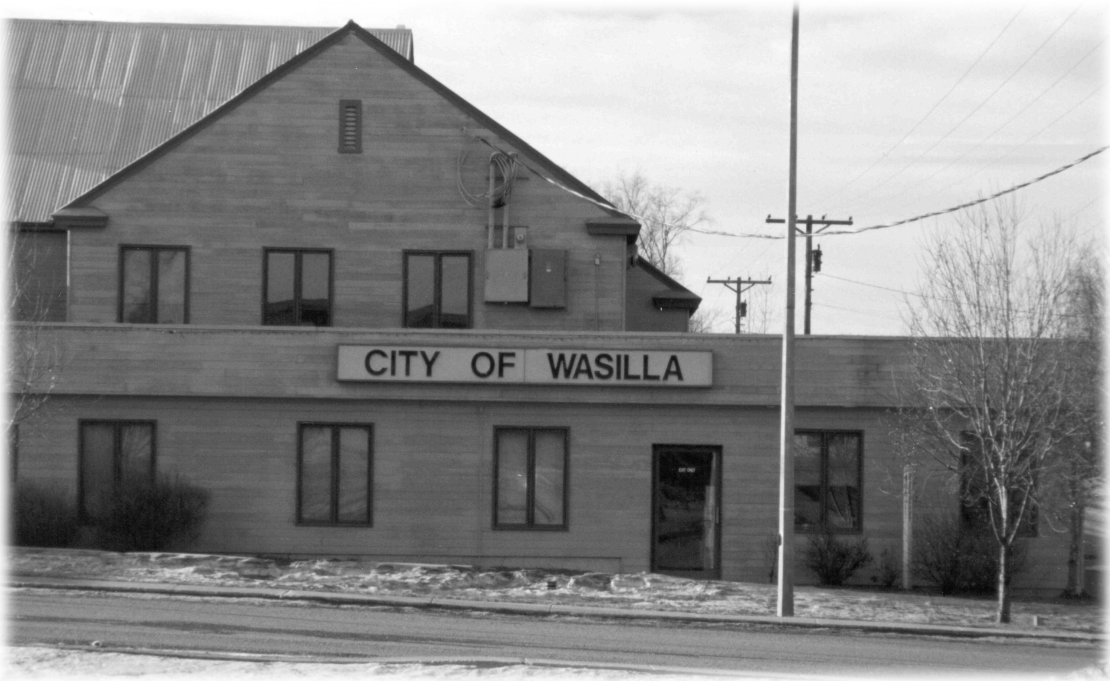


DCED Report & Recommendations Concerning the Petition for Annexation of 314 Acres to the City of Wasilla

February 2002



Deborah Sedwick
Commissioner

Tony Knowles
Governor





The Department of Community and Economic Development complies with the Title II of the Americans with Disabilities Act of 1990. Upon request, this report will be made available in large print or other accessible formats. Requests for such should be directed to the Local Boundary Commission staff at 907-269-4560.

This report is also available on the Local Boundary Commission's website at:

<http://www.dced.state.ak.us/cbd/lbc/lbcactivities.htm>

WASILLA'S ANNEXATION PROPOSAL IN BRIEF

The Proposal

The City of Wasilla has petitioned to annex 314 acres under provisions of AS 29.06.040(c)(3) and 3 AAC 110.150(2). The territory consists of 32 parcels. Three of the parcels are occupied for residential purposes by four individuals, of whom three are registered resident voters. The taxable value of real property in the 314-acre area proposed for annexation is \$4,775,000.

Reasons for the Proposal

The City of Wasilla's rationale for its Petition is that annexation has been proposed by all the residents and owners of the properties in the area proposed for annexation and that the City desires to have the area within its boundaries.

Public Support

Public Opposition. The public notice of the filing of the annexation Petition invited interested parties to submit written comments on the annexation proposal and a request by the City that procedural regulations governing annexation be relaxed to minimize expenses and expedite the annexation. No written comments regarding either the annexation proposal or the proposed relaxation of procedural regulations were submitted to DCED.

Fiscal Impacts

The Petitioner estimates that annexation of the 314 acres would generate more than \$91,000 in additional net annual City revenue.

The Matanuska-Susitna Borough would not lose significant revenue as a consequence of the boundary change. The Matanuska-Susitna Borough has not conveyed a position on the matter. The annexation will have no appreciable fiscal impact on the State of Alaska.

Policy Issues, Concerns & Unusual Circumstances

A careful examination of the annexation proposal by the Department of Community & Economic Development (DCED) has identified no fundamental policy issues, concerns or unusual circumstances relating to the proposal.

Residents and property owners within the area proposed for annexation have requested annexation and the territory meets the standards for annexation. The record contains no objection from any party to the proposed boundary change. Consequently, DCED recommends that the Commission approve the Petition without amendment.

Chapter**1****INTRODUCTION****A. Area Proposed for Annexation**

The seven areas proposed for annexation collectively comprise about 314 acres consisting of 32 parcels occupied by four residents. Three of the residents are registered voters. The areas proposed for annexation are generally described as follows.

Carefree Acres Subdivision. The subdivision consists of 22.86 acres at the intersection of the Parks Highway and Seward Meridian Parkway. According to City of Wasilla staff, the only road in the Carefree Subdivision is Carson Street, a 400' access road providing primary access to Wal-Mart, which is located within the present corporate limits of the City. The State of Alaska is proposing to extend Seward-Meridian Parkway over Carson Street down the hill to the Old Matanuska Road. During the interim the City plans to assume responsibility for road maintenance in the Carefree Subdivision. The City proposes that the Carefree Acres area be zoned as commercial upon annexation.



Tony Chevrolet within Carefree Acres Subdivision

City staff offered the following statement regarding the Carefree Acres Subdivision:

This area is composed of Tony Chevrolet and a small business park. They were in the need of city water, which was extended to them prior to annexation.¹

¹ Tim Krug, Planner, City of Wasilla, February 6, 2002

Waiverhill/Lakebrook is comprised of 36.13 acres near the intersection of the Parks Highway and the Palmer-Wasilla Highway. According to City of Wasilla staff, State Road is the only current access to parcels in the Waiverhill/Lakebrook subdivision. The City proposes that the Waiverhill/Lakebrook area be zoned as commercial upon annexation. City staff provided the following statement about this area.



Portion of Waiverhill/Lakebrook area.

Properties have access either to the Palmer-Wasilla Highway or the Parks Highway in this area. Properties located on Wasilla L[ake] do have the need for city sewer. City sewer will also help preserve Wasilla Lake.²

Silverleaf Estates is comprised of 114.00 undeveloped acres at the northwest corner of the existing city boundaries at the intersection of Ashford Boulevard and Spruce Road. Spruce Road is a City-maintained street. The City has resolved to zone Silverleaf Estates as rural residential.

Olson Subdivision consists of 4.72 acres near the intersection of the Parks Highway and Palmer Wasilla Highway. The City Planning Commission has resolved that the Olson Subdivision be zoned as commercial. According to City staff:

These properties are primarily owned by Fred Meyer’s [sic] and/or affiliated with the development of the Fred Meyer’s [sic] store. Fred Meyer’s [sic] has been holding off on the replat of this area and the vacation of a portion of Hurley Circle until the annexation process is complete. A portion of Hurley Circle does not physical [sic] exist as a roadway. Access to lots 6 through 8 of Olson Extension is via public use easement built as roadway to access these lots and the Fred Meyer’s [sic] store. The Matanuska-Susitna Borough will not allow the replat to occur in the area, until the subject properties are within the same boundary.³

² ibid

³ ibid

Airport South is comprised of 89.09 acres located south of the Wasilla Airport. This parcel has no developed road access. The closest road access to the airport south parcel is City-maintained Mack Road. The City has proposed that the area be zoned as industrial upon annexation. According to the City staff:

Portions of these properties have trails on them that are used by the Irondog and the Iditarod. These [airport south] properties are undeveloped at this time. Nicely squares off the boundary of Wasilla.⁴



Portion of the "Airport North" area proposed for annexation.

Airport North consists of 7.35 acres north of the Wasilla Airport. The City maintains Neuser Drive, which is mostly outside the city's jurisdiction. The Museum of Alaska Transportation and Industry site currently straddles the City's boundary at this location. . The City has proposed that the area be zoned as industrial upon annexation. The property is owned by the Museum of Alaska Transportation and Industry (MATI). MATI owns adjacent property within the City of Wasilla's jurisdiction.

Happy Mountain is comprised of 39.69 undeveloped acres adjacent to Happy Mountain Estates. Primary road access to the property is by city maintained road. The owner of adjacent property reportedly restricts alternate road access to the area. Access is via a City-maintained road.

Maps depicting the locations of the areas proposed for annexation are included in the Appendix provided at the end of this document.

⁴ ibid

B. City of Wasilla

Wasilla is a first class city with a 2000 census population of 5,469,⁵ located in the Matanuska-Susitna Borough 30 air miles northeast of Anchorage and 20 miles west of Palmer.

The City's June 30, 2001 *Comprehensive Annual Financial Report* states:

The City of Wasilla is located in the fastest growing area of Alaska and serves as the retail trade center for the Matanuska-Susitna Borough. As measured by increased population and sales tax receipts, the growth of the service oriented economy of the City of Wasilla remains steady. We remain primarily a bedroom community of Anchorage due to a lack of large-scale primary industry. The City of Wasilla offers an attractive lifestyle where the cost of housing is much less than in Anchorage due to an abundance of less expensive land. Many residents in our workforce travel the daily commute to Anchorage and find the quality of life quite high in our community. Tourism is a growing part of our economy, as it is in all of Alaska.

City Incorporation and Reclassification

The City of Wasilla was incorporated as a second class city on March 27, 1974. Following a special election, the City was reclassified to a first class city on December 6, 1984.

Prior Annexations

There have been several adjustments to the corporate boundaries of the City of Wasilla During its 28-year history. These have included annexations in 1976, 1977 (three), 1978, 1983, 1985, 1987, 1992, 1995, and 1998. The current corporate boundaries of the City encompass about 8,144 acres, or slightly less than thirteen square miles.

City Taxes

The City of Wasilla levies a 2% tax on the first \$500 of sales of goods and services within its corporate boundaries. The City also levies a 0.9 mill property tax.⁶

⁵ The Petition states that the population of the City of Wasilla is 5,568.

⁶ The Petition states that the City's property tax rate is 1 mill. The rate was lowered to 0.9 mills in 2001, subsequent to filing of the annexation Petition.

Services and Facilities Funded by City Taxes

The City of Wasilla provides nine services with total or partial funding from City taxes. These are:

- streets and sidewalks;
- police;
- planning and land use regulation (planning and land use regulation authority was delegated by the Matanuska-Susitna Borough to the City by Ordinance 92-079);
- parks;
- library;
- cemetery;
- museum;
- visitor center;
- general government;
- animal control is provided on a contractual basis by the Matanuska-Susitna Borough.



City of Wasilla Police Department

Services and Facilities Funded by User Fees and Sources other than Local Taxes

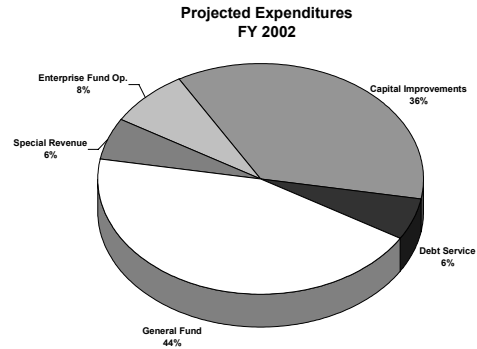
- Water;
- wastewater;
- airport;
- driveway permits;
- business licensing.

Fire service will continue to be provided the Wasilla/Lakes Fire Service Area (FSA) through a separate property tax levied by the Matanuska-Susitna Borough.

City Revenues and Expenditures

For the fiscal year ending June 30, 2001, the City recorded general fund tax revenues of \$6,405,685 and general fund expenditures of \$5,309,153.⁷

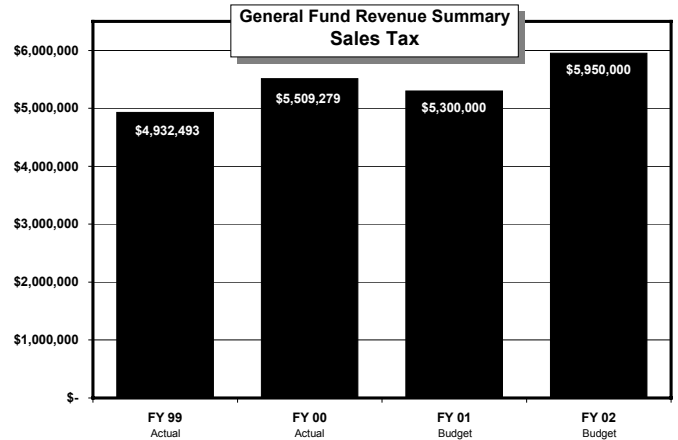
The City’s budget projects total proposed expenditures of \$11,978,040 for FY ’02.⁸



General Fund

In Fiscal Year 2002, sales tax generates about 80% of all general fund revenue. The City’s 2002 budget anticipates a sales tax revenue increase of 3.5% over FY 2001 sales tax proceeds and predicts that the trend toward greater city sales tax revenues will continue for the “foreseeable future.”

FY '02 General Fund Revenue Summary ⁹	Amount
Sales Tax	\$5,590,000
Property Tax	343,254
Licenses, Permits &	109,000
Vehicle Tax	89,000
Intergovernmental	522,100
Local Revenue ¹⁰	284,380
Other Revenue	53,332
Total	\$7,351,766



⁷ City of Wasilla: *Comprehensive Annual Financial Report* June 30, 2001, at 38 and 41.

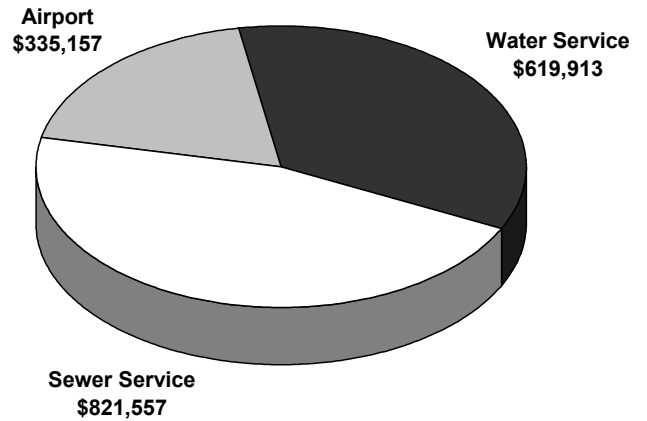
⁸ The City’s 2002 budget states that this figure “does not include transfers to other funds or projected depreciation.” (at 2)

⁹ Source: City of Wasilla budget for Fiscal Year ending June 30, 2002, at 46.

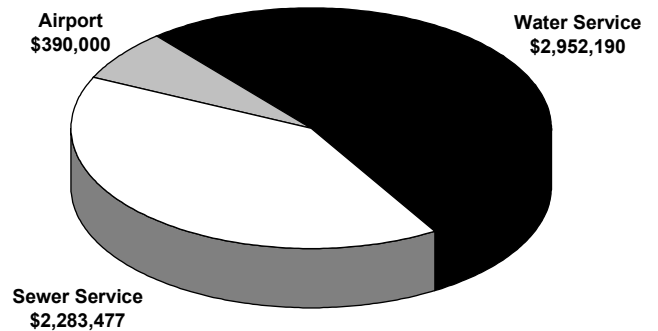
¹⁰ This category includes revenue from interest earnings for investment of City monies, revenue generated from animal licensing and fines, sales of copies and maps, and other miscellaneous revenue.

FY '02 General Fund Expenditure Summary¹¹	Projected Expenditures
City Council	\$332,613
Mayor	317,375
General Administration	176,116
Finance	457,048
Management Information	160,124
Planning	238,985
Police	1,887,310
Public Works Administration	280,277
Road Maintenance	689,725
Property Maintenance	284,448
Museum	66,308
Recreation Services	393,708
Non-Departmental	2,067,729
Total	\$7,351,766

**FY '02 Enterprise Fund - Operations
Projected Expenditures
Total: \$1,776,627**



**FY '02 Enterprise Fund - Construction
Projected Expenditures
Total: \$5,625,340**



C. Matanuska-Susitna Borough

The Matanuska-Susitna Borough was incorporated on January 1, 1964. The Matanuska-Susitna Borough provides services to the area proposed for annexation on an areawide, non-areawide, and service area basis.

Approximately 79% of local revenue is generated from investing available monies, which are invested under guidelines established in the Wasilla Municipal Code.

¹¹ *ibid*, at 54.

Matanuska-Susitna Borough Taxes

In the area proposed for annexation, the Matanuska-Susitna Borough levies an areawide 13.133 mill property tax, a non-areawide rate of 0.35 mills, a levy of 1.0 mills for the Wasilla/Lakes Fire Service Area and a 1.50 mill property tax for the Bogard Road Service Area.

Borough Services

The Borough provides services on an areawide, nonareawide and service area basis.

Areawide Borough Services

- Education;
- plating, flood damage prevention, coastal zone management;
- tax assessment and collection;
- planning and zoning;
- parks and recreation;
- ports, harbors, and wharves;
- ambulance service;
- transportation systems;
- air pollution control;
- licensing of day care facilities;
- historic preservation;
- transient accommodation taxation;

Non-Areawide Borough Services

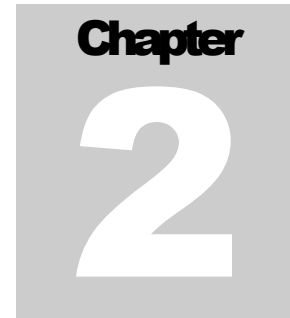
Portion of Matanuska-Susitna Borough outside of cities.

- Fireworks regulation
- Motor vehicles and operators
- Snow vehicles
- Solid waste
- Libraries
- Septic tank waste disposal
- Economic development
- Regulation of displays of public nudity
- Limited health and social services
- Natural gas local improvement districts
- Electric local improvement districts
- Animal control
- Water pollution control

Service Area Services

The territory proposed for annexation is within the Wasilla-Lakes Fire Service area and the Bogard Road Service area.

ANNEXATION PROCEEDINGS



A. Proceedings to Date

Authorization to File the Petition

The annexation proposal was filed under the authority of Ordinance 01-13 of the Wasilla City Council, adopted on April 9, 2001.

Rationale Expressed For Annexation Petition

The Petition offers two reasons for submission of the annexation proposal.

- the property owner(s) and voters residing within the area wish to have the territory annexed to the City; and
- the City wishes to annex the territory.

Filing of the Petition

The Department of Community and Economic Development received the annexation Petition from the City of Wasilla on April 11, 2001.

After completing a review of the form and content of the Petition, DCED accepted the Petition for filing on April 16, 2001. The letter from DCED to the City of Wasilla accepting the Petition for filing advised the City of its obligations to publish, post and distribute public notice of the filing of the Petition.

Initial Public Notice

The notice of filing invited submission of written briefs or comments by June 8, 2001. The notice also invited public comment on a proposal to relax procedural regulations relating to the proposed annexation. Staff proposed that:

The City of Wasilla has requested that pursuant to 3 AAC 110.590 and 3 AAC 110.660, the Local Boundary Commission relax or eliminate certain procedural steps as it

considers the proposed annexation. Accordingly, DCED invited public comment regarding proposals that:

- instead of draft and final DCED staff reports as provided by 3 AAC 110.530, one abbreviated report will be issued by DCED at least three weeks prior to the date of a teleconferenced public hearing on the Petition;
- written comments on the consolidated report may be submitted at least one week prior to the teleconferenced public hearing and that DCED will respond to any comments on the consolidated report at the public hearing;
- the Local Boundary Commission conduct its public hearing on the Petition by teleconference.

On April 20, 2001, the City of Wasilla posted the notice within the existing City boundaries at the Wasilla Public Library, Wasilla Post Office, and the Wasilla City Hall.

The City also posted the notice within the area proposed for annexation at the following ten locations:

- along North Hurley Loop Road;
- East Palmer-Wasilla Highway, Milepost 15.75 at Wasilla Lake;
- East Parks Highway – Milepost 40.75;
- at the intersection of Neuser Drive/Museum Drive and Beacon Street on the rear and one side of Tax Parcel 17N01W12A013;
- at the intersection of the Parks Highway and Seward Meridian Parkway;
- at mile 39.25 of the East Parks Highway;
- South Carson Street, across from the Walmart driveway entrance;
- at the terminus of East Beech Way;
- on two sides of Tax Parcel 17N01W12BO16.

City officials inspected the posted notices to ensure that they had remained posted for at least the required minimum 14-day period. DCED sent the notice of filing to 34 interested parties by e-mail on April 18, 2001 and to 21 parties by regular mail. DCED also sent the notice to 8 interested parties by regular mail on April 25, 2001.

DCED arranged for publication of the notice of the proposed annexation, including a map of the territory, in the *Frontiersman* on April 20, 2001, April 27, 2001, and May 4, 2001.

Service of the Petition

The Petitioners provided a copy of the Petition to the Matanuska-Susitna Borough, the City of Palmer and the City of Houston on April 20, 2001.

Petition Documents Made Available

On April 20, 2001, the Petition was made available for public review at the Wasilla City Hall and the Wasilla Public Library.

Proof of Notice and Service

On April 27, 2001, the City of Wasilla provided a sworn affidavit to the Department that it had complied with the notice, posting, service, deposit, and publishing requirements.

Responsive Briefs and Comments

No responsive briefs or comments regarding the proposed boundary change or the relaxation of regulations by the June 8, 2001 deadline. The Local Boundary Commission agreed to the request for relaxation of procedural regulations at its meeting of January 17, 2002.

DCED Report

DCED is required to issue a report with recommendations to the Commission regarding Wasilla's annexation proposal. In this proceeding, the Commission determined that DCED's report would be published a minimum of three weeks prior to the Commission's public hearing.

Future Proceedings

Comments on DCED Report

Written comments regarding this report and recommendation must be received by LBC staff by March 2, 2002. Such comments will be addressed at the March 9, public hearing.

Commission Public Hearing

The Commission has scheduled a public hearing on the annexation proposal to be held by teleconference beginning at 9:30 a.m., March 9, 2002. A teleconference site will be established for the public at the Wasilla City Hall.

Decisional Session

Depending on the circumstances, the Commission may make a decision concerning an annexation petition immediately following the hearing. However, if the hearing is particularly lengthy or if the Commission feels that additional research is needed, action on a petition may be deferred. This allows the Commission to reflect on the testimony and other evidence before

reaching conclusions. The Commission must act on a petition no later than 90 days from the date of its hearing.

The Commission may take one of three actions. It may approve the Petition without modification, it may amend the Petition or it may deny the Petition.

During the decisional meeting, no new evidence, testimony or briefing may be submitted. However, the Commission may ask its staff or another person for a point of information or clarification.

Within 30 days of a decision, the Commission must issue a written statement explaining all major considerations leading to its decision. A copy of the statement will be provided to the Petitioner, and to other interested persons who request a copy. A decision of the Commission becomes final once the written statement of decision is mailed to the petitioner's representative and respondents.

Reconsideration

Reconsideration provisions of 3 AAC 110.580 do not expressly apply to this particular type of annexation. However, the Commission may reconsider this proposal if it determines that circumstances so warrant.

If the reconsideration provisions were made to apply in this case, a request for reconsideration of the Commission's decision may be filed within 20 days after the Commission's decision becomes final. The Commission may also order reconsideration of all or part of its decision on its own motion.

Requests for reconsideration must describe, in detail, the facts and analyses that support the request for reconsideration. If the Commission takes no action on a request for reconsideration within 30 days after its decision becomes final, the request is automatically denied.

If the Commission grants a request for reconsideration, the petitioner and respondents opposing reconsideration may file responsive briefs for consideration by the Commission. Ten days are allotted for the filing of such briefs.

Effective Date

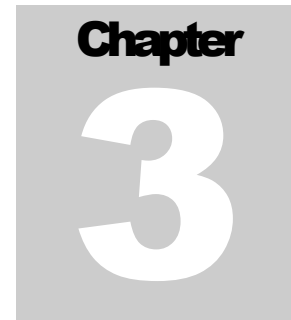
If the Commission approves or amends and approves the Petition, it will take effect once the City of Wasilla provides documentation to DCED that it has complied with the Federal Voting Rights Act.

The Voting Rights Act requires that all municipal boundary changes in Alaska be reviewed to ensure that they will not result in *"a denial or abridgment of the right of any citizen of the United States to vote on account of race or color"* or because a citizen is a *"member of a language minority group."*

Judicial Appeal

A decision of the Commission may be appealed to Superior Court. The appeal must be made within 30 days after the last day on which reconsideration may be ordered by the Commission.

EXAMINATION OF THE ANNEXATION PROPOSAL



Application of Annexation Standards As was briefly noted in Chapter 1, certain conditions must exist before a city may annex territory. In determining whether those conditions are present, the Local Boundary Commission uses standards to guide its determinations.

The Alaska Supreme Court has formally recognized that determinations by the Commission may involve “broad judgments of political and social policy” and that the Commission has been given “broad power to decide in the unique circumstances presented by each petition.” [**Mobil Oil Corp. v. Local Boundary Commission, 518 P.2d at 98-99 (Alaska 1974)**].

This section provides DCED’s analysis of the extent to which the City of Wasilla’s Petition meets the standards for annexation. DCED’s views are considered by the Local Boundary Commission, but the Commission is not bound by DCED’s recommendations. The Commission considers a variety of elements, including the Petition and public comments provided at a hearing on the proposal.

I. Is the territory proposed for annexation compatible in character with the territory within the existing City of Wasilla? (3 AAC 110.100).

The law establishing this standard provides as follows:

3 AAC 110.100.

The territory must be compatible in character with the annexing city. In this regard, the commission will, in its discretion, consider relevant factors, including the

- (1) land use and subdivision platting;
- (2) salability of land for residential, commercial, or industrial purposes;
- (3) population density;
- (4) cause of recent population changes; and
- (5) suitability of the territory for reasonably anticipated community purposes.

City of Wasilla's Views

The Petition states that "predominate land uses adjacent to the annexation territories is identical in nature and fully compatible with existing city zoning requirements. The City has adopted the necessary resolutions and ordinances to include these territories into compatible land use designations once the annexation process is complete." (Exhibit G, pages 1-2)

Land Use and Subdivision Platting

The parcels within the area proposed for annexation are within platted subdivisions.

The City indicates that this standard is satisfied because, "The area proposed for annexation is surrounded by or adjoining the current city boundary. The existing development located in the annexation area is similar to surrounding uses that are located within the city boundary."

The Matanuska-Susitna Borough has not expressed a position regarding the proposed annexation.

Salability of Land for Residential, Commercial or Industrial Purposes

Portions of the area proposed for annexation are publicly owned. The remainder of the area is utilized for commercial and residential purposes.

Population Density

The area's residential population density is minimal. This is to be expected, since much of the territory is devoted to commercial purposes. The residential population of 4 does not directly reflect to the use and development existing in the area proposed for annexation.



Portion of the Olson Subdivision.

DCED's Conclusion

The area proposed for annexation is surrounded or adjoining the current city boundary. The existing development located in the territory proposed for annexation area is similar to development in adjacent areas located within the city boundary.

DCED considers the territory proposed for annexation to be compatible in character with the City of Wasilla. Thus, the standard set forth in 3 AAC 110.100 is satisfied for the area.

II. Does the area within the proposed *expanded* boundaries of the City of Wasilla overlap the corporate boundaries of another City?

The law establishing this standard provides as follows:

3 AAC 110.130(e).

If a petition for annexation describes boundaries overlapping the boundaries of an existing organized borough, unified municipality, or city, the petition for annexation must also address and comply with the standards and procedures for either annexation of the enlarged city to the existing organized borough, or detachment of the overlapping region from the existing organized borough, unified municipality, or city. The commission will consider and treat the annexation petition to the existing organized borough, or a detachment petition from the existing organized borough, unified municipality, or city.

DCED's Conclusion

It is plainly evident that the proposed post-annexation City of Wasilla boundaries do not overlap those of any neighboring City.

III. Is the 314-acre area proposed for annexation contiguous to the City of Wasilla?

The law establishing this standard provides as follows:

3 AAC 110.130(b).

Absent a specific and persuasive showing to the contrary, the commission will, in its discretion, presume that territory that is not contiguous to the annexing city does not meet the minimal standards required for annexation.

DCED's Conclusion

It is plainly evident that the territory proposed for annexation is contiguous to the existing boundaries of the City of Wasilla.

IV. would the proposed annexation deny or abridge the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or nation origin?

The laws establishing this standard provide as follows:

42 USC, § 1973 Denial or abridgement of right to vote on account of race or color through voting qualifications or prerequisites; establishment of violation.

(a) No voting qualification or prerequisite to voting or standard, practice, or procedure shall be imposed or applied by any State or political subdivision in a manner which results in a denial or abridgement of the right of any citizen of the United States to vote on account of race or color, or in contravention of the guarantees set forth in section 1973b(f)(2) of this title, as provided in subsection (b) of this section.

(b) A violation of subsection (a) of this section is established if, based on the totality of circumstances, it is shown that the political processes leading to nomination or election in the State or political subdivision are not equally open to participation by members of a class of citizens protected by subsection (a) of this section in that its members have less opportunity than other members of the electorate to participate in the political process and to elect representatives of their choice. The extent to which members of a protected class have been elected to office in the State or political subdivision is one circumstance which may be considered: Provided, That nothing in this section establishes a right to have members of a protected class elected in numbers equal to their proportion in the population.

28 C.F.R. PART 51.1.

(a) Section 5 of the Voting Rights Act of 1965, as amended, 42 U.S.C. 1973c, prohibits the enforcement in any jurisdiction covered by Section 4(b) of the Act, 42 U.S.C. 1973b(b), of any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting different from that in force or effect on the date used to determine coverage, until either:

(1) A declaratory judgment is obtained from the U.S. District Court for the District of Columbia that such qualification, prerequisite, standard, practice, or procedure does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race, color, or membership in a language minority group, or

(2) It has been submitted to the Attorney General and the Attorney General has interposed no objection within a 60-day period following submission. Additionally, State law provides with respect to annexation that, "A petition will not be approved by the commission if the effect of the proposed change denies any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin."

3 AAC 110.910.

A petition will not be approved by the commission if the effect of the proposed change denies any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin.

DCED's Conclusion

The annexation was initiated at the request of all owners of property in the area proposed for annexation and all registered voters living in the territory proposed for annexation. The record contains no evidence that civil, political or voting rights of any party will be diminished by the proposed annexation.

V. Do The proposed boundaries of the city include large unpopulated areas?

The law establishing this standard provides as follows:

3 AAC 110.130(d).

The proposed boundaries of the city must not include entire geographical regions or large unpopulated areas, except when boundaries are justified by the application of the standards in 3 AAC 110.090 - 3 AAC 110.130.

City of Wasilla's Views

The Petition states that *"the seven annexation territories are comprised of small geographical areas whose owners voluntarily requested to become part of city because of the expanded services that would be available to them."*(Exhibit G, page 3)

DCED’s Views

The proposed boundary change will only slightly increase the size of the city. An annexation of 314 acres can hardly be construed as including geographical regions or large unpopulated areas. If annexation occurs, the City of Wasilla would continue to compare favorably, in terms of approximate land and water areas within its boundaries with other cities in the Matanuska-Susitna Borough.¹²

City	Population	Land Area (sq. miles)	Water Area (sq. miles)
Matanuska-Susitna Borough Cities			
Houston	1,202	23.7	1.1
Palmer	4,533	3.7	-0-
Wasilla (existing)	5,469	12.7	0.67
<i>Wasilla (as proposed)</i>	5,472	13.21	0.67

DCED’s Conclusion

In view of the assertions by the City and the written comments submitted to DCED regarding the proposed annexation, DCED concludes that the proposed boundaries include all areas necessary to provide the full development of essential city services on an efficient, cost effective level.

¹² *Alaska Population Overview*, Alaska Dept. of Labor

VI. Is the population within the proposed post-annexation boundaries sufficiently large and stable to support the extension of government?

The law establishing this standard provides as follows:

3 AAC 110.120.

The population within the proposed boundaries of the city must be sufficiently large and stable to support the extension of city government. In this regard, the commission will, in its discretion, consider relevant factors, including:

- (1) total census enumeration;
- (2) duration of residency;
- (3) historical population patterns;
- (4) seasonal population changes; and
- (5) age distributions.

City of Wasilla’s Views

The Petition states that *“These annexation territories will not directly increase the population, however current businesses and future developments will provide jobs for the community and expand the level of retail and institutional services currently available in the valley.”* (Exhibit G, Page 2)

DCED’s Views

Total Population

The City's current population is 5,469.

Duration of Residency

The Petitioner contends that annexation would not likely place demands on elected officials and staff of the City of Wasilla since the City is presently serving the area.

Historical Population Patterns

The population within the corporate boundaries of the City of Wasilla increased by 35.7% between the 1990 and 2000 census enumerations.¹³

¹³ The 1990 census recorded 4,028 residents in the City of Wasilla

Seasonal Population Changes

Significant seasonal population changes are not evident in Wasilla. It exhibits the characteristics of a permanent residential community.

Age Distributions

The 2000 census indicates that 1,837, (more than 33%) of Wasilla's 5,469 residents are younger than eighteen years of age.

DCED's Conclusion

The Department finds that the extension of city government to the area proposed for annexation will not place significant additional demands on City officials and staff.

Wasilla is the sixth-most populated City in Alaska and the most populous of Alaska's 21 first class cities. DCED concludes that the population within the proposed post-annexation boundaries of the city is sufficiently large and stable to support the extension of city government and that the standard set out in 3 AAC 110.120 is satisfied.

**VII. Do the proposed post-annexation boundaries include the human and financial resources necessary to provide essential city services on an efficient, cost-effective level?
(3 AAC 110.110)**

The law establishing this standard provides as follows:

3 AAC 110.110. Resources.

The economy within the proposed boundaries of the city must include the human and financial resources necessary to provide essential city services on an efficient, cost-effective level. In this regard, the commission will, in its discretion, consider relevant factors, including the:

- (1) reasonably anticipated functions of the city in the territory being annexed;
- (2) reasonably anticipated new expenses of the city;
- (3) actual income and the reasonably anticipated ability to collect local revenue and income from the territory;
- (4) feasibility and plausibility of the anticipated operating budget of the city through the third full fiscal year of operation after annexation;
- (5) economic base of the territory after annexation;
- (6) property valuations in the territory proposed for annexation;
- (7) land use in the territory proposed for annexation;

3 AAC 110.110. Resources continued

- (8) existing and reasonably anticipated industrial, commercial, and resource development;
- (9) personal income of residents in the territory and in the city; and
- (10) need for and availability of employable skilled and unskilled people.

City of Wasilla's Views

The Petition states:

The existing commercial and industrial developments within the annexation territory will generate additional tax revenues for the city without increasing the level [of] services presently being provided. The undeveloped residential areas will provide lands needed for housing developments for future residents. All territories will generate visitors to Wasilla who will buy goods and services from local merchants thus increasing sale tax revenues for the city. (Exhibit G, at 2)

Functions the city may perform in the territory

Responsibility for planning and land use regulation has been delegated by the Borough to the City. Annexation will not affect education, tax assessment and collection, or animal control services currently provided to the area by the Matanuska-Susitna Borough.

Planning powers were delegated by the Matanuska-Susitna Borough to the City of Wasilla on January 31, 1995. Planning services will be exercised by the City within the territory proposed for annexation upon the effective date of the annexation. The Matanuska-Susitna Borough will continue to exercise platting powers, coastal zone management and flood damage prevention on an areawide basis.

Added expenses of the city as a result of annexation

The City estimates that the annual expenses it will incur to extend services to the area proposed for annexation will total \$11,000 per year for the three years immediately following annexation.

Service	Annual Cost
Police Protection	\$10,500
Road Maintenance	-0-
Planning and Land Use Regulation	500
General Government	-0-
Library	-0-
TOTAL	\$11,000

The City indicates that it has no plans for the immediate extension of roads, sidewalks, water and sewer utilities or other capital improvements to the area proposed for annexation.

The City has committed to providing the annexed area with all of those services funded by City taxes at the time those taxes are levied. The City claims no anticipated no limitations in doing so. To the extent that unforeseen circumstances render this intent impractical, however, the City may institute a “differential tax zone” as authorized by AS 29.45.580, or local improvement districts.

Current revenues of the city

For the fiscal year ending June 30, 2001, the City recorded total tax revenues of \$5,873,146. The largest single source of locally generated revenue \$5,509,279, was generated by the City’s 2% sales tax.

Added revenues of the city

The Petitioner anticipates that increased revenues resulting from annexation will exceed the increased expenses resulting from annexation by about than \$91,000 annually.

The City estimates that, based upon the City’s sales tax data for comparable commercial businesses currently within the boundaries of the City, annexation would increase the City’s sales tax revenue. The City projected that the commercial businesses in the commercial portions of the proposed annexation area have annual taxable sales totaling about \$9,560,880. On this basis, the Petitioner estimates that a 2% sales tax on this volume of taxable sales (\$500 maximum taxable per transaction) would generate \$97,560 annually in additional sales tax revenue to the City of Wasilla.

Expansion of the City’s property tax base through annexation would generate about \$4,297.5 in increased the City of Wasilla property tax revenue annually. Taxable value of real property in the area is \$4,775,000. No taxable personal property is present in the area proposed for annexation, according to the Petition. (at 4)

DCED estimates that, based upon current funding levels, the City would gain \$69.56 Safe Communities program funding and \$58.27 in State Revenue Sharing funding.¹⁴

Source	Projected First Year Revenue Increase
Property Taxes	\$4,297.50
Sales Taxes	\$97,560
State Revenue Sharing	\$58.27
Safe Communities	\$69.56
Total	\$101,985.33

Economic base

The assessed full value of taxable real and personal property within the current boundaries of the City of Wasilla totals \$380,399,836.¹⁵ The City’s 2001 budget states as the follows:

Retail shopping outlets provide increasing local employment – since 1999 a new Fred Meyer store and an expanded new Wal-Mart have opened. A Sears store opening in fall 2001 will employ more than 100 people.

Recent Census Bureau statistics (1998) rank Alaska third nationwide in retail sales per household, with average annual expenditures of \$33,148.

Wasilla’s unique location has helped make it a retail and service center for an area that extends far beyond its borders and beyond what would be expected from its population of 5,469. It is a central shopping area not only for residents and tourists, but also for Alaskans from remote communities and rural areas.

¹⁴ Estimate provided January 15, 2002 by Bill Rolfzen, State Revenue Sharing Program Coordinator

¹⁵ *Alaska Taxable*, 2001, January, 2002, at 33.

Wasilla is home to branches of several statewide banks as well as utility, real estate, insurance, and medical organizations. A growing number of automobile dealerships cater to local residents and compete successfully for Anchorage business.

Industrial activities that contribute to the economic base include steel fabrication, agriculture, manufacturing of concrete products and wood products, and distribution of building materials. Robust residential and commercial markets have kept the construction industry busy, making it a significant contributor to job growth.

Tourism and recreation services are important sources of income and revenue. Every year, thousands of visitors vacation in the area. Flight services and aircraft support are especially important – there are several hundred small, private aircraft in the area.¹⁶

The City of Wasilla enjoyed per capita tax revenues of \$1,055 in 2001.¹⁷

Property values in the territory

The Matanuska-Susitna Borough assessed the area proposed for annexation at \$4,775,000 (real property only). The Petition states that there is no taxable personal property in the area proposed for annexation.

Land use in the territory

The Petition states:

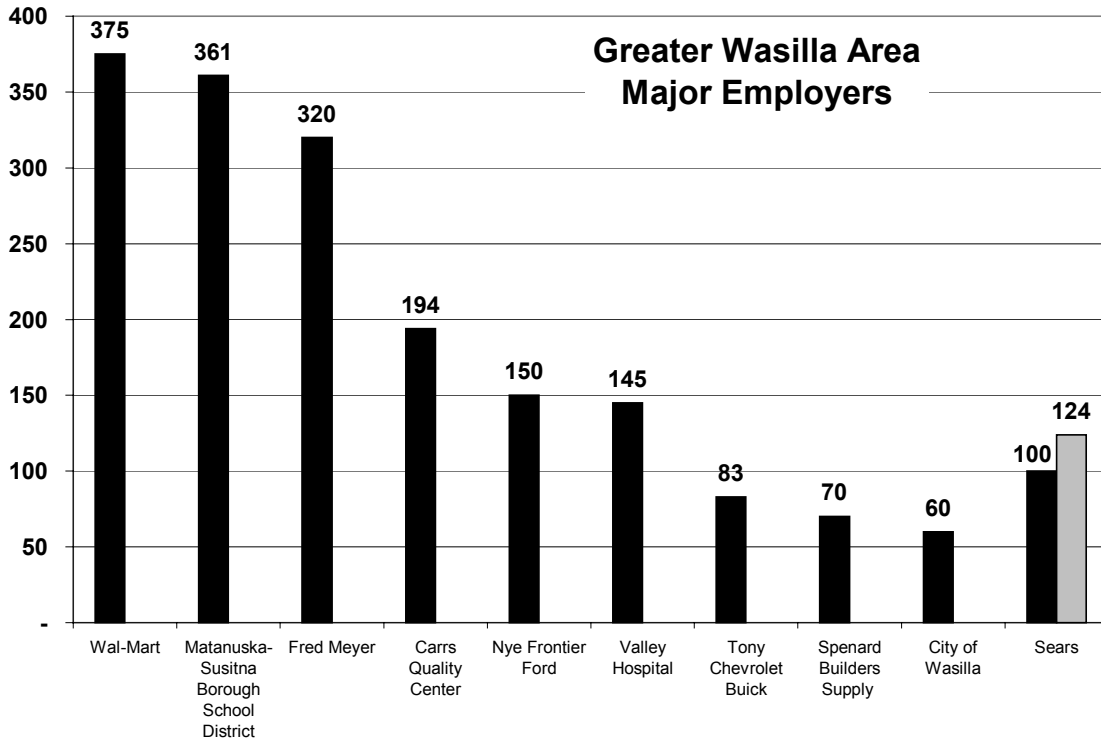
Predominate land uses adjacent to the annexation territories is identical in nature and fully compatible with existing city zoning requirements. The City has adopted the necessary resolutions and ordinances to include these territories into compatible land use designations once the annexation process is complete. (Petition, Exhibit G, at 1-2)

¹⁶ City of Wasilla FY 2002 Budget, at 16.

¹⁷ *Alaska Taxable*, 2001, January, 2002, at 17.

Industrial, commercial and resource development

Major employers in the greater Wasilla area include the following.¹⁸



Personal income of residents

The 1990 census recorded median Wasilla household income of \$37,619, with 10.8% of residents were living below the poverty level. However, as *Alaska Economic Trends* reported in May, 2001, employment in the Matanuska-Susitna Borough grew by 73.6% between 1990 and 2000.

Availability of employable skilled and unskilled people

Approximately 30% of the Wasilla workforce commutes to Anchorage. Data indicates that 387 members of the Wasilla workforce were employed by government in 2000.¹⁹ The City of Wasilla is currently operated by 64 employees.²⁰

¹⁸ City of Wasilla FY 2002 Budget, at 17.

¹⁹ DCED Community Database.

²⁰ City of Wasilla FY 2002 Budget, at 17

DCED's Conclusion

The City already exhibits capability to extend services to the area proposed for annexation. The estimated net annual gain of about \$91,000 in City revenues as a consequence of annexation will enhance the ability of the City to provide essential city services to the area. DCED concludes that the proposed post-annexation City of Wasilla boundaries include the resources necessary to support provision of essential City of Wasilla services on an efficient, cost-effective level. Thus, the standard set out in 3 AAC 110.110 is satisfied.

VIII. Transition Plan

The law establishing this standard provides as follows:

3 AAC 110.900.

(a) A petition for incorporation, annexation, merger or consolidation must include a practical plan in which the municipal government demonstrates its intent and capability to extend essential city or essential borough services into the territory proposed for change in the shortest practicable time after the effective date of the proposed change. A petition for detachment or dissolution must include a practical plan demonstrating the transition or termination of municipal services in the shortest practicable time after detachment.

(b) A petition for a proposed action by the commission must include a practical plan for the assumption of all relevant and appropriate powers, duties, rights, and functions presently exercised by an existing borough, city, service area, or other entity located in the territory proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city or service area, and must be designed to effect an orderly, efficient, and economical transfer within the shortest practicable time, not to exceed two years after the effective date of the proposed change.

(c) A petition for a proposed action by the commission must include a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities of an existing borough, city, service area or other entity located in the territory proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city, or service area affected by the change, and must be designed to effect an orderly, efficient, and economical transfer within the shortest practicable time, not to exceed two years after the date of the proposed change. The plan must specifically address procedures that ensure that the transfer and integration occurs without loss of value in assets, loss of credit reputation, or a reduced bond rating for liabilities.

(d) Before approving a proposed change, the commission will, in its discretion, require that all affected boroughs, cities, service areas, or other entities execute an agreement prescribed or approved by the commission for the assumption of powers, duties, rights, and functions, and for the transfer and integration of assets and liabilities.

City of Wasilla's Views

Exhibit E of the Petition provides the City's transition plan. It notes that Wasilla Municipal Code 16.08.140 requires that territory newly-annexed to the city shall be placed in the appropriate zoning district based on the recommendation of the City Planning Commission based on current land uses, proposed land uses and the 1996 Comprehensive Plan.

Wasilla Planning Commission Resolution No. 00-29 adopted October 24, 2000 recommended to the City Council that upon annexation, the areas proposed for annexation shall be zoned in a manner consistent with the zoning classifications of adjacent property. According to the transition plan, the Silverleaf Subdivision will be zoned rural residential. The Airport North and Airport South portions of the area proposed for annexation will be zoned as industrial. The Carefree Acres Subdivision, the Waiver Hill Subdivision, the Olson Subdivision Extension and the Lakebrook Subdivision will be zoned as commercial.

DCED's Conclusion

No issues have arisen during the proceedings regarding transition of the area proposed for annexation into the jurisdiction of the City of Wasilla. The Petition demonstrates that the City of Wasilla has conferred with officials of the Matanuska-Susitna Borough to ensure that transition occurs in an orderly manner without disruption of services to the area proposed for annexation, the Borough or the City of Wasilla. DCED considers the standard to be satisfied by the annexation Petition.

IX. Do the proposed post-annexation boundaries include all areas necessary to provide the full development of essential city services on an efficient, cost effected level? (3 AAC 110.130)

The law establishing this standard provides as follows:

3 AAC 110.130(a).

The proposed boundaries of the city must include all land and water necessary to provide the full development of essential city services on an efficient, cost-effective level. In this regard, the commission will, in its discretion, consider relevant factors, including

- (1) land use and ownership patterns;
- (2) population density;
- (3) existing and reasonably anticipated transportation patterns and facilities;
- (4) natural geographical features and environmental factors; and
- (5) extraterritorial powers of cities.

City of Wasilla's Views

The Petition states that “The territories being annexed are sufficient in size to allow existing and future developments to occur in an orderly manner according to the City of Wasilla Comprehensive Plan.”

DCED's Views

The City's anticipated zoning classifications of the areas proposed for annexation demonstrate that land use and ownership patterns vary considerably among the separate, dispersed areas proposed for annexation. Portions of the area are industrial, others are commercial or residential. Divergent characteristics of the various parcels notwithstanding, all of the area proposed for annexation appears to be compatible with existing land use patterns in areas presently within the City of Wasilla.

Transportation patterns appear to be conducive to annexation of the all of the areas sought for inclusion in the City's jurisdiction. This is particularly evident with respect to the Happy Mountain and Carefree Acres portions of the area proposed for annexation.

DCED's Conclusion

There is no evidence suggesting that the proposed post-annexation boundaries do not include all areas necessary to provide the full development of essential city services on an efficient, cost effective level. DCED considers the standard to be satisfied by the Petition.

X. The proposed boundaries of the city must include only that area comprising an existing local community, plus reasonably predictable growth, development, and public safety needs during the 10 years following the effective date of annexation of that city. (3 AAC 110.130(c))

The law establishing this standard provides as follows:

3 AAC 110.130(c)

The proposed boundaries of the city must include only that area comprising an existing local community, plus reasonably predictable growth, development, and public safety needs during the 10 years following the effective date of annexation of that city.

3 AAC 110.920 DETERMINATION OF COMMUNITY.

(a) In determining whether a population comprises a community or social unit, the commission will, in its discretion, consider relevant factors, including whether the people

(1) reside permanently in a close geographical proximity that allows frequent personal contacts and has a population density that is characteristic of neighborhood living;

3 AAC 110.130(c) continued

(2) residing permanently at a location are a discrete and identifiable unit, as indicated by such factors as school enrollment, number of sources of employment, voter registration, precinct boundaries, permanency of dwelling units, and the number of commercial establishments and other service centers.

(b) Absent a specific and persuasive showing to the contrary, the commission will presume that a population does not constitute a community or social unit if

(1) public access to or the right to reside at, the location of the population is restricted;

(2) the population is contiguous or closely adjacent to a community or social unit and is dependent upon that community or social unit for its existence; or

(3) the location of the population is provided by an employer and is occupied as a condition of employment primarily by persons who do not consider the place to be their permanent residence.

City of Wasilla's Views

The Petition for annexation states:

These annexation territories will not immediately increase the city population however existing businesses and future developments will provide jobs for the community and expand the level of retail and institutional services currently available in the valley. Additionally, undeveloped lands included within the annexation territories will provide needed areas for future residential neighborhoods within the city. (Exhibit G, page 3)

DCED's Views

The fact that the greater Wasilla area has been the among the fastest-growing areas of Alaska has been noted and documented by the Alaska Department of Labor, the U.S. census and the City. The proposed annexation appears to be a direct result of growth of the community of Wasilla beyond its jurisdictional boundaries.

DCED's Conclusion

DCED considers the standard to be satisfied by the Petition.

XI. Could essential city services can be provided more efficiently and more effectively by another existing city or by an organized borough?

The law establishing this standard provides as follows:

3 AAC 110.090 NEEDS OF THE TERRITORY.

(b) A territory may not be annexed to a city if essential city services can be provided more efficiently and more effectively by another existing city or by an organized borough.

The phrase “essential city services” as used in 3 AAC 110.090(b) is defined in 3 AAC 110.990(8) as:

...those legal activities and facilities that are determined by the commission to be reasonably necessary to the community and that cannot be provided more efficiently and more effectively either through some other agency or political subdivision of the state, or by the creation or modification of some other political subdivision of the state...

City of Wasilla’s Views

The Petition states:

The City has the existing infrastructure in place to provide the essential city services to these annexation properties immediately. Future commercial developments requiring city water and sewer can be served by minor extensions to existing lines without the need for substantial upgrades to plant and equipment. The City of Wasilla has a planning department and planning commission that administers the Wasilla Development Code. (Exhibit G, pg. 1)

DCED’s Views

Neither the Matanuska-Susitna Borough nor another existing city government appears to be in a position to serve the area proposed for annexation more efficiently and effectively than the City of Wasilla. The nearest adjacent city government is the City of Palmer. The City of Palmer is located approximately 20 miles east of Wasilla.

DCED’s Conclusion

The proposed boundary change satisfies the standard.

XII. DOES THE TERRITORY EXHIBIT A REASONABLE NEED FOR CITY GOVERNMENT?

The law establishing this standard provides as follows:

3 AAC 110.090 NEEDS OF THE TERRITORY.

(a) The territory must exhibit a reasonable need for a city government. In this regard, the commission will, in its discretion, consider relevant factors, including:

- (1) existing or reasonably anticipated social or economic problems;
- (2) existing or reasonably anticipated health, safety, and general welfare problems;
- (3) existing or reasonably anticipated economic development;
- (4) adequacy of existing services; and
- (5) extraterritorial powers of adjacent municipalities.

City of Wasilla's Views

The Petition states:

Each of the territories requesting to become part of the City of Wasilla has a need for the additional services which include planning and zoning, police protection, water and sewer, street maintenance, library and fire protection. (Exhibit G, pg. 1)

Health, safety and general welfare problems

Fire Protection. The area is now served by the Wasilla-Lakes Fire Service area. Statements in the Petition notwithstanding, delivery of fire service to the newly annexed areas would be unaltered as a consequence of annexation.

Water and Sewer Services. The Petition suggests that annexation will further long term goals of delivering improved water and sewer utility service to the City as a whole.

Presently there are no plans to extend the city water and sewer mains to the property proposed for annexation. Existing water and sewer lines are within a close proximity to the Commercial territories and are sized adequately to handle the increased loads from the territory being annexed. The sewer plant treats an average of 166,000 gallons of effluent per day and has an estimated capacity of 400,000 gallons per day. Current permit is for 200,000 gallons per day. The city realizes the sewer treatment plant will need significant improvements in the near future however is sufficient to handle the expected loads from future development. The city water system consists of four water wells and two

water tanks with about 2.3 million gallons of storage capacity. The need for a new water well and storage facility on the eastern side of city in the near future has been identified. The city is confident the present system can adequately supply enough water to meet the demands of this development. Any future commercial developments within the annexed territory will significantly contribute to the city revenues providing a source of sales and property taxes to help fund the needed improvements to the water and sewer infrastructure. (Petition, Exhibit E, page 2)

The Matanuska-Susitna Borough has described public health and safety issues related to specific to water quality in Wasilla Lake.²¹

Surface water drainage is a continuing problem in the City of Wasilla. Presently surface water is collected under the Parks Highway and discharged into Lake Lucille and Wasilla Lake. The ADOT & PF plans include upgrading these facilities to meet current environmental discharge regulations. Any commercial site development will be required to meet all state and federal storm water discharge regulations. There is adequate surface area on site to treat the storm water prior to discharge. This would eliminate the need for any new city provided storm water treatment facilities. (Petition, Exhibit E, page 3)

Connection to the City of Wasilla's water and sewer system would only be required for new development, however, or when existing on-site systems fail. (Wasilla Municipal Code: 5.10.020 and 5.20.0020.)

Police Protection. The Petition indicates that City police service will be extended to the newly annexed areas immediately upon annexation.

Adequacy of Existing Services

The Matanuska-Susitna Borough provides certain essential services to residents of Wasilla. These include the functions mandated by State law consisting of education, and planning, platting & land use regulation. [AS 29.35.150 – 29.35.180] The Matanuska-Susitna Borough has transferred the powers of planning and land use regulation for the area within the boundaries of the City of Wasilla to the City. [AS 29.40.010] However, the Borough has the power and duty to exercise those powers in the area outside of the City, including the area proposed for annexation. The Borough electorate has also approved areawide borough authority for provision of parks and recreation; emergency medical services; ports, harbors, wharves; public transportation systems; animal control; water pollution control; day care facility licensing; historic preservation and transient accommodations.

²¹ Matanuska Susitna Borough Core Area Comprehensive Plan, September, 1993, HDR Engineering, Inc., pg. II -57.

Nonareawide borough powers exercised by the Borough include fireworks regulation; solid waste disposal; libraries.

The Borough exercises the following powers on a service area basis in the area proposed for annexation:

- Emergency response (fire, emergency medical, search and rescue);
- Road maintenance (Bogard and Meadow Lakes Road Service Areas).

There is no indication that the Borough plans to provide new services to the area proposed for annexation. Even if it were willing to do so, it may face obstacles that would prevent it from providing the level of services currently provided by the City of Wasilla. Unless the Borough arranged to provide additional services on an areawide or nonareawide basis, it could do so only by creating new service areas encompassing the territory proposed for annexation. However, Alaska's Constitution and statutes prohibit the creation of any new service area as long as the desired service can be provided through annexation to an existing city. [Alaska Constitution Art. X, §6; AS 29.35.450(b)]

This strong preference for annexation over the formation of new service areas stems from Article X, § 1 of the Constitution. That provision states that the purpose of the local government section of the constitution is “to provide for maximum local self-government with a minimum of local government units, and to prevent duplication of tax-levying jurisdictions” (emphasis added). An authoritative study on the principles of local government in Alaska states that the purpose of the limitation on the creation of new service areas, “was to avoid having ‘a lot of separate little districts set up . . . handling only one problem . . .’; instead, services were to be provided wherever possible by other jurisdictions capable of doing so.” [Borough Government in Alaska, pages 41 - 43, Morehouse, Thomas A. and Fischer, Victor]

Extraterritorial Powers of the City of Wasilla

The City has no authority to provide police protection and other emergency response services to the area on an extraterritorial basis.

DCED's Conclusion

After considering conditions in the area relative to the City of Wasilla, DCED concludes that there is a reasonable need for city government in the area. Additionally, there is no evidence that the Matanuska-Susitna Borough or any other city government can provide the needed services more efficiently or effectively than the City of Wasilla. Thus, DCED further concludes that the standard set out in 3 AAC 110.090 is satisfied.

XIII. Does the proposed annexation serve the best interests of the State?

The law establishing this standard provides as follows:

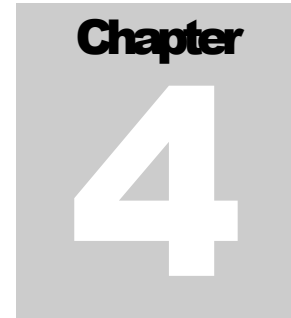
AS 29.06.040(a) The Local Boundary Commission may consider any proposed municipal boundary change. If the commission determines that the proposed change, as amended or conditioned if appropriate, meets applicable standards under the state constitution and commission regulations and is in the best interests of the state, it may accept the proposed change. Otherwise it shall reject the proposed change. A Local Boundary Commission decision under this subsection may be appealed under the AS 44.62 (Administrative Procedure Act).

“Best interests of the state” means the paramount broad policy benefit to the public statewide; it is a concept applied by the Local Boundary Commission on a case-by-case basis; a determination of the best interests of the state is substantially guided by the applicable provisions of the Alaska Constitution, Alaska Statutes, and Alaska Administrative Code to reflect the exigencies of any petition as is necessary to develop appropriate local government boundaries which, in turn, serve the balanced interests of citizens in the area proposed for change, affected local governments, and other interests which the Local Boundary Commission, in its discretion, considers to be relevant.

Conclusion

The record demonstrates that the proposed boundary change is being sought by the people most directly affected, residents and property owners in the areas sought for annexation. The proposed boundary change will refine the boundaries of the City of Wasilla, accommodate evident growth and development in the areas proposed for annexation, and permit the City to enjoy enhanced revenues. DCED considers the proposal to be consistent with the State’s best interest.

RECOMMENDATIONS



Regarding Procedural Matters

The proposed boundary change was initiated at the request of all the resident voters and property owners in the area proposed for annexation. No objections were raised to the proposal that procedural regulations be relaxed.

Regarding the Annexation Proposal

As demonstrated by the application of standards in Chapter 4, the Department concludes that the City of Wasilla's annexation proposal satisfies all the standards for annexation. Therefore, DCED recommends that the Commission approve the Petition, without amendment. A map of the proposed post-annexation boundaries is included in Appendix A.

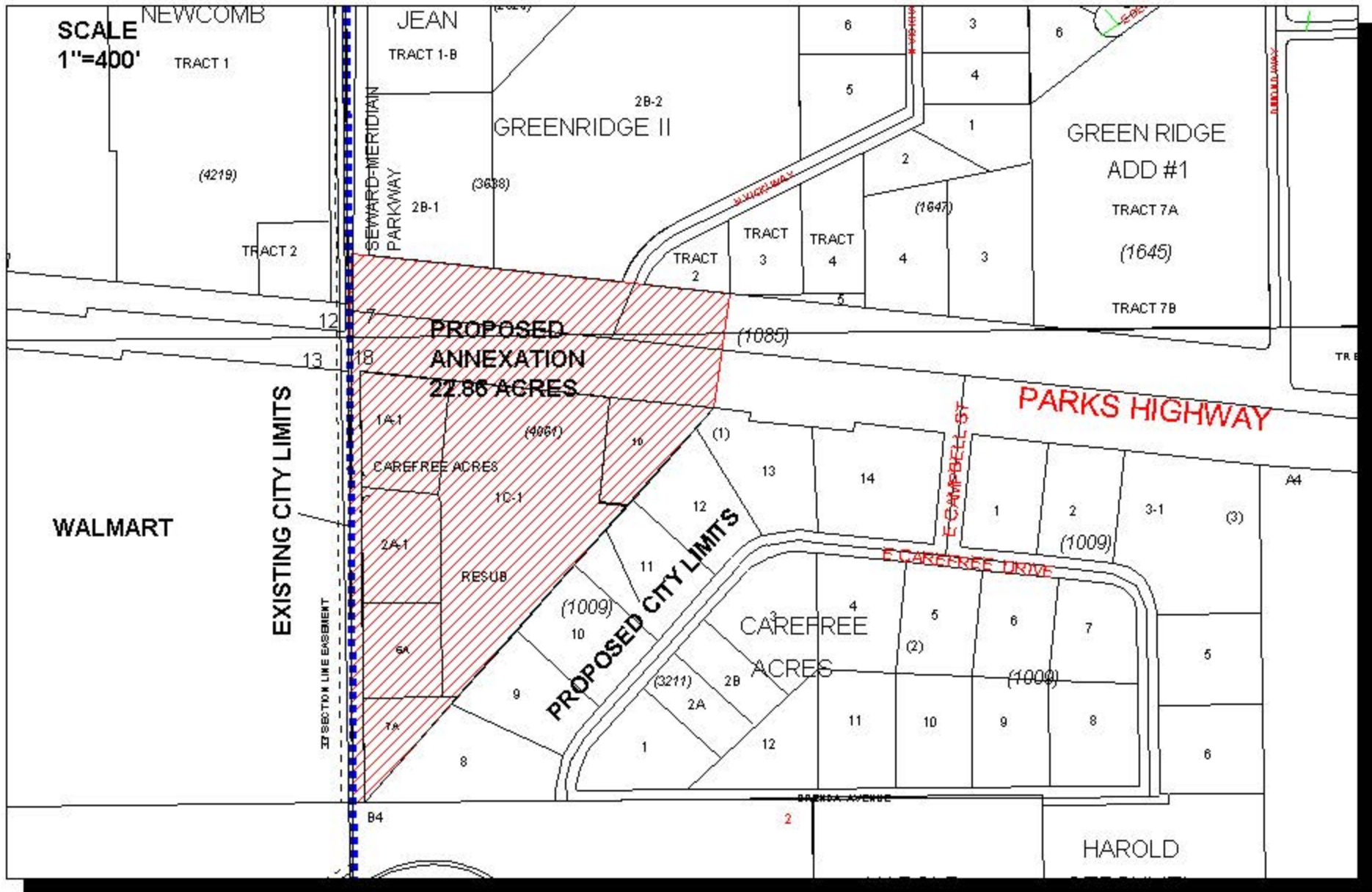
Appendix A

Maps of the Areas Proposed for Annexation



EXHIBIT C1-A
PROPOSED ANNEXATION
22.86 ACRES
(CAREFREE)

SCALE
1"=400'



PARCELS: CAREFREE ACRES LOT 1A-1, 1C-1, 1D, 2A-1, 6A AND 7A



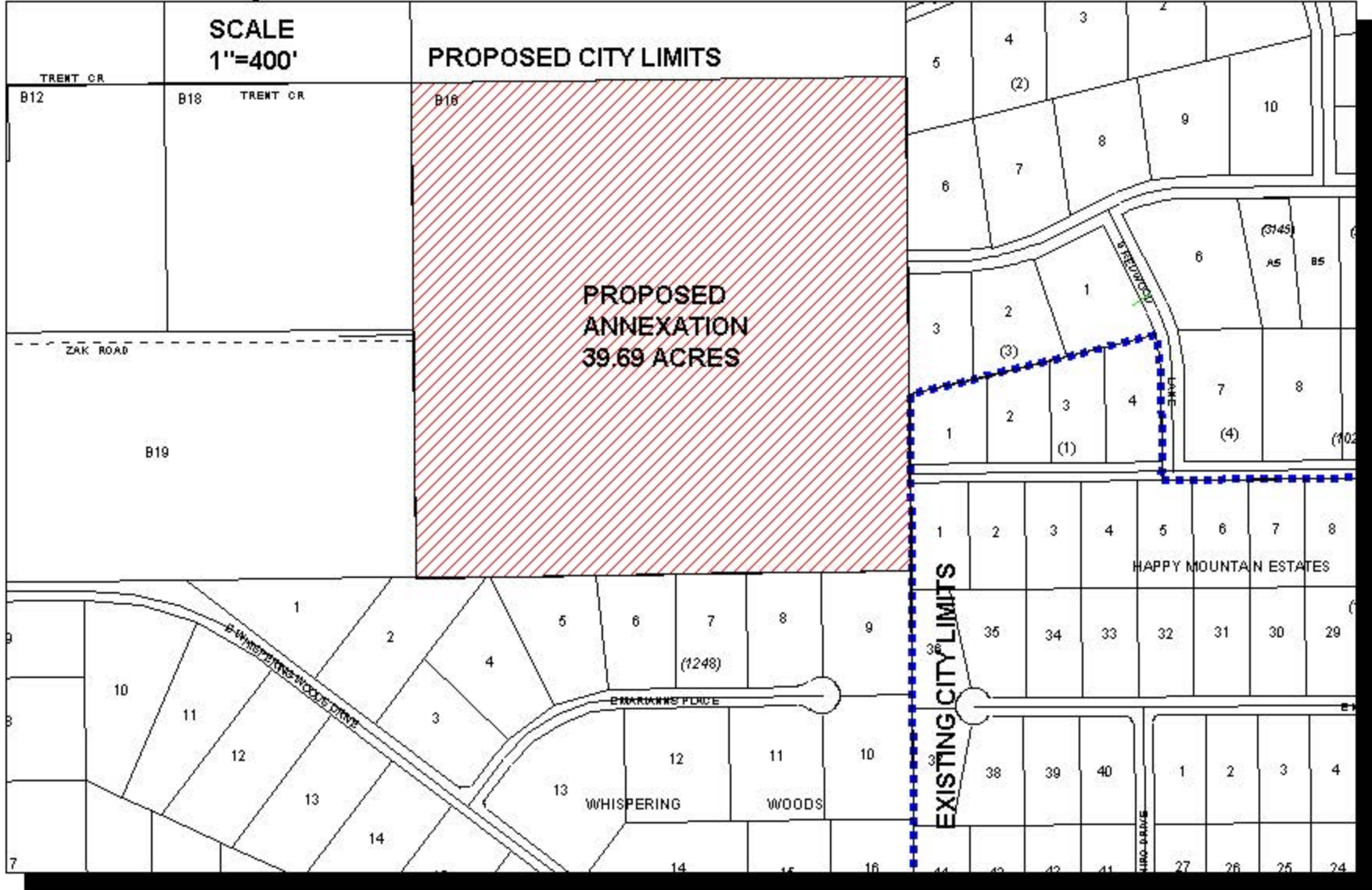
**EXHIBIT C1-G
PROPOSED ANNEXATION
39.69 ACRES
(HAPPY MOUNTAIN)**

**SCALE
1"=400'**

PROPOSED CITY LIMITS

**PROPOSED
ANNEXATION
39.69 ACRES**

EXISTING CITY LIMITS

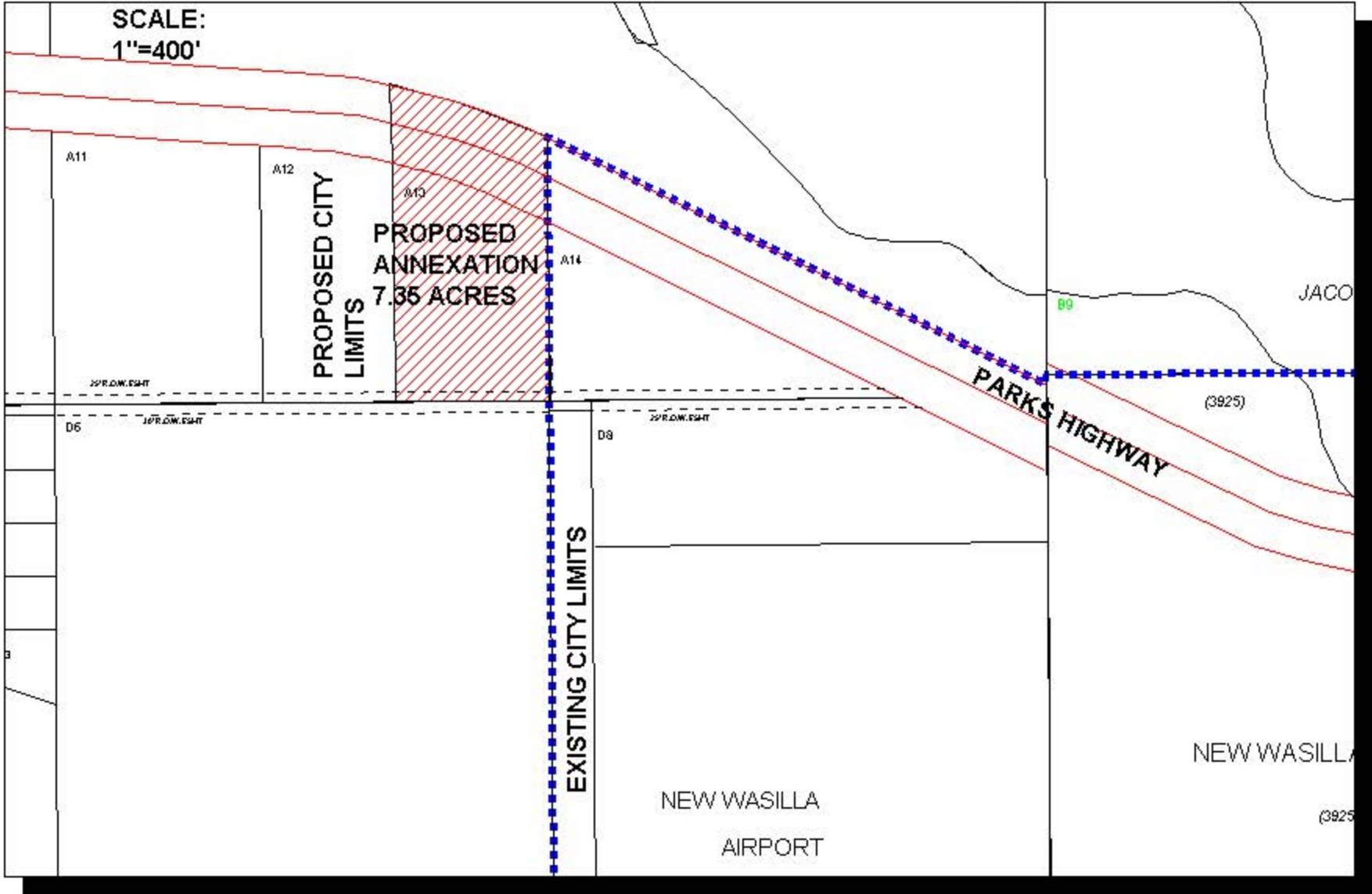


PARCEL: TAX PARCEL T17N01W12B016

EXHIBIT C1-F
PROPOSED ANNEXATION
7.35 ACRES
(AIRPORT NORTH)

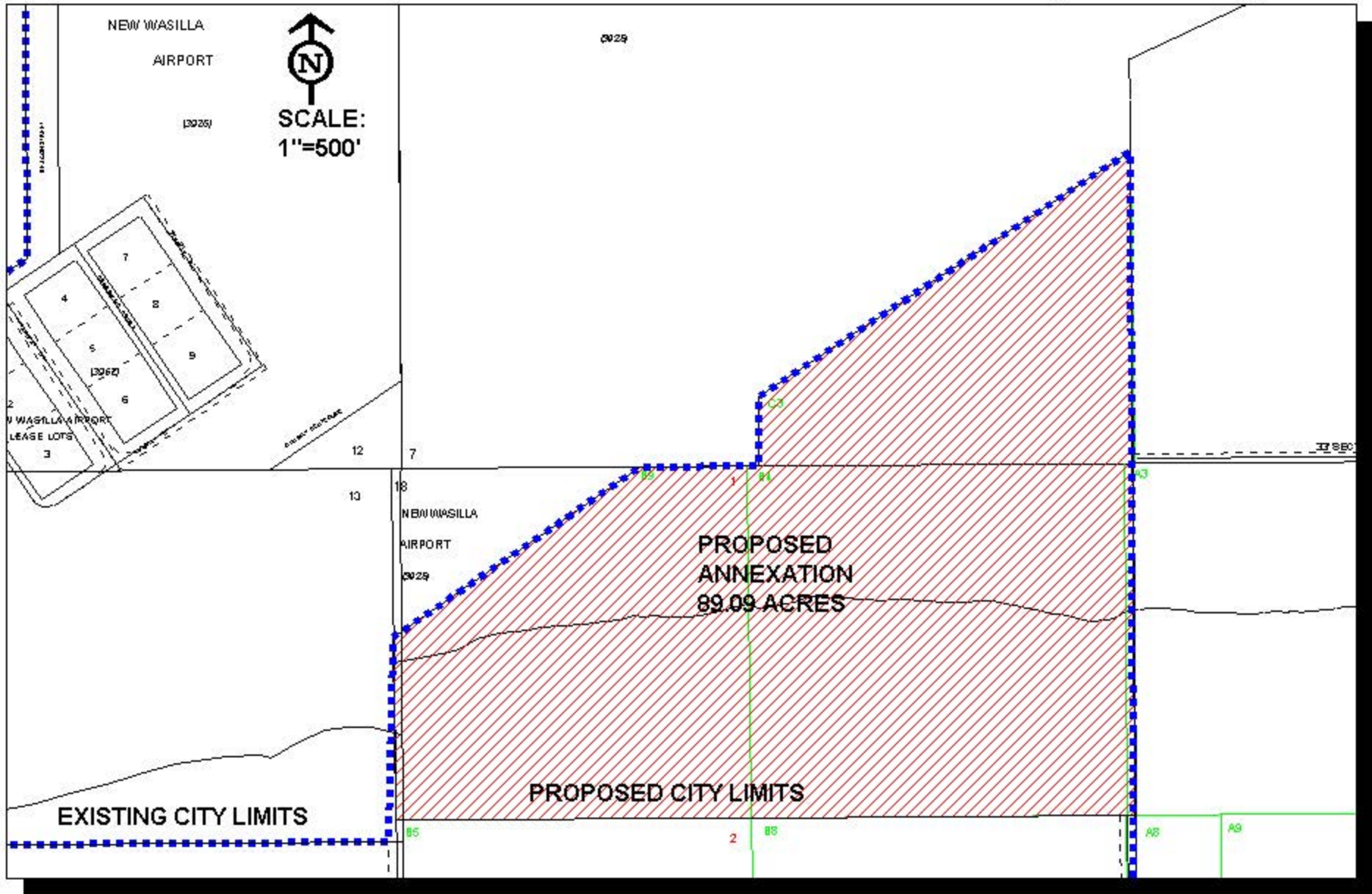


SCALE:
1"=400'



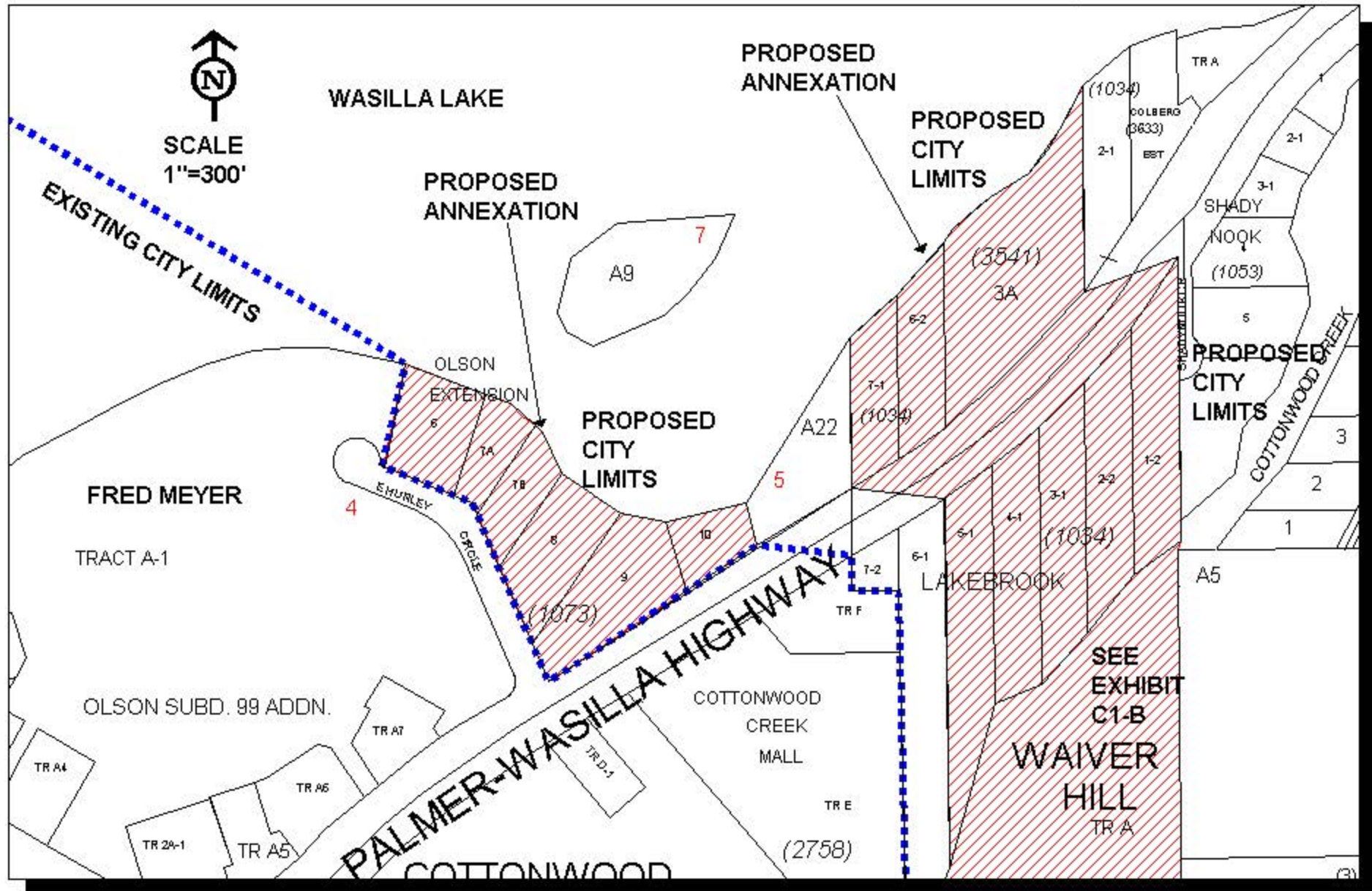
PARCEL: TAX PARCEL T17N01W12A013

EXHIBIT C1-E
PROPOSED ANNEXATION
89.09 ACRES
(AIRPORT SOUTH)



PARCELS: TAX PARCELS 17N01W7C003, 17N01W18B003,
17N01W18B004

**EXHIBIT C1-D
PROPOSED ANNEXATION
17.56 ACRES
(OLSON/LAKEBROOK)**

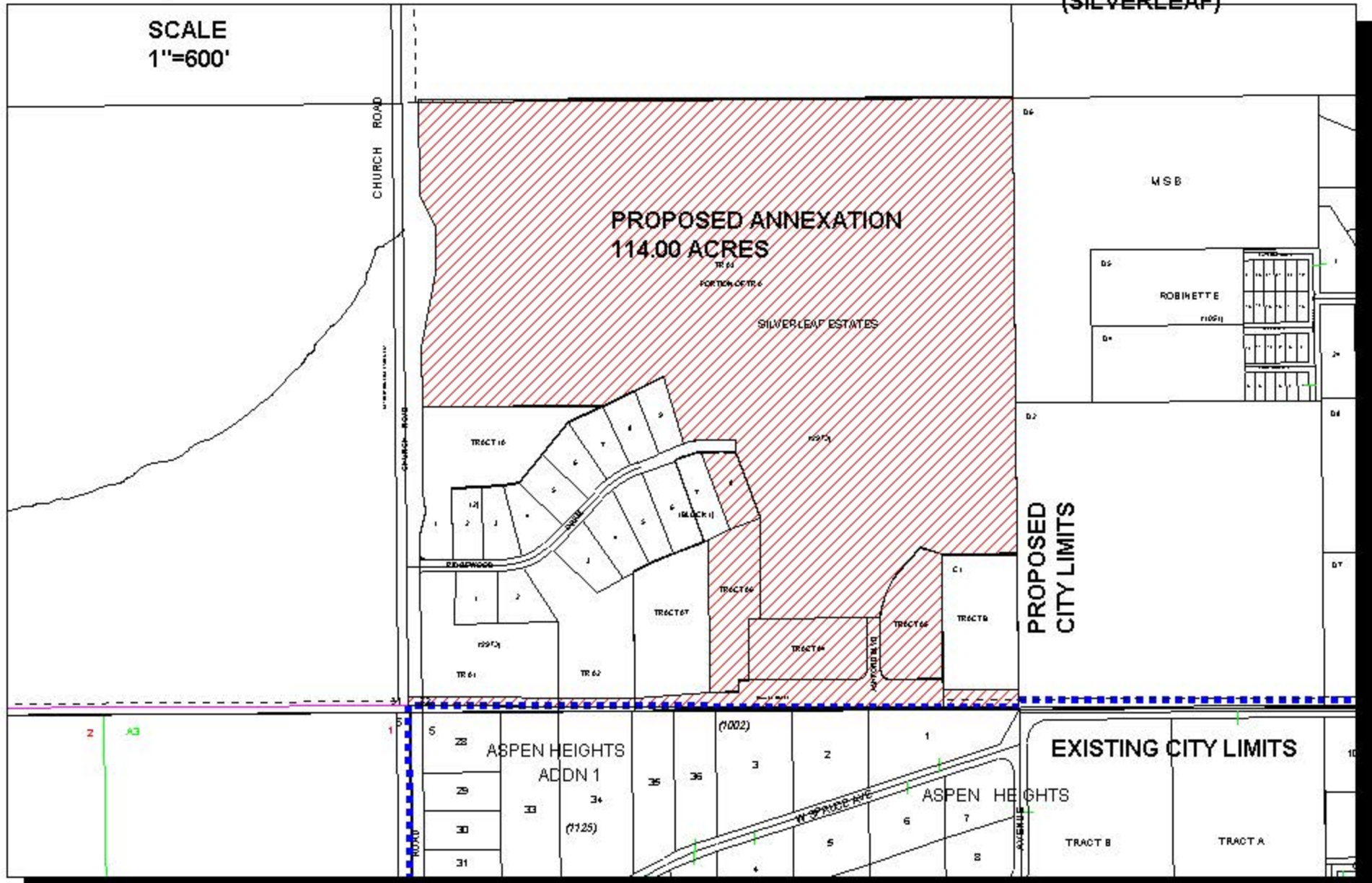


PARCELS: OLSON SUBDIVISION EXTENSION PLAT 60-23 LOTS 6, 8, OLSON SUBDIVISION EXTENSION PLAT 62-9 LOTS 7A, 7B, 9 AND 10, LAKEBROOK SUBDIVISION LOTS 1-2, 2-2, 3-A, 3-1, 4-1, 5-1, 6-2 AND 7-1



EXHIBIT C1-C
PROPOSED ANNEXATION
114.00 ACRES
(SILVERLEAF)

SCALE
1"=600'

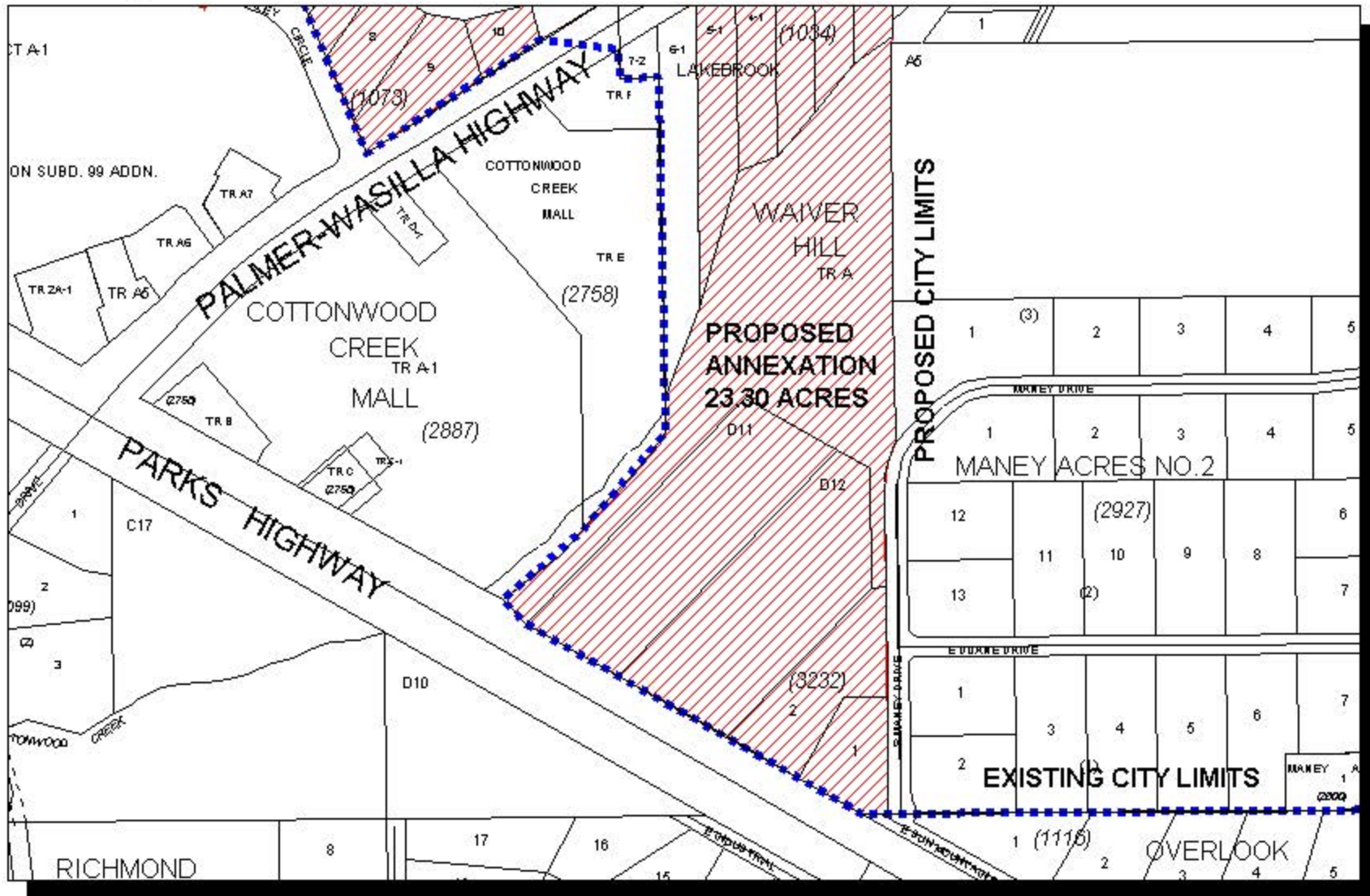


PARCELS: SILVERLEAF ESTATES PHASE 2 LOT 8 BLOCK ONE,
TRACTS A3, A4, A5, AND A6

SCALE:
1"=400'

SEE EXHIBIT C1-D

EXHIBIT C1-B
PROPOSED ANNEXATION
22.30 ACRES
(WAIVERHILL)

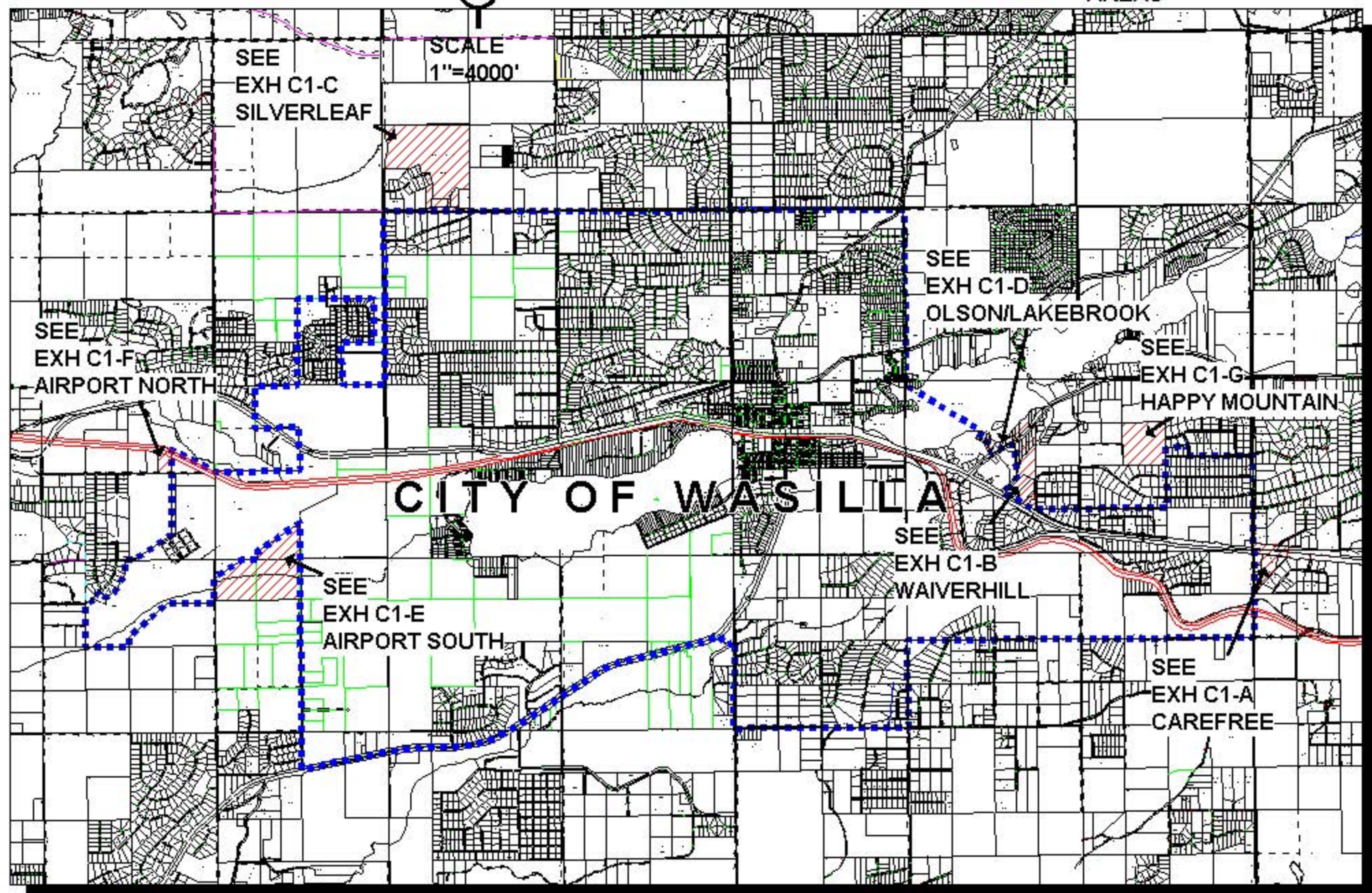


PARCELS: WAIVER HILL SUBDIVISION LOT 1 AND LOT 2 AND TRACT A, TAX PARCELS 17N01W11D011 AND 17N01W11D012

EXHIBIT C2
PROPOSED ANNEXATION
AREAS



SCALE
1"=4000'





Members

Kevin Waring
Chairperson

First Judicial
District

Second Judicial
District

Allan Tesche
Member
Third Judicial
District

Ardith Lynch
Member
Fourth Judicial
District



APPENDIX B

State of Alaska

Local Boundary Commission

NOTICE OF PUBLIC HEARING

PROPOSED ANNEXATION OF ABOUT 314 ACRES TO THE CITY OF WASILLA

The Local Boundary Commission will meet by teleconference at 9:30 a.m. on March 9, 2002. A teleconference site will be established at the Wasilla City Hall, 290 East Herning Avenue, Wasilla. At the meeting, the Commission will conduct a public hearing on the petition of the City of Wasilla for annexation of an estimated 314 acres to the City of Wasilla. The annexation proposal was initiated at the request of all owners of the property proposed for annexation.

The seven areas proposed for annexation include:

- **Carefree Subdivision** - 22.86 acres at the intersection of the Parks Highway and Seward Meridian Parkway;
- **Waiverhill/Lakebrook** - 36.13 acres near the intersection of the Parks Highway and the Palmer-Wasilla Highway;
- **Silverleaf Estates** - 114.00 acres at the northwest corner of the existing city boundaries at the intersection of Spruce Road and Ashford Blvd;
- **Olson Subdivision** - 4.72 acres near the intersection of the Parks Highway and Palmer Wasilla Highway;
- **Airport South** - 89.09 acres south of the Wasilla Airport;
- **Airport North** - 7.35 acres north of the Wasilla Airport;
- **Happy Mountain** - 39.69 acres adjacent to Happy Mountain Estates.

If warranted, other teleconference sites may be added.

For further information concerning this matter, contact LBC staff by telephone at (907) 269-4557. Reasonable accommodations will be made for individuals with disabilities who request accommodations in a timely manner.



Members

Kevin Waring
Chairperson
At-Large

First Judicial
District

Second Judicial
District

Allan Tesche
Member
Third Judicial
District

Ardith Lynch
Member
Fourth Judicial
District



Appendix C

Agenda Public Hearing Wasilla Annexation Petition

9:30 a.m., March 9, 2002
Wasilla City Council Chambers

- I. Call to order
- II. Roll call & determination of quorum
- III. Approval of agenda
- IV. Comments by members of the Local Boundary Commission
- V. Comments by members of the public concerning matters **not** on the agenda
- VI. Public hearing on petition for annexation of about 314 acres by the City of Wasilla
 - A. Summary by DCED of its conclusions & recommendations
 - B. Petitioner's (City of Wasilla) opening statement (limited to 5 minutes)
 - C. Period of public comment by interested persons (limited to 3 minutes per person)
 - D. Petitioner's closing statement (limited to 5 minutes)
 - E. Closing statement by DCED
- VII. Decisional session concerning the Wasilla annexation petition (optional)
- VIII. Comments from Commissioners and staff
- IX. Recess or Adjourn

