

Kris Lethin Explains Reasoning Behind His Quest for Annexation

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by Jenny Chissus

Seldovia has a lot going on these days, and one of the big issues swirling around in the talking circles has been the quest by local resident Kris Lethin regarding the pursuit of annexation of the entire Seldovia Recreational District into the city of Seldovia. I thought it best to give Kris the floor, and let him explain his position and why he feels it's a positive opportunity for Seldovia.

Should you be interested in knowing more, there are links in this article, as well as an opportunity to express your thoughts at the next **City Council meeting on December 11**. But for now, I wanted to thank Kris for taking the time to answer a few questions, and get us all up to speed on his thinking so that folks can make intelligent and informed decisions on their own!

Gazette: Kris, there is a lot of talk about your pursuit to annex the whole Seldovia Recreational Service area into the city of Seldovia. Tell us about your proposal.

Kris: The Seldovia boundary (annexation) issue has been simmering for decades in Seldovia. There's been an assumption that nothing could be done because any effort would be turned down by those living outside of Seldovia City Limits without knowing about the constitutionally created Local Boundary Commission that was created to resolve these kinds of issues. The Local Boundary Commission is made up of five members from each judicial district around Alaska and one at large member. They hear proposals from all areas of the State and can propose boundary changes to the Legislature that requires a negative vote by the legislature to be disapproved. It is my hope that our community will have an open and frank discussion of the pros and cons of a boundary change. Below is the map for consideration as a new boundary for the City of Seldovia which does include the recreational service area that would be incorporated into the City.

Gazette: Why do you feel this is a good solution for the people of Seldovia?

Kris: It is a solution. I cannot say if it is good or bad, however is it fair to all concerned? I think so. Everyone in the proposed boundary benefits from the City of Seldovia existence. It will bring us all into a common boundary that cares about our life style and community. It will bring a greater population base to the City of Seldovia for revenue sharing with the State of Alaska. It brings a larger voter base to Seldovia for more and greater participation in our City government. City will be able to adopt a new planning and zoning for rural residence that is the same as the Borough Planning and Zoning.

Gazette: You had mentioned that this change would significantly increase the income to our city for improvements in services and infrastructure. Do you have some real numbers to share regarding the financial impact of extending our city's boundaries?

Kris: That is not what I said. I said the assessed value is greater outside of the City than in the City. This additional assessed value revenue could lower our mill rate and also possibly make sales tax unneeded. I did not talk about improvements in services and infrastructure to anyone. I think we are doing fine in that department. I have asked for numbers from the Borough and have not received them. I am guessing that those residing outside the City now would see a couple mill increase in property tax. I also need to mention that the more Senior Exemptions there are the lower our revenue source will be for the City of Seldovia.

Gazette: I've heard some opposition from folks, but I'm sure you have heard some support. What do you think is the greatest issue that folks are opposed to and how do you address those concerns?

Kris: I think there are two things that stand out. "No more taxes" and "I do not want any rules or regulations". Taxes are a fact of life and none of us want to pay taxes, however, a two to three mill increase is two to three tenths of a dollar which is a very small tax for the benefits of having a viable City. The Borough has planning and zoning similar to the City of Seldovia and I am sure accommodations can be made for the rural part of the City area to meet Borough standards.

Gazette: What issues have you heard from locals saying that they are in support of this idea? What benefits are folks getting excited about?

Kris: Bring our larger community back into a common boundary and a common approach to economic development and growth. A shared collective effort for Seldovia. Reduced cost of living through reduced taxes. Greater participation in City government. Greater revenue sharing with the State of Alaska.

Gazette: You used to be involved with the Boundary Commission. When was that, and what was your role at that time?

Kris: I arrived in Territory of Alaska in 1953 and have seen much good and bad in our State's development. Gov. Hickel was elected for his first term in 1966 and asked me to serve in the Governor's Office as Director of Local Affairs. This agency was the staff agency for the Local Boundary Commission. In the 60's many cities and boroughs were forming so I traveled extensively around the State as a staff person for the Boundary Commission. What we heard from most hearings was that folks did not want any rules, regulations or standards and especially no taxes. However, they did want local control.

Gazette: From your experience on the Boundary Commission, what is the process going to be, now that you have gotten the ball rolling and a place on the Boundary Commission's agenda in January? What is the time line, and how can folks participate?

Kris: I refer you to the following web page for Wasilla as an example the Boundary Commissions procedure for examining requests for boundary changes: http://www.commerce.alaska.gov/dca/lbc/2013_Wasilla_Unanimous_Consent_Annexation_Petition/Reports/DCRA_Report_Regarding_the_2013_Wasilla_Unanimous_Consent_Annexation_Petition.pdf

Also considerable information can be found at the Boundary Commission web site at: <http://www.commerce.alaska.gov/dnn/dcra/LocalBoundaryCommission.aspx> This process may take two to three years for a decision by the Boundary Commission.

Gazette: In our discussion, you mentioned that there doesn't need to be a vote by the residents of Seldovia and the area to make this change, but that the Boundary Commission can make a ruling that will affect this whole community, is that true? If so, how does that work?

Kris: Yes that is true. However, they do not do this lightly. As you will see from the Wasilla example. The constitution states the following:

THE CONSTITUTION OF THE STATE OF ALASKA
ARTICLE 10

Section 10.12 – Boundaries.

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.

Gazette: In your letter to the city taxpayers you stated: "Your taxes are going to significantly go up if we do not make a change in our boundaries in the very near future." Are you referring to something specific or speaking generally?

Kris: Yes, I believe that because of our aging population we will see more and more lost revenue due to Senior tax exemptions that are unfunded by the State of Alaska or Kenai Peninsula Borough. This will mean a decrease in revenue to the City thus the remaining tax payers will have to pick up the tab with higher taxes to operate the City.

Gazette: Lastly, why are you championing this issue on your own, and not seeking support from either the Seldovia Chamber, Seldovia City or the community as a whole before going straight to the Boundary Commission? It seems a lonely road!

Kris: Because I care about Seldovia and its future which has been declining for years. We came to Seldovia in 1979 with 130 kids in the school. Now we have may be 40. We had a fish processing plant, now we have none. We had a large grocery store and now we have a very small one. Cost of living in the community has gone up substantially. I did go to the City which I believe is the place to go. I

do not see this effort is something for the Chamber. It is a lonely road, however it is a road that needs to be traveled, I hope for the benefit for all. This whole effort may fall on deaf ears but at least I tried to bring an awareness to the problem simmering for decades.

Gazette: I heard that you have brought this before the city on two other occasions, is that true? If so, when, and how was it received at that time?

I also heard it is on the agenda with the City Council on December 11th!

Kris: As I recall, I brought it before the City Council several months ago after talking to each of the council members individually and the City Manager. I tried to get them to initiate a community discussion about the pros and cons of the boundary change. Several expressed a desire to see something happen, however they also expressed the concern that annexation was discussed before and did not go forward because it required a vote. Since it was assumed those outside of Seldovia would vote no, it did not go forward. No one seemed to know about the Boundary Commission constitutional provision for boundary change that does not require a vote. I furnished the Council with the petition information and asked that they at least gather the information to make an informed decision. I got an answer: "We have so many other issues and do not want to deal with this right now." So, I decided to take it a step further by putting it before the Boundary Commission to get a discussion going about the pros and cons of a boundary change.

I have seen Seldovia's major assessment base jumps as a way to increase revenue by the Borough Assessors office. I have been concerned that we as tax paying folks within the city limits are getting hit with increased costs to run the City to the benefit of the greater Seldovia area, which I consider unfair and inappropriate for those living and paying taxes in the City. There are ways of raising revenue by increasing assessed value or increase mill rates and the City Council chose increasing assessments without reducing mill rates. They took the increased revenue without reducing our mill rate. Thus, an increased cost of operating the City of Seldovia.

I am happy that the City of Seldovia has decided to take up the boundary issue in December. Boundary changes are a long process and will not happen overnight. Folks need to get informed and I hope my effort starts that process however disagreeable it might be. I do not like to go along to get along. I see a need for resolution of the boundary issue that has been simmering for decades in Seldovia.

Gazette: Is there anything else you want the community to know about your proposal?

Kris: Yes, I hope folks will step back rather than getting emotional about this whole process and deal with the real facts. I think the folks outside of the City of Seldovia do not want something for no contribution. If there was no City of Seldovia how many of us would want to go without the services the City of Seldovia provides to everyone?