

LDIR#096

**CITY BOROUGH
CONSOLIDATION
HOUSE BILL 409**



ALASKA LEGISLATIVE COUNCIL

CITY-BOROUGH UNIFICATION PROPOSALS
A Preliminary Look at the Question

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January

1967

ALASKA STATE LEGISLATURE

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5/6/66

P. 1

Merger Bill Not Needed, Group Told

The City-Borough Merger Study Committee was told last night that after it finished its task, it would decide against recommending merger legislation, because such legislation was unnecessary.

John S. Hellenenthal, a former state and territorial legislator and a delegate to the Constitutional Convention, said passage of the merger bill in the last session of the legislature "would have put back merger two years. It is going to happen anyway."

Hellenenthal and committee member Leslie Parker gave the committee background on the intent of the Constitutional Convention in the area of local government.

QUOTING extensively from the transcript of the convention, Parker said there were "three pillars of intent: simplicity . . . flexibility . . . insured representation."

Hellenenthal said under the State Constitution, and existing laws it would be impossible for the Anchorage area to fall under one unit of government either a city with vast functions or a borough with vast functions.

He said the problem was what to call it. He suggested that it would probably be a borough because that connotes area government.

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Merger Bill Not Needed Group Told

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Hellenenthal said that the units of government had the authority under the Constitution to transfer services from one government to another.

UNDER THIS authority, he suggested that the city could transfer the election power, which he said might be a good idea and start service areas.

Hellenenthal also highly backed the concept of service areas. He called the service area "a very important concept of the borough which should be thoroughly explored and exploited."

Explaining that the service area concept was adopted to allow provision of services as desired by residents, Hellenenthal said, "I don't know why people aren't informed."

HE SAID the service area vehicle could be used to put sewer projects and drainage projects into operation. It was a case, he said, where the people benefiting from a particular service were the ones who paid for it.

He also said that the service area was a path of evolution to "total borough government."

"Don't get too eager, you can't push too hard," he said.

He said there would be a gradual acceptance of the borough when the people see that something is being done.

Hellenenthal also strongly backs the concept of an advisory board or commission to take an active role in overseeing the activities of each service area.

HE SAID that this was a matter of allowing people to participate in local government.

Hellenenthal also advocated expanding the Borough Assembly and breaking up some of the large sections. Pointing to Section 5, he said Homestead Area had little "community of interest" with Sand Lake.

Anch. Daily News
6/24/66

Breg.

Multi-Issue Ballot Urged For Merger

State Local Affairs Agency Director Ron Cease last night suggested that in the event a charter vote was held on the consolidation of city and borough, the vote should not be limited to a single proposition.

CEASE TOLD the City-Borough Study Committee that he thought the voters should not be asked to "buy the whole package" without an opportunity to voice an opinion on certain major aspects of government.

Among the questions he suggested for a separate vote, in addition to the charter itself, were the issue of a professional borough manager versus an elected chairman as top executive and the continuation of sectional election of the assembly.

Cease also said that experience had shown that the second class borough form had proved more workable than the first class borough.

He said that the second class boroughs, of which Anchorage was one, had shown greater progress than the Greater Juneau-Douglas Borough, the state's only first class borough.

CEASE explained that the Juneau Borough and the City of Juneau had been generally unable to reach agreement in major areas of borough-wide government.

For example, he said, the borough was authorized by state law to exercise the planning and zoning functions throughout the borough including inside cities. However, the Juneau city councilmen sitting on the assembly, who hold a majority vote, have declined to allow the borough to exercise these powers within the city.

He said that although the process of assuming functions by a second class borough was more cumbersome than for a first class borough, second class boroughs had been more successful in providing services.

In a second class borough, the voters must approve the assumption of new powers. The assembly can make the decision in a first class borough, providing the city councils within the borough agree to transfer that power to the borough.

Cease said that it would probably be advisable for the Anchorage area to secure additional legislation, if it decided to carry out a consolidation of city and borough.

City League Backs Plan For Merger

Compromise Borough Legislation Endorsed In A Surprise Move

FAIRBANKS (AP)—The Alaska Municipal League endorsed legislation to facilitate the merger of city and borough governments in the final session of the league's 16th annual convention.

A majority of delegates felt the move a good compromise of one of the most troublesome facets of the state's borough act.

The move came as a surprise, however, to some observers who had predicted borough-city battles in Southeastern Alaska and other areas might "blow the league wide open."

The proposal would allow merger via petition to the local boundary commission or via local option. The petition would require 10 per cent of the number of votes cast in each municipality in the preceding regular election.

Drafted originally by City Attorney Warren Christianson of Sitka, the proposed measure specifies, "the charter of the new municipality operates to dissolve any borough or cities within the area in accordance with the provisions of the charter. The new municipality, by whatever name it is called, shall have all the powers which any ~~home rule~~ municipality may have under the state constitution."

McKorvey Party Times,
October
29, 1966,
p. 1, c. 1.

John O'Connell of Sitka, newly-elected league president, told delegates Friday night, "we have a strong policy, and all we have to do is support it. We're not an answer group, but we seek the answers. And I don't know of any group in Alaska which has its fingers more on the pulse of the state."

Delegates also voted to support the legislation recommended by the league for revision of the municipal code and to oppose the senate second committee substitute and house bill 509.

Other recommendations made by the league included:

—An act requiring payment of general property tax on motor vehicles before issuance of a license;

—A provision for maximum freedom in the selection of revenue sources to broaden the tax base of all municipalities;

—A request that the state declare its intent to cities and boroughs on plans for secondary road maintenance;

—A request that the state provide bonding information;

—Support for additional vessels on the marine highway, and

—A recommendation that the state prepare and adopt a new property appraisal manual.

Group Blasts Merger Bill

A proposed bill to permit merger or consolidation of Alaska cities and boroughs — endorsed last weekend by the Alaska Municipal League—was condemned Thursday by the Anchorage Borough - City Study Committee.

Glenn E. Clarke, a member of the committee, called the proposed legislation "an affront to the voters."

The committee voted unanimously to express its disapproval of the Municipal League bill, at the same time voting to "continue to work on proposals before us in the interest of the voters."

The proposed bill endorsed by the Municipal League at its convention in Fairbanks was drafted by City Attorney Warren Christianson of Sitka.

Under its provisions, merger or consolidation would be accomplished through a petition submitted to the State Local Affairs Agency in Juneau.

This, said the Borough - City Study Committee, would remove the consolidation matter from local hands and subject the people of an area to continued management of a distant agency in Juneau.

The committee, a 16-member citizens group appointed by the Borough Assembly and City Council, has been working continually since early this year.

The prime direction of its work has been toward permissive legislation with an emphasis on local direction and specific controls to insure that residents of urban and suburban areas are protected.

The study committee said the Municipal League proposal appeared to be a distillation of a number of previous legislative bills on the matter, without regard to safeguards needed to insure adequate local control over a city-borough consolidation.

The committee, after condemning the League proposal, continued work on proposed permissive legislation to allow cities and borough to form a one-unit home rule government.

Its proposals are scheduled for public hearings later this year, with a report due to the council and assembly in Juneau.

July

*Anch. Daily Times
12/3/66*

Study Committee Advocates Union Of City, Borough

A proposed bill to permit consolidation of cities and boroughs into one-unit home rule governments has won preliminary approval from the Anchorage Borough-City Study Committee.

The group, appointed early this year by the City Council and Borough Assembly to study solutions to overlapping governments in local areas of the state, approved a draft of the bill at the conclusion of a long meeting Thursday night.

The proposed legislation is the result of months of sessions by the committee, but doesn't mark the end of the job given the group.

The committee now plans to seek a joint meeting with legislators from Anchorage to review the proposal, and then to call for public hearings on the bill. A report on the committee's recommendation is scheduled to be made to the ~~council~~ and the assembly in January.

Area Daily News 12/16/66

Area Unification Study Put Before Legislators

The City-Borough Study Committee last night presented Anchorage area legislators with a rough draft of possible legislation which the committee felt could be a basis for city-borough unification.

COMMITTEE member Mrs. Wilda Hudson described the draft proposal as a "conservative" approach.

Although the 11 legislators and legislators-elect at the meeting asked questions and made comments on the proposal, they did not take positions on the measure.

The draft proposal, which will be part of a final committee report submitted to the City Council and Borough Assembly, set out a broad range of safeguards to prevent unification without the express approval of the area's voters.

THE MEASURE is designed to apply statewide. Unification would not be mandatory.

The bill attempts to deal with the loaded questions of local government such as the apparent political split among city and non-city residents.

The process of unification

could be initiated, under the committee's proposal, only by petition of 25 per cent of the city's voters and 25 per cent of the outside-city borough voters with the percentage based upon the total borough vote at the last election.

THE QUESTION would then be placed on the ballot. For passage it would require approval of more than half of the city voters and more than half of the non-city voters counted separately.

At the same time a charter commission would be elected. They would be elected by section, except that the city would vote in one at-large district.

The proposed charter would also require separate approval of inside and outside city areas of the borough.

The Legislature is expected to receive other city-borough unification proposals from the League of Alaskan Cities and other cities and boroughs.

Guess

Public Hearings On Borough-City Union Scheduled

Public hearings will be held in January on proposed legislation to permit boroughs and cities to form a united home rule government.

Plans for the January public hearings, with dates and times still to be set, were announced Thursday night at a meeting of the Borough-City Study Committee.

The committee, formed earlier in the year by the City Council and the Borough Assembly, reviewed the consolidation bill with 11 members of the 1967 legislature at the meeting.

It was the first formal presentation of the draft legislation, which apparently will be introduced for consideration at the legislative session opening in January.

The measure generally was praised by the lawmakers, but

reservations were expressed on some of the provisions of the proposal.

Rep. Harold Strandberg, R-Anchorage, pinpointed what is regarded as a major stumbling block to consolidation plans — the transfer of assets and liabilities from a first class city to the new home rule government.

Under terms of the bill as drafted, liabilities would remain the responsibility of areas which incurred the debt — until such time as the specific services were extended to other areas.

"I think this is very unfair," Strandberg said. He suggested some means where credit also could be given for the vested assets of a city involved in a merger.

A different view was expressed, however, by Sen.-elect Lowell Thomas and Rep.-elect Jack Simpson, two other Anchorage Republicans.

Both said municipal governments must look to the future and not to the past in resolving problems of growth and overlapping government responsibilities.

Other legislators attending the meeting were Republicans Milo Fritz, Brad Phillips, Bill Wiggins, Dr. Mike Beirne, Don Smith, Ted Stevens and Tom Fink, and Democrat Gene Guess.

SUMMARY OF HOUSE BILL NO. 409

BACKGROUND

House Bill No. 409 was introduced into the Second Session of the Fourth Legislature on February 11, 1966. The bill was introduced "by request" following public calls by local government officials in the Anchorage area for permissive legislation enabling cities and boroughs to form a single unit of government.

Upon introduction, HB 409 was referred to the House Local Government Committee, where it was the subject of deliberations and several public hearings, one of them a joint Senate and House Local Government Committee hearing. At the hearings testimony was advanced both favoring and opposing the proposed legislation, and a number of proposals for amending the legislation were advanced. Subsequently, HB 409 was referred for hearings and report to the Legislative Council by concurrent resolution of the legislature (HCR No. 48).

PROVISIONS

House Bill No. 409 establishes a procedure by which general law and home rule first class cities within an organized borough may dissolve into the borough government. The integrated government is termed a "consolidated borough" and is a home rule borough. The integrated cities become part of the borough area outside cities. They are subject to borough powers to be exercised under the home rule charter in the area outside cities only. Varying degrees of services and levels of taxation in the area outside cities, including the area of the newly integrated cities, may be provided by means of service areas.

The bill does not call for the integration of second, third or fourth class cities into the borough. These cities, if any are located within the borough, remain as the only city areas within the borough. The remaining cities would be subject to the exercise of areawide borough powers.

To initiate action under HB 409, a resolution proposing a consolidated borough must be presented to the borough assembly by the council of each general law and home rule

BOROUGH-CITY STUDY COMMITTEE

CONCERNING MERGER, CONSOLIDATION, AND DISSOLUTION OF BOROUGHS AND CITIES:

State Constitution. Article X. Section 3.The legislature shall classify boroughs and prescribe their powers and functions. Methods by which boroughs may be organized, incorporated, merged, consolidated, reclassified, or dissolved shall be prescribed by law.

State Constitution. Article X. Section 7.Cities shall have the powers and functions conferred by law or charter. They may be merged, consolidated, classified, reclassified or dissolved in the manner provided by law.

Borough Act of 1961 as Amended. Chapter 35. Article 2. Sections 07.35.110-210.

This Article provides for the manner in which two or more organized boroughs may merge or consolidate, spelling out standards for petition, review, investigation, hearing, and election.

This Article also spells out that when two or more boroughs merge or consolidate, a newly organized borough is incorporated. The newly organized borough succeeds to the rights, claims, assets, property, liens, debts, franchises and other contractual indebtedness of the merged or consolidated boroughs.

It further states that the ordinances of the former boroughs remain in force within the respective territories until the governing body of the newly incorporated borough enacts a code of ordinances for the government of the newly incorporated borough. The ordinances by the governing body of the newly organized borough supersede the ordinance of the former boroughs on the subject of the enactments.

Borough Act of 1961 as Amended. Chapter 35. Article 3. Sections 07.35.410-520.

This Article provides for the manner in which an organized borough may be dissolved, spelling out petition, standards for dissolution, review, investigation, hearing, and election.

Section 07.35.430. covers the standards for dissolution. A borough may dissolve when: (1) it is free of debt, or if in debt, each of its creditors is satisfied with a method of repayment, and (2) either it no longer meets the minimum standards prescribed for incorporation by this title or it ceases to use each and everyone of its powers.

Section 07.35.510. Covers the standards for immediate dissolution. A borough is dissolved whenever its entire territory becomes included within a city or cities.

This Article further provides that upon dissolution, all property and debts owing to the borough become the property of the government succeeding it.

Alaska Statutes. Title 29. Municipal Government.

Chapter 10. First Class Cities. Article 10. Dissolution. Section 29.10.543.

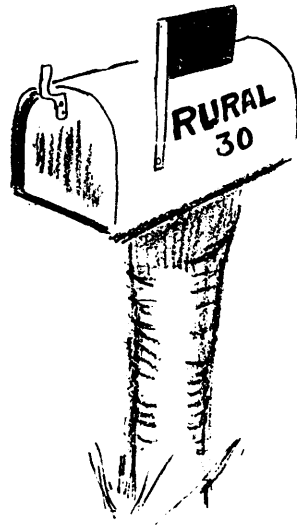
Petition and election for dissolution. (a) If the population of any city falls below 500 persons, the council, or if the council has ceased to function, 25 persons.... may petition the court..... (b), (c), & (d) spells out procedure for petition and election.

(e) No city may dissolve until all of its indebtedness is paid. The fact that all debts are paid must be proved to the satisfaction of the court before entry of the order of dissolution.

Section 29.10.546. All money and property belonging to the city shall be transferred to the successor city or cities.

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West High School
Anchorage, Alaska
February 26-27, 1966