services as defined by 19 AAC 10.840(9). As such, annexation pursuant to Section 29.68.010(a) of the Alaska Statutes is deemed the most appropriate procedure for this boundary change.

On the basis of the above findings, the Commission approved without modification the petition for annexation of approximately 1.14 square miles by the City of North Pole.

The Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory described in the City of North Pole's petition of June 10, 1985, and shown on the attached map.

effectiveness of response to any such future emergencies (provision of fire protection services on an extraterritorial basis is not authorized by the Alaska statutes).

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of North Pole, the Report and Recommendation of the Department of Community and Regional Affairs, the opposing brief from IEC, the response brief from the City of North Pole, the petition bearing signatures of more than 1,300 individuals opposed to the annexation of IEC's businesses and oral testimony provided at the October 26, 1985 hearing. After due consideration, the Commission finds that all three areas proposed for annexation conform to several of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

- Each of the three areas is urban in character [19 AAC 10.070(a)(3)]. Area #1 is judged to be urban in character principally because of its potential for development. Area #2 is urban in character because of its existing development north of the Morning Star Subdivision and potential for development of the Morning Star Subdivision. Area #3 is urban in character because of its extensive industrial development.
- All three areas are in need of municipal services which the City can provide more efficiently than another municipality [19 AAC 10.070(a)(4)]. These services include municipal sewer and water utilities, fire protection, police protection and road maintenance.
- There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to plan for and control that development [19 AAC 10.070(a)(5)].
- The health, welfare or safety of residents will likely be endangered by the lack of sewer and water utilities since the areas have a high water table [19 AAC 10.070(6)]. Further, the fuel handling facility in Area #2 poses a potential public danger.
- Residents or property owners within the territory receive or may be reasonably expected to receive, directly or indirectly, the benefit of city government without commensurate property tax contributions [19 AAC 10.070(8)]. This is particularly evident in the extension of fire protection services.
- Construction of an underpass of the Richardson Highway is currently underway which will more closely link Area #2 and the areas within the existing boundaries of the City of North Pole.

1. Anticipated development in the area will generate the need for municipal services which the City can provide more efficiently than another municipality, pursuant to [19 AAC 10.070(a)(4)]. These services would include municipal sewer and water utilities and fire protection.
2. There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to plan for and control that development pursuant to [19 AAC 10.070(a)(5)].
3. The University of Alaska has identified the site for future dormitory housing, and formally supports the proposed annexation. The Addition also abuts residential housing areas on two sides, and there are City streets and roads which lead to the site.

CONCLUSIONS OF LAW

The petition for annexation of territory known as the University of Alaska Addition to the City of Ketchikan, as described in the petition of the City of Ketchikan, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of Ketchikan.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature in accordance with the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

That portion of U.S. Survey 1229, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at Corner No. 2, the northeast corner of said U.S. Survey 1229, thence South 1591.27 feet to the true point of beginning:

thence West a distance of 1117.31 feet;
thence South a distance of 300.00 feet;
thence West a distance of 297.70 feet;
thence South a distance of 856.12 feet;
thence S-89°43'-E a distance of 236.46 feet;
thence S-0°12'-W a distance of 100.00 feet;
thence S-89°43'-E a distance of 245.00 feet;
thence S-0°12'-W a distance of 440.00 feet;
thence S-89°43'-E a distance of 161.92 feet;
thence South a distance of 200.00 feet;
thence S-89°43'-E a distance of 36.21 feet;

thence North a distance of 100.01 feet;
 thence S-39°48'-E a distance of 650.00 feet;
 thence South a distance of 200.00 feet;
 thence S-02°48'-E a distance of 37.31 feet;
 thence North a distance of 1901.07 feet to the true
 point of beginning.

The hereinabove described parcel of land contains 48.30 acres,
 more or less.

The Local Boundary Commission hereby respectfully submits its
 recommendation to the Second Session of the Fourteenth
 Legislature for the annexation of the territory included in the
 above description and shown on the attached map.

IX. RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE
 CITY OF NORTH POLE

SUMMARY OF THE PROPOSED ANNEXATION

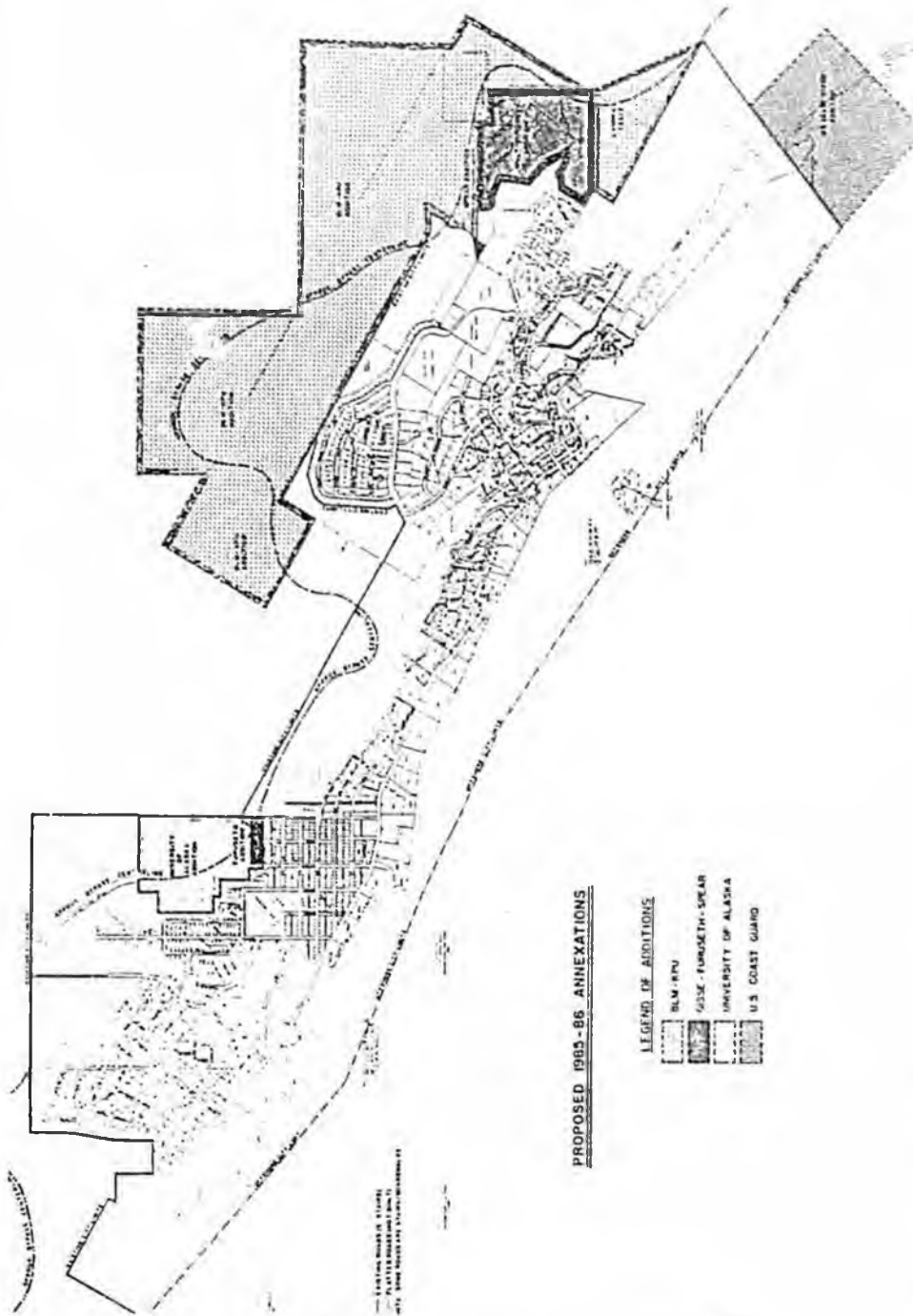
On June 10, 1985, the City of North Pole petitioned for the
 annexation of three separate areas totalling approximately
 729.6 acres (1.14 square miles) of land contiguous to the
 City. The annexation proposal was made pursuant to Section
 Article X Section 12 of the State Constitution (i.e. the
 process which requires concurrence from the State Legislature).

The first of these three separate areas, referred to as
 Area #1, is northwest of the existing municipal boundaries and
 is comprised of approximately 605 acres (0.95 square miles).
 This territory consists primarily of undeveloped parcels of
 land ranging in size from 5 to 110 acres. Testimony provided
 to the Commission at its hearing conducted on this matter in
 North Pole on October 26, 1985, indicated that a majority of
 the land owners in Area #1 support the proposed annexation.

The area referred to as Area #2 is east of the existing
 municipal boundaries and is comprised of approximately 73 acres
 (0.11 square miles). Area #2 contains the Morning Star
 Subdivision and several parcels with small businesses north of
 the subdivision. The owner of the subdivision supports the
 proposed annexation. However, the Interior Energy Corporation
 (IEC), which owns a number of businesses in this area, opposed
 the proposed annexation. IEC's property holdings in Area #2
 include a shopping mall, truck stop and fuel sales facility.
 In addition to submitting a brief opposing the proposed
 annexation, IEC representatives offered considerable oral
 testimony at the October 26 hearing on the petition by the
 Local Boundary Commission. The IEC opposition brief requested
 that the Commission deny the petition, "or alternatively, (deny
 the petition) insofar as it applies to the portion of proposed
 Area #2 north of the Morning Star Subdivision."

During the course of its deliberations, the Commission duly
 considered the brief and oral testimony relating to the
 annexation of that portion of Area #2 owned by IEC.

The area referred to as Area #3 is south of the existing
 municipal boundaries and contains approximately 51 acres
 (0.08 square miles). Area #3 contains the recently constructed
 Petro Star refinery, the owners of which have expressed support
 for the proposed annexation, both in writing to the City of
 North Pole and in oral testimony before the Commission. At the
 public hearing on the petition conducted by the Commission on
 October 26, 1985, a representative of the Petro Star refinery
 testified concerning a recent fire at the facility and the need
 for municipal fire protection at the facility to maximize



PROPOSED 1985-86 ANNEXATIONS

LEGEND OF ADDITIONS

- BLM-FPU
- USFS-FURUSETH-SPEAR
- UNIVERSITY OF ALASKA
- U.S. COAST GUARD



PROPOSED 1985-86 ANNEXATIONS

LEGEND OF ADDITIONS

- BLM-FPU
- USFS-FURUSETH-SPEAR
- UNIVERSITY OF ALASKA
- U.S. COAST GUARD

VIII. RECOMMENDATION FOR THE ANNEXATION OF THE U.S. COAST
GUARD ADDITION TO THE CITY OF KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 121.31 ACRES)
DESCRIBED AS THE U.S. COAST GUARD)
ADDITION)

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of approximately 121.31 acres contiguous to the City. The petition was submitted pursuant to Section 29.6B.010(a) of the Alaska Statutes (i.e. the process which requires Legislative concurrence).

51.24 acres of the 121.31 acres proposed for annexation to the City of Ketchikan are currently within the confines of the U.S. Coast Guard Base in Ketchikan. The remaining acreage consists of coastal waters contiguous to existing offshore City of Ketchikan municipal boundaries. The existing City boundaries already encompass 9.23 acres of the Coast Guard Base's total 60.47 acres. The Base contains a variety of facilities including the Base Commander's residence, dormitory housing for the 32 enlisted personnel, buoy storage, munitions storage, rifle range, equipment storage and vacant land. The annexation would result in the addition of 32 residents to the City of Ketchikan. The existing municipal boundaries pass through the middle of a warehouse on the Base.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs and oral testimony provided at the November 24, 1985 hearing. After due consideration, the Commission finds that the area proposed for annexation conforms to two of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

1. The area is urban in character pursuant to [19 AAC 10.070(a)(3)]. The Coast Guard Addition is judged to be urban in character principally because of the status of the most of the area as an operating Coast Guard facility and the residence of 32 Coast Guard personnel.
2. The area is in need of municipal services which the City can provide more efficiently than another municipality [19 AAC 10.070(a)(4)]. These services include municipal sewer and water utilities and fire protection.

CONCLUSIONS OF LAW

The territory proposed for annexation, known as the Coast Guard Addition, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of Ketchikan. However, if approved as requested, the proposed annexation would create a 2.3 acre enclave outside the jurisdiction of the City which would be nearly surrounded by territory within the jurisdictional boundaries of the City. It is the conclusion of the Commission that such circumstances would likely cause difficulties in the delivery of municipal services. After reviewing the petition and conducting a hearing on the proposed annexation, the Local Boundary Commission concludes that the boundaries of the territory proposed for annexation shall be reduced to 85.59 acres to preclude the creation of the enclave.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature under the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

A parcel of land within the Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at Corner 2 of U.S. Survey 1667 Ketchikan Lighthouse Reserve as shown on the official government plat thereto;

thence S-43°58'-E a distance of 441.72 feet to the true point of beginning;
thence S-43°58'-E a distance of 1702.52 feet;
thence S-46°06'-W a distance of 1986.44 feet;
thence N-48°29'-W a distance of 1927.73 feet;
thence N-51°57'-E a distance of 2149.14 feet; to the true point of beginning

The hereinabove described parcel contains 85.59 acres.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.

**STATE OF ALASKA
LOCAL BOUNDARY COMMISSION**

Robert Eder, Chairman

Josephine Anderson

Bert Greist

David Hanson

Charles Bettisworth



**Report
to the
Second Session
of the
Fourteenth Legislature**

January 22, 1986

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I. PREFACE

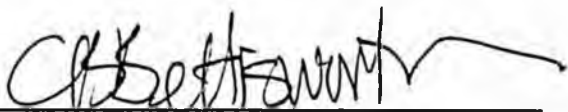
Each year the Local Boundary Commission files a report with the State Legislature. The report this year serves the following principal functions:

- ° To provide a summary of all of the actions taken by the Local Boundary Commission during calendar year 1985.
- ° To submit for consideration to the Second Session of the Fourteenth Legislature, recommendations of proposed municipal boundary changes which require legislative review pursuant to the provisions of Article X § 12 of the State Constitution, AS 44.47.567(b)(2), and AS 29.06.040. Specifically, this Report contains recommendations for the annexation of territory to the Cities of Angoon, Ketchikan, North Pole, St Paul, and Unalaska, as well as a recommendation for detachment of territory from the North Slope Borough.
- ° To bring to the attention of the Legislature issues relating to: 1) the desire of certain residents to dissolve their municipal governments in favor of Native governments and 2) the impacts of the Federal Voting Rights Act on matters relating to the Local Boundary Commission proceedings.

This Report is respectfully submitted this 22nd day of January, 1986.

STATE OF ALASKA
LOCAL BOUNDARY COMMISSION

BY:



Robert Eder, Chairman

For Robert Eder



OFFICIAL BUSINESS

Alaska State Legislature

Senate

Office of the Secretary

JAN 22 RECO

PO BOX V
CAPITOL BUILDING
JUNEAU, ALASKA 99911

January 22, 1986

MEMORANDUM TO: Senator DeVries, Chairman
Community and Regional Affairs
Committee

FROM: Peggy Mulligan,
Secretary of the Senate

Subject: Local Boundary Commission
proposed annexations

The President referred the annual Local Boundary Commission report to your committee for possible action. Attached is the letter accompanying the report.

According to the attached letter, you were sent a copy of the report from the Local Boundary Commissioner.

March 7 is the last day that the House and Senate could pass a concurrent resolution to stop any of the annexations, (45 days after receipt of the report).

Pages 13 - 56 of the report will appear in Joint House-Senate Supplement No. 16 to today's journal.

#28

BILL SHEFFIELD, GOVERNOR

before March 7

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

LOCAL BOUNDARY COMMISSION

949 EAST 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 561-8586

Members:

Robert Eder
Chairman

Josephine Anderson
First Judicial District

Bert Greist
Second Judicial District

Dave Hanson
Third Judicial District

Charles Bettisworth
Fourth Judicial District

January 22, 1986

The Honorable Don Bennett
Senate President
P.O. Box V
Juneau, AK 99811

Dear Senator Bennett:

Enclosed is the Report to the Second Session of the Fourteenth Legislature by the Alaska Local Boundary Commission.

The Report contains recommendations for the annexation of territory to the Cities of Angoon, Ketchikan, North Pole, St./Paul, and Unalaska, as well as a recommendation for detachment of territory from the North Slope Borough. Pursuant to Article X § 12 of the State Constitution, AS 44.47.567(b)(2), and AS 29.06.040, these recommended boundary changes will become effective forty-five days from this date or at the end of the Session, whichever is earlier, unless disapproved by a concurrent resolution of the Legislature.

In addition, the Report provides: 1) a synopsis of the role and function of the Local Boundary Commission, 2) an executive summary of all of the actions taken by the Commission during calendar year 1985 and 3) a statement of issues which the Commission wishes to bring to the attention of the Legislature.

The Honorable Don Bennett
January 22, 1986
Page 2

Each year, the Local Boundary Commission attends a joint hearing of the Community and Regional Affairs Committees of the House and Senate to discuss the annual report of the Commission. We look forward to meeting with those Committees at their convenience.

Sincerely,


Robert Eder
Chairman

for Robert Eder

cc with attachment:
The Honorable Bill Sheffield
Governor

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
The Honorable Edna DeVries, Chairman
The Honorable Frank R. Ferguson, Vice Chairman
The Honorable John B. "Jack" Coghill
The Honorable Arliss Sturgulewski
The Honorable Vic Fischer
Yvonne Alford, Staff (with 2 copies of the Report)

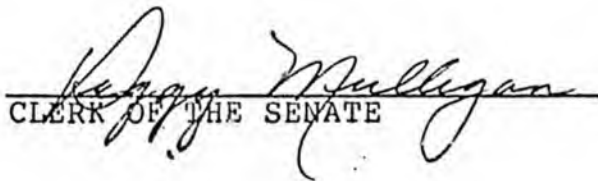
Members of the Local Boundary Commission

The Honorable Emil Notti, Commissioner
Department of Community and Regional Affairs

THIS ACKNOWLEDGES RECEIPT OF THE "REPORT TO THE SECOND SESSION OF THE FOURTEENTH LEGISLATURE" SUBMITTED BY THE STATE OF ALASKA LOCAL BOUNDARY COMMISSION WITHIN THE FIRST 10 DAYS OF THE SESSION IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE X SECTION 12 OF THE STATE CONSTITUTION, AS 44.47.567(b)(2) AND AS 29.06.040.

RECEIVED: JANUARY 22, 1986

TIME: 9:10 am


CLERK OF THE SENATE

II. BACKGROUND

ROLE OF THE LOCAL BOUNDARY COMMISSION

Delegates to the State Constitutional Convention recognized that the establishment and revision of local government boundaries should primarily be the responsibility of the State. To carry out this responsibility, the delegates provided in Article X § 12 of the State Constitution that,

A local boundary commission or board shall be established by law in the executive branch of the state government. The commission or board may consider any proposed local government boundary change. It may present proposed changes to the legislature during the first ten days of any regular session. The change shall become effective forty-five days after presentation or at the end of the session, whichever is earlier, unless disapproved by a resolution concurred in by a majority of the members of each house. The commission or board, subject to law, may establish procedures whereby boundaries may be adjusted by local action.

Subsequent enactments of law granted powers and duties to the Local Boundary Commission regarding the adjustment of jurisdictional boundaries of municipalities, as well as the formation, merger, consolidation and dissolution of municipal governments. Powers and duties of the Commission specifically include the following:

- ° to make studies of municipal government boundary problems [AS 44.47.567(a)(1)];
- ° to hold hearings and act upon proposals for changing jurisdictional boundaries of municipal governments [AS 44.47.567(a)(3) and AS 29.06.040];
- ° to hold hearings and act upon petitions for the incorporation of cities and boroughs (AS 29.05.010-210);
- ° to hold hearings and act upon petitions for the merger or consolidation of two or more municipal governments (AS 29.06.090-170); and
- ° to hold hearings and act upon petitions for the dissolution of municipal governments (AS 29.06.450-530).

COMPOSITION OF THE COMMISSION

The Local Boundary Commission consists of five members. One member is appointed by the Governor from each of the four Judicial Districts of the state. The fifth member, who serves

as Chairman of the Commission, is appointed by the Governor from the state at-large. Members of the Commission serve without compensation and are appointed to serve staggered five year terms.

The current members of the Commission are:

- Robert Eder, Chairman, serving at-large (current term expires January 31, 1987);
- Charles Bettisworth, Vice Chairman, serving from the Fourth Judicial District (current term expires January 31, 1990);
- Josephine Anderson, serving from the First Judicial District (current term expires January 31, 1986);
- Bert Greist, serving from the Second Judicial District (current term expires January 31, 1989); and
- David Hanson, serving from the Third Judicial District (current term expires January 31, 1988).

TECHNICAL AND ADMINISTRATIVE SUPPORT TO THE COMMISSION

The Alaska Department of Community and Regional Affairs, Division of Municipal and Regional Assistance, provides technical and administrative support to the Commission. Such support includes the following principal responsibilities:

- providing assistance to prospective petitioners who wish to bring actions before the Local Boundary Commission;
- reviewing the form and content of petitions which have been filed with the Commission to determine compliance with applicable laws and regulations;
- analyzing proposed actions and preparing formal reports and recommendations to the Local Boundary Commission; and
- providing general technical and administrative support, including drafting findings of fact, conclusions of law and statements of decision following Commission action; providing public notice of all proceedings; preparing minutes of all meetings; et cetera.

SYNOPSIS OF PROCEDURES

The following provides a brief summary of the procedures and different types of actions which may be brought before the Commission. Details concerning the procedures may be obtained by reviewing the statutes and administrative regulations referenced in this synopsis.

Formation of Municipal Governments:

City and borough governments are incorporated under the provisions of State laws and administrative regulations. The Local Boundary Commission must judge each incorporation proposal using standards established in those laws and regulations.

Examples of standards for incorporation of cities include the following: suitable size and stability of population, an economy which includes the human and financial resources necessary to provide municipal services, and a need for local government. Examples of standards for incorporation of boroughs include the following: a socially, culturally and economically interrelated and integrated population; jurisdictional boundaries which conform to natural geography; an economy which includes the human and financial resources necessary to provide municipal services; and transportation facilities which allow the communication and exchange necessary for the development of integrated borough government.

If the Commission approves a petition for the incorporation of a municipal government, the Lieutenant Governor's Office conducts an election on the proposed incorporation. A majority of the registered voters residing within the territory proposed for incorporation and voting on the issue must approve the proposed incorporation before it may be effected.

Further information concerning the procedures and standards which govern the incorporation of a city or borough may be obtained by referring to the statutes and regulations listed below:

- ° standards for incorporation of a city -
AS 29.05.010-020 and 19 AAC 10.010-030;
- ° standards for incorporation of a borough -
AS 29.05.030 and 19 AAC 10.160-180; and
- ° procedures for incorporation of cities and boroughs -
AS 29.05.060 and 19 AAC 10.325-440.

Municipal Boundary Changes:

The Local Boundary Commission examines proposed annexations and detachments using standards established by administrative regulations.

Examples of standards for annexation include the following: whether the territory proposed for annexation is totally surrounded by the municipality; whether the territory is owned by the municipality; whether the territory is urban in character; whether the territory is in need of municipal services; whether there is a likelihood that future growth and development will occur in the territory; whether the health, welfare and safety of residents is endangered by developments in the territory; whether annexation of the territory is necessary to extend adequate service to residents

within the existing boundaries of the municipality; whether residents or property owners in the territory receive or expect to receive municipal services without commensurate tax contributions.

Standards for detachment include a determination that the proposed detachment is in the best interests of the State, the territory proposed for detachment and the municipality affected.

Annexations and detachments may be accomplished through either of two general processes, the Local Action process or the Legislative Review process. Each of these processes is explained below.

Local Action

Municipal boundary changes carried out under the Local Action process require approval of both the Local Boundary Commission and a majority of the voters, or in certain instances all of the property owners and voters, in the territory which comprises the proposed boundary change. There are four distinct methods by which municipal boundary changes may be effected under the Local Action process. The following is a discussion of these methods.

1. Annexation or Detachment by Election.

A petition may be presented to the Commission for the annexation or detachment of an area to be subject to an election. If the Commission approves the petition, the action does not take effect unless the proposed boundary change is approved by a majority vote of the residents of the territory affected.

2. Annexation of Municipally-owned Property.

Property which is owned by a municipality and which adjoins its present boundaries may be annexed by ordinance without voter approval. The annexation becomes effective with the approval of the Local Boundary Commission.

3. Annexation Upon Petition by All of the Resident Registered Voters and Property Owners

An area adjoining a municipality may be annexed if all of the property owners and all of the registered voters who reside within the territory petition the governing body for the boundary change. The annexation becomes effective through the adoption of an ordinance by the governing body of the municipality and the approval of the Local Boundary Commission.

4. Step Annexation

An annexation petition may seek for annexation to take effect gradually over a period not to exceed five years. If the Commission approves a petition for step annexation, the proposed annexation must also be approved by a majority of the voters in the affected area.

Legislative Review

Boundary changes under this process require the approval of the Local Boundary Commission and the State Legislature. If the Commission approves a petition for a municipal boundary change under the Legislative Review process, the Commission must submit a formal recommendation for the boundary change to the Legislature during the first ten days of a regular session. That recommendation is then subject to legislative veto within 45 days from the date it is submitted. If not rejected by the legislature during the 45 day review period, the boundary change becomes effective.

The Legislative Review process is typically used where circumstances do not lend themselves to the initiation of municipal boundary changes through the Local Action process. Such circumstances may include the following.

- ° If it would be impractical to seek annexation of territory through the Local Action process. For example, territory proposed for annexation may be uninhabited and may be owned by a substantial number of individuals, several of whom may be unknown. Thus, the matter could not be decided at an election nor would it be practical to obtain the approval of each of the property owners.
- ° If the interests of certain parties may not be adequately protected through the Local Action process. For example, one resident registered voter could theoretically seek the annexation or detachment under the Local Action Election method of his/her property consisting of a quarter-acre, and could seek the simultaneous annexation or detachment of an adjacent unpopulated 160 acre parcel of land. Such circumstances would likely be considered unfair to the owner(s) of the adjacent 160 acres. Thus, the Commission could compel consideration of the proposed municipal boundary change through the Legislative Review method.
- ° If there is a compelling public need for a boundary change, but there is uncertainty

whether a majority of residents in the territory affected would support the proposed boundary change.

This last circumstance is, unquestionably, the most controversial of the various processes and circumstances surrounding municipal boundary changes. However, as was addressed earlier, the provisions of Article X § 12 of the State Constitution were established to accommodate this very type of situation.

Decisions of the Alaska Supreme Court confirm the constitutional principle associated with Article X § 12 of the State Constitution without exception. In Fairview Public Utility Dist. No. 1 v. City of Anchorage, 368 P.2d 540 (Alaska 1962), the Supreme Court stated that, "An examination of the relevant minutes of [the constitutional proceedings] shows clearly the concept that was in mind when the local boundary commission was being considered: that local political decisions do not usually create proper boundaries and that boundaries should be established at the state level." Id. at 543. The court concluded, "The subject of ... municipal boundaries is legitimately the concern of the state as a whole, and not just that of the local community." Id. at 546.

Further information concerning the procedures and standards which govern the annexation and detachment of territory to a municipality may be obtained by referring to the statutes and regulations listed below:

- ° standards for annexation to cities -
19 AAC 10.065-090;
- ° standards for detachment from cities and unified municipalities -
19 AAC 10.95-120;
- ° standards for annexation to organized boroughs -
19 AAC 10.185-220;
- ° standards for detachment from organized boroughs
19 AAC 10.225-250;
- ° procedures for boundary changes by Local Action -
AS 29.06.040(c), AS 44.47.567(a)(4), 19 AAC
10.630-730 and 19 AAC 10.735-790; and
- ° procedures for boundary changes by Legislative Review -
Article X § 12 of the State Constitution,
AS 44.47.567(b)(2), AS 29.06.040(b) and
19 AAC 10.450-620.

Dissolution of Municipal Governments:

The Local Boundary Commission examines proposed dissolutions of municipal governments using

standards and procedures established by law and administrative regulations.

Standards for the dissolution of municipal governments include the following: whether the municipality is free of debt, whether it still meets the standards for incorporation or whether the municipality still exercises municipal powers.

If the proposed dissolution of a municipality is approved by the Local Boundary Commission, it may not be effected unless approved by a vote of the residents of the municipality or by the Legislature, depending on the particular process used.

Further information concerning the procedures and standards which govern the dissolution of a municipality may be obtained by referring to the statutes and regulations listed below:

- standards for dissolution of a city -
AS 29.06.470 and 19 AAC 10.130-150;
- standards for dissolution of a borough -
19 AAC 10.260-280; and
- procedures for dissolution of a municipality -
AS 29.06.450-530.

Consolidation or Merger of Municipal Governments

The Local Boundary Commission examines proposals for consolidation of municipalities (the creation of a new municipality from the union of two or more existing municipalities) and for the merger of municipalities (the absorption of one municipality by another existing municipality) using a standard and the procedures established by law and administrative regulations.

The standard for the merger or consolidation of municipalities is whether the successor municipality meets the standards for incorporation.

Further information concerning the procedures and standards which govern the consolidation or merger of municipalities may be obtained by referring to the statutes and regulations listed below:

- standards for merger of municipalities -
19 AAC 10.290-300;
- standards for consolidation of municipalities -
19 AAC 10.310-320;
- procedures for merger or consolidation -
AS 29.06.090-170 and 19 AAC 10.800-810.

III. EXECUTIVE SUMMARY OF ACTIVITIES OF THE LOCAL
BOUNDARY COMMISSION DURING CALENDAR YEAR 1985

The following is a summary of the petitions for municipal incorporation, dissolution and boundary change brought before the Commission in calendar year 1985.

MUNICIPAL INCORPORATIONS

Nabesna (Election District 6)

Residents of Nabesna petitioned for incorporation of a city of the second class. The area proposed for incorporation encompassed approximately 258.7 square miles. After carefully considering the matter, the Commission denied the petition on the basis that the standards for incorporation had not been met. The size and stability of the population (approximately 36 individuals, several of whom were part-time residents), as well as the very limited economic base of the community were the principal concerns of the Commission.

Bettles (Election District 24)

The Commission's Report to the First Session of the Fourteenth Legislature noted that the Commission had approved (with amended boundaries) the petition for the incorporation of Bettles in 1984. The proposed incorporation was approved by the voters on June 25, 1985. Requisite approval of the U.S. Justice Department under the provisions of the Federal Voting Rights Act was granted several months later.

In December, 1985, the City of Bettles became the 158th existing municipal government organized under the laws of the State of Alaska.

DISSOLUTIONS

City of Akiachak (Election District 25)

Residents of the City of Akiachak petitioned for the dissolution of their city government. After carefully considering the matter, the Commission denied the petition. While the Commission was understanding of the desires of the residents of Akiachak to dissolve their municipal government in favor of government by their IRA Council, present laws and regulations do not permit dissolution on the basis of such circumstances.

Issues relating to the proposed dissolution of municipal governments under these and similar circumstances are discussed in greater detail in Section XIII of this Report.

BOUNDARY CHANGES - LOCAL ACTION

City of Fairbanks (Election District 20)

The Local Boundary Commission approved the petition of the

City of Fairbanks for the annexation of the King Industrial Park, comprising approximately 9.1 acres. The annexation was undertaken at the request of all of the property owners in the territory proposed for annexation.

The Local Boundary Commission also approved a petition for annexation by election of the Wiedeman-King Subdivision, comprising approximately 83 acres. However, the proposed annexation was rejected by the voters and, accordingly, will not be effected.

City of Wasilla (Election District 16)

The Local Boundary Commission approved the petition for the annexation of the Mission Hills Subdivision, comprised of approximately 16.7 acres. The annexation was undertaken at the request of all of the property owners and resident registered voters in the territory proposed for annexation.

The Local Boundary Commission also approved the petition of the City of Wasilla for the annexation of the Cottonwood Creek Mall and surrounding territory comprising a total of 265.91 acres. This annexation was undertaken at the request of all of the property owners and resident registered voters in the territory proposed for annexation.

City of Galena (Election District 24)

The Local Boundary Commission approved the petition of the City of Galena for the annexation of approximately 533 acres of municipally owned property.

City of Klawock (Election District 02)

The Local Boundary Commission approved the petition for the annexation of a newly constructed shopping center comprising approximately 6.52 acres. The annexation was undertaken at the request of all of the property owners in the territory proposed for annexation.

City of Kodiak (Election District 27)

The Local Boundary Commission approved a petition for annexation by election of the following areas: the Southeast Addition No. 2, Hospital Subdivision, Mission Lake Subdivision and the unsurveyed portion of Mission Lake, including property owned by the Women American Baptist Mission; totalling approximately 81.3 acres (0.1271 square miles). The matter is scheduled to be voted upon by the residents of the territory proposed for annexation in April, 1986.

BOUNDARY CHANGES, LEGISLATIVE REVIEW

City of Angoon (Election District 02)

The City of Angoon petitioned for the annexation of territories in the areas of Killisnoo Island, Favorite Bay, Michael Bay and Hood Bay comprising approximately 87 square miles. After carefully applying the standards for

*Angoon wanted 87 sq miles
decided on 30.1 sq miles*

annexation to cities, the Commission determined that only a portion of the requested territory should be annexed to the City. The Commission approved the annexation of approximately 30.14 square miles. Details of the territory proposed for annexation, including a map of the area involved and the Commission's Findings of Fact and Statement of Decision, are contained in the formal recommendation for the annexation of this territory found in Section IV of this Report.

City of Ketchikan (Election District 01)

The City of Ketchikan submitted separate petitions for the annexation of the following four areas:

- BLM-KPU Additions (515.62 acres);
- Gisse-Furuseth-Spear Additions (58.609 acres);
- University of Alaska Addition (48.30 acres); and
- U.S. Coast Guard Addition (121.31 acres).

The Commission approved, without modification, the petitions for the annexation of the Gisse-Furuseth-Spear Additions, the University of Alaska Addition and the BLM - KPU Additions. The territory proposed for annexation as the U.S. Coast Guard Addition was judged to be excessive. Therefore, the Commission reduced the boundaries of that particular annexation proposal and subsequently approved the petition.

Details of the territories proposed for annexation, including maps of the areas involved and the Commission's Findings of Fact and Statements of Decision, are contained in the formal recommendation for the annexation of these territories found in this Report as follows:

- BLM-KPU Additions - Section V;
- Gisse-Furuseth-Spear Additions - Section VI;
- University of Alaska Addition - Section VII; and
- U.S. Coast Guard Addition - Section VIII.

City of North Pole (Election District 18)

The Local Boundary Commission approved the petition of the City of North Pole for the annexation of three separate parcels totalling approximately 1.14 square miles. Details of the territory proposed for annexation, including a map of the area involved and the Commission's Findings of Fact and Statement of Decision, are contained in the formal recommendation for the annexation of this territory found in Section IX of this Report.

City of St. Paul (Election District 26)

The Local Boundary Commission approved the petition of the City of St. Paul for the annexation of the surrounding Islands of Otter and Walrus, Sea Lion Rock and the adjacent waters; totalling approximately 194 square miles. Details of the territory proposed for annexation, including a map of area involved and the Commission's Findings of Fact and Statement of Decision, are contained in the formal

recommendation for the annexation of this territory found in Section X of this Report.

City of Unalaska (Election District 26)

*Wanted 1,294 sq miles
Approved 189*

The City of Unalaska petitioned for the annexation of much of Unalaska Island and surrounding territories totalling approximately 1,294 square miles. After carefully applying the standards for annexation to cities, the Commission determined that only a portion of the requested territory should be annexed to the City. The Commission approved the annexation of approximately 189 square miles. Details of the territory proposed for annexation, including a map of the area involved and the Commission's Findings of Fact and Statement of Decision, are contained in the formal recommendation for the annexation of this territory found in Section XI of this Report.

North Slope Borough (Election District 22)

Residents of the NANA Region have proposed to form a borough. The petition for the detachment of approximately 3,298 square miles from the North Slope Borough was initiated in order to provide an adequate tax base for the proposed Northwest Arctic Borough. The territory proposed for detachment consists of the land within the NANA Regional Corporation boundaries, including the Red Dog zinc mine site. The Department of Community and Regional Affairs acted as petitioner in this matter because there was no other qualified entity which was willing to initiate the action. The detachment was sought on the condition that the boundary change not take effect unless and until a borough was formed in the NANA Region.

The Local Boundary Commission approved the petition for detachment without modification. Details of the territory proposed for annexation, including a map of area involved and the Commission's Findings of Fact and Statement of Decision, are contained in the formal recommendation for the annexation of this territory found in Section XII of this Report.

IV. RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE CITY OF ANGOON

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
ANGOON, ALASKA, OF APPROXIMATELY)
87 SQUARE MILES, CONSISTING)
OF KOOTZNOOWOO INLET INCLUDING)
MITCHELL, FAVORITE AND)
KANALKU BAYS, KILLISNOO ISLAND,)
A PORTION OF TABLE AND SAND)
ISLANDS AND HOOD BAY, INCLUDING)
NORTH ARM)

*(Mary-Ak Lumber/Pulp)
Opposed: Alaska Pulp - 747-2232
Roger Snippen - Shee Atika, Inc. - 747.3534
Snippen will advise several property owners
if telecon desired in Sitka
Wanted 87 sq miles
got 30*

SUMMARY OF PROPOSED ACTION

On August 7, 1985, the City of Angoon submitted a petition for annexation of approximately 87 square miles, consisting of Kootznoowoo Inlet, including Mitchell, Favorite and Kanalku Bays, Killisnoo Island, a portion of Table and Sand Islands and Hood Bay, including North Arm. The annexation was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the State Legislature).

The Local Boundary Commission conducted a hearing on the petition in Angoon on November 22, 1985. Members of the Commission present at the hearing were Acting Chairman Charles Bettisworth, Dave Hanson and Bert Greist.

Opposition to the proposed annexation was lodged by several property owners in the Hood Bay area. These individuals expressed a desire to remain in an unincorporated area and contended that they would accrue no measurable benefits as a result of the proposed annexation. They also stated that the City would not benefit by annexing the residents' property. Briefs opposed to the proposed annexation were also filed by the Alaska Pulp Corporation and Shee Atika, Inc.

The Commission conducted a decisional session on the petition in Anchorage on December 9, 1985. Present at the decisional session were Acting Chairman Charles Bettisworth, Dave Hanson, Jo Anderson and Bert Greist.

FINDINGS OF FACT

In arriving at its findings, documents and other evidence considered by the Commission included, but were not limited to, the petition and supporting briefs of the City of Angoon, briefs in opposition to the annexation filed by the Alaska Pulp Corporation and Shee Atika, Inc., the Report and Recommendation of the Department of Community and Regional Affairs and testimony provided at the Commission's November 22, 1985

hearing. Following its deliberations on this matter, the Local Boundary Commission made the following findings of fact:

1. The petitioner and residents of the community perceive a need to control land use and development of the area proposed for annexation in order to monitor and appropriately regulate growth, development and tourism activities in the area. Annexation of the amended area will afford the City an opportunity to more efficiently protect the area's significant economic resources, historical and cultural resources and the livelihood of its residents.
2. A demonstrated need exists for the extension of municipal services to those areas planned for development in the near future, particularly Killisnoo Island.
3. A road to Favorite Bay across village corporation lands is planned by the City to secure an additional water source. The road would open up the area for additional homesites, a new dump site and a cemetery. The petitioner has estimated that thirty additional homesites will be needed to accommodate increased resident population.
4. The City of Angoon provides search and rescue operations and related services in the area proposed for annexation. However, the City does not have the authority to provide such services extraterritorially. If this territory is annexed, it will allow the City to continue such activity without the present liabilities associated with the lack of municipal jurisdiction.
5. In its deliberations, the Commission noted that the area most likely to be impacted by development in the near future is Killisnoo Island. A subdivision containing approximately fifty 1-acre parcels exists on the eastern half of the Island. Another 190 acres is owned by the village corporation. The City is not presently providing services to this area, but is the logical entity to provide services as the area develops.
6. The 660 feet of land immediately above the mean high tide line in the Mitchnell, Kanaku and Favorite Bay area is almost entirely owned by the Kootznoowoo Corporation. All development on these lands are subject to PL 96-487, Alaska National Interest Lands Conservation Act (ANILCA) Section 506.(a)(3)(C), which strictly limits development and activities on this land to ensure protection of subsistence resources and its uses.
7. The area of Hood Bay is also an economically important subsistence hunting and fishing area to the people of Angoon. The strong cultural links to the area were pointed out at the public hearing on the petition conducted by the Commission on November 22, 1985. Specifically, testimony

indicated that some 30% of the residents of the community grew up in Hood Bay and that the area is presently used extensively by community residents. The Commission also heard testimony that there is need for law enforcement services in the bay.

8. The petitioner indicated that residents of the community desire the City to regulate, to the extent possible, development and tourist activity on the Angoon Community Association (IRA) parcel in the Hood Bay area and in the general vicinity of Hood Bay. Annexation of the territory would provide the City with the authority to do so.
9. Three land owners of the Hood Bay area opposed the annexation petition. The landowners submitted a letter to the Local Boundary Commission objecting to the annexation contending that is nothing to be gained by the annexation, either by the City or themselves. There is one permanent resident living in this area.
10. The Kootznoowoo Corporation, the local village Native corporation, owns approximately 190 acres of Killisnoo Island and another 3,300 acres adjacent to the community. In addition, there are five Native Allotments within the territory proposed for annexation. The U.S. Forest Service Admiralty Monument is the largest land holder within the area proposed for annexation. The potential for many private land transfers and the prospect of upcoming ANCSA 14(c) land conveyances to residents and the City of Angoon have raised concerns regarding future development on important cultural and subsistence lands.
11. The population of a portion of the territory, specifically Killisnoo Island and Favorite Bay, may stem from growth of the City beyond its legal boundaries. Most of the territory proposed for annexation contains very steep slopes and is fairly remote. Growth is more likely to occur on Killisnoo Island. The growth may be attributed to a "spilling over" of present City population and the availability of City services such as sewer, water, police and fire protection.
12. Portions of the territory to be annexed may be valuable by reason of their suitability for prospective urban purposes. Specifically, Killisnoo Island may be suitable for additional residential development. The Island is immediately adjacent to the present City limits, and is most likely to receive City services in the future.
13. There are no other municipalities in or near the territory proposed for annexation.
14. The City maintains that its volunteer fire department is in the position to provide service to the Killisnoo Island area. The City also states that it now currently serves

and would respond with City fire equipment wherever feasible to all lands proposed for annexation.

15. Fire service is provided by the Federal government for all Federal lands and for Kootznoowoo corridor lands in Mitchell, Kanalku and Favorite Bays.
16. The City may be called upon to provide emergency services to Killisnoo Island, which is adjacent to the City and most likely to develop. The City may also be called upon to provide search and rescue and police protection to the Killisnoo Harbor area.
17. The potential for private or public development in the territory will determine the need by the City of Angoon to exercise municipal planning authority. The City has indicated in its petition that annexation of the territory will enable the City to plan for and control anticipated development. The petitioner lists anticipated development as a cold storage facility in Killisnoo Harbor, toilet facilities at the ferry terminal on Killisnoo Island, a road to Favorite Bay, a fish hatchery in Favorite Bay, homesite development on village corporation lands and the development of tourism and recreation in Hood Bay.
18. Local testimony at the Commission's public hearing on November 22, 1985 called for increased law enforcement service to Favorite and Hood Bays. Testimony was provided indicating that the City has the capability to provide such services to the areas.
19. Anticipated development pressures on Killisnoo Island may create a need for public services and facilities. Also, the proximity of this area to existing City services makes it most likely to develop in the near future. In addition, a road and hatchery may be developed in the Favorite Bay area.
20. Residents of Angoon testified at the November 22, 1985 hearing that they feel the protection of their subsistence resources, their livelihood and their way of life (which has been a major viable economy), and their cultural heritage are valid public purposes that would be protected through the annexation of this territory and subsequent land use controls that will lead to carefully planned and reasonably regulated development.
21. The Commission finds that the residential subdivision on Killisnoo Island and development of tourist interests, such as two lodges, may impact the cultural and subsistence resources of the entire Angoon community. The Commission concurs that a valid public purpose will be served by annexation of this area.

22. Only a portion of the territory proposed for annexation is reasonably likely either to demand or to receive City services, particularly emergency medical and fire services and police protection, in the near future. This area is known as Killisnoo Island and Killisnoo Harbor, the private landholdings in the Hood Bay area and the Favorite Bay area.
23. There is a reasonable likelihood that future growth and development will occur in the vicinity of Angoon. However, the Commission anticipates that that this development will be limited to Killisnoo Island, Killisnoo Harbor, Hood Bay, and Favorite Bay.

CONCLUSIONS OF LAW

Applying the standards for annexation, only a portion of the area proposed for annexation can be justified for inclusion within the boundaries of the City of Angoon. This territory includes that area generally described as Killisnoo Island, Killisnoo Harbor, Favorite Bay, Hood Bay and the lands south and west of the existing municipal boundaries of the City of Angoon. The area encompasses approximately 30.14 square miles.

STATEMENT OF DECISION

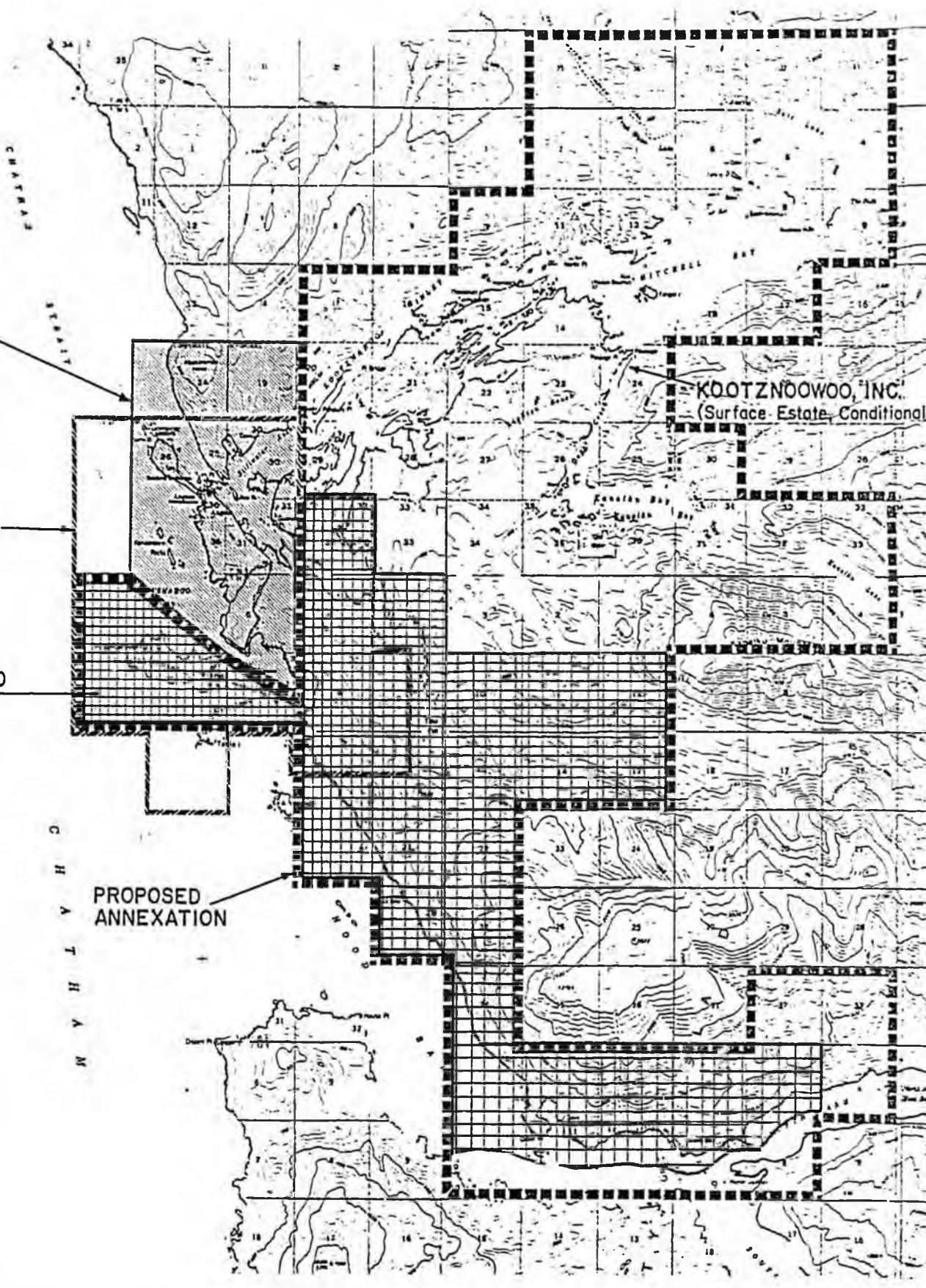
Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval of the Second Session of the Fourteenth Legislature under the provisions of Article X, Section 12 of the State Constitution, the municipal boundaries of the City of Angoon shall be as follows:

Beginning at the NW corner Section 2, T51S, R67E, Copper River Meridian (C.R.M.); thence S to the SW corner of Section 11, T51S, R67E, C.R.M.; thence E to the SE corner of Section 7, T51S, R68E, C.R.M.; thence S to the SW corner of Section 20, T51S, R68E, C.R.M.; thence E to the SE corner of Section 20, T51S, R68E, C.R.M.; thence S to the SW corner of Section 28, T51S, R68E, C.R.M.; thence E to the SE corner of Section 28, T51S, R68E, C.R.M.; thence S to the SW corner of the NW 1/4 of Section 10, T52S, R68E, C.R.M.; thence E to the center of Hood Bay; thence meandering in an easterly direction along the center of Hood Bay to the center of North Arm of Hood Bay; thence meandering in a northeasterly direction along the center of North Arm of Hood Bay to a point with its intersection with the east boundary of Section 5, T52S, R69E, C.R.M.; thence N to the NE corner of Section 5, T52S, R69E, C.R.M.; thence W to the NW corner of Section 2, T52S, R68E, C.R.M.; thence N to the NE corner of Section 22, T51S, R68E, C.R.M.; thence E to the SE corner of Section 13, T51S, R68E, C.R.M.; thence N to the NE corner of Section 12, T51S,

R68E, C.R.M.; thence W to the NW corner of Section 10, T51S, R68E, C.R.M.; thence N to the NE corner of Section 4, T51S, R68E, C.R.M.; thence W to the NW corner of Section 4, T51S, R68E, C.R.M.; thence N to the NE corner of Section 32, T50S, R68E, C.R.M.; thence W to the NW corner of Section 32, T50S, R68E, C.R.M.; thence N to the NE corner of Section 19, T50S, R68E, C.R.M.; thence W to the NW corner of the NE 1/4 of the NE 1/4 of Section 23, T50S, R67E, C.R.M.; thence S to the NW corner of the NE 1/4 of the NE 1/4 of Section 2, T51S, R67E, C.R.M.; thence W to the NW corner of Section 2, T51S, R67E, C.R.M.; the point of beginning.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.



EXISTING BOUNDARY

KOOTZNOOWOO INC.
(Surface Estate)

RECOMMENDED BOUNDARY

PROPOSED ANNEXATION

KOOTZNOOWOO, INC.
(Surface Estate, Conditional)



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SCALE IN MILES

V. RECOMMENDATION FOR THE ANNEXATION OF THE BLM-KPU ADDITIONS TO THE CITY OF KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 515.62 ACRES,)
DESCRIBED AS THE BLM-KPU ADDITIONS))

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of approximately 515.62 acres contiguous to the City and described as the BLM-KPU Additions. On November 24, 1985, the Local Boundary Commission held a public hearing in Ketchikan on the petition. The petition was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the Legislature).

The majority of area proposed for annexation to the City of Ketchikan is owned by the United States Bureau of Land Management and the City of Ketchikan Public Utilities. Annexation will permit the City to provide needed urban services in an area where growth is anticipated and the City is the only logical entity to provide such services. The territory is readily accessible only via territory within the jurisdiction of the City of Ketchikan.

The territory is not urban in character. It is largely undeveloped open space, with the exception of a sanitary landfill and improvements related to the Ketchikan municipal water supply.

The territory will most probably be in need of municipal services as the community confronts growth caused by the development and operation of the U.S. Borax mine. The petitioner maintains that the City can provide services to the site more efficiently than any other municipality.

The petitioner asserts that there is a reasonable likelihood that the territory will become further developed in the foreseeable future. This assertion is based upon the City's contention that the area contains the surveyed right-of-way of a proposed bypass route linking the eastern and western portions of the City of Ketchikan; it contains lands identified for disposal and residential development and it has been identified as a probable location for future development related to operation of the U.S. Borax molybdenum mine. The petitioner maintains that it is prudent for the City to prepare for possible settlement and urban use of the territory.

The Ketchikan Gateway Borough has expressed no objection to the proposed annexation.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs and oral testimony provided at the November 24, 1985 hearing. After due consideration, the Commission finds that the area proposed for annexation conforms to several of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

1. The territory will be in need of municipal services if a planned local land disposal and consequent residential development occurs. The City of Ketchikan can provide necessary services to the site more efficiently than any other municipality.
2. The health, welfare or safety of City residents could potentially be endangered if the watershed located within the area proposed for annexation were substantially disturbed. The referenced territory is in close proximity to residential areas, and this access poses increased potential for fire hazards in the watershed and for vandalism to water service facilities. It is prudent for the City of Ketchikan extend police and fire protection services to the territory.
3. There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to prudently plan for and control that development pursuant to [19 AAC 10.070(5)].

CONCLUSIONS OF LAW

The annexation of territory known as the BLM-KPU Addition to the City of Ketchikan, as described in the petition of the City of Ketchikan, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of Ketchikan.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature in accordance with the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

A parcel of land located in the Ketchikan Recording District (K.R.D.), First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at the northernmost corner of Lot 2, Block 4, U.S.M.S. 769, a brass cap monument as shown on plat 73-8, K.R.D.; thence northwesterly along the northern boundary of the Utica Lode Claim to the NW corner of said claim as shown on the plat of the Claim of James A. Davis, Mineral Survey 769, recorded May 7, 1904, Juneau Land District; thence southwesterly to the NE corner of the Columbia Lode Claim; thence northwesterly to the NW corner of the Columbia Lode Claim, this point being in common with the western boundary of U.S.M.S. 769; thence northeasterly along said boundary to the NW corner of U.S.M.S. 769, this point being in common with the NW corner of the Cosmos Lode Claim; thence southeasterly along the north boundary of U.S.M.S. 769 to its point of intersection with the western boundary of the E 1/2 of the NW 1/4 of protracted section 19, T75S, R91E, Copper River Meridian (CRM); thence north to the NW corner of the E 1/2 of the NW 1/4 of protracted section 19, T75S, R91E, C.R.M.; thence east to the NE corner of the W 1/2 of the NE 1/4 of protracted section 19, T75S, R91E, C.R.M.; thence south to the northern boundary line of U.S.M.S. 769; thence southeasterly along said boundary line to its intersection with the north boundary of the NE 1/4 of the SE 1/4 of protracted section 19, T75S, R91E, C.R.M.; thence east to the NE corner of the SW 1/4 of protracted section 20 T75S, R91E, C.R.M.; thence south to the northerly boundary of U.S.M.S. 769; thence southeasterly along said boundary to the NE corner of U.S.M.S. 769, this corner being in common with the NE corner of the Sterling Lode Claim; thence southwesterly along the eastern boundary of U.S.M.S. 769 to its point of intersection with the east boundary of U.S.S. 2635; thence north to corner 5 of U.S.S. 2635 as shown on plat 77-43, K.R.D.; thence west to corner 4 of U.S.S. 2635; thence north to corner 3 of U.S.S. 2635; thence west to corner 2 of U.S.S. 2635; thence north to corner 1 of U.S.S. 2635; thence northeasterly to corner 4 of U.S.S. 2435 according to the official government plat thereof; thence northerly along the centerline of the Ketchikan Creek to corner 3 of U.S.S. 2435; thence southwesterly to corner 2 of U.S.S. 2435; thence southwesterly to the NE corner of Washington Lode Claim; thence northeasterly along the northern boundary of the Washington, Tuscarora, and Utica Claims to the point of beginning.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.

225-3111
City attorney = Russ Walker

VI. RECOMMENDATION FOR THE ANNEXATION OF THE GISSE-FURUSETH-SPEAR ADDITIONS TO THE CITY OF KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 58.609 ACRES)
CONSISTING OF THREE SEPARATE)
PARCELS, COLLECTIVELY DESCRIBED)
AS THE GISSE-FURUSETH-SPEAR)
ADDITIONS)

opposed by Edward King on behalf of Furusetth Estate

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of three separate areas totalling approximately 58.609 acres of land contiguous to the City. The referenced petition was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires Legislative concurrence).

The territory proposed for annexation consists of the three parcels identified and described as follows and collectively described as the Gisse-Furusetth-Spear Additions:

1. the Furusetth Addition is in the northwest portion of the City adjacent to the University Addition and consists of 2.879 acres;
2. the Spear Addition, in the southeast part of the City, is virtually surrounded by property already within the boundaries of the City and consists of 0.47 acres; and
3. the Gisse-Furusetth Addition, an approved subdivision plat located near the Spear Addition, consists of 55.26 acres.

The Furusetth Addition is undeveloped and unpopulated. The Spear Addition is essentially one lot with a single-family dwelling, and it is almost entirely surrounded by territory within the City limits. The Gisse-Furusetth Addition is a 54 lot undeveloped subdivision, platted in the 1970's. The Gisse-Furusetth Addition is accessible by the Ketchikan Lakes Road, which also provides access to the sanitary landfill.

The petitioner states that its motive for proposing the annexation is to prepare for anticipated community growth and to resolve questions over service delivery.

The Gisse-Furusetth Addition is accessible, platted land which will be suitable for development as the demand for housing increases in the Ketchikan vicinity. The Furusetth Addition is undeveloped land which would be wholly surrounded by the City,

if property owned by the University of Alaska is annexed by the City. The annexation of the University of Alaska's property has been requested by University officials, and a petition for annexation of the property has been approved by the Commission for submission to the Second Session of the Fourteenth Legislature. The Furusetn Addition is adjacent to City streets and residential development. Like the Gisse-Furuseth Addition, the Furusetn Addition will be suitable for development as the demand for housing increases in the Ketchikan vicinity. The Furusetn Addition is an undeveloped, unpopulated parcel surrounded on three sides by the proposed University Addition annexation, and on the fourth side by the territory within the boundaries of the City of Ketchikan. It is conveniently accessible only from territory within the municipal boundaries of the City of Ketchikan.

The Spear Addition consists of a 1/2 acre lot containing a single-family dwelling. The Spear Addition is, for all practical purposes, totally surrounded by territory already within the City. The Spear family receives City water and sewer service, access to its property over City streets, and benefits from City fire and police protection due to the proximity of its property to the existing boundaries of the City of Ketchikan.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs, the opposing brief from Edward King on behalf of the Furusetn Estate, and oral testimony provided at the November 24, 1985 hearing. After due consideration, the Commission finds that all three areas proposed for annexation conform to several of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

1. Two of the three areas are urban in character pursuant to [19 AAC 10.070(a)(3)]. The Gisse-Furuseth Addition is judged to be urban in character principally because of its status as an approved subdivision plat and its potential for residential development. The Spear addition is urban in character because it is presently used for urban residential purposes.
2. All three areas are in need of municipal services which the City can provide more efficiently than another municipality [19 AAC 10.070(a)(4)]. These services include municipal sewer and water utilities, fire protection and police protection. Of the three areas, only the Spear Addition requires all of these services; the Gisse-Furuseth Addition requires only fire and police protection at this time.

3. The Furueth Addition will be attractive for residential development as the demand for housing increases in the Ketchikan vicinity. There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to plan for and control that development [19 AAC 10.070(a)(5)].
4. Residents or property owners within the territory receive or may be reasonably expected to receive, directly or indirectly, the benefit of city government without commensurate property tax contributions [19 AAC 10.070(a)(3)]. This is particularly evident with respect to the Spear addition, the residents of which receive an entire range of basic city services without a concomitant tax contribution.
5. Further, the Commission considered the request by a representative of the Furueth estate to reject the petition or to omit parcels owned in whole and in part by the Furueth Estate. The Commission determined that this request should not be granted since the property in question met the above-referenced standards for annexation.

CONCLUSIONS OF LAW

The annexation of territory known as the Gisse-Furueth-Spear Addition to the City of Ketchikan, as described in the petition of the City of Ketchikan, sufficiently meets standards for the annexation of territory to warrant inclusion within the boundaries of the City of Ketchikan.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature in accordance with the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

Gisse-Furueth Addition

That portion of U.S. Survey 2635, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at corner 7 of U.S. Survey 2635 as shown on recorded plat #77-43, said corner being a B.L.M. monument, and being in common with the eastern most corner of U.S. Survey 1381, this point being the point of beginning;

thence N-59°41'00"-W a distance of 275.88 feet;
thence N-31°01'00"-E a distance of 438.88 feet;

thence N-64°52'00"-E a distance of 60.26 feet;
thence N-85°26'00"-E a distance of 81.61 feet;
thence N-70°22'00"-E a distance of 84.19 feet;
thence N-83°56'00"-E a distance of 78.15 feet;
thence S-38°42'00"-E a distance of 74.86 feet;
thence S-59°18'00"-E a distance of 57.46 feet;
thence S-73°59'00"-E a distance of 129.34 feet;
thence N-29°21'17"-W a distance of 309.00 feet;
thence N-47°23'23"-W a distance of 355.00 feet;
thence N-6°40'44" -E a distance of 352.94 feet;
thence North a distance of 87.00 feet;
thence N-66°29'31"-W a distance of 239.64 feet;
thence West a distance of 126.00 feet;
thence N-39°10'00"-W a distance of 115.01 feet;
thence North a distance of 178.24 feet;
thence East a distance of 1311.97 feet;
thence South a distance of 147.18 feet;
thence East a distance of 460.35 feet;
thence South a distance of 1623.60 feet;
thence West a distance of 1483.68 feet to the point of beginning.

The hereinabove described parcel of land contains 55.26 acres, more or less.

Spear Addition

That parcel of land known as Tract A, U.S. Survey 2635, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at corner 1 of U.S.S. 2635 according to the official government plat thereof;

thence S-21°47'-W a distance of 34.65 feet;
thence East a distance of 116.94 feet;
thence S-23°00'00" -W a distance of 140.89 feet;
thence N-59°34' -W a distance of 255.40 feet;
thence N-79°-15'-E a distance of 174.24 feet to the point of beginning.

The hereinabove described parcel of land contains 0.47 acres, more or less.

Furuseth Addition

The parcel of land known as Tract E, U.S. Survey 1229, as shown on recorded plat #84-6, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at the southeastern most corner of Tract E, said corner being in common with the northeastern most corner of Lot 12A, Block 6, U.S. Survey 1229, this being the point of beginning;

thence N-89°48' -W a distance of 299.83 feet;
thence North a distance of 15 feet;
thence N-89°48' -W a distance of 175.27 feet;
thence along a curve concave to the South, (Radius=30
feet) an arc distance of 23.2' feet;
thence along a curve concave to the North (Radius=30
feet) an arc distance of 77.38 feet;
thence N-89°48' -W a distance of 100.42 feet;
thence North a distance of 200.00 feet;
thence S-89°48' -E a distance of 650.00 feet;
thence South a distance of 200.00 feet to the point of
beginning.

The hereinabove described parcel of land contains 2.879 acres,
more or less.

The Local Boundary Commission hereby respectfully submits its
recommendation to the Second Session of the Fourteenth
Legislature for the annexation of the territory included in the
above description and shown on the attached map.

VII. RECOMMENDATION FOR THE ANNEXATION OF THE UNIVERSITY OF ALASKA ADDITION TO THE CITY OF KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 48.30 ACRES,)
UNIVERSITY OF ALASKA ADDITION)
_____)

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of approximately 48.30 acres contiguous to the City. On November 24, 1985, the Local Boundary Commission held a public hearing in Ketchikan on the petition. The petition was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the Legislature).

The area proposed for annexation to the City of Ketchikan is owned by the University of Alaska. A representative of the University, Ketchikan Community College Campus President Jonn Menzie, offered testimony in support of the proposed annexation. The University also submitted a letter supporting the proposed annexation. The petitioner has asserted that submission of the petition was predicated on assumptions that the parcel is likely to undergo development and that the City of Ketchikan is the most logical municipality to provide needed services to the site. Anticipated development is associated with the proposed expansion of the Ketchikan Community College campus and the addition of dormitory housing and additional classroom space. The territory also contains a portion of the Ketchikan by-pass route right-of-way, a proposed arterial linking the east and west portions of the City of Ketchikan.

The City is not now providing services to the property, but is the logical entity to provide services as a need develops. The City maintains a policy of providing services only within municipal boundaries. The Ketchikan Gateway Borough provides no special services to this area, except those which are provided areawide to all residents of the Borough: planning and zoning; taxation; education; and animal control.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs and oral testimony provided at the November 24, 1985 public hearing in Ketchikan. After due consideration, the Commission finds that the area proposed for annexation conforms to certain of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

1. Anticipated development in the area will generate the need for municipal services which the City can provide more efficiently than another municipality, pursuant to [19 AAC 10.070(a)(4)]. These services would include municipal sewer and water utilities and fire protection.
2. There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to plan for and control that development pursuant to [19 AAC 10.070(a)(5)].
3. The University of Alaska has identified the site for future dormitory housing, and formally supports the proposed annexation. The Addition also abuts residential housing areas on two sides, and there are City streets and roads which lead to the site.

CONCLUSIONS OF LAW

The petition for annexation of territory known as the University of Alaska Addition to the City of Ketchikan, as described in the petition of the City of Ketchikan, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of Ketchikan.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature in accordance with the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

That portion of U.S. Survey 1229, Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

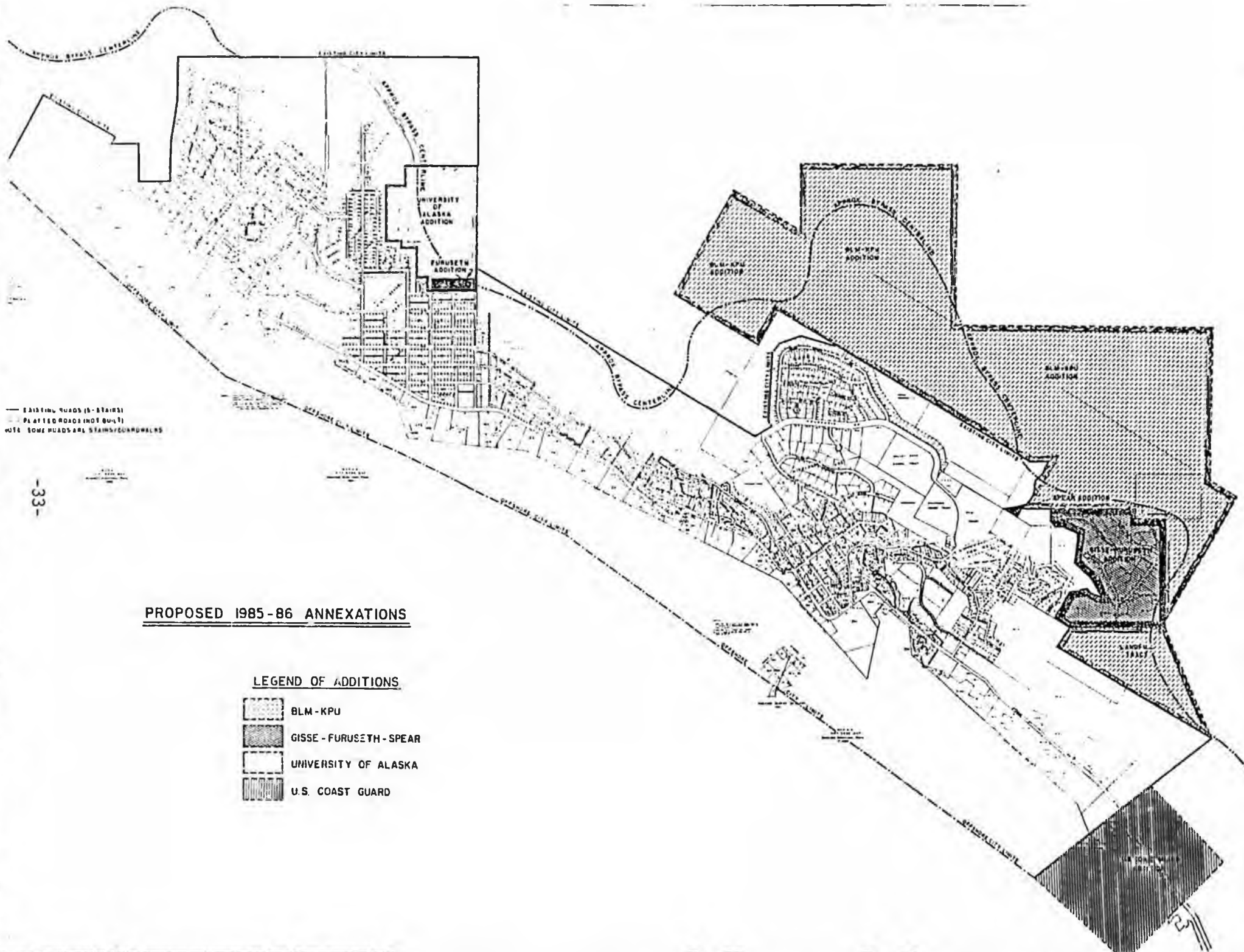
Beginning at Corner No. 2, the northeast corner of said U.S. Survey 1229, thence South 1591.27 feet to the true point of beginning:

thence West a distance of 1117.31 feet;
 thence South a distance of 300.00 feet;
 thence West a distance of 297.70 feet;
 thence South a distance of 856.12 feet;
 thence S-89°48'-E a distance of 236.46 feet;
 thence S-0°12'-W a distance of 100.00 feet;
 thence S-89°48'-E a distance of 245.00 feet;
 thence S-0°12'-W a distance of 440.00 feet;
 thence S-89°48'-E a distance of 161.92 feet;
 thence South a distance of 200.00 feet;
 thence S-89°48'-E a distance of 36.21 feet;

thence North a distance of 200.00 feet;
thence S-89°48'-E a distance of 650.00 feet;
thence South a distance of 200.00 feet;
thence S-89°48'-E a distance of 37.31 feet;
thence North a distance of 1901.07 feet to the true
point of beginning.

The hereinabove described parcel of land contains 48.30 acres,
more or less.

The Local Boundary Commission hereby respectfully submits its
recommendation to the Second Session of the Fourteenth
Legislature for the annexation of the territory included in the
above description and shown on the attached map.



VIII. RECOMMENDATION FOR THE ANNEXATION OF THE U.S. COAST GUARD ADDITION TO THE CITY OF KETCHIKAN

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
KETCHIKAN, ALASKA OF)
APPROXIMATELY 121.31 ACRES)
DESCRIBED AS THE U.S. COAST GUARD)
ADDITION)

*Proposed 121 acres
approved 86 acres*

SUMMARY OF PROPOSED ACTION

On June 26, 1985, the City of Ketchikan petitioned for the annexation of approximately 121.31 acres contiguous to the City. The petition was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires Legislative concurrence).

51.24 acres of the 121.31 acres proposed for annexation to the City of Ketchikan are currently within the confines of the U.S. Coast Guard Base in Ketchikan. The remaining acreage consists of coastal waters contiguous to existing offshore City of Ketchikan municipal boundaries. The existing City boundaries already encompass 9.23 acres of the Coast Guard Base's total 60.47 acres. The Base contains a variety of facilities including the Base Commander's residence, dormitory housing for the 32 enlisted personnel, buoy storage, munitions storage, rifle range, equipment storage and vacant land. The annexation would result in the addition of 32 residents to the City of Ketchikan. The existing municipal boundaries pass through the middle of a warehouse on the Base.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of Ketchikan, the Report and Recommendation of the Department of Community and Regional Affairs and oral testimony provided at the November 24, 1985 hearing. After due consideration, the Commission finds that the area proposed for annexation conforms to two of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

1. The area is urban in character pursuant to [19 AAC 10.070(a)(3)]. The Coast Guard Addition is judged to be urban in character principally because of the status of the most of the area as an operating Coast Guard facility and the residence of 32 Coast Guard personnel.
2. The area is in need of municipal services which the City can provide more efficiently than another municipality [19 AAC 10.070(a)(4)]. These services include municipal sewer and water utilities and fire protection.

CONCLUSIONS OF LAW

The territory proposed for annexation, known as the Coast Guard Addition, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of Ketchikan. However, if approved as requested, the proposed annexation would create a 2.3 acre enclave outside the jurisdiction of the City which would be nearly surrounded by territory within the jurisdictional boundaries of the City. It is the conclusion of the Commission that such circumstances would likely cause difficulties in the delivery of municipal services. After reviewing the petition and conducting a hearing on the proposed annexation, the Local Boundary Commission concludes that the boundaries of the territory proposed for annexation shall be reduced to 85.59 acres to preclude the creation of the enclave.

STATEMENT OF DECISION

Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature under the provisions of Article X Section 12 of the State Constitution, the territory described below shall be annexed to the City of Ketchikan:

A parcel of land within the Ketchikan Recording District, First Judicial District, State of Alaska, more particularly bounded and described as follows:

Beginning at Corner 2 of U.S. Survey 1667 Ketchikan Lighthouse Reserve as shown on the official government plat thereto;

thence S-43°58'-E a distance of 441.72 feet to the true point of beginning;

thence S-43°58'-E a distance of 1702.52 feet;

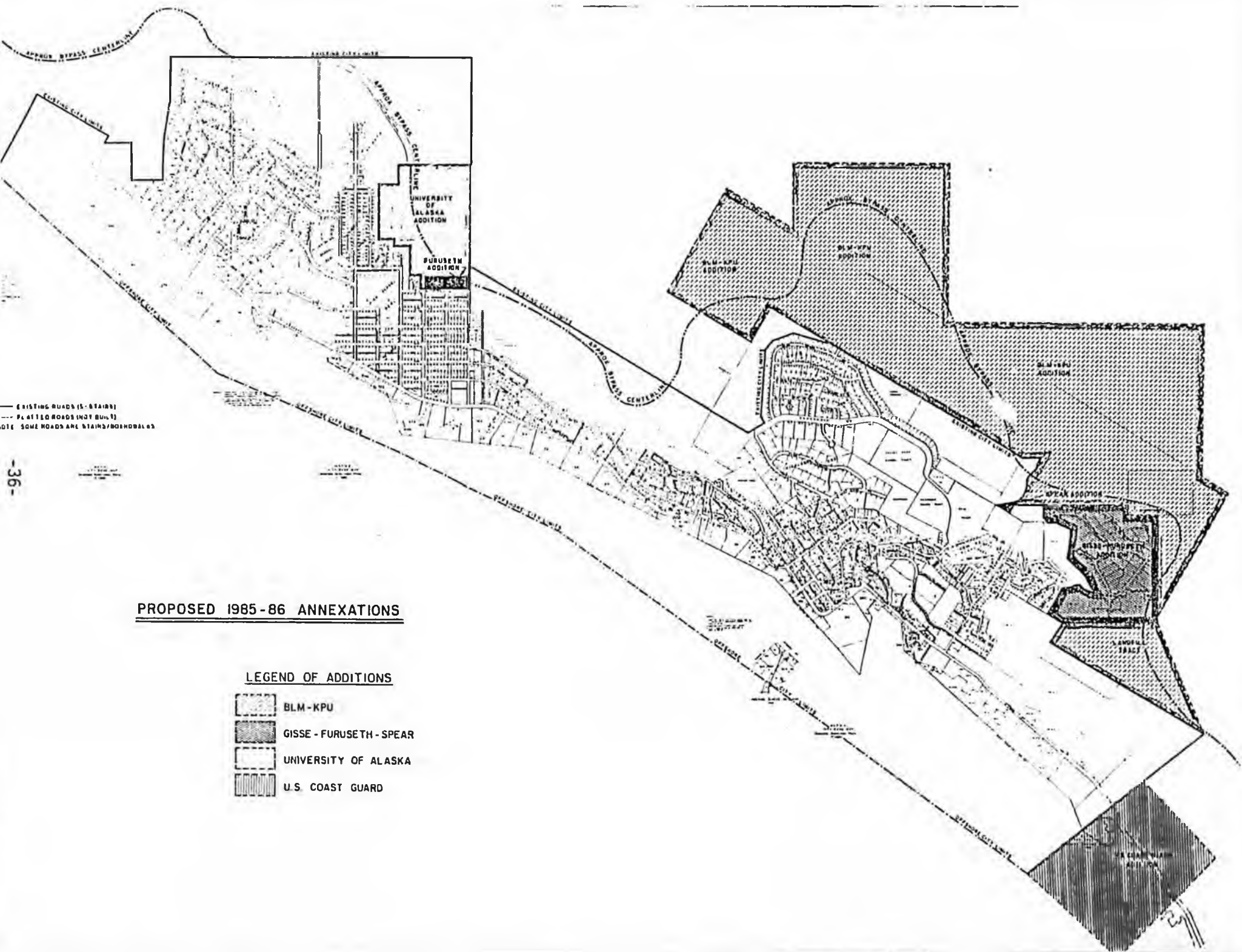
thence S-46°06'-W a distance of 1986.44 feet;

thence N-48°28'-W a distance of 1927.73 feet;

thence N-51°57'-E a distance of 2149.14 feet; to the true point of beginning





The hereinabove described parcel contains 85.59 acres.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.



— EXISTING ROADS (S - STAIRS)
 - - - PLANNED ROADS (NOT BUILT)
 ! ! ! SOME ROADS ARE STAIRS/BORNDOLLS

PROPOSED 1985 - 86 ANNEXATIONS

- LEGEND OF ADDITIONS
-  BLM - KPU
 -  GISSE - FURUSETH - SPEAR
 -  UNIVERSITY OF ALASKA
 -  U.S. COAST GUARD

City of North Pole - Shelly Dugan, Clerk
488-2281

Petitioned for 730 acres
approved 730 acres
Interior Energy Corp. 456-1312

IX. RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE CITY OF NORTH POLE

SUMMARY OF THE PROPOSED ANNEXATION

On June 10, 1985, the City of North Pole petitioned for the annexation of three separate areas totalling approximately 729.6 acres (1.14 square miles) of land contiguous to the City. The annexation proposal was made pursuant to Section Article X Section 12 of the State Constitution (i.e. the process which requires concurrence from the State Legislature).

The first of these three separate areas, referred to as Area #1, is northwest of the existing municipal boundaries and is comprised of approximately 605 acres (0.95 square miles). This territory consists primarily of undeveloped parcels of land ranging in size from 5 to 110 acres. Testimony provided to the Commission at its hearing conducted on this matter in North Pole on October 26, 1985, indicated that a majority of the land owners in Area #1 support the proposed annexation.

The area referred to as Area #2 is east of the existing municipal boundaries and is comprised of approximately 73 acres (0.11 square miles). Area #2 contains the Morning Star Subdivision and several parcels with small businesses north of the subdivision. The owner of the subdivision supports the proposed annexation. However, the Interior Energy Corporation (IEC), which owns a number of businesses in this area, opposed the proposed annexation. IEC's property holdings in Area #2 include a shopping mall, truck stop and fuel sales facility. In addition to submitting a brief opposing the proposed annexation, IEC representatives offered considerable oral testimony at the October 26 hearing on the petition by the Local Boundary Commission. The IEC opposition brief requested that the Commission deny the petition, "or alternatively, (deny the petition) insofar as it applies to the portion of proposed Area #2 north of the Morning Star Subdivision."

During the course of its deliberations, the Commission duly considered the brief and oral testimony relating to the annexation of that portion of Area #2 owned by IEC.

The area referred to as Area #3 is south of the existing municipal boundaries and contains approximately 51 acres (0.08 square miles). Area #3 contains the recently constructed Petro Star refinery, the owners of which have expressed support for the proposed annexation, both in writing to the City of North Pole and in oral testimony before the Commission. At the public hearing on the petition conducted by the Commission on October 26, 1985, a representative of the Petro Star refinery testified concerning a recent fire at the facility and the need for municipal fire protection at the facility to maximize

effectiveness of response to any such future emergencies (provision of fire protection services on an extraterritorial basis is not authorized by the Alaska statutes).

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition of the City of North Pole, the Report and Recommendation of the Department of Community and Regional Affairs, the opposing brief from IEC, the response brief from the City of North Pole, the petition bearing signatures of more than 1,300 individuals opposed to the annexation of IEC's businesses and oral testimony provided at the October 26, 1985 hearing. After due consideration, the Commission finds that all three areas proposed for annexation conform to several of the regulatory standards governing annexation. The extent to which these standards are met is stated below.

- ° Each of the three areas is urban in character [19 AAC 10.070(a)(3)]. Area #1 is judged to be urban in character principally because of its potential for development. Area #2 is urban in character because of its existing development north of the Morning Star Subdivision and potential for development of the Morning Star Subdivision. Area #3 is urban in character because of its extensive industrial development.
- ° All three areas are in need of municipal services which the City can provide more efficiently than another municipality [19 AAC 10.070(a)(4)]. These services include municipal sewer and water utilities, fire protection, police protection and road maintenance.
- ° There is a reasonable likelihood that future growth and development will occur within the territory and that annexation of the territory will enable the City to plan for and control that development [19 AAC 10.070(a)(5)].
- ° The health, welfare or safety of residents will likely be endangered by the lack of sewer and water utilities since the areas have a high water table [19 AAC 10.070(6)]. Further, the fuel handling facility in Area #2 poses a potential public danger.
- ° Residents or property owners within the territory receive or may be reasonably expected to receive, directly or indirectly, the benefit of city government without commensurate property tax contributions [19 AAC 10.070(8)]. This is particularly evident in the extension of fire protection services.
- ° Construction of an underpass of the Richardson Highway is currently underway which will more closely link Area #2 and the areas within the existing boundaries of the City of North Pole.

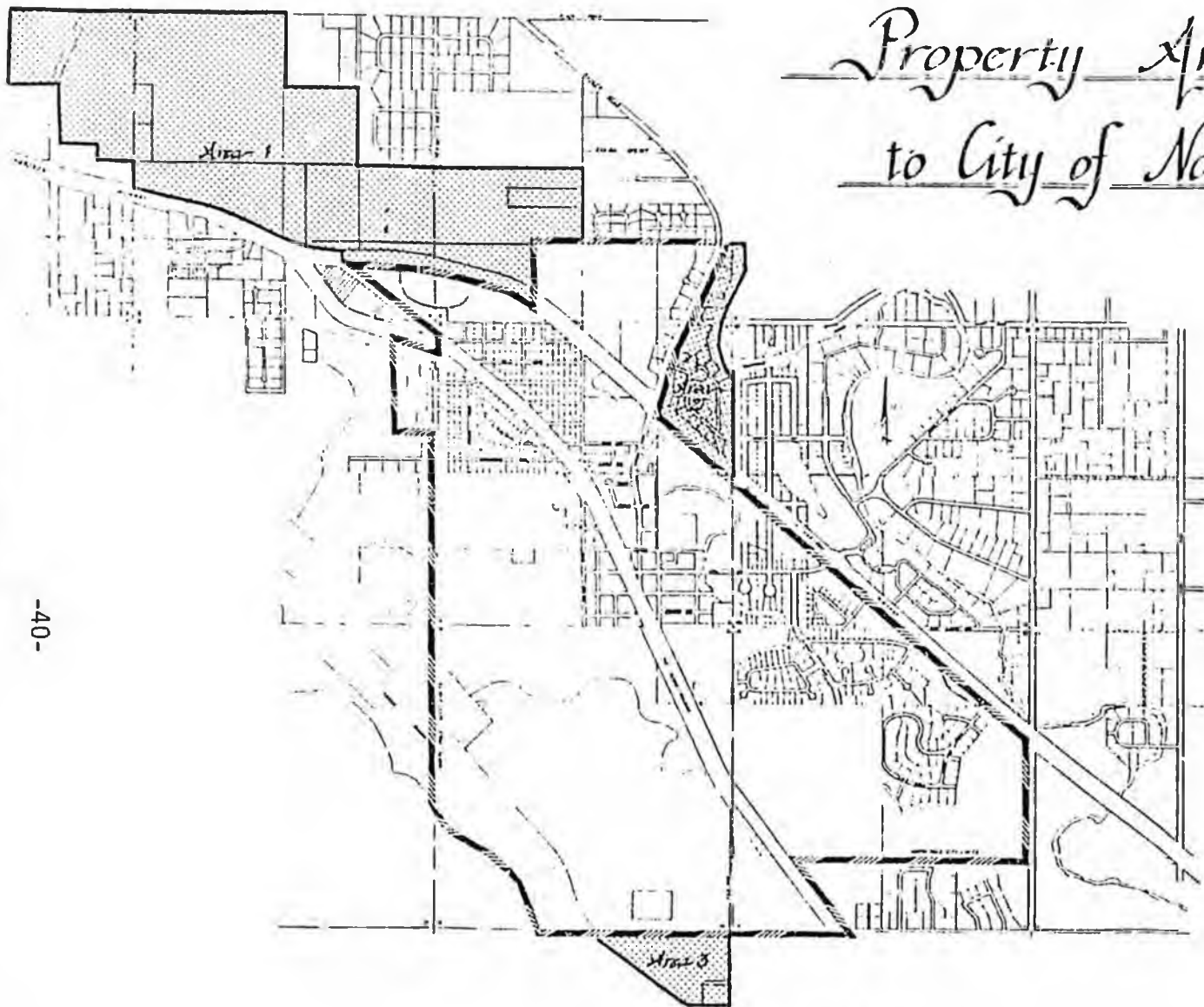
Further, the Commission considered the request by the IEC to omit the five acre parcel owned by IEC in Area #2. The Commission determined that this request should not be granted since the five acres met the same standards as the remainder of Area #2 and that the parcel would be surrounded on three sides by territory within the jurisdiction of the City of North Pole if the petition were amended to exclude the referenced parcel. The referenced parcel would also be geographically separated from territory outside municipal jurisdiction by the Thirtymile Slough.

Further, the Commission finds that the City of North Pole is capable of extending and is willing to extend full municipal services as defined by 19 AAC 10.840(9). As such, annexation pursuant to Section 29.68.010(a) of the Alaska Statutes is deemed the most appropriate procedure for this boundary change.

On the basis of the above findings, the Commission approved without modification the petition for annexation of approximately 1.14 square miles by the City of North Pole.

The Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory described in the City of North Pole's petition of June 10, 1985, and shown on the attached map.

Property Annexation to City of North Pole



Existing City Boundary
 Proposed City Boundary

Existing Area 291 sq miles
 Added Area 114 sq miles
 Total Area 405 sq miles

 ROEN DESIGN ASSOCIATES <small>DESIGNERS - ARCHITECTS</small> <small>3100 NORTH WINE - ANCHORAGE, ALASKA 99503</small>	NAME OF JOB
	OWNER'S NAME
	ADDRESS
	DATE OF PLAN
SHEET NO. 1 OF 1	

City - 546.2332

Phyllis Mercurieff - City Clerk -

all Exec from IRA and TDX out of town - Seattle planning session
she will advise their St Paul offices

X.

RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE CITY OF ST. PAUL

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
ST. PAUL, ALASKA OF APPROXIMATELY)
194 SQUARE MILES CONSISTING OF)
OTTER ISLAND, WALRUS ISLAND AND)
THE TERRITORY THREE NAUTICAL)
MILES SEAWARD FROM THESE ISLANDS)

*Petitioned for 194 sq miles
193 of water - all approved
1 of land -
Opposed by Aleut
Community (IRA)
Tanadusix Corp*

SUMMARY OF PROPOSED ACTION

On July 11, 1985, the City of St. Paul petitioned the State of Alaska for the annexation of Otter Island, Walrus Island and the territory three nautical (geographical) miles seaward from these islands. The total area of the territory proposed for annexation is approximately 194 square miles, consisting of 193 square miles of water and 1 square mile of land. The annexation was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the State Legislature).

On November 7, 1985, the Commission held a public hearing on the petition in St. Paul. Chairman Robert Eder and Commissioners Greist, Hanson and Bettisworth participated in the hearing. Testimony was offered by eleven individuals.

The petitioner indicated that the proposed annexation is based upon the following assertions:

That a need exists to enhance the City's tax base by expanding its municipal boundaries seaward so that raw fish tax revenue paid to the State by floating fish processors operating immediately offshore of St. Paul Island may be shared with the City. That a need exists to control the impact upon the Community of development by the fishing and oil exploration enterprises on Walrus and Otter Islands and to control land use and development through planning in a larger area.

During the hearing, the Commission received testimony that the Aleut Community of St. Paul Island (IRA) and the Tanadusix Corporation, the major land holder in the area, oppose the proposed annexation.

The Commission considered briefs opposing the proposed annexation prepared on behalf of the Aleut Community of St. Paul Island and a response to the opposition brief filed by the City of St. Paul. In arriving at its decision, the Commission also considered the Report and Recommendation of the Department of Community and Regional Affairs on the proposed annexation, and an opinion by the Department of Law regarding the determination of the contiguity of Walrus Island in the context

of the proposed annexation. After reviewing the testimony, briefs and other material, the Commission conducted a decisional session on the proposed annexation in Anchorage on December 9, 1985.

FINDINGS OF FACT

In arriving at its findings, documents and evidence considered by the Commission included, but were not limited to, the petition and supporting briefs of the City of St. Paul, the Report and Recommendation of the Department of Community and Regional Affairs, the opposing briefs from the Aleut Community of St. Paul and the Tanadusix Corporation, oral testimony provided at the November 24, 1985 hearing and information provided by Community and Regional Affairs staff after conducting an informational meeting in St. Paul on December 2, 1985. After due consideration, the Commission finds that all three areas proposed for annexation conform to several of the regulatory standards governing annexation. Following its deliberations on this matter, the Local Boundary Commission made the following findings of fact:

1. The City of St. Paul is now working toward diversifying the community's economy by reducing its dependence upon the seal harvesting industry and broadening the economic base of the community. To accomplish this, the City is developing a port facility to promote local development of the bottom fishing industry. St. Paul residents are investing in small boats and fishing off the coast of St. Paul Island. In addition, numerous other fishing boats and floating processors are operating immediately off the coast of St. Paul Island in the area proposed for annexation.
2. The City of St. Paul provides search and rescue operations and related services to the waters contiguous to its current municipal boundaries. However, the City does not have the authority to provide such services extraterritorially. If this territory is annexed, it will allow the City to continue such activity without the present liabilities associated with the lack of municipal jurisdiction. Testimony provided by the petitioner indicated that the City of St. Paul is involved in an average of at least two search and rescue missions per month. Thus the health, welfare or safety of City residents is endangered in the absence of such municipal jurisdiction.
3. The City of St. Paul also provides potable water to the floating processors and fishing boats operating offshore of the Island. As the fishing industry grows in the region, the City of St. Paul will be an increasingly important municipal service. To accommodate anticipated impacts, the City is currently preparing to develop alternative potable water sources.

4. With respect to the capabilities of other municipalities to provide these needed services, the Commission noted that the only other municipality in the area is the City of St. George, which is located approximately 40 miles southeast of St. Paul. This situation is particularly relevant with respect to 19 AAC 10.070(a)(4).
5. Potential development in the territory proposed for annexation warrants the provision of municipal planning authority in the territory. Sufficient evidence exists that there will likely be continued development of both the fisheries industry and offshore oil industry within and adjacent to the area proposed for annexation. Currently, the bottom fishing industry is rapidly expanding in the Pribilof area.
6. In addition to the development of the onshore fish processing industry, there also exists the potential for increased offshore processing. It is reasonable to conclude that the City will both desire and require control over waters contiguous to the existing municipal boundaries since processors impact water quality and utilize certain City services and facilities. Offshore floating processors will likely impact the community by bringing in large numbers of transient workers who, in turn, place a demand on both emergency medical and local law enforcement services.
7. The City of St. Paul is currently a Coastal District established under the Alaska Coastal Management Program (ACMP). Under the ACMP, districts are authorized to develop a coastal management program for their area of jurisdiction. In the case of St. Paul, expansion of its municipal boundaries seaward three nautical (biophysical) miles will extend the City's planning jurisdiction over that territory. Presently, the City only has jurisdiction for coastal management to the shoreline.
8. A portion of the territory proposed for annexation is now part of the Alaska Maritime National Wildlife Refuge and is protected by the Federal government. However, an extension of the City's municipal boundaries to include this area would allow the City to provide coastal management planning to regulate impacts upon the coastal resources contiguous to the Refuge. The Refuge is identified by the Alaska Department of Fish and Game as part of the same coastal biophysical area as St. Paul Island proper.
9. As previously stated, the residents of St. Paul use the waters surrounding the Island for day fisheries operations and subsistence activities. Because there are no U.S. Coast Guard rescue facilities on or near St. Paul Island, the City provides marine rescue services. If the City is to legally provide such services, the marine territory must be within its municipal boundaries. The service will

become even more important with the expansion of outside fishing vessels using the St. Paul naroor as a base of operations.

10. The City will likely require additional revenue to provide basic services in the maritime territory proposed for annexation. If this territory is annexed, the City can collect a share of the raw fish tax revenues currently collected by the State for operations within the territory proposed for annexation.

CONCLUSIONS OF LAW

The annexation of territory described as the three mile nautical perimeter surrounding St. Paul Island, Walrus Island and Otter Island including Walrus Island and Otter Island to the City of St. Paul, as proposed in the petition of the City of St. Paul, sufficiently meets standards for annexation to warrant inclusion within the boundaries of the City of St. Paul.

STATEMENT OF DECISION

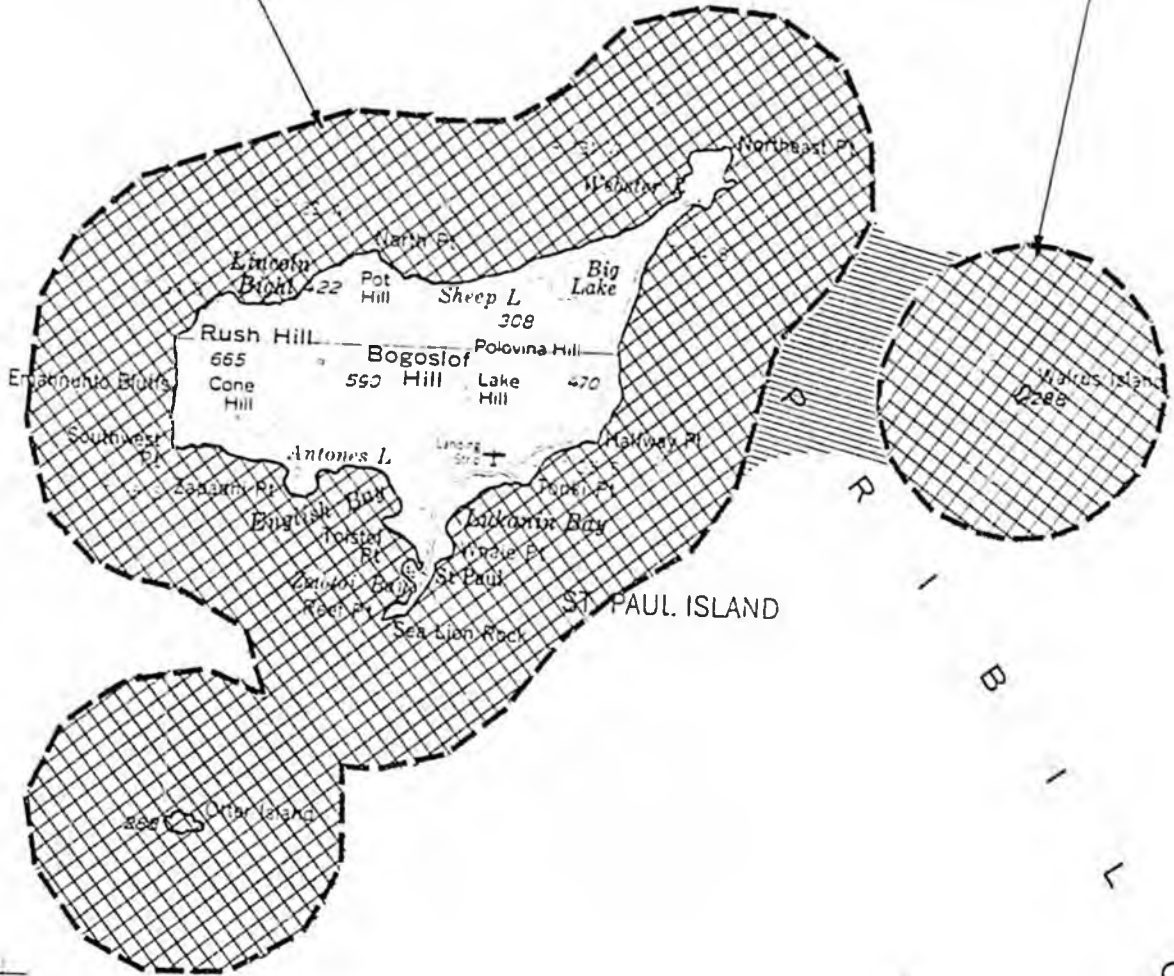
Based upon the Findings of Fact and Conclusions of Law stated above, IT IS ORDERED:

Upon tacit approval by the Second Session of the Fourteenth Legislature under the provisions of Article X Section 12 of the State Constitution, the jurisdictional boundaries of the City of St. Paul shall be as follows:

All of the territory contained within a three nautical (geographical) mile perimeter and lying above the mean low water line surrounding St. Paul Island, Sea Lion Rock, Walrus Island and Otter Island of the Pribilof Group at Latitude 57° 10' N and Longitude 170° 15' W.

The Local Boundary Commission hereby respectfully submits its recommendation to the Second Session of the Fourteenth Legislature for the annexation of the territory included in the above description and shown on the attached map.

PROPOSED ANNEXATION



B E R I N G

*City - Unalaska 581-1251
Nancy Gross - City Manager*

XI. RECOMMENDATION FOR THE ANNEXATION OF TERRITORY TO THE CITY OF UNALASKA

IN THE MATTER OF THE PETITION)
FOR ANNEXATION BY THE CITY OF)
UNALASKA, ALASKA OF)
APPROXIMATELY 1,294 SQUARE MILES,)
CONSISTING OF A PORTION OF)
UNALASKA ISLAND, AMAKNAK ISLAND,)
EGG ISLAND, HOG ISLAND,)
SEDANKA ISLAND AND THE TERRITORY)
THREE NAUTICAL MILES SEAWARD OF)
THESE ISLANDS)

*Petitioned for
1294 sq miles
(60% land) approved
581-1276
Cathy Grimes,
Ounalashka Corp*

SUMMARY OF PROPOSED ACTION

On August 21, 1985, the City of Unalaska petitioned for the annexation of approximately 1,294 square miles of territory contiguous to the City and described as Unalaska Island north of Township 76 and the islands of Sedanka, Hog, Egg and Amaknak, including the territory three nautical miles seaward from these islands. On January 4, 1986, the Local Boundary Commission conducted a public hearing in Unalaska on the petition. The petition was submitted pursuant to Section 29.68.010(a) of the Alaska Statutes (i.e. the process which requires concurrence from the Legislature).

The majority of the area proposed for annexation (approximately 60 per cent) is land, the remainder is water. The petitioner asserts that annexation will permit the City to provide needed urban services in an area where growth is anticipated and the City is the only logical entity to provide such services.

The territory is not urban in character. It is largely undeveloped and uninhabited open space and water, with a only four residents, according to the petitioner.

The petitioner asserts that there is a reasonable likelihood that portions of the territory will become further developed in the foreseeable future. This assertion is based upon the City's belief that there is a demand for vacant, developable land to meet the needs of the oil and bottomfish industries. The petitioner also referenced the interest of private sector developers in the commercial geothermal potential of the Makushin Volcano area, which is located in the area proposed for annexation.

During the course of its proceedings, the Commission considered testimony, both written and oral, including that provided by the Ounalashka Corporation. The Ounalashka Corporation, which is a primary land holder in the area proposed for annexation, contended that much of the territory proposed for annexation is

not in need of municipal services and that the present municipal boundaries of the City of Unalaska contain areas which are suitable for development but not yet developed.

FINDINGS OF FACT

1. Most of the territory proposed for annexation is not platted or held for sale for residential or commercial purposes. The territory proposed for annexation is vast and remote and is largely undeveloped.
2. The population density of the territory proposed for annexation does not approximate that of the territory within the present boundaries of the City of Unalaska. The City's petition indicates that four individuals reside within the 1,294 square miles proposed for annexation. The population density of the territory proposed for annexation is 0.0031 people per square mile. By comparison, 1,922 individuals reside within the present boundaries of the City of Unalaska (which encompass approximately 25.4 square miles). The population density within the City is 75.7 persons per square mile.
3. The population of the territory proposed for annexation does not stem primarily from actual growth of the City beyond its legal boundaries. This is due, in part, to the difficulty in developing the lands outside the major river valleys and relatively accessible bay areas. In addition, a significant portion of the territory proposed for annexation is held by the village Native corporation and is not platted and available for purchase.
4. Portions of the territory proposed for annexation may be valuable by reason of their suitability for prospective urban purposes. Specifically, the land areas around Broad Bay, Wide Bay, Nateekin Bay, the Makushin Valley, and Summers Bay may be suitable for additional rural/low density residential development. In addition, Captains Bay presently harbors processors and oil rigs. It is likely that this activity will continue and even increase in the future.
5. The petitioner has acknowledged that the City of Unalaska does not routinely provide services outside its corporate limits. However, in 1984 the City emergency medical services staff responded to 56 marine calls. According to the City of Unalaska, the majority of these calls were to vessels moored in nearby bays that are outside the City limits. The City normally responds to marine calls by transporting rescue and emergency medical equipment to the harbor tug so City personnel can undertake rescue and emergency fire operations. Much of the demand on the City ambulance and fire services is from offshore seafood processors frequently anchored in Captains Bay and parts of Unalaska Bay.

6. City services, other than those emergency services referenced previously, are not presently provided in the territory proposed for annexation, nor is there any indication that such services are either needed or desired by individuals residing within the territory. The Ounalashka Corporation also expressed concern regarding the need for extension of planning and zoning authority over such a remote territory.
7. Evidence indicates that it is reasonable to expect the City may be called upon to provide emergency services such as fire, ambulance and police to both oil rigs and floating seafood processors moored in the bays and harbor located in the immediate vicinity of the City yet outside the present municipal boundaries.
8. Floating processors are transient but locate primarily in Unalaska Bay, Iliuliuk Bay, and Captains Bay. The Commission found persuasive the petitioner's argument that the City of Unalaska should be empowered to exercise control over these bays since the processors impact water quality, require City services and use City facilities. Offshore floating processors are likely to impact the community by bringing in a transient labor force which places demands on both emergency medical and local law enforcement services.
9. The present land status of the territory proposed to be annexed may inhibit it from being developed immediately. Again, much of the land is owned by the Native Corporation. The corporations have, for the most part, received interim conveyance to their land selections. The Ounalashka Corporation has indicated that it has no immediate plans to open up land for development. Lands owned by the Ounalashka Corporation that are in the immediate vicinity of the existing City, however, would more likely be developed before the more remote areas if the Corporation elects to develop its land. It is unlikely that these more remote areas will be requiring or demanding City services in the near future.
10. The Commission finds that annexing the land area adjacent to Beaver Inlet and Makusnin Bay merely to control processors in these waters is not justified under the guise of "planning authority" alone. The Alaska Coastal Management Program (ACMP) provides the City with an alternative means for planning and regulating land use within the territory proposed for annexation. Under the ACMP, districts are authorized to develop a coastal management program for their area of jurisdiction. Districts include first-class cities such as the City of Unalaska and also Coastal Resource Service Areas.
11. The Commission finds it is inappropriate for a municipal government to annex vast amounts of territory in which