

THE CITY OF PALMER
A CITY WITH AN ORGANIC DEVELOPMENT
PLANNING THE FUTURE WITH A STRONG FOUNDATION

The petition hereby requests that the Board of Supervisors approve the
petition for annexation pursuant to Article XX, Section 11 of the Constitution of the State
of Alaska and AS 25.05.010. The petition is filed in the manner required by
the statute.

A PETITION

by the

CITY OF PALMER **For Annexation of approximately 921.34 acres** **North, South, East & West** **of the current City Limits**

The petition requests that the Board of Supervisors approve the
annexation of approximately 921.34 acres of land located in the
unincorporated area of the Municipality of Palmer, Alaska.

March, 2002

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**ANNEXATION TO THE CITY OF PALMER,
A CITY WITHIN AN ORGANIZED BOROUGH,
USING THE LEGISLATIVE REVIEW METHOD**

The petitioner hereby requests that the Alaska Local Boundary Commission approve this petition for annexation pursuant to Article X, Section 12 of the Constitution of the State of Alaska and AS 29.06.040(b). All Exhibits attached to this petition are incorporated by reference.

Section 1. PETITIONER.

The name and class of the city petitioning for annexation are listed below:

Name: City of Palmer

Class: Home Rule City

Section 2. GENERAL DESCRIPTION OF THE TERRITORY PROPOSED FOR ANNEXATION.

The territory proposed for annexation is generally described as follows:

The territory proposed for annexation consists of approximately 921.34 acres extending to the north, south, east and west of the existing city limits. The area is comprised of numerous enclaves and properties adjacent to boundaries of the current City of Palmer. The population estimates are based on information obtained from the Matanuska/Susitna Borough Planning Department. They established two estimates of population within the territory proposed for annexation, either 391 or 325. The areas for which the information was requested are outside of a Census Designated Place (CDP), and currently Block Level information is not readily available for them. The first population estimate was done using persons per household and vacancy rates for the nearest CDP. The second estimate was determined using the persons per household and vacancy rates of the City of Palmer.

The Matanuska-Susitna Borough Planning staff recommends using the first estimate. The predominate housing type for the areas estimated is single family residential. This housing type typically has a larger number of persons per household. The City of Palmer has a slightly lower persons per household rate. This can generally be explained by inferring that multi-family housing usually has fewer persons per household. The City of Palmer has a relatively larger number of multi-family units than the areas outside the City. The City feels the number of 391 may be excessive, and prefers to use the lower estimate of 325 persons. The number of persons listed in Areas A through M below was

determined by using the number of residential properties times the 2000 Census Population/household multiplier for the City of Palmer.

Area A The first area is an enclave consisting of 115.91 acres, lying north of the current city boundaries and flanked by the Glenn Highway on the west and the Matanuska River on the east. Population estimate: 34

Area B This area is known as Sherrod Park and consists of 27.98 acres. This area is also an enclave situated on a high bluff overlooking the Matanuska River and bordered on the west by Gulkana Street. The Matanuska-Susitna Borough School District is currently negotiating with landowners in this area for parcels to be used as a potential site for a new school. One mobile home occupies this area and population is estimated to be 3 persons.

Area C The eastern boundary of this 36.56-acre area is adjacent to the Glenn Highway with the southern boundary adjacent to Scott Road. A log house is located on the southeastern corner of this property. Population estimate: 3

Area D This property consists of three enclaves adding up to 56.16 acres. These areas are sparsely developed and are located on the eastern perimeter of Palmer along the banks of the Matanuska River. A gravel pit is located in the southern most section of this enclave.
Population estimate: 8

Area E This enclave is the location of the Pioneer Cemetery and consists of 5.0 acres. A private cemetery association owns the cemetery. The Old Glenn Highway fronts the property.

Area F This enclave is a T-shaped enclave of 89.82 acres adjacent and to the west of the Palmer Airport. A few outbuildings and trailers sit on this property. The northern most section is wooded, while the south and east is cleared grassland with minimal development. Population estimate: 3

Area G This enclave is a small 11.67-acre vacant field with no development.

Areas H, I and J These three enclaves add up to 37.71 acres. One of the smaller sections is a vacant, wooded lot, the second smaller section is the site of a home and outbuildings, while the larger section to the west, encompasses property on both the north and south sides of the Palmer-Wasilla Highway. The larger section is partially developed. Population estimate: 8

Area K This large area consists of 399.31 acres with its eastern boundary lying along the Glenn Highway. The southern boundary begins at Moore Road and runs west, adjacent to Helen Drive to the Palmer West subdivision. A number of Palmer West subdivision landowners have requested annexation from the City of Palmer. The Spinell Homes, Inc. properties are scheduled for development in the near future and are located in the central

section of this area. This owner has also requested annexation. Population estimate: 185
The majority of residential development to date is in Area K and Area L.

Area L This enclave, known as the Cope Subdivision, houses the City's main supply water well in its southeastern corner. The 61.23-acre area is also the location of the Dennis Smith Housing Development. The northern most section of this enclave is forested with some open field area. Population estimate: 78

Area M This 79.99-acre parcel is owned by the Alaska State Fair, Inc., with the exception of a five-acre section situated halfway along the northern boundary. Along the eastern end of this property sits an unused gravel pit. The Alaska State Fair, Inc. purchased this property for parking expansion purposes. This property abuts the City of Palmer's southern boundaries. Population estimate: 3

Section 3. REASONS FOR ANNEXATION.

A statement of the reasons that the City seeks to annex the territory in question is provided below:

By initiating annexation of these thirteen (13) areas, the City of Palmer has addressed, in a more comprehensive manner, the remaining enclaves within the City of Palmer, proper. The March 2000, "Report to the Local Boundary Commission Concerning the Proposed Annexation of 64.9 Acres to the City of Palmer," stated:

"During the 48 years since its incorporation, the City's boundaries have been expanded by 44 separate annexations, of which 41 have occurred since 1970. There have been as many as seven annexations to the City of Palmer during a single year (1984). This pattern of frequent small-scale annexations has occurred as a consequence of the City's practice of limiting annexation petitions to areas where property owners initiate the request for annexation. Five enclaves, totaling about 110 acres, exist within the City's jurisdiction. In 1992, concern over the proliferation of enclaves within the City led the LBC to deny a petition by the City to annex the 35-acre Palmer Commercial Tract since annexation of that area at that time would have created an additional enclave within the City".

The proposed annexation of the Mountain Rose Subdivision in Area L is an example of the City's more comprehensive approach toward annexation in this petition. Annexation of this property would create an enclave of Tax Parcel C7 immediately to the north. If the City chose to annex only those properties whose owners requested annexation, the LBC would probably oppose an attempt to annex the Mountain Rose Subdivision because approval of such a request would result in the creation of another enclave. The conflict between the City's policy and the LBC's policy would effectively bar annexation of this property to the City (unless the owner of Tax Parcel C7 agreed to annexation). As a result, the Mountain Rose development would not have received City water and sewer services and would likely not have been built. This scenario illustrates how the City's

past piece-meal approach to annexation created obstacles to investment in the community and to the community's growth and development.

The City's present petition will resolve the enclave issue by annexing all the enclaves entirely surrounded by the City and the enclaves bordered by the City and the Matanuska River.

A municipality will always face the potential for conflicting land uses and standards at its borders if different regulations apply outside its boundaries. Palmer is no exception, but this is a more significant matter where enclaves are involved. Many areas now within the City but adjacent to areas proposed for annexation are zoned for single-family residential use. Presently, there are few land use restrictions in the areas outside the City (including the enclaves "inside" the City). Also, residential development of these areas is not subject to the Uniform Building Code and other uniform codes, which are enforced within the City. The result is that incompatible uses could occur on lands adjacent to the City, with the potential to adversely affect residential uses and property values within the City. The proposed annexation addresses the potential for these land use and building standards conflicts by bringing those adjacent or enclave areas into the City and under the same land use and building standards. These factors involve the City's ability to reasonably plan and control community growth and development.

In 2000, the City contracted with Northern Economics, Inc., to complete an analysis of potential effects of annexing areas outside the current City boundaries. This report was completed in February 2001, and is attached to this petition. (**Exhibit U**) In order to facilitate an economic analysis of annexation options, the City established four phases of annexation to reach the 1999 City comprehensive plan's "conceptual boundary" of the City, and the City's sewer utility service area boundary. The City Council also added an area to the south for study that includes the extensive gravel extraction area. The report primarily focused on economic impacts of annexing certain areas, and made assumptions on a per person basis with which to estimate revenues, costs and impacts on City departments.

The annexation proposed in this petition brings the City more in line with the "comprehensive approach" suggested by the Local Boundary Commission, and better positions the City to face future annexations as growth and development continue in the Palmer area. All parcels included in this annexation proposal are within or adjacent to the City of Palmer's existing city boundaries. The rapid growth of the Palmer-Wasilla area during the past ten years demonstrates the need for planning and zoning in the areas proposed for annexation.

Palmer has been one of the fastest growing communities in Alaska. According to the U.S. Census, the City of Palmer's 1990 population was 2,866. The 2000 U.S. Census set the City's population at 4,533, a population increase of 58%. This population growth was primarily the result of development within the City boundaries, as the City did not annex lands containing significant populations in that period. During the same period,

the population of the Matanuska-Susitna Borough grew from 37,114 to 51,322 (U.S. Census), a growth rate of 38%.

The Alaska Department of Transportation and Public Facilities Traffic Volume reports also indicate significant traffic volume increases in the Palmer area in the past decade. The Glenn Highway is the primary access between Palmer and Anchorage. On the Glenn Highway (as counted approximately four miles south of Palmer), the monthly average daily traffic increased from 4,280 vehicles in 1993 to 8,249 vehicles per day in 2000, a 93% increase. On the Palmer-Wasilla Highway, the major transportation corridor connecting Palmer and Wasilla, the monthly average daily traffic volume (as counted approximately three miles west of the City limits) increased between 1990 and 2000 from about 8,000 to about 12,100 vehicles per day, an increase of 51%. Over that same period, traffic counted on the Glenn Highway four miles north of Palmer increased only about 6%. This suggests that increased population activity in the Palmer vicinity was concentrated in and around the City of Palmer. The increased traffic volume reflects the population growth and residential development in Palmer and surrounding areas. According to the City building department records, in the past five years 365 dwelling units have been built in the City of Palmer. Of that total, 248 units, or 68%, are single-family or duplex units.

City of Palmer sales tax figures also reflect this growth trend. The commercial development in the City represents the commercial center of the Palmer area serving residents of the City as well as residents in the area, from Trunk Road to Butte to Sutton. In real dollars, City of Palmer sales tax receipts increased 215% between 1990 and 2000. After adjusting the 1990 revenue to the amount of revenue that would have been collected at a 3% tax rate (Palmer increased its sales tax rate in 1996 from 2% to 3%), sales tax revenues increased 110% in this ten-year period, an average annual rate of 11%.

There are four partially developed subdivisions in the area proposed for annexation. These subdivisions alone account for almost 200 individual lots. A large percentage of property owners have requested annexation by the City of Palmer, citing health and safety issues as their major concern. Lack of potable water and sewer service is a driving force behind formal annexation agreements between property owners and the City of Palmer.

Commercial development and retail growth is expanding to the south of the City of Palmer along the Glenn Highway. This commercial corridor compares to other business districts within the City. While commercial properties are currently negligible in the territory proposed for annexation, several properties are ideally suited for commercial development.

Several of the properties proposed for annexation are enclaves totally surrounded by City property. These are, at times, served by the City of Palmer police department inadvertently, as jurisdictional boundaries are difficult to distinguish during emergency situations. While it has not yet become an issue, annexation of the enclaves will

eliminate the exposure for potential liability, as all areas will then be within City boundaries.

While all areas proposed for annexation are immediately adjacent to or within the existing boundaries of the City, it is certain that residents of those areas utilize City of Palmer services and infrastructure. Property owners and renters of these enclaves and adjacent areas work, recreate, shop, drive and attend to other daily affairs within the City limits. Residents in the areas proposed for annexation use all services such as the Palmer Library; road maintenance; police; dispatch services; fire and rescue; and the airport.

For the year ending December 2000, the total general fund revenue from all sources of income was \$4,965,656, while expenses were \$4,001,172, leaving net revenue of \$964,484. The City of Palmer budget has been and continues to be quite healthy. This annexation proposal is not a quest for extra tax revenue, rather a more comprehensive planning and municipal jurisdiction project to eliminate enclaves, square up existing boundaries, as well as address the health and safety needs of residents living adjacent to the current Palmer city limits.

Section 4. LEGAL DESCRIPTION OF THE TERRITORY PROPOSED FOR ANNEXATION.

A written legal description of the territory proposed for annexation is presented in **Exhibit A**.

Section 5. LEGAL DESCRIPTION OF POST-ANNEXATION BOUNDARIES.

A written legal description of the boundaries of the City should the annexation be approved is provided in **Exhibit B**.

Section 6. MAPS AND PLATS.

A map showing the current boundaries of the City and the territory proposed for annexation, and plats and other documents necessary to demonstrate the accuracy of the written legal description of the territory proposed for annexation are presented in **Exhibit C**.

Section 7. SIZE.

The territory proposed for annexation is estimated to encompass 921.34 acres.

Section 8. PETITIONER'S REPRESENTATIVE.

The City designates the following individual to serve as its representative in matters concerning this annexation proposal:

Name:	Thomas Healy, City Manager
Mailing Address:	Palmer City Hall 231 W. Evergreen Avenue Palmer, Alaska 99645
Telephone:	907-745-3271
Fax:	907-745-0930
e-mail address:	city_mgr@palmerak.org

Section 9. POPULATION.

The population within the current boundaries of the City is estimated to be 4,533 (2000 U.S. Census). The population of the territory proposed for annexation is estimated to be 325. The total population of the City of Palmer, should annexation be granted, would be 4,858.

Section 10. INFORMATION RELATING TO PUBLIC NOTICE.

Information relevant to providing public notice of the annexation proceedings appears in **Exhibit D**. This includes information about local media, adjacent municipal governments, places for posting notice, locations where the petition may be reviewed and parties, who, because of their interest in this matter, may warrant individual notice of the annexation proceedings.

Section 11. CITY TAXES.

The type and rate of each tax currently levied by the City is listed below:

<u>TAX TYPE</u>	<u>TAX RATE</u>
Real property tax	3.0 mills
Sales tax	3%

Section 12. BOROUGH TAXES IN THE TERRITORY.

The type and rate of each borough tax currently levied in the territory proposed for annexation is listed below:

<u>TAX TYPE</u>	<u>TAX RATE</u>
Area-wide real property tax	13.133 mills
Area-wide personal property tax	none
Non-area-wide real property tax	.350 mills
Non-area-wide personal property tax	none

Matanuska-Susitna Borough Service Areas

South Colony Road Service Area	2.50 mills
Greater Palmer Fire Service Area	.70 mills

Matanuska-Susitna Borough Sales or Use Taxes	none
Accommodation Tax	5%

Section 13. TAXABLE VALUE OF REAL AND PERSONAL PROPERTY.

The following is the estimated or assessed value of taxable property in the City and the territory proposed for annexation:

Within current City boundaries	Taxable Value	Tax Revenue (@ 3 mills)
<u>Real property</u>	<u>\$196,228,450</u>	<u>\$588,685</u>
Total	\$196,228,450	\$588,685
Within area proposed for annexation		
<u>Real property</u>	<u>\$ 9,781,100</u>	<u>\$ 29,343</u>
Total	\$ 9,781,100	\$ 29,343
Total Within New Boundary:	\$206,009,550	\$618,028

Section 14. VALUE OF TAXABLE SALES.

As the Matanuska-Susitna Borough does not impose a sales tax, there is no record of the amount or the nature of sales that occur in the areas proposed for annexation. The value of sales subject to City sales taxes upon annexation is estimated to be only \$3,000, as there are few significant commercial activities in the areas proposed for annexation. Examples are home occupations, residential rentals, rock or gravel sales, and State Fair parking fees. At the current sales tax levy, these activities would generate relatively low amounts of sales tax revenue. For example, the City sales tax charged on even potentially large transactions, such as bulk sales of shot rock, is limited to a 3% tax on only the first \$500 of transaction value, or \$15.

Section 15. THREE-YEAR REVENUE PROJECTION.

It is estimated that annexation will result in the following additional revenues for the City during each of the first three years following annexation.

<u>General Fund</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Property Tax ¹	\$ 0	\$ 29,340	\$ 34,100
Sales Tax ²	\$ 3,000	\$ 3,000	\$ 3,000
Building Permit Fees ³	\$12,800	\$ 12,800	\$ 12,800
Business License Fees (\$25 x 10)	\$ 250	\$ 250	\$ 250
State Revenue Sharing ⁴	\$ 2,630	\$ 2,630	\$ 2,630
Safe Communities Revenue	\$ 5,650	\$ 5,650	\$ 5,650
TOTALS	\$ 24,330	\$ 53,670	\$ 58, 430

<u>Enterprise Funds</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<u>Utility Fee Revenue</u> ^{see note}			
Water Utility	\$ 5,500	\$ 8,000	\$10,500
Wastewater Utility	\$ 3,500	\$ 5,400	\$ 7,000
Solid Waste Collection	\$ 4,500	\$ 6,500	\$ 8,600
TOTALS	\$ 13,500	\$ 19,900	\$ 26,100

¹ The 2002 real property assessed value in the areas proposed for annexation is \$9.781 million. Because the annexation will not be in effect as of 1/1/03, no property tax revenue is shown for 2003. The estimate of 2004 tax revenue results from the City's present 3 mil (.003) tax rate applied to the 2002 property value of \$9.781 million. The estimate of 2005 tax revenue results from the City's 3 mil rate applied to a property value of \$11.381 million, which assumes construction of ten houses not subject to property tax exemption valued at \$160,000 each in one year.

² Due to the predominant residential or agricultural character of the annexation area, commercial activity is estimated to be low, with residential rentals, home occupation sales, Fair parking fees and possible rock or gravel sales providing the only significant source of sales tax revenues. These revenues are estimated by applying the 3% sales tax rate to \$100,000 in taxable sales.

³ Building permit fees are estimated assuming construction of ten \$160,000 houses in the annexation area each year. Primary areas of construction will be Mountain Rose Estates, and Spinell Homes, Inc.'s 120-lot subdivision in the annexation area.

⁴ State Revenue Sharing and Safe Communities Program funds estimated by Bill Rolfson, DCED, 2/27/02.

NOTE: Utility revenues are calculated using the number of existing services presently provided outside the City boundary for 2003 (23 services), then adding ten new services for each subsequent year. The water and wastewater utilities are separated here to specify the amount of rates, but are actually combined in a Utility Fund.

Section 16. THREE-YEAR PROJECTION OF EXPENSES.

It is estimated that annexation will result in the following additional operating and capital expenses to the City.

Operating Expenditures

<u>General Fund</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Administration ⁵	0	0	0
Police ⁶	\$ 500	\$ 500	\$ 500
Building	0	0	0
Public Works ⁷	\$20,000	\$20,000	\$20,000
TOTALS	\$20,500	\$20,500	\$20,500

<u>Enterprise Funds</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Water Utility	\$ 1,500	\$ 2,500	\$ 4,000
Wastewater Utility	\$ 2,000	\$ 2,500	\$ 3,000
Solid Waste Collection	\$ 3,000	\$ 4,000	\$ 5,000
TOTALS	\$ 6,500	\$ 9,000	\$12,000

⁵ The City plans to add a planner position in either 2002 or 2003. Present staff workloads make it necessary to add this position regardless of annexation. Also, in 2002, the City plans to hire an additional utility/sales tax clerk in the finance department. The City recognized the need for this position two or three years ago. This position is necessary regardless of annexation. The 2001 Northern Economics study estimated that 2.1 general government employees are needed for each additional 1,000 residents. The annexation area's estimated population of 325, therefore, would generate the need for 0.68 general government employees. The City believes that the addition of the two positions mentioned above will provide adequate additional staffing for any increased demands on general government services caused by the annexation, and does not assign any cost to them for the purposes of the annexation.

⁶ The additional costs shown are additional vehicle operation costs to patrol annexed areas. The Northern Economics study estimated that each additional resident generates 1.21 calls per year for police service, but that an additional patrol officer position is needed only when 1,000 calls are generated. Using this calculation, the annexation area's estimated population of 325 will generate 393 calls per year (1.21 x 325 = 393), which does not approach the 1,000 calls per year volume that creates the need for an additional patrol position. Therefore, no additional police department personnel are anticipated as a result of the proposed annexation.

⁷ Road maintenance costs. There are an estimated 3.0 miles of existing or planned paved roads in the annexation area, and 1.25 miles of unpaved roads. Multiplying these distances by the Northern Economics study's estimate of annual costs per mile for road maintenance of \$2,900 for paved roads and \$8,310 for gravel roads results in annual total road maintenance costs of \$19,090.

Capital Expenditures

Water Utility ⁸	\$ 25,000	\$ 940,000	\$ 200,000
Wastewater Utility ⁹	\$ 20,000	\$ 200,000	\$ 200,000
Solid Waste Collection	\$ 0	\$ 0	\$ 0
TOTALS	\$ 45,000	\$ 1,140,000	\$ 400,000

⁸ Assumes the total cost of constructing a water main loop on Helen Drive in 2004, including an oversizing of the Spinell Homes development's water system in 2003; plus \$200,000 in 2004 and 2005 for other water main extensions. 2003 costs are design costs. Costs to extend water mains within subdivisions by developers are not included.

⁹ Assumes \$200,000 for construction of wastewater collection system improvements within annexation area. 2003 costs are design costs. Costs to extend wastewater mains within subdivisions by developers are not included.

Section 17. CITY POWERS AND SERVICES.

Listed below are the services and facilities currently provided by the City within its existing boundaries. All of these services, except for those designated below, will be extended to the area in question upon its annexation:

Services provided within existing City limits:

- Palmer Police
- Public Safety Dispatch Service
- Fire and Rescue
- Water and Sewer services
- Garbage Collection services
- Land use planning and zoning services
- Building Inspection services
- Library services
- Improved road maintenance
- Airport services
- Golf Course

Public Safety

Fire Service: The City of Palmer Fire Department provides fire protection service to areas inside the City and in the Greater Palmer Fire Service District. The Borough pays half of the fire department's costs to compensate the City for providing fire service in the Greater Palmer Fire Service District. When properties are annexed to the City, the City will still provide fire service, but those property owners will stop paying fire service area taxes to the Borough. Fire service will be included in the property tax paid to the City.

Police Service: The City police department provides police services inside the City, and the Alaska State Troopers are responsible for areas outside the City. After annexation, City police will provide service to the annexed areas. The State operates the Mat-Su Pretrial and Juvenile Center facilities.

Public Safety Dispatch: The City operates a dispatch center that provides dispatch services to the City of Palmer, the City of Wasilla, the Matanuska-Susitna Borough (ambulance and fire), the City of Houston, and to a limited degree, the Alaska State Troopers. The State Troopers pay \$35,000 for this service, with the remaining costs shared 33% each by Palmer, Wasilla, and the Borough, with 1% provided by Houston.

Ambulance: The Borough operates the ambulance service. There are discussions presently taking place within the Borough that could result in the City operating the Palmer ambulance under contract to the Borough. A date for this transfer, however, has not been determined.

Road Maintenance

The City maintains about 33 miles of City roads and some State roads inside the City of Palmer. The State pays the City to maintain S. Chugach St., S. Colony

Way, S. Alaska St., W. Evergreen Ave., and Arctic Ave. west of the Glenn Highway. A Borough road maintenance service area maintains Borough roads outside the City. The City will take over maintenance of roads presently maintained by the Borough, with the cost of road maintenance paid by property owners through City property tax.

Library

The City operates the Palmer Library. The Borough provides a grant to the City for about 45% of the Library's annual budget. About 75% of Palmer Library users live outside the City. The Borough also maintains an automated library system for all libraries in the Borough and also assists the libraries through bulk purchasing and intra-library book loans.

Parks and Recreation

The City maintains four small Borough parks inside the City with funding assistance from the Borough. The City has requested that the Borough turn over Park and Recreation powers inside the City to the City of Palmer, to exclude school fields and the Matanuska River Park. The Borough currently pays the City \$10,000 for Parks and Recreation. This revenue to the City would probably be discontinued if the City's request is honored.

Education

The Borough operates all public schools in the Borough.

Utilities

The extension of water and/or sewer mains to annexed areas will depend on demand for those services, as well as funding. The City will use a combination of state grants, City of Palmer utility funds and special assessments to pay for water and sewer main extensions. The City will also evaluate the delivery of solid waste collection service in the areas proposed for annexation.

City services not to be extended to the annexed area:

If and when water and sewer services are needed or demanded in the territories to be annexed that are not slated for service within the next three years, the City will evaluate the delivery of those services.

Section 18. EXTRATERRITORIAL POWERS.

The City has no express extraterritorial authority within the territory proposed for annexation, although the Palmer Police Department, at times, responds to calls within enclaves because it is difficult to distinguish jurisdictional boundaries, particularly during emergency situations.

The City has provided water and sewer service to 21 homes and water service only to 2 additional homes in the areas proposed for annexation through requests for annexation agreements. Annexation agreements provide that all construction will conform to the City's Building Code requirements. One property adjacent to the Palmer/Wasilla Highway (Area I) has both water and sewer services, although no documentation of an agreement is available.

Section 19. BONDED INDEBTEDNESS.

The following is a summary of the current bonded indebtedness of the City.

<u>Bond Issue</u>	<u>Principal Amount</u>	<u>Annual Payment</u>	<u>Date When Fully Paid</u>
1995 Series D (Golf Course)	\$1,595,000	\$ 135,000-140,000	2015

Section 20. BOROUGH SERVICE AREAS.

The territory proposed for annexation is included wholly within the Borough service areas listed below.

- Greater Palmer Fire Service Area #132
- South Colony Road Service Area #16

A map showing the boundaries of each of these service areas and the boundaries of the territory proposed for annexation is presented as **Exhibit E**.

Section 21. LISTING OF BOROUGH POWERS.

A list of all areawide and non-areawide powers exercised by the borough, as well as all service area powers exercised by the borough within the territory proposed for annexation is presented as **EXHIBIT F**.

Section 22. TRANSITION PLAN

Exhibit G consists of a practical plan demonstrating:

- A. The intent and capability of the City to extend essential city services (as defined by 3 AAC 110.990(a)(8) into the territory proposed for annexation in the shortest practical time following annexation (not to exceed two years).
- B. The manner in which the City will assume all relevant and appropriate powers, duties, rights, and functions presently exercised within the territory proposed for annexation.
- C. The manner in which the City will assume and integrate all relevant and appropriate assets and liabilities of entities providing those services to the territory that will be assumed by the City without loss of value in assets, loss of credit reputation, or a reduced bond rating for liabilities.

- D. That the plan was prepared in consultation with entities currently responsible for or otherwise providing those services to the territory that will be assumed by the City.

Section 23. FEDERAL VOTING RIGHTS ACT INFORMATION.

Information relevant to the federal Voting Rights Act, which is applicable to any annexation, is provided in **Exhibit H**. This information includes the following:

1. Purpose and effect of annexation as it pertains to voting.
2. Extent to which the annexation excludes minorities while including other similarly situated persons.
3. Extent to which annexation reduces the City's minority population percentage.
4. Whether the electoral system of the City fails fairly to reflect minority voting strength.
5. Participation by minorities in the development of the annexation proposal.
6. Designation of Alaska Native for U.S. Department of Justice contact.
7. Statement concerning the minorities' understanding of English in written and spoken forms.

Section 24. BRIEF.

A written statement fully explaining how the proposed annexation satisfies the standards set out in 3 AAC 110.090 – 3 AAC 110.140; and 3 AAC 110.900 – 3 AAC 110.910 is included in **Exhibit I**. The brief demonstrates that:

- A. Based on factors listed in 3 AAC 110.100 plus other relevant factors, the territory proposed for annexation is compatible in character with the area inside the current boundaries of the City.
- B. The territory proposed for annexation does not overlap the boundaries of another existing city government or an existing organized borough. Alternatively, the brief also addresses detachment of the overlapping area as required by 3 AAC 110.130(e).
- C. The territory proposed for annexation is contiguous to the City's present corporate boundaries as presumed by 3 AAC 110.130(b). Alternatively, there is a specific and persuasive showing that annexation includes all land and water necessary to allow for the full development of essential city services on an efficient, cost-effective level.
- D. The proposed annexation to the City will not deny any person the enjoyment of any civil or political right, including voting rights,

because of race, color, creed, sex, or national origin in accordance with 3 AAC 110.910.

- E. As required by 3 AAC 110.130(d), the proposed post-annexation boundaries of the City exclude entire borough-like geographical regions or large unpopulated areas, except where justified by the application of the city annexation standards in 3 AAC 110.090 – 3 AAC 110.130.
- F. Based on factors listed in 3 AAC 110.120 plus other relevant factors, the population within the proposed post-annexation boundaries of the City (i.e., the territory proposed for annexation plus the area within the existing boundaries of the City) is sufficiently large and stable to support the extension of city government as required by 3 AAC 110.120.
- G. Based on factors listed in 3 AAC 110.110 plus other relevant factors, the area within the proposed post-annexation boundaries of the City includes the human and financial resources needed to provide essential city services on an efficient, cost-effective level.
- H. The City has prepared, in consultation with others as required by 3 AAC 110.900, a practical transition plan for the assumption of relevant powers, rights, duties, functions, assets, and liabilities from existing service providers. The plan also demonstrates the City's capacity to extend services to the territory proposed for annexation and otherwise addresses the requirements of 3 AAC 110.900.
- I. Based on factors listed in 3 AAC 110.130(a) plus other relevant factors, the proposed post-annexation boundaries of the City encompass all land and water necessary to provide the full development of essential city services on an efficient, cost-effective level.
- J. The proposed post-annexation boundaries of the City include only that area comprising the local community plus reasonably predictable growth, development, and public safety needs during the 10 years following the effective date of annexation as required by 3 AAC 110.130(c).
- K. The City is capable of providing "essential city services" (as defined by 3 AAC 110.990(9)) more efficiently and more effectively to the territory proposed for annexation than another existing city or organized borough as required by 3 AAC 110.090(b).
- L. Based on factors listed in 3 AAC 110.090(a) plus other relevant factors, the territory proposed for annexation exhibits a reasonable need for city government.
- M. Annexation will serve the broad public interests as required by AS 29.06.040(a) and 3 AAC 110.135.
- N. Annexation will satisfy at least one of the eight requirements under 3 AAC 110.140 for legislative review annexation.

Section 25. AUTHORIZATION

A certified copy of the ordinance adopted by the City Council to authorize the filing of this petition is provided as **Exhibit J**.

Section 26. PETITION INFORMATION & ACCURACY.

An affidavit of the petitioner's representative affirming that the information in the petition is true and accurate is provided in **Exhibit K**.

EXHIBIT A

LEGAL DESCRIPTION OF THE TERRITORY PROPOSED FOR ANNEXATION

An area located within the Matanuska-Susitna Borough, Third Judicial District, State of Alaska, more particularly described as follows:

Annexation Area A	Area:	5,049,162 Sq ft	115.91 acres
Tax Parcel B2			Section 28
Tax Parcel B3			Section 28
Tax Parcel B4			Section 28
Tax Parcel C1			Section 28
Tax Parcel C3			Section 28
Tax Parcel C5			Section 28
Tax Parcel C6			Section 28
Tax Parcel C7			Section 28
Tax Parcel C8			Section 28
Tax Parcel C10			Section 28
Alaska Rockhound	Lot 4 through	Lot 8 Block 1	Section 28
	Lot 9-1	Block 1	Section 28
	Lot10-1	Block 1	Section 28
Bailey Heights	Lot 1 through	Lot 11 Block 1	Section 28
	Lot13 through	Lot 21 Block 1	Section 28
	Lot 21-1	Block 1	Section 28
	Lot 22-2	Block 1	Section 28
	Lot 24 through	Lot 28 Block 1	Section 28
	Lot 23 through	Lot 26 Block 3	Section 28
Riverside	Lot 18 through	33Block 1a	Section 28
Old Alaska Railroad Grade			Section 28
Annexation Area B	Area:	1,218,975 Sq ft.	27.98 acres
Tax Parcel D1			Section 28
Tract 4-1			Section 33
Annexation Area C	Area:	1,592,462 Sq ft.	36.56 acres
Tax Parcel A10			Section 32
Tax Parcel A11			Section 32
Annexation Area D	Area:	2,446,104 Sq ft.	56.16 acres
Tax Parcel B5			Section 34
Tax Parcel B6			Section 34
Tax Parcel C2			Section 34
Tax Parcel C18			Section 34
Tax Parcel C19			Section 34
Tax Parcel C20			Section 34

	Tax Parcel C21			Section 34
	Tax Parcel B30			Section 3
Annexation Area E		Area:	217,798 Sq ft.	5.00 acres
	Tract 1B-1			Section 33
Annexation Area F		Area:	3,912,407 Sq ft.	89.82 acres
	Tax Parcel A2			Section 33
	Tax Parcel D6			Section 33
	Tax Parcel D24			Section 33
	Tax Parcel D27			Section 33
	Tax Parcel D3			Section 33
	Tax Parcel D5			Section 33
	Tax Parcel D29			Section 33
Annexation Area G		Area:	508,410 Sq ft.	11.67 acres
	Tax Parcel A7			Section 4
	Tax Parcel A8			Section 4
Annexation Area H		Area:	1,553,644 Sq ft.	35.67 acres
	Tax Parcel C20			Section 32
	Tax Parcel C24			Section 32
	Tax Parcel C21			Section 32
	Tax Parcel C19			Section 32
	Tax Parcel B2			Section 5
Annexation Area I		Area:	44,818 Sq ft.	1.03 acres
	Tax Parcel B9			Section 5
Annexation Area J		Area:	44,136 Sq ft.	1.01 acres
	Tax Parcel A5			Section 5
Annexation Area K		Area:	17,393,847 Sq ft.	399.31 acres
	Tax Parcel C3			Section 5
	Tax Parcel C4			Section 5
	Tax Parcel C5			Section 5
	Tax Parcel C10			Section 5
	Tax Parcel C14			Section 5
	Tax Parcel C17			Section 5
	Tax Parcel C19			Section 5
	Tax Parcel C20			Section 5
	Tax Parcel C21			Section 5
	Tax Parcel C22			Section 5

Tax Parcel C24				Section 5
Tax Parcel C25				Section 5
Tax Parcel C26				Section 5
Tax Parcel C27				Section 5
Tax Parcel D30				Section 6
Tax Parcel D28				Section 6
Tax Parcel D27				Section 6
Tax Parcel D19				Section 6
Tax Parcel D29				Section 6
Tax Parcel D26				Section 6
Tax Parcel D18				Section 6
Tax Parcel D20				Section 6
Tax Parcel D17				Section 6
Pat-Mar Acres	Lot 1	and	Lot 2 Block 1	Section 5
Fairside Estates	Lot 1	and	Lot 2 Block 1	Section 5
Walker Estates	Lot 1	and	Lot 2 Block 1	Section 5
Palmer West	Lot 1	and	Lot 25 Block 1	Section 6
	Lot 1	and	Lot 11 Block 2	Section 6
	Lot 1	and	Lot 5 Block 3	Section 6

Annexation Area L	Area:	2,667,245 Sq ft.	61.23 acres
Tax Parcel C7			Section 4
Tax Parcel D5			Section 4
Tax Parcel D20			Section 4
Tax Parcel D21			Section 4
Cope Subdivision	Tract A		Section 4

Annexation Area M	Area:	3,484,334 Sq ft.	79.99 acres
Tax Parcel D1			Section 8

TOTAL AREA	Area:	40,133,342 Sq ft.	921.34 acres
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EXHIBIT B

LEGAL DESCRIPTION OF PROPOSED POST-ANNEXATION BOUNDARIES

The pre 2002 Palmer boundary description has been altered only as to include the proposed changes and are identified in underlined, bold text. Normal text has been unaltered.

The corporate limits of the City of Palmer, Alaska, a parcel of real property located in the Matanuska-Susitna Borough, Third Judicial District, Alaska, more particularly bound and described as follows:

Beginning at the section corner common to Section 3, Section 4, Section 9 and Section 10, Township 17 North, Range 2 East, Seward Meridian, Alaska, and running thence in a westerly direction along the section line common to Section 4 and Section 9, N 89°58'00"W a distance of 1,637.99 feet;

thence continuing on said Section line for 1,000.00 feet to the one-quarter corner

common to sections 4 and 9, Township 17 North, Range 2 East, and the centerline of Outer Springer Loop Road;

thence S 0°03'30"E for 1318.98 feet to the southeast corner of the Palmer Commercial Center Subdivision, Plat 95-46;

thence N 89°56'16"W for 1319.84 feet to the southwest corner of the Palmer Commercial Center Subdivision;

thence N 00°02'42"W for 851.89 feet to the southwest corner of the Willis Subdivision, Plat 81-149;

thence S 89°58'03"E for 467.37 feet to the southeast corner of Willis Subdivision;

thence N 0°08'33"W for 466.66 feet to the section line common to Sections 4 and 9, Township 17 North, Range 2 East, Seward Meridian and the centerline of Outer Springer Loop Road;

thence N 89°55'24"W on the section line a distance of **approximately 1,787.00** feet to the section corner common to Section 4, Section 5, Section 8 and Section 9, Township 17 North, Range 2 East, Seward Meridian, Alaska;

thence along the section line common to Section 8 and Section 9, S 00°07'00"W a distance of 2,640.00 feet to the one-quarter corner common to Section 8 and Section 9 marking the southeast corner of the State Fair, Inc., property;

thence continuing on said section line South 00°07'West a distance of 1,322.64 feet to the south one-sixteenth corner common with Sections 8 and Section 9;

thence S 89°58'00" W for a distance of 2,638.68 feet to the center-south one-sixteenth corner of Section 8;

thence S 89°58'00"W along the one-sixteenth line a distance of 2,208.77 feet to a point on the west right-of-way of the Glenn Highway;

thence along the west right-of-way of the Glenn Highway N 32°58'30"E a distance of 4,050.48 feet to the north-south one-quarter line of Section 8;

thence along the one-quarter line of Section 8 N 00°08'00"W a distance of 562.68 feet to the north section line of Section 8;

thence S 89°56'00" W on the north boundary of Section 8 a distance of 2,640.00 to the Section corner common with Sections 5, 6, 7, and 8, Township 17 North, Range 2 East;

thence S 89°59'00" W on the line common with Section 6 and Section 7 for 2,640.00 to the southwest corner of Palmer West Subdivision, plot file No. 72-28;

thence north on the west boundary of said Palmer West Subdivision for 1,981.28 feet to the northwest corner of Palmer West Subdivision;

thence N 89°57'23"E a distance of 1318.25 feet to the northeast corner of Palmer West Subdivision

thence continuing easterly for 1,320.00 feet to the North-South 1/64 corner common to Section 5 and Section 6;

thence N 00°10'00" W on the section line for a distance of 660.00 feet to the one-quarter corner common to Section 5 and Section 6;

thence east 990.00 feet to the Center-East-West-West 1/256 corner Section 5;

thence north 660.00 feet to the Center-East-SouthWest-Northwest 1/256 corner Section 5;

thence east for 330.00 feet to the Center-South-Northwest 1/64 Section 5;

thence N 00°13'57"W on the west boundary of Brittany Estates Subdivision Phase I, plat file No. 85-68, a distance of 560.73 feet

continuing on the said boundary S 89°56'57"E a distance of 50 feet;

continuing on the said boundary N 00°13'57"W a distance of 920.00 feet;

continuing on the said boundary N 89°56'57"W a distance of 50 feet;

continuing on the said boundary N 00°13'57"W for a distance of 75.27;

thence leaving the boundary of Brittany Estate Phase I N 00°13'57"W a distance 425 feet to the west one-sixteenth corner common to Section 5, Township 17 North, Range 2 East and Section 32, Township 18 North, Range 2 East lying within the E. Palmer-Wasilla Highway;

thence north for a distance of 990.00 feet to the center-north-south-southwest (C-N-S-SW) 1/256 corner Section 32;

thence N 00°07'00"W a distance of 2,970.00 feet to the northwest one-sixteenth corner of section 32;

thence east a distance of 1,319.17 feet to the center-north one-sixteenth corner of section 32;

thence S 00°07'00"E a distance of 1,295.45 feet to a point on the north right-of-way of Hemmer Road (also known as W. Arctic Ave.);

thence along the north right-of-way of Hemmer Road (also known as W. Arctic Ave.) east a distance of 1,320.00 feet;

thence continuing along the north right-of-way of Hemmer Road N 89°55'59"E a distance of 1,270.17 feet to a point of 50.00 feet west of and 30.00 feet north of the one-quarter corner common to Section 32 and Section 33, Township 18 North, Range 2 East, Seward Meridian, Alaska;

thence on a line 50.00 feet west of and parallel to the section line common to Section 32 and Section 33, Township 18 North, Range 2 East, Seward Meridian, Alaska, N 00°08'00"W a distance of **1,288.27 feet to the north 1/16 corner common to Section 32 and Section 33;**

thence west on the center line of Scott rd to the north east one-sixteenth corner of Section 32 a distance of 1,270.00 feet;

thence North a distance of 1,320.00 feet to the east sixteenth corner common to Section 29, and Section 33;

thence East 1,270.00 feet to a point 50.00 feet west of the section corner common to Section 28, Section 29, Section 32 and Section 33, Township 18 North, Range 2 East, Seward Meridian, Alaska;

thence continuing on a line 50.00 feet west of and parallel to the section line common to Section 28 and Section 29 N 00°04'00"W a distance of 1,316.34 feet to the south one-sixteenth line of said Section 29;

thence N 89°56'48"W a distance of 1,269.25 feet to the southeast one-sixteenth corner;

thence N 89°56'47"W a distance of 1,319.33 feet to the center-south one-sixteenth corner;

thence N 00°04'18"W a distance of 1,318.30 feet to the center one-quarter corner;

thence N 00°06'13"W a distance of 1,316.41 feet to the center-north one-sixteenth corner;

thence N 89°54'39"E a distance of 1,317.78 feet to the northeast one-sixteenth corner of said Section 29;

thence N 89°57'54"E a distance of 1,320.21 feet to the north one-sixteenth corner common to Section 28 and Section 29, Township 18 North, Range 2 East, Seward Meridian, Alaska;

thence N 00°06'00" W a distance of 1,320.00 feet to the section corner common to section 28, section 29, section 20 and section 21, Township 18 North, Range 2 East, Seward Meridian;

thence 242.00 feet east to a meander point on the right bank of the Matanuska River;

thence along the right bank of the Matanuska River as its meander to the South East 6,430.00 feet to its intersection with the south boundary of section 28;

thence continuing 1,625.00 feet on the meanders of the right bank of Matanuska River to its intersection with the east boundary of Section 33;

thence within section 34 and continuing on the sinuous meanders of the west and right bank of the Matanuska River southeast, east, northeast, south, southwest and south for a distance of 7,716.00 feet to its intersection with the south boundary of Section 34, Township 18 North, Range 2 East; and Section 3, Township 17 North, Range 2 East;

thence within section 3 and continuing on the sinuous meanders of the west and right bank of the Matanuska River southeast, south, southwest for a distance of approximately 1,035.00 feet to a point lying 1,020 feet south of Section 3;

thence along the west side of the Matanuska River as it meanders as follows: S 10°45'00"W, 154.10 feet; S 04°30'00"W, 270.60 feet; S 21°30'00"E, 323.40 feet; S 27°15'00"E, 239.58 feet; S 27°30'00"E, 153.78 feet; S 25°15'00"E, 116.82 feet; S 30°00'00"E, 130.68 feet; S 26°15'00"E, 275.22 feet; S 32°45'00"E, 127.38 feet; S 35°30'00"E, 318.78 feet; S 27°15'00"E, 147.18 feet; S 33°15'00"E to the south one-sixteenth line of said Section 3 a distance of 1,094.40 feet;

thence leaving the river along the one-sixteenth line, N 89°59'00"W to the southwest one-sixteenth corner a distance of 1,146.49 feet;

thence S 00°11'00"E to the west one-sixteenth corner common to Section 3 and Section 10, a distance of 1,320.00 feet;

thence along the section line common to Section 3 and Section 10, Township 17 North, Range 2 East, N 89°59'00"W to the centerline of Deland Street, Lepak Subdivision, Plat 85-77, a distance of 348.47 feet;

thence along said centerline S 00°05'00"E to the northerly one-sixteenth line of said Section 10, which is the centerline of Branch Road, a distance of 1,319.42 feet;

thence along said one-sixteenth line S 89°55'25"W to the north one-sixteenth corner common to Sections 9 and 10, a distance of 971.20 feet;

thence on the section line, which is the centerline of Outer Springer Loop Road, N 00°05'00"W a distance of 311.82 feet more or less;

thence West a distance of 465.39 feet;

thence North a distance of 512.00 feet to the south boundary of the Mohan Subdivision, Plat 87-7;

thence West 26.58 feet to the southwest corner of Mohan Subdivision;

thence North 495.00 feet to the North boundary of Section 9;

thence East on the section line a distance of 560.77 feet to the corner common to Sections 3,4,9 and 10, Township 17 North, Range 2 East, which is the Point of Beginning.

EXHIBIT C

MAP OF EXISTING AND PROPOSED BOUNDARIES; PLATS & OTHER DOCUMENTS DEMONSTRATING ACCURACY OF LEGAL DESCRIPTION

A map showing the current boundaries of the City and the territory proposed for annexation, and plats and other documents necessary to demonstrate the accuracy of the written legal description of the territory proposed for annexation is presented in this Exhibit.

Name	Address	Phone
The Foundation	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111
Walter Adams	1701 South West 11th Street	305-381-1111

PLACES DESIGNATED FOR RECORDING OF RECORDS RELATED TO THE ANNEXATION

The following places are designated for recording of records related to the annexation:

- 1. The City of Tallahassee, Florida, for the purpose of recording the annexation plat.
- 2. The State of Florida, for the purpose of recording the annexation plat.
- 3. The County of Leon, Florida, for the purpose of recording the annexation plat.
- 4. The County of Washington, Florida, for the purpose of recording the annexation plat.
- 5. The County of Gadsden, Florida, for the purpose of recording the annexation plat.
- 6. The County of Calhoun, Florida, for the purpose of recording the annexation plat.
- 7. The County of Santa Fe, Florida, for the purpose of recording the annexation plat.
- 8. The County of Duval, Florida, for the purpose of recording the annexation plat.
- 9. The County of Alachua, Florida, for the purpose of recording the annexation plat.
- 10. The County of Baker, Florida, for the purpose of recording the annexation plat.
- 11. The County of Bay, Florida, for the purpose of recording the annexation plat.
- 12. The County of Bradford, Florida, for the purpose of recording the annexation plat.
- 13. The County of Brevard, Florida, for the purpose of recording the annexation plat.
- 14. The County of Calumet, Florida, for the purpose of recording the annexation plat.
- 15. The County of Charlotte, Florida, for the purpose of recording the annexation plat.
- 16. The County of Citrus, Florida, for the purpose of recording the annexation plat.
- 17. The County of Clay, Florida, for the purpose of recording the annexation plat.
- 18. The County of Columbia, Florida, for the purpose of recording the annexation plat.
- 19. The County of Escambia, Florida, for the purpose of recording the annexation plat.
- 20. The County of Franklin, Florida, for the purpose of recording the annexation plat.
- 21. The County of Gulf, Florida, for the purpose of recording the annexation plat.
- 22. The County of Hamilton, Florida, for the purpose of recording the annexation plat.
- 23. The County of Hardee, Florida, for the purpose of recording the annexation plat.
- 24. The County of Hendry, Florida, for the purpose of recording the annexation plat.
- 25. The County of Hernando, Florida, for the purpose of recording the annexation plat.
- 26. The County of Hillsborough, Florida, for the purpose of recording the annexation plat.
- 27. The County of Indian River, Florida, for the purpose of recording the annexation plat.
- 28. The County of Jackson, Florida, for the purpose of recording the annexation plat.
- 29. The County of Jefferson, Florida, for the purpose of recording the annexation plat.
- 30. The County of Lafayette, Florida, for the purpose of recording the annexation plat.
- 31. The County of Lake, Florida, for the purpose of recording the annexation plat.
- 32. The County of Lehigh, Florida, for the purpose of recording the annexation plat.
- 33. The County of Liberty, Florida, for the purpose of recording the annexation plat.
- 34. The County of Lincoln, Florida, for the purpose of recording the annexation plat.
- 35. The County of Madison, Florida, for the purpose of recording the annexation plat.
- 36. The County of Manatee, Florida, for the purpose of recording the annexation plat.
- 37. The County of Marion, Florida, for the purpose of recording the annexation plat.
- 38. The County of Martin, Florida, for the purpose of recording the annexation plat.
- 39. The County of Miami-Dade, Florida, for the purpose of recording the annexation plat.
- 40. The County of Monroe, Florida, for the purpose of recording the annexation plat.
- 41. The County of Nassau, Florida, for the purpose of recording the annexation plat.
- 42. The County of Okaloosa, Florida, for the purpose of recording the annexation plat.
- 43. The County of Okechobee, Florida, for the purpose of recording the annexation plat.
- 44. The County of Orange, Florida, for the purpose of recording the annexation plat.
- 45. The County of Osceola, Florida, for the purpose of recording the annexation plat.
- 46. The County of Palm Beach, Florida, for the purpose of recording the annexation plat.
- 47. The County of Palm Bay, Florida, for the purpose of recording the annexation plat.
- 48. The County of Polk, Florida, for the purpose of recording the annexation plat.
- 49. The County of Putnam, Florida, for the purpose of recording the annexation plat.
- 50. The County of St. Johns, Florida, for the purpose of recording the annexation plat.
- 51. The County of St. Leon, Florida, for the purpose of recording the annexation plat.
- 52. The County of Santa Clara, Florida, for the purpose of recording the annexation plat.
- 53. The County of Santa Fe, Florida, for the purpose of recording the annexation plat.
- 54. The County of Seminole, Florida, for the purpose of recording the annexation plat.
- 55. The County of Suwannee, Florida, for the purpose of recording the annexation plat.
- 56. The County of Taylor, Florida, for the purpose of recording the annexation plat.
- 57. The County of Union, Florida, for the purpose of recording the annexation plat.
- 58. The County of Volusia, Florida, for the purpose of recording the annexation plat.
- 59. The County of Washington, Florida, for the purpose of recording the annexation plat.
- 60. The County of Walton, Florida, for the purpose of recording the annexation plat.
- 61. The County of Wheeler, Florida, for the purpose of recording the annexation plat.
- 62. The County of Wilcox, Florida, for the purpose of recording the annexation plat.
- 63. The County of Yulee, Florida, for the purpose of recording the annexation plat.

EXHIBIT D

INFORMATION RELATING TO PUBLIC NOTICE

MEDIA

The following is a list of the principal media serving the area within the current and proposed boundaries of the City:

NEWSPAPERS

Name: The Frontiersman
Address: 5751 Palmer-Wasilla Highway
Wasilla, Alaska 99645
Phone: 907-376-3289

RADIO

Name: KMBQ, Q99.7
Address: 2200 E. Park Highway
Wasilla, Alaska 99645
Phone: 907-373-0222

TELEVISION

Name: Rogers Cablevision
Address: 1051 E. Bogard Road
Wasilla, Alaska 99645
Phone: 907-373-2276

PLACES DESIGNATED FOR POSTING OF NOTICES RELATING TO ANNEXATION

The following three or more public and prominent places *within the territory proposed for annexation* are designated for posting of notices concerning this annexation proposal.

- "School Ahead" sign post on south side of the Old Glenn Highway, approximately 400 feet east of intersection with Airport Road (Area F).
- "N. Glenn Ave." sign post at the intersection of North Glenn Avenue and the Glenn Highway (Area A).
- "Speed Limit 25" sign post on the north side of Moore Road approximately 400 feet west of intersection with the Glenn Highway (Area K).

It is not practical to post a notice in each of the separate areas proposed for annexation, as no service station, business or appropriate protective area exists. Notices were mailed to all property owners regarding the Informational Meeting held on January 28, 2002, and will continue to be mailed to each property owner as well as being posted at the City Hall, Matanuska-Susitna Borough Offices and Carrs Quality Center at the Palmer Shopping Center and made available to local media outlets.

The following three or more public and prominent places within the current boundaries of the City are designated for posting of notices concerning this annexation proposal.

- Palmer City Hall, 231 W. Evergreen Avenue, Palmer
- Matanuska-Susitna Borough, 350 E. Dahlia Avenue, Palmer
- Carrs Quality Center, Palmer Shopping Center, Palmer

MUNICIPALITIES ADJACENT TO THE CITY

The following is a list of cities and organized boroughs whose boundaries extend within 20 miles of the current or proposed boundaries of the City.

- Matanuska-Susitna Borough, Palmer, Alaska
- City of Wasilla
- City of Houston
- Municipality of Anchorage

PETITION MATERIALS WILL BE AVAILABLE FOR PUBLIC REVIEW

The petitioner proposes to comply with 3 AAC 110.460(b) by providing a full set of petition documents for public review at the location(s) listed below which are open to the public on the dates and times listed below:

- Palmer City Hall,
231 W. Evergreen Avenue
Palmer, Alaska 99645
Open Monday through Friday from 8:00 a.m. to 5:00 p.m.
- Palmer Library
655 S. Valley Way
Palmer, Alaska 99645
Open Monday and Wednesday, 12-8; Tuesday, 12-6; Thursday, 10-6; and Saturday, 10-2.

**PARTIES THAT THE PETITIONER BELIEVES SHOULD BE
PROVIDED INDIVIDUAL NOTICE OF THE FILING OF THE
ANNEXATION PETITION.**

The following is a list of names and addresses of parties whose potential interest in the annexation proceedings may warrant individual notice.

A & B DEV LLC		PO BOX 112435	ANCHORAGE	AK	99511
ALASKA STATE FAIR INC		HC 05 BOX 9815	PALMER	AK	99645
ALMANDINGER FREDERICK M&M		PO BOX 3699	PALMER	AK	99645
ARRC		248 E DAHLIA ST	PALMER	AK	99645
AUSTIN MARK R		PO BOX 1354	PALMER	AK	99645
AYERS JAS D		PO BOX 873003	WASILLA	AK	99687
BEESON JOHN C & XONG CHAO		PO BOX 1714	PALMER	AK	99645
BLANKENSHIP CHAS M&TRACEY		PO BOX 4147	PALMER	AK	99645
BONNELL RAYMOND L & E		127 GLACIER AVE	FAIRBANKS	AK	99701
BOWLING LARRY W JR& SUSAN		PO BOX 106	PALMER	AK	99645
BOWLING LARRY W JR& SUSAN		PO BOX 106	PALMER	AK	99645
BOWLING LARRY W JR& SUSAN		PO BOX 106	PALMER	AK	99645
BOYKO ET AL PROF CORP	#500	745 W 4TH AVE	ANCHORAGE	AK	99501
BRAWFORD JOHN K		PO BOX 1547	PALMER	AK	99645
BRIDGES DAVID A		PO BOX 143235	ANCHORAGE	AK	99514
BRIGGS RAY T SR		PO BOX 3569	PALMER	AK	99645
BRYAN JOSEPHINE A	% RICHARD W BRYAN	21344 RIDGECROFT DR	BROOKVILLE	MD	20833
BRYMER PALMAGE H		PO BOX 1584	PALMER	AK	99645
CARPENTER DOUGLAS&DEBORAH		PO BOX 4282	PALMER	AK	99645
CEMETERY ASSN	% WAYNE BOWENS	PO BOX 1274	PALMER	AK	99645
CHRISTENSEN MARK DAVID		PO BOX 3823	PALMER	AK	99645
COLE MICHAEL W & DIANA		PO BOX 1516	PALMER	AK	99645
COLE MICHAEL W & DIANA		PO BOX 1516	PALMER	AK	99645
CRAMER DONNA J		PO BOX 2411	PALMER	AK	99645
CROSSWHITE ALAN J & KAREN		7320 AUGUSTINE DR	ANCHORAGE	AK	99504
CULLISON MARY P		2268 LAKE LUCILLE DR	WASILLA	AK	99654
CULLISON MARY P		2268 LAKE LUCILLE DR	WASILLA	AK	99654
DAVIDS RICHARD A & LYNN W		PO BOX 871603	WASILLA	AK	99687
DEBOER BRYAN E&MICHELLE L		PO BOX 381	PALMER	AK	99645
DEMMING ANNIE C		PO BOX 675	PALMER	AK	99645
DEWEY DEAN R & MELINDA M		2407 MCKENZIE DR	ANCHORAGE	AK	99517
DISHON WM D		PO BOX 4027	PALMER	AK	99645
DRAVELING LARRY		PO BOX 343	PALMER	AK	99645
DUNNAGAN ALVIA S& JANET F		PO BOX 1675	PALMER	AK	99645
DUNNAGAN ALVIA S& JANET F		PO BOX 1675	PALMER	AK	99645
ELLIOTT MYRON E		PO BOX 3272	PALMER	AK	99645
ELMORE RONALD L & M A		421 E CARIBOU	PALMER	AK	99645
ESTEP THELMA G TRE		11518 TARGHEE LOOP	EAGLE RIVER	AK	99577
ESTERS LAVADA		810 BUCK CT	VACAVILLE	CA	95688
FILES BRYAN E & SUSAN E		PO BOX 3839	PALMER	AK	99645
FOX CHAS L & ARLENE J		PO BOX 65	PALMER	AK	99645
FRENCH G C& TERESA M TRES		12420 E HORSEHEAD RD	TUCSON	AZ	85749
FURBUSH CLARENCE E & C J		HC 01 BOX 6001	PALMER	AK	99645

GILMORE MILLTON E		PO BOX 2401	PALMER	AK	99645
GLASER JOHN V & CATHY A		PO BOX 4343	PALMER	AK	99645
GOODWIN ALBERT E		PO BOX 4285	PALMER	AK	99645
GOODWIN ALBERT E		PO BOX 4285	PALMER	AK	99645
GRASSER-EHMANN MARILYN J		210 GLORIA ST	PALMER	AK	99645
HAMMING DARRIN & SHERI		PO BOX 2421	PALMER	AK	99645
HANRAHAN DAN'L J		PO BOX 3505	PALMER	AK	99645
HANRAHAN DAN'L J		PO BOX 3505	PALMER	AK	99645
HARDER TRAIL TR	% J C HARDER	350 LOMAX DR	LONGVIEW	TX	75603
HARTMAN MARK D		HC 04 BOX 7464	PALMER	AK	99645
HENRY DONALD E		PO BOX 4012	PALMER	AK	99645
HERMON BEN H		PO BOX 548	PALMER	AK	99645
HERMON BEN H&HERMON EVE C		PO BOX 548	PALMER	AK	99645
HERRON BRIAN W & ALICE L		PO BOX 3146	PALMER	AK	99645
HULS TROY R		PO BOX 520901	BIG LAKE	AK	99652
JACOB GLENN C & JANET L		PO BOX 359	PALMER	AK	99645
JACOB GLENN C & JANET L		PO BOX 359	PALMER	AK	99645
JACOB GLENN C & JANET L		PO BOX 359	PALMER	AK	99645
JACOB JANET L SUTTLE		PO BOX 359	PALMER	AK	99645
JACOB JANET L SUTTLE		PO BOX 359	PALMER	AK	99645
JONES JULIAN		4334 E 5TH AVE	ANCHORAGE	AK	99508
KARSTEN JOHN D		PO BOX 661	PALMER	AK	99645
KARSTEN JOHN D		PO BOX 661	PALMER	AK	99645
KELLEY LLOYD G&MARGARET A		PO BOX 268	SUTTON	AK	99674
KERTTULA JALMAR M & JOYCE		HC 01 BOX 6067	PALMER	AK	99645
KINTER JOHN W JR		PO BOX 1328	PALMER	AK	99645
KINTER JOHN W JR		PO BOX 1328	PALMER	AK	99645
KIRCHER JOS		HC 05 BOX 6710	PALMER	AK	99645
KOLIVOSKY MICHAEL & ME		PO BOX 305	PALMER	AK	99645
KOPPERUD NOEL H		PO BOX 4470	PALMER	AK	99645
KOPPERUD NOEL H & LEIF L		PO BOX 4470	PALMER	AK	99645
LARSON NATALIE R		PO BOX 465	SUTTON	AK	99674
LDGJ INC		PO BOX 1549	PALMER	AK	99645
LEINARD JESSE D		PO BOX 206	PALMER	AK	99645
LENTZ WM J & PHYLLIS A		PO BOX 547	PALMER	AK	99645
LESTER MARILYNN E		PO BOX 480423	CHARLOTTE	NC	28269
LEWIS BRADLEY D		PO BOX 1225	PALMER	AK	99645
LICHT DIANA L		HC 02 BOX 7813C	PALMER	AK	99645
LOYER JUANITA		HC 05 BOX 9976J	PALMER	AK	99645
LUCAS DAN'L T		PO BOX 855	PALMER	AK	99645
LUCAS MARGARET B		PO BOX 855	PALMER	AK	99645
LUFFBERRY J RANDALL & D L		263 S ALASKA ST	PALMER	AK	99645
MARLEY FRANCIS C		PO BOX 4676	PALMER	AK	99645
MATLOCK TIMOTHY & CECILIA		PO BOX 190	PALMER	AK	99645
MATLOCK TIMOTHY & CECILIA		PO BOX 190	PALMER	AK	99645
MATLOCK TIMOTHY & CECILIA		PO BOX 190	PALMER	AK	99645
MCLINDA GRAEME III&MARY E		PO BOX 4191	PALMER	AK	99645
MEEKIN MICHAEL J		PO BOX 491	PALMER	AK	99645
MEYER ANTON J & PIRKKO S	#105	203 W 15TH AVE	ANCHORAGE	AK	99501
NATIVE ALASKAN EQUITY GRP	PMB 311	1150 S COLONY WAY STE 3	PALMER	AK	99645

NELLESSEN ROBERT M		PO BOX 4241	PALMER	AK	99645
NELLESSEN ROBERT M		PO BOX 4241	PALMER	AK	99645
NILES BRANDON W& VERONICA		PO BOX 4852	PALMER	AK	99645
NILES BRANDON W& VERONICA		PO BOX 4852	PALMER	AK	99645
NOLIN JOHN P		PO BOX 4496	PALMER	AK	99645
NOVOSAD JOHN & JEANNE		PO BOX 3894	PALMER	AK	99645
NYSTROM JOHN		HC 32 BOX 6694F	WASILLA	AK	99654
NYSTROM WARREN J		2900 WESTWIND CT	ANCHORAGE	AK	99516
OLIVER DARRELL D & M K		PO BOX 692	PALMER	AK	99645
PALMER CITY OF		231 W EVERGREEN AVE	PALMER	AK	99645
PIPPEL & JONES	% PIPPEL ROBT	PO BOX 844	PALMER	AK	99645
PORTERFIELD JANEL L		PO BOX 13075	TRAPPER CREEK	AK	99683
PORTERFIELD JANEL L		PO BOX 13075	TRAPPER CREEK	AK	99683
PUCKETT LOREN L SR & M		1360 NE 172ND PL	CITRA	FL	32113
REBARCHEK RAY EST	% RONALD REBARCHEK	HC 05 BOX 9815	PALMER	AK	99645
RUNYON RICHARD A& LARAINÉ		PO BOX 3144	PALMER	AK	99645
SAXTON ROBT L		PO BOX 2440	SOLDOTNA	AK	99669
SCHORR DAN'L & CHRISTINE		PO BOX 1381	PALMER	AK	99645
SHAUL DAN & RETA		PO BOX 1450	PALMER	AK	99645
SKOK J & B R LVG TR TRE		4503 89TH AVE SE	MERCER ISLAND	WA	98040
SLEIGHTER STEVEN R		PO BOX 4070	PALMER	AK	99645
SMART ROBT L		12036 HARVEST	NORWALK	CA	90650
SMITH D G BUILDERS LLC		PO BOX 4529	PALMER	AK	99645
SNODGRASS & NEWCOMB	% JACK SNODGRASS	840 S COLONY WAY #250	PALMER	AK	99645
SNODGRASS ALICE		PO BOX 824	PALMER	AK	99645
SNODGRASS JOHN R JR	% JACK SNODGRASS	840 S COLONY WAY #250	PALMER	AK	99645
SPINELL HOMES INC	# 102	9210 VANGUARD DR	ANCHORAGE	AK	99507
STAHLMAN IRREV TR I		9230 BUDDY WERNER DR	ANCHORAGE	AK	99516
STANTON DAVID P& ROSWITHA		PO BOX 2945	PALMER	AK	99645
STRAWN WM R EST		PO BOX 210	PALMER	AK	99645
TOKAR JERRY & GLORIA		PO BOX 2650	PALMER	AK	99645
TOMLINSON JEFFREY A & C C		PO BOX 4357	PALMER	AK	99645
TOMLINSON JEFFREY A & C C		PO BOX 4357	PALMER	AK	99645
U S C & G S		4230 UNIVERSITY DR	ANCHORAGE	AK	99508
VASANOJA LAWRENCE & IRENE		PO BOX 686	PALMER	AK	99645
WADE BOB F & HELEN I		3201 W SMYTHE RD	SPOKANE	WA	99224
WADE BOB F & HELEN I		3201 W SMYTHE RD	SPOKANE	WA	99224
WALKER DAVID G & TERRY L		HC 02 BOX 7889	PALMER	AK	99645
WALKER WM P & DONNA I		PO BOX 3980	PALMER	AK	99645
WARD JAS E & CAROL ANN		PO BOX 3213	PALMER	AK	99645
WIEDERKEHR INC		PO BOX 716	PALMER	AK	99645
WIRTANEN CARL		PO BOX 4287	PALMER	AK	99645
WIRTANEN CARL		PO BOX 4287	PALMER	AK	99645
WOODWORTH GLEN & RHODA I		PO BOX 4596	PALMER	AK	99645
WOODWORTH GLEN E		PO BOX 4596	PALMER	AK	99645
YANNIKOS PETE & LINDA MAE		PO BOX 654	PALMER	AK	99645
ZENOR LARRY A		PO BOX 1044	PALMER	AK	99645
ZENOR MICHELLE A		4020 RESURRECTION DR	ANCHORAGE	AK	99504

EXHIBIT E

BOROUGH SERVICE AREAS

Attached is a map or maps showing the boundaries of each borough service area wholly included within the territory proposed for annexation.

EXHIBIT F

LISTING OF BOROUGH POWERS

The following is a list of all areawide and non-areawide powers exercised by the borough as well as all service area powers exercised by the borough within the territory proposed for annexation.

Areawide Borough Powers

Assessment and Collection of taxes
Education

Planning, platting, and Zoning
Parks and Recreation
Ports, Harbor and Wharves
Ambulance Service
Transportation Systems
Air Pollution Control
Day Care Facilities
Historic Preservation
Transient Accommodation Taxation

Non-areawide Borough Powers

Fireworks control
Motor Vehicles and Operators
Snow Vehicles
Solid Waste
Libraries
Septic Tank Waste Disposal
Economic Development
Regulation of Nudity
Limited Health and Social Service
Natural Gas Local Improvement Districts
Electric Local Improvement Districts
Animal Control
Water Pollution Control

Borough Service Area Powers Exercised within the Territory Proposed for Annexation
Road Service Area
Fire Service Area

EXHIBIT G

TRANSITION PLAN

This exhibit consists of a practical plan demonstrating:

1. The intent and capability of the City to extend essential city services (as defined by 3 AAC 110.990(9)) into the territory proposed for annexation in the shortest practical time following annexation.

If approved by the Local Boundary Commission and the State Legislature, the annexation will take effect following preclearance under the Federal Voting Rights Act. Approval by the Legislature and preclearance under the Federal Voting Rights Act are anticipated to be completed by approximately April 2003.

While AS 29.35.450(c) requires approval by voters in road and fire protection service areas to vote on service area boundary changes, the City of Palmer annexation petition is a legislative review annexation petition under Art. X, Sec. 12 of the Alaska Constitution and AS 29.06.040(a) and (b), not a local action petition under AS 29.06.040(c). It is the opinion of the Attorney General's Office, the Department of Community and Economic Development, and the Local Boundary Commission based on prior decisions of the Alaska Supreme Court, that a legislative review annexation to a city that exercises road powers and/or fire protection powers will also bring about a change in the boundaries of a borough road service area or fire protection service area. This petition is prepared in concurrence with that opinion.

The areas proposed for annexation currently pay to the Matanuska-Susitna Borough, 0.7 mills for fire service through the Greater Palmer Fire Service Area. The Matanuska-Susitna Borough provides half of the City of Palmer's Fire Department fire and rescue budget for service the Palmer Fire Department provides the Greater Palmer Fire Service Area. The City of Palmer provides the remaining fifty percent of funding. The Greater Palmer Fire Service Area extends beyond the current boundaries of the City of Palmer and includes the areas proposed for annexation. Annexation will not change the manner in which these fire and rescue services are provided in the areas proposed for annexation, as the City fire department will continue to serve those areas.

Road maintenance in the areas proposed for annexation is currently paid for through a 2.50 mill assessment for the Borough's South Colony Road Service Area. Upon annexation, the City of Palmer Public Works Department will assume road services in the areas proposed for annexation.

Currently property owners in the areas proposed for annexation pay a .35 mill assessment to the Matanuska-Susitna Borough for non-areawide services (Fireworks, Motor Vehicles and Operators, Snow Vehicles, Solid Waste, Library, Septic Tank Waste Disposal, Economic Development, Regulation of Nudity, Health and Social Services, Natural Gas Local Improvement Districts, Electric Local Improvement Districts, Animal Control, and Water Pollution Control). City ordinances in force at the time of annexation will be in immediate effect. The Borough non-areawide services are listed as follows, with references to similar existing City ordinances where applicable.

Fireworks: Borough code regulates fireworks in areas outside the cities in the borough. City code section 9.36.010(H) prohibits the sale or use of fireworks in

the City, except a state-licensed pyrotechnic operator may obtain a permit from the City for a public fireworks display.

Motor Vehicles and Operators: The City regulates motor vehicles under Palmer Municipal Code (PMC) Chapter 10.04, Traffic Code, which, in addition to local traffic ordinances, incorporates the Alaska Uniform Traffic Laws of AS 28 and regulations promulgated thereunder. The City also regulates junk vehicles. Annexation may result in an increase of motor vehicle registration tax revenues distributed by the Borough to the City due to an increase in City population.

Snow Vehicles: The City regulates off-highway vehicles, including snow machines, through PMC Chapter 10.08, Regulation of Off-Highway Vehicles.

Solid Waste: The City operates a solid waste collection utility service under a Certificate of Public Convenience and Necessity issued by the Regulatory Commission of Alaska (Certificate No. 282). The City utilizes the Borough landfill for solid waste disposal and pays disposal fees to the Borough according to the landfill tariff.

Library: The City operates the Palmer Library. The City applies a \$195,000 grant (FY02) from the Borough to pay a portion of Palmer Library expenses. Annexation will not change Palmer Library services.

Septic Tank Waste Disposal: The City operates a wastewater utility within its Water and Sewer Enterprise Fund. The city regulates wastewater through PMC Chapter 13.12, Wastewater Collection and Treatment. This code provides standards that would apply to the disposal of septic tank waste.

Economic Development: City code does not specifically provide for economic development services, but the City's home rule status allows the City to provide these services under its general authority.

Regulation of Nudity: The City regulates nudity under PMC Chapter 9.24, Indecent Exposure.

Health and Social Services: The City regulates health and safety under PMC Title 8, Health and Safety.

Natural Gas Local Improvement Districts: PMC Chapter 3.08, Special Assessments, provides for the establishment of special assessment districts, or local improvement districts. However, this chapter is intended to address districts initiated to provide water, sewer or storm drain improvements, or street improvements, and does not specifically address natural gas improvements because the City does not provide that service.

Electrical Local Improvement Districts: Similar to natural gas districts, PMC Chapter 3.08 does not specifically address electric improvements.

Animal Control: PMC Title 6, Animals, provides for animal control in the City. Regulations cover the number and type of animals that can be kept in the City, licensing, dog bites, impoundment, rabies control, enforcement and penalties.

Water Pollution Control: PMC Title 13, Public Utilities, contains regulations on the disposal of wastes. Also, certain sections of PMC Title 8, Health and Safety, regulate the discharge and dumping of materials that would cause pollution.

Upon annexation, the 0.7-mill levy for fire service, the 2.50 mill levy for road service and the .35 mill levy for non-areawide powers will no longer be paid by property owners in the areas proposed for annexation. Rather, the property owners in the territories proposed for annexation will pay a 3.0 mill levy to the City of Palmer, thus reducing property taxes in the annexation area by 0.55 mills, based on the 2001 mill rates.

The City projects general fund revenues from the areas proposed for annexation for 2003 through 2005 to be a total of \$136,430, with general fund expenditures of \$61,500 for the same period, for a net revenue total of 74,930. Enterprise fund revenues over 2003 through 2005 total \$59,500 from the areas proposed for annexation. Enterprise fund expenses are projected to be \$27,500, for a net revenue total of \$32,000.

The City plans to construct a water main loop on Helen Drive in 2004. The \$940,000 project will also include an over sizing of the Spinell Homes, Inc. development area water system (Area K). The City will pursue available State and federal matching funds for these construction projects. Local improvement districts may also be necessary to provide funding paid by owners of property benefiting from these improvements. The City also plans capital expenditures of \$200,000 in 2004 and in 2005 for construction of wastewater collection system improvements as needed within the areas proposed for annexation. Local improvement districts may also provide project funding. City ordinance requires subdivision developers to pay the entire local (i.e., excluding possible state and federal funds) cost of extending water and sewer utility services within subdivisions. The City of Palmer currently has large sewer and water mains running through the eastern portion of Area L, which will facilitate connection to water and sewer services in that area to all of Area L as development continues.

The City anticipates adding a planner position in either 2002 or 2003. Workloads of present staff make it necessary to add this position, regardless of annexation. The City of Palmer utilizes two advisory commissions: Airport Advisory Commission and Planning Commission. When vacancies occur, the City requests letters of interest. The mayor then nominates members, with confirmation by the Palmer City Council. Upon annexation, residents of the newly annexed areas will be eligible for consideration to serve on these commissions. Presently, the City allows limited non-resident membership on the Airport Advisory Commission. This provision will continue in effect following annexation.

It is anticipated that there will be minimal impacts upon the staffing requirements of the police, building department and administration as a result of the proposed annexation. Public works anticipates operating expenditures in the amount of \$20,000 per year for additional road maintenance costs. Upon annexation, the City will assume responsibility for maintaining the roads in the areas proposed for annexation currently maintained by the Matanuska-Susitna Borough. The State of Alaska maintains certain roads adjacent to the areas proposed for annexation and

those would continue to be the responsibility of the State, such as the Old Glenn Highway, the Palmer-Wasilla Highway and the Glenn Highway. The City of Palmer's Public Works Department has reliable road maintenance equipment and experienced employees that maintain the roads within the City limits. The City has the administrative staff, material and equipment support capabilities to extend road maintenance into the adjacent areas in a timely and cost-effective manner.

Due to the predominant residential or agricultural character of the annexation area, commercial activity is estimated to be low, with rentals providing the only significant source of sales tax revenues. These revenues are estimated to be \$3,000 per year for the years 2003 through 2005.

Building permit fees are estimated to be \$12,800 per year for the areas proposed for annexation, assuming construction of ten \$160,000 homes each year. Primary areas of construction will be Mountain Rose Estates (Area L) and Spinell Homes, Inc.'s proposed 120-lot subdivision known as Hidden Ranch Subdivision (Area K).

The enterprise fund revenues of \$59,500 were calculated for the areas proposed for annexation using the number of existing City services presently provided outside the City's boundaries for 2003 (23 services), then adding 10 new services for each subsequent year.

The City will assume all non-areawide services presently provided by the Matanuska-Susitna Borough with no anticipated additional staffing requirements. The City of Palmer Police Department, utilizing the Matanuska-Susitna Borough shelter, currently provides animal control. The City pays a small fee per animal housed at the shelter. This service would immediately expand into the annexed areas once annexation is approved.

2. The manner in which the City will assume all relevant and appropriate powers, duties, rights, and functions presently exercised within the territory proposed for annexation.

The areas to be annexed are incorporated portions of the Matanuska-Susitna Borough. Effective immediately upon annexation, the City will assume all relevant and appropriate powers, duties, rights, and functions presently exercised in the territories proposed for annexation. Those powers and duties exercised by the Matanuska-Susitna Borough on an areawide basis within the annexation area will continue following annexation, as the territory will continue to be a part of the Second Class Borough. Those areawide Borough services are: Assessment and Collection, Education, Planning and Zoning, Parks and Recreation, Ports, Harbor and Wharves, Ambulance Service, Transportation Systems, Air Pollution Control, Day Care Facilities, Historic Preservation, and Transient Accommodation Taxation. The Matanuska-Susitna Borough currently provides ambulance and EMS service, but preliminary discussions have been initiated between the Borough and the City to transfer the operation and maintenance of

the Palmer area ambulance service to the City of Palmer. No formal agreement has been reached at this time. The annexation areas are within the South Colony Road Service areas of the Matanuska-Susitna Borough. Upon annexation, the City will assume road maintenance authority over these roads, with costs to be paid from City revenues.

The City of Palmer Police Department currently provides police services in all areas within the City of Palmer. Occasionally, the City utilizes the Alaska State Troopers for backup. Under an agreement with the State, the Palmer Police Department also serves as backup to the Alaska State Troopers in areas outside of the current City boundaries. This agreement will remain in force upon annexation. The Alaska State Troopers exercise law enforcement authority in all areas of the State and annexation will not change that authority. However, the City will be the principal police agency within the territories to be annexed.

The City presently operates a public safety dispatch center under direction of the City police department. Under a cooperative agreement, the City dispatch center provides dispatch service to the City of Palmer, Wasilla and Houston, the Borough and the State Troopers. In 2002, the City of Wasilla received a federal grant to develop a consolidated regional dispatch center. The City of Wasilla has tentative plans to build this dispatch center, and the City of Palmer and other agencies are now in preliminary discussions with the City of Wasilla about the development of this center. A tentative schedule for the Wasilla dispatch center has it operational by approximately December 2003. The City of Palmer may or may not choose to utilize this proposed regional dispatch center and it is not clear at this time to what degree the City of Palmer will participate in the Wasilla dispatch center, if it is developed. If, however, the present dispatch center services provided by Palmer are transferred to a new regional dispatch center, the City would lose about thirteen employees (12 dispatchers and one supervisor). The monetary impact of this change will depend on the relative difference between the amount the City presently pays as its share of dispatch costs (Palmer presently pays about one-third of dispatch costs) and the cost sharing formula to be developed if the Wasilla dispatch center becomes operational and if Palmer participates in that dispatch service.

Memoranda of Understanding will be executed between the Matanuska-Susitna Borough and the City of Palmer to assure a smooth transition and no loss of services for those services taken over from the Borough by the City upon annexation. City staff will make themselves available to answer questions regarding transition implementation for those in the areas proposed for annexation. For example, the City will be available to advise residents in the areas proposed for annexation on how to develop road improvement projects, where roads do not currently meet City gravel road standards.

The Borough presently exercises areawide parks and recreation powers within the City. Under a park maintenance agreement with the Borough, the City has, for

several years, maintained certain Borough parks within the City in exchange for a \$10,000 annual payment. In a January 29, 2002 letter, from Palmer City Manager Thomas Healy to Matanuska-Susitna Borough Manager John Duffy [Exhibit T-1], the City requested that the Borough delegate to the City of Palmer, all present and future authority over Borough parks and recreational activities within the City of Palmer and convey certain park lands to the City that are presently under Borough authority. According to Borough code, the Borough can delegate this authority by ordinance, with the City consenting to the delegation by ordinance. This request included the parks presently maintained by the City: Silvertip Park, Leo Lucas Park, Lions Kiddy Park and Dolphin Park. The City of Palmer also requested that the Borough transfer to the City, the Little League Baseball Field Complex, east of the Borough building (including tennis courts) and the Sherrod School Complex. The Borough has offered to grant to the City a total of \$430,000 in Borough park improvement bond funds. It is the City's understanding that \$30,000 of this amount is for paving the Sherrod baseball complex parking lot, and \$400,000 is for improvements to Palmer area ball fields, primarily the Sherrod baseball field complex [Exhibit T-2]. Another reason to support the City's request for a transfer of parks and recreation authority within the City is that the City is the grantee for federal funds which will, in cooperation with the Alaska Railroad, plan and construct pedestrian and traffic improvements within the Alaska Railroad right-of-way in the City.

Electrical, telephone, cable television, natural gas and internet services are not provided by either the City or the Borough, but by other entities.

3. The manner in which the City will assume and integrate all relevant and appropriate assets and liabilities of an entity providing services to the territory that will be assumed by the City.

To the best of the City's knowledge, there are no relevant and appropriate assets and liabilities of the Matanuska-Susitna Borough or other entity serving the territories proposed for annexation that will have to be assumed by or integrated into the City of Palmer. For example, according to the Matanuska-Susitna Borough comptroller, Kelli Veech, the South Colony Road Service Area fund balance as of June 30, 2001 (the end of the Borough's fiscal year), was \$94,000. The proposed annexation areas are all within this road maintenance service area, though the service area extends far beyond the proposed annexation areas. According to Veech, the Borough budgets road maintenance service areas to project a zero balance at the end of the fiscal year. Due to variations in actual maintenance costs and revenues received, however, the year-end fund balance is rarely zero. Nevertheless, the Borough projects a zero fund balance in the South Colony Road Service Area for the 2002 fiscal year. It is therefore a guessing game to estimate what assets or liabilities in the form of a fund balance the taxpayers living in the South Colony Road Service Area will have when the annexation of that portion of the road service area becomes effective. Also, according to Chuck Kaucic, a Borough project manager, the Borough plans no

road capital improvement projects in FY02 in the proposed annexation areas presently in the South Colony Road Service Area.

In regards to the Greater Palmer Fire Service Area, according to the Borough comptroller, the 6/30/01 fund balance was \$381,000 and the 6/30/02 fund balance is projected to be the same. The Borough pays the City half of the cost to operate the Palmer Fire Department in exchange for the Palmer Fire Department providing fire protection for the portions of the Greater Palmer Fire Service Area outside City boundaries. Due to the relatively insignificant percentage of the total property within this service area represented by the property within the proposed annexation area, the City estimates the fund balance will not be affected by this annexation, as the City fire department will continue to serve those areas.

Therefore, for the purposes of the City's petition, and based on the Borough's general approach to budget for a zero fund balance at the end of each fiscal year, the City estimates that there will be no annual maintenance assets or liabilities to be assumed by the City in the portions of the South Colony Road Service Area or the Greater Palmer Fire Service Area proposed for annexation.

The proposed annexation has been discussed with officials of the Matanuska-Susitna Borough. The Matanuska-Susitna Borough Manager, Mr. John Duffy, provided a letter of non-objection to the proposed annexation [Exhibit R].

The City of Palmer held an informational meeting on Monday, January 28, 2002, at the Palmer Community Center. The City mailed notices to all property owners within the affected territories. Approximately 37 people attended this meeting to receive printed information from the City and to have the opportunity to ask questions and voice concerns regarding the proposed annexation.

One specific area of concern expressed by some property owners attending the meeting is that the City of Palmer's current zoning regulations require all newly annexed properties to enter the City with an R-1, Single-Family Residential zoning district designation. The City planning commission must then review the zoning of the property within 60 days of the effective date of the annexation and may recommend a different zoning designation. Some property owners expressed concern over a perceived uncertainty of this process. An exception to this code provision is that land annexed to the City that is owned by a governmental entity enters the City with a P, Public zoning district designation regardless of the Borough zoning designation.

The City of Palmer Comprehensive Plan (June 1999), states on page 2-27,

"Zoning of Annexed Area. At the present time, areas annexed to the City of Palmer are automatically classed as R-1, with any needed zoning adjustments being made within 60 days following the annexation action.

It is recommended that the City of Palmer continue to implement this policy. However, regardless of future recommended land uses in areas proposed for annexation, it is recommended that existing uses in such areas be treated as "uses by right" (i.e., as a permitted use) and be given grandfather rights within the 60-day period following annexation. In other words, existing land use and zoning in annexed areas will initially be synonymous.

Two exceptions to the "use by right" policy are recommended. The first is to extend screening and buffering requirements contained in Palmer's zoning regulations to annexed areas and require compliance for all new development. The second exception is where an existing use poses a threat to health and safety. In such cases, the use will be required to be brought to an acceptable standard or otherwise abated."

The words "use by right" have led to some confusion, which prompted the City to consider a proposed multi-use transitional district ordinance.

The Palmer Planning Commission in August 2001 reviewed for the first time a multi-use transitional district ordinance for discussion. The basic intent of the draft ordinance is to make most existing uses permitted uses. By this ordinance, uses would either be permitted, conditional, prohibited or non-conforming. This draft ordinance allows for review and rezoning within two years after the annexation becomes effective.

If, prior to the effective date of annexation, the City adopts its proposed transition zoning district, the areas annexed will be designated with that zoning classification. In the planning commission's review of land uses and zoning classifications following annexation, the commission may consider several factors to determine the need, if any, to change zoning classifications. One factor would be the Core Area zoning classifications of the property, currently being proposed by the Matanuska-Susitna Borough.

At the time this annexation petition was prepared, the Borough was conducting public meetings to review the proposed Core Area Zoning Ordinance. The "core area" is an area extending generally from the Matanuska River on the east to the Palmer Hay Flats and the boundary of the City of Wasilla on the south to north of Wasilla on the west and to the Wasilla and Palmer Fishhook Roads area on the north. The Core area includes all of the areas proposed for annexation.

The latest proposed Core Area zoning map, approved for public review by the Borough planning commission on January 30, 2002 contains several zoning classifications for properties in the proposed annexation area. This plan contains significant changes in zoning classifications from the previous (November 6,

2001) proposed zoning map. The City's January 29, 2002 letter to the Borough commented on the November zoning map.

If the Borough Core Area zoning ordinance is adopted by the Borough Assembly prior to the effective date of the proposed annexation, the zoning districts designated by the Borough will be in effect, as well as the provisions of the Core Area zoning ordinance. If annexation of the proposed territories is approved, the City of Palmer will cooperate with the Matanuska-Susitna Borough to effect the transition in a timely, cost-effective manner.

After the January 28, 2002 Informational Meeting, several persons posed questions or expressed concerns to the City, and a letter dated February 14, 2002 from property owner Anton Meyer, received by the City on February 20, stated that he was in favor of his property (in area K) being included in the area proposed for annexation.

Additionally, this exhibit lists the individuals consulted by the City in the development of the transition plan and notes the dates on which such consultation occurred.

Consultation with the Matanuska-Susitna Borough regarding this annexation proposal began in August 2001 and has continued to the present (March, 2002).

John Duffy, Matanuska-Susitna Borough Manager
Tim Anderson, Mayor of the Matanuska-Susitna Borough
Ron Swanson, Matanuska-Susitna Borough Director, Community Development
Sandra Garley, Planning Director, Matanuska-Susitna Borough
Karl Borglum, Assessor, Matanuska-Susitna Borough
Idris Van Sant, Assessing Dept., Matanuska-Susitna Borough
Sandra Dillon, Borough Clerk, Matanuska-Susitna Borough
Beth McKibben, Planner, Matanuska-Susitna Borough
Mark Matson, GIS Coordinator, Matanuska-Susitna Borough
Kelly Veech, Borough Comptroller
Chuck Kaucic, Borough Project Manager
Marcy Orth, Secretary for Federal Programs, Bilingual Department, Matanuska-Susitna School District

EXHIBIT H

VOTING RIGHTS ACT REVIEW

This exhibit provides the following information.

1. Purpose and effect of annexation as it pertains to voting.

Based upon information provided by the Matanuska-Susitna Borough Planning Department, the annexation is expected to add approximately 325 residents to the City of Palmer. The City's present population is 4,533. According to the Alaska Division of Elections, the City has 3,093 registered voters. The number of

registered voters within the territory to be annexed is 139. This would increase the number of registered voters in the City by 4.5%. The City believes that this increase will have a small effect on the voting in City elections.

Since City residents also vote in Borough elections, the annexation will have no effect on the number of eligible voters in Borough elections. Elections for all City officers are at large, while Borough elections are by district. For this reason, annexation will have no effect on Borough elections. If the territory proposed for annexation is annexed to the City and detached from the Matanuska-Susitna Borough Road Service Area and the Matanuska-Susitna Borough Fire Service area, it will eliminate the right of voters in the area in question to vote on service area matters and the right to be appointed to service area boards. The City of Palmer is not aware of any issue brought to the voters of the Matanuska-Susitna Borough Road Service Area and the Matanuska-Susitna Borough Fire Service area in recent years. Similarly, if the area is annexed, annexation will eliminate the right of voters to vote on any non-areawide Borough propositions. Annexations will, however, allow voters in the area to run for City office; to vote on City propositions and to serve on appointed boards and commissions.

No redistricting will be required as a result of annexation.

2. Extent to which the annexation excludes minorities while including other similarly situated persons.

The annexation does not exclude minorities while including other similarly situated persons. The annexation includes all areas and populations appropriate for annexation without regard to race.

3. Extent to which annexation reduces the City's minority population percentage.

The City has not been able to obtain census data on the percentages of minorities living in the area to be annexed. The Department of Community and Economic Developments' records show that the percentages of minorities living in the Borough and in the City are approximately the same. The annexation does not significantly affect the percentage of minorities living within the City. The Department's data shows that the City's population is approximately 80.9% Caucasian, 8.2% Alaska Native, 2.1% African American, 1.1% Asian and 0.3 Native Hawaiian, with the remainder identified as other ethnic background. The ethnic composition of the area to be annexed is not available to the City. If, however, the percentages are extended to the area, approximately 263 of the 325 people living within the area would be Caucasian, 27 would be Native and 7 would be African American.

4. Whether the electoral system of the City fails fairly to reflect minority-voting strength.

The electoral system of the City of Palmer reflects minority strength through at-large elections for all offices.

5. Participation by minorities in the development of the annexation proposal.

The City has written to a prominent minority group representative to inform them of the pending annexation and to invite formal and informal participation by the minority group. The annexation has been discussed at several public meetings during which public comment was permitted by all persons.

6. Designation of Alaska Native for U.S. Department of Justice contact.

The City designates Ella Lockhart, an Alaskan Native, as the Alaska Native designated U.S. Department of Justice contact. Ms. Lockhart's address and telephone number are:

Ella Lockhart
217 N. Independence
Palmer, Alaska 99645
(907) 745-3632

7. Statement concerning the minorities' understanding of English in written and spoken forms.

English is spoken and understood throughout the City of Palmer and throughout the Matanuska-Susitna Borough. All minority groups are familiar with English in written and spoken form. Some residents may be fluent in a specific Alaskan Native language as well as English.

EXHIBIT I

PETITIONER'S BRIEF

This exhibit provides a written statement fully explaining how the proposed annexation satisfies the standards set out in 3 AAC 110.090 – 3 AAC 110.140, 3 AAC 110.900 – 3 AAC 110.910, and AS 29.06.040(a).

A. Based on factors listed in 3 AAC 110.100 plus other relevant factors, the territory proposed for annexation is compatible in character with the area inside the current boundaries of the City.

The City of Palmer is a growing and dynamic community situated 42 miles northeast of Anchorage on the Glenn Highway. There is a wide array of commercial and recreational opportunities both inside the City and in the surrounding territory. Palmer serves as the seat of the Matanuska-Susitna Borough, which spans 23,000 sq. miles from the western slope of the Alaska Range to east of the Talkeetna Mountains, from Mt. McKinley to the Municipality of Anchorage. Palmer was settled by hardy pioneers who homesteaded the land when the railroad was built in the early 1900's, and by more than 200 farm families who came from the depressed mid-West in the mid-1930's to create the Matanuska Colony. Through more recent years the areas farmland has seen steady development, particularly in areas immediately adjacent to the boundaries of the City of Palmer. The City of Palmer was incorporated as a home rule municipality in 1951, and preceded the incorporation of the Matanuska-Susitna Borough by thirteen years.

The territories proposed for annexation comprise approximately 921.34 acres and include several enclaves within the City of Palmer. The Local Boundary Commission (LBC) has addressed these enclaves in previous annexations, with the LBC encouraging the City of Palmer to take a more comprehensive approach in its annexation process. All territories proposed for annexation consist of primarily residential, minimal commercial, and vacant properties that are either under development currently or are anticipated to be developed in the near future. The residential development within the areas is comparable to those within the City. Land use is much like neighboring properties within the City. Three of the larger enclaves are either vacant land or land under active agricultural use. The fact that these vacant or agricultural use enclaves are essentially within the City suggests they are part of the overall land or agricultural tracts within the present City boundaries except for large areas of the airport property which are under agricultural use leases as an allowed incidental use on airport property.

The City has received seventeen requests for annexation from the territories proposed for annexation representing approximately 200 lots. Development in the areas demonstrates a need for planning and zoning to address health and safety needs. A potable water supply is paramount in many requests for annexation, particularly within the Palmer West Subdivision.

The Matanuska-Susitna Borough is currently developing a Core Area Zoning Plan for the area between the City of Palmer and the City of Wasilla, particularly along the Palmer-Wasilla Highway. This Core Area plan includes all land in the areas proposed for annexation. The City staff has had some discussion with the Borough's Planning Department regarding the land use designations, and the City of Palmer and Borough planning commissions held a joint work session on the

Core Area Zoning Plan on September 24, 2001. The City's zoning districts and regulations differ from the Borough's proposed districts and regulations. This may create some confusion for property owners in the areas proposed for annexation as they transition to the City. The Borough's schedule for adoption of the proposed Core Area Zoning Plan is tentatively set for March or April 2002. Under the City's current planning and zoning regulations, all newly annexed property comes into the City as R-1 (Single family residential district), and it would be the duty upon the owner/s to request that the zoning status be changed for each property. The City's Planning and Zoning Commission must review all annexed properties within sixty days after annexation becomes effective.

According to the 2000 U.S. Census figures, the current boundaries of the City encompass 4,533 residents. As estimated by the Borough planning department, the parcels proposed for annexation contain approximately 325 persons.

B. The territory proposed for annexation does not overlap the boundaries of another existing city government or an existing organized borough. Alternatively, the brief also addresses detachment of the overlapping area as required by 3 AAC 110.130(e).

All areas proposed for annexation are within the Matanuska-Susitna Borough, and are contiguous to the Palmer City boundaries. The Borough collects a 13.133 mill property tax Borough-wide and a 3-mill property tax for the City of Palmer. Therefore, all areas proposed for annexation will be required to pay the City's three mill property tax, if annexed. Per the Matanuska-Susitna Borough the 2002 real property assessed value in the areas proposed for annexation is \$9.781 million. Because the annexation will not be in effect as of 1/1/03, the beginning of the City's budgeting year, the City chooses not to collect property tax revenues for 2003 from the Borough for the areas proposed for annexation. Beginning in 2004, the City projects additional property tax revenues for the proposed annexation area of \$29,340.

Local Improvement Districts (LID's) are assessed for paybacks through the Borough property tax process.

Fire and Rescue services are currently provided to the Greater Palmer Fire Service Area by the Palmer Fire Department through a mutual agreement between the Borough and the City of Palmer Fire Department. Fifty per cent of the City's Fire Department budget comes from the Borough and fifty per cent from the City's general fund budget. A 0.7 mill fire tax is assessed by the Borough to properties outside the City of Palmer in the Greater Palmer Fire Service Area. Therefore, tax revenues for the Greater Palmer Fire Service Area will be reduced by \$6,846 if the annexation is approved.

Property owners in the areas proposed for annexation are presently charged 2.50 mills by the Borough for road maintenance service in the South Colony Road Service Area. The annexation, if approved, will result in a reduction of \$24,452 of road service area tax revenue to the Borough for the South Colony Road Service Area (approximately 3.5% of the total service area tax revenue), as well as a proportionate reduction in State Revenue Sharing funds.

The Borough assesses a .35 mill levy for non-areawide services that would not be assessed after annexation, resulting in a loss of revenue to the Borough in the amount of \$3,423, which is 0.35% of the total property tax collected by the Borough for non-areawide services.

Property owners within the areas proposed for annexation are currently assessed for fire, road and non-areawide services that total 3.55 mills. The City currently levies a 3mill property tax. Therefore, if annexed to the City of Palmer, owners of property will see a 0.55 mill reduction in their total property tax expense.

While the total reduction in revenue to the Borough as a result of the proposed annexation will be \$34,722, the annexation will put the City of Palmer in the Borough's place as the provider of the road, fire and non-areawide services. Presumably, the loss of revenue to the Borough service areas will be matched by a comparable reduction in Borough service area costs because these areas would be removed from the service areas.

Residents in the proposed areas to be annexed to the City of Palmer utilize the same library, shop at the same commercial facilities, attend the same churches, utilize the same government facilities, listen to the same radio stations and utilize the same medical facilities as those inside the City.

The area's major feeder streets and roads such as the Old Glenn Highway, the Glenn Highway, Scott Road, the Palmer-Wasilla Highway, Evergreen Avenue, and the Inner Springer Loop Road act as connectors with adjacent area roads within the areas proposed for annexation, and in fact, are immediately adjacent to some of the proposed territories. The areas proposed for annexation are a part of one reasonably compact urban community and its suburbs comprising the metropolitan area of Palmer. While the proposed areas for annexation will still be within the Matanuska-Susitna Borough boundaries, they will receive more direct services from the City, including city police services. They are currently served by the State Troopers who cover approximately 23,000 sq. miles of surrounding area, while the Palmer Police Department would service post-annexation territory of approximately 5.35 sq. miles with 11 full-time officers.

C. The territory proposed for annexation is contiguous to the City's present corporate boundaries as presumed by 3 AAC 110.130(b). Alternatively, there is a specific and persuasive showing that annexation includes all land and water

necessary to allow for the full development of essential city services on an efficient, cost-effective level.

All territories proposed for annexation are contiguous to the City of Palmer's present corporate boundaries. Also, annexation will eliminate the existing enclaves within the current City boundaries. Further, the territories consist of mostly residential and minimal commercial uses similar to uses that currently exist within the City of Palmer. These lands and lands presently in the City include all land and water necessary to allow for the full development of essential city services on an efficient, cost-effective level.

The City Fire Department already provides fire and rescue service to the areas proposed for annexation through their mutual aid agreement and funding mechanism for the Greater Palmer area with the Borough, whereby the Borough provides fifty per cent of the Palmer Fire Department's annual budget and the City provides the remaining fifty per cent of funding. It is difficult for the Palmer Police Department (PPD) personnel to differentiate between the enclave areas and the areas within the current City boundaries. Therefore, the PPD already provides some general public safety services to the areas proposed for annexation.

D. The proposed annexation to the City will not deny any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin in accordance with 3 AAC 110.910.

All civil rights and political rights will be extended on an equal basis to residents of the areas proposed for annexation, just as they are extended to all residents of the City of Palmer. Nothing in the annexation denies or limits the exercise of any civil or political rights to any person.

The present population of the City of Palmer is 4,533 with 3,093 registered voters. The Matanuska-Susitna Borough Planning Department estimates that there are 325 residents in the territories proposed for annexation, and Division of Elections states there are 139 registered voters within those territories. All are residents within the Matanuska-Susitna Borough, and the annexation will have no impact on the number of eligible voters in areawide Borough elections. The annexation will, however, change the voting powers of those areas proposed for annexation, qualifying them to vote in City elections as well as the other Borough, State and Federal elections. Annexation will permit the voters in the areas to run for City office, to vote on City propositions and fully serve on appointed Boards and Commissions. This will also allow residents to be franchised to vote on propositions concerning City Enterprise Funds.

The 2000 Census for the City of Palmer shows a minority mix of American Indian and Alaska Native-8.2%, Black or African American-2.1%, Asian-1.1%, and

other 0.3%. Annexation does not exclude any minority group as the proposed territory does not exclude any one because of their racial heritage.

All officials elected in the City of Palmer are elected at large. Every elector's vote has the same value as any other elector's vote, regardless of cultural distinction or race.

Participation in the development of the annexation plan has been open to all members of the Administration and elected officials within the City of Palmer regardless of race, ethnicity, or any other factors.

The predominant language spoken within the City of Palmer and the areas proposed for annexation is English. English is the primary, if not sole language of the Native population, while Asian and other minorities may have any degree of fluency with the English language. The Migrant Education Program of the Matanuska-Susitna Borough School District identifies 103 students who utilize English as a second language out of a student population numbering 2,881 students in schools within the City of Palmer and the areas proposed for annexation. Based on this information, English is the predominant language used by the Matanuska-Susitna Borough School District. The English language is used and understood by virtually all residents of the area, including the territories proposed for annexation.

E. As required by 3 AAC 110.130(d), the proposed post-annexation boundaries of the City exclude entire geographical regions or large unpopulated areas, except where justified by the application of the city annexation standards in 3 AAC 110.090 – 3 AAC 110.130.

The proposed annexation does not take in entire geographical regions or large unpopulated areas. The territory proposed for annexation consists of enclaves within the current City of Palmer boundaries, enclaves between the City boundary and the Matanuska River, and other areas exhibiting the need for municipal services due to existing or potential development. These territories are generally similar in development characteristics, economics and demographics with areas within the City of Palmer. These territories are surrounded by or adjacent to the City of Palmer and their residents share a great deal in common with residents of the City.

The growth of the Palmer/Wasilla area in the past decade has been extraordinary when compared with other areas of the State of Alaska. Recognizing established trends of population growth in the Matanuska-Susitna Valley and in the Palmer area, it is reasonable to project that the population of these areas will continue to expand as development continues. Residents of the areas proposed for annexation use Palmer as their commercial center, just as the current residents within the City of Palmer boundaries. It can be assumed that they work, shop, seek services and

recreate within the City of Palmer, as do its current residents. It is reasonable to assume that the areas proposed for annexation will continue to develop as a result of their proximity to the City of Palmer and to the main transportation and commuter routes of the Glenn Highway and the Palmer-Wasilla Highway.

F. Based on factors listed in 3 AAC 110.120 plus other relevant factors, the population within the proposed post-annexation boundaries of the City (i.e., the territory proposed for annexation plus the area within the existing boundaries of the City) is sufficiently large and stable to support the extension of city government as required by 3 AAC 110.120.

The population within the current boundaries of the City of Palmer is 4,533. The Matanuska-Susitna Borough established two estimates of population, either 391 or 325. The areas for which the information was requested are outside of a Census Designated Place (CDP), and currently Block Level information is not readily available for them. The first population estimate was done using the persons per household and vacancy rates for the nearest CDP. The second estimate was determined using the persons per household and vacancy rates of the City of Palmer.

The Matanuska-Susitna Borough Planning staff recommends using the larger estimate. The predominate housing type for the areas estimated is single family residential. This housing type typically has a larger number of persons per household. The City of Palmer has a slightly lower persons per household rate. This can generally be explained by inferring that multi-family housing usually has fewer persons per household. The City of Palmer has a relatively larger number of multi-family units than the areas outside the City. The City feels the number of 391 may be excessive, and prefers to use the lower estimate of 325 persons. Therefore, the City of Palmer's post-annexation total population would be 4,858 persons.

There is no single recreational or industrial entity that affects population within a particular season within the City of Palmer or the surrounding area. The growth of the area within the last ten years is indicative of the attraction of the Matanuska-Susitna Valley as a residential and retirement community, which leads to a sufficiently large and stable population to support the extension of city government.

G. Based on factors listed in 3 AAC 110.110 plus other relevant factors, the area within the proposed post-annexation boundaries of the City includes the human and financial resources needed to provide essential city services on an efficient, cost-effective level.

The territories proposed for annexation exhibit a need for planning and zoning, and for additional services. Ten individual property owners in the Palmer West subdivision have petitioned the City for annexation via letter, as have two other

property owners with land positioned along Helen Drive. Also, within Area K, the 120-lot Spinell Homes, Inc.'s Hidden Ranch Subdivision has formally requested annexation to the City and is presently negotiating annexation and subdivision agreements with the City. The City also received requests for annexation and has executed annexation agreements for the 5 acre Kolivosky property located immediately north of the Spinell development and a 6.55 acre tract located along Moore Road on the south side of Palmer, and just behind the Colony Kitchen Restaurant on the Glenn Highway.

In Area C, the owner requested the City annex the 33.79 acre parcel that lies adjacent to the Glenn Highway on the eastern boundary and Scott Road on the southern boundary.

Area L (Cope Subdivision) includes the D. G. Smith Builders housing development, Mountain Rose Estates. The City and property owner have signed annexation and subdivision development agreements for this property and the construction of this 64-unit housing development is approximately two-thirds complete.

With four partially developed housing developments within the areas proposed for annexation, it is crucial that the City of Palmer be properly prepared to address health and safety issues as they arise in order to provide the greatest degree of services to all residents. Three of the four developments have requested annexation due to the health and safety issues surrounding the properties and the need for City services.

The post-annexation boundaries of the City of Palmer are not far-reaching, but are based more on a need to address safety, health and zoning issues in areas contiguous to the City that are either experiencing growth, or enclaves within the City that are being added at the urging of the Local Boundary Commission in previous annexation decisions.

Based on the City's three-year Revenue/Expense projections for the areas proposed for annexation, (2003-2005), the general fund revenues exceed expenses by \$74,930, while the enterprise funds revenues exceed expenses by \$32,000. Total capital expenditures of \$1,585,000 amortized over a fifty-year period would be \$31,700/yr. This demonstrates that the City has the ability to provide for the extension of services into the proposed areas and that there is sufficient development and property value in these areas to generate adequate tax revenues to support the extension and provision of municipal services.

H. The City has prepared, in consultation with others as required by 3 AAC 110.900, a practical transition plan for the assumption of relevant powers, rights, duties, functions, assets, and liabilities from existing service providers. The plan

also demonstrates the City's capacity to extend services to the existing territory proposed for annexation and otherwise addresses the requirements of 3 AAC 110.900.

The proposed annexation plan has been discussed with officials of the Matanuska-Susitna Borough. A letter of support for the proposed annexation was requested of the Borough Manager and is included with this petition [Exhibit R]. If annexation of the proposed territory is approved, the City of Palmer will cooperate with the Matanuska-Susitna Borough to effect the transition of powers and services. Any commercial activities within the territory to be annexed will be subject to sales tax no earlier than the second quarter of 2003. The City of Palmer will not impose property taxes until 2004 as the proposed annexation will not take place until after January 1, 2003, which is the date for determining the taxability of property for that year.

A public informational meeting was held on January 28, 2002 [Exhibit S]. This meeting was for the sole purpose of giving affected residents an opportunity to discuss and ask questions about the impacts of annexation. Approximately 38 people attended the first informational meeting. Maps, LBC standards and timeline information were made available through handouts. The City Manager discussed what had taken place thus far, followed by a question and answer period. A Palmer City Council hearing is scheduled for April, 2002. Landowners in the territory to be annexed (representing approximately 200 lots) have written letters to the City of Palmer requesting annexation due to health and safety concerns.

The City of Palmer has had meetings with department heads to discuss the provision of services, appropriate timelines, financial requirements, infrastructure needs and capital projects. The results from these meetings have been discussed with the Matanuska-Susitna Borough, as well. The Borough will lose only a small amount of non-areawide taxes (.35 mills) and service area taxes in the area to be annexed. However, they will no longer be responsible for the road maintenance of those areas. This annexation will not impose negative impacts on either the Borough or the City of Palmer.

I. Based on factors listed in 3 AAC 110.130(a) plus other relevant factors, the proposed post-annexation boundaries of the City encompass all land and water necessary to provide the full development of essential city services on an efficient, cost-effective level.

The territory proposed for annexation includes lands with the potential for many diverse uses. There are a few newly planned and existing high-growth subdivisions in the territory proposed for annexation. Residents of these areas

have communicated with the City concerning their desire to be annexed. The City of Palmer is one of the fastest-growing areas in Alaska, and the City must have the ability to plan this development to avoid overcrowding and haphazard, incompatible development.

The portion of Area L that is adjacent to the Springer Loop Road is directly adjacent on its eastern boundary to City property that contains Well No. 4, the main supply of drinking water for the City of Palmer. In the summer of 2002, the City intends to construct a second water supply well on this City property. It is reasonable that the City annex property adjacent to this critical municipal facility in order to have land use jurisdiction to address wellhead protection issues.

There is land throughout the territory proposed for annexation that is desirable for commercial and industrial uses. Inquiries have been made concerning retail establishments on properties adjacent to the Glenn Highway. That corridor is an appropriate location for commercial development and the fact that some of these potential commercial areas lie along the Glenn Highway immediately across the highway from the City suggests that these properties be annexed to allow for development that is compatible with City standards.

Some of the 13 areas consist of land presently either undeveloped or in agricultural use. Areas to the north (Area A), the south (Area L) and the southwest (Area K) have a substantial number of residential properties, as well as potential commercial and industrial sites for future business growth. While some areas in the territory proposed for annexation are uninhabited with little or no development, (Areas C, F, G and M) they exhibit land use characteristics similar to land use patterns in some relatively undeveloped areas within the City of Palmer. Areas to the north and the southwest have population densities similar to those in the City of Palmer.

Transportation corridors throughout the area proposed for annexation are simply continuations of main arterial highways and other transportation modes transecting the City of Palmer. Although it has seen little if any railroad use north of downtown Palmer for several years, the Alaska Railroad right-of-way and tracks transect Palmer south to north and directly border two of the thirteen areas proposed for annexation (Areas A & K). The Glenn Highway travels in a north/south direction through Palmer and borders three of the thirteen areas proposed for annexation (Areas A, C & K). The Old Glenn Highway passes through three of the thirteen areas proposed for annexation (Areas F, E & D), and the Palmer-Wasilla Highway travels through or adjacent to four of the thirteen areas proposed for annexation (Areas D, F, G, H, I & J). Scott Road, slated for connection to the west to Bogard Road, a main thoroughfare to Wasilla, is adjacent to one area proposed for annexation (Area C).

J. The proposed post-annexation boundaries of the City include only that area comprising the local community plus reasonably predictable growth, development, and public safety needs during the 10 years following the effective date of annexation as required by 3 AAC 110.130(c).

The City of Palmer is aware that its annexations in the past have not incorporated a comprehensive approach to community growth and development. The present annexation proposal, however, looks at the predictable growth, development and public safety needs during the ten years following the effective date of annexation to avoid annexing more land than can be justified under 3 AAC 110.130(c). The proposed post-annexation boundaries of the City represent a conservative estimate of predictable growth. All of the urban sections of the area proposed for annexation are experiencing growth and development. The annexation of enclaves serves to resolve previous piecemeal annexation issues. The Local Boundary Commission has requested that Palmer take on fewer, yet more comprehensive changes rather than small, frequent and piecemeal changes. This particular annexation addresses that request.

As many of the parcels are enclaves, the people living in these areas are part of a discrete and identifiable unit. They attend the same schools as city residents, share the same employers, go to the same libraries, shop at the same stores, attend the same churches and clubs, read the same newspapers, listen to the same radio stations, utilize the same medical facilities and have frequent personal contact through a close geographical proximity. The residents of the areas proposed for annexation live in either enclaves or in areas adjacent to the City of Palmer and their existence is dependent upon that community and its social infrastructure. The density of the area proposed for annexation is higher in subdivision areas and lower close to agricultural areas. The City of Palmer also has areas of high density, interspersed with areas of lower density. Many of the people living in the area proposed for annexation work in the City of Palmer, while some work in Wasilla or Anchorage. This is true of the population of the City of Palmer, as well as with much of the Matanuska-Susitna Borough.

The proposed annexation area is compact. It eliminates enclaves and creates more efficient municipal boundaries. Although the majority of dwelling units in the City of Palmer and in the territory proposed for annexation are permanent constructed dwellings, there are a few mobile homes in the areas proposed for annexation. City code prohibits mobile homes except in mobile home parks. Lot sizes vary both within and outside the City of Palmer.

The Matanuska-Susitna Borough is in the midst of developing a Core Area Zoning Plan. The City of Palmer is working with the Matanuska-Susitna Borough in order to attempt to integrate zoning designations allowing for a smooth transition between areawide and non-areawide parcels.

The City of Palmer has a strong business community. The City is also the location of several government or institutional offices or facilities, including those of the Matanuska-Susitna Borough, the State Court for the Third Judicial District, the State Trooper Palmer Post, the Matanuska-Susitna Juvenile Facility, the Department of Transportation maintenance facility, the Palmer Pioneer Home, and the Valley Hospital. Growth in the area has brought success to businesses and the downtown area is vibrant. The Greater Palmer Chamber of Commerce is active and meets weekly at the Moose Lodge in Palmer. While there are few, if any, commercial establishments in the area proposed for annexation, many residents in that area are part of the commercial workforce and trade of Palmer businesses.

K. The City is capable of providing “essential city services” (as defined by 3 AAC 110.990(8) more efficiently and more effectively to the territory proposed for annexation than another existing city or organized borough as required by 3 AAC 110.090(b).

The territory proposed for annexation totals approximately 921.34 acres and consists of enclaves within the current boundaries as well as land extending north, south, east and west of the current boundaries. The territory is primarily made up of residential property with a very small number of commercial properties. The rationale for annexing these properties is simple and direct.

Seventeen letters have been received by the City from landowners representing approximately 200 lots. These letters have all requested that the City of Palmer proceed with annexation in their respective areas so as to furnish safe and potable drinking water and sewer service. Many of the homes in Palmer West (Area K) have inadequate sources of on-site drinking water. While development of utility infrastructure following annexation would address those concerns, it would also serve to encourage future growth in that area.

The City of Palmer currently provides the following services to the residents of the City of Palmer and upon annexation, will provide these same services to the territory to be annexed:

- **Fire and rescue** is presently provided by the City of Palmer to areas inside the City and in the Greater Palmer Fire Service District. The Borough pays half of the fire department’s costs to compensate the City for providing fire service in the Greater Palmer Fire Service District. When properties are annexed to the City, the City will still provide fire service, but those property owners will stop paying fire service area taxes to the Borough. Fire service will be included in the property tax paid to the City.
- **Police Service** is provided by the City of Palmer Police Department. They provide services inside the City and the Alaska State Troopers provide service outside the City. However, both departments offer backup to each other, thus allowing better coverage both inside and outside Palmer’s boundaries. After

annexation, City police will provide service to the annexed areas, with backup still available from the Alaska State Troopers. The State of Alaska operates the Matanuska-Susitna Pretrial and Juvenile Center facilities.

- **Public Safety Dispatch** is provided by the City of Palmer and serves the Core Matanuska-Susitna Area. This expanded service dispatches to the City of Palmer, the City of Wasilla, the Matanuska-Susitna Borough (fire and ambulance), the City of Houston, and to a limited degree, the Alaska State Troopers. The Alaska State Troopers pay \$35,000 for this service, with the remaining costs shared by Palmer (33%), Wasilla (33%), the Borough (33%) and the City of Houston (1%).
- **Road Maintenance.** The City public works department presently maintains 33 miles of City roads as well as some State roads inside the City of Palmer boundaries. The State of Alaska pays the City to maintain S. Chugach St., S. Colony Way, S. Alaska St., W. Evergreen Ave., and Arctic Ave. west of the Glenn Highway. A Borough road maintenance service area maintains Borough roads outside the City. If areas are annexed containing roads maintained by the Borough, the City will take over maintenance of those roads with the cost of road maintenance paid by property owners through City property taxes.
- **Library** services are provided by the City through the Palmer Library. The Borough provides a grant to the City for 45% of the Library's annual budget. About 75% of Palmer Library users live outside the City of Palmer. The Borough also maintains an automated library system for all libraries in the Borough, and also assists the libraries through bulk purchasing and intra-library book loans.
- **Parks and Recreation** services include four small Borough parks inside the City, which are maintained by the City with funding assistance from the Borough. The City has asked the Borough to grant the City parks and recreation powers within the City limits and to convey four neighborhood parks, as well as little league baseball fields and a soccer field to the City.
- **Utilities**, including water, sewer service and solid waste collection, are presently provided in the City of Palmer. Under annexation agreements, the City presently provides water in some of the territory to be annexed: two parcels in Area K, as well as to a subdivision in Area L. Sewer service is also provided outside the current City boundaries in Area L. Area I has both water and sewer service. If annexation is approved, water main loops will be extended to Helen Drive (Area K), the area with the highest population figures. The City may pay for the over sizing of water or sewer mains in the proposed Spinell Home subdivision (Area K) to facilitate the extension of services west of that subdivision. Additionally, \$200,000 is included in a budget estimate in both 2004 and 2005 to extend water and sewer service to areas within the territory proposed for annexation as demand for those services arise.

All of the above services are presently being provided in the City of Palmer and paid for by its residents. Annexation will add costs in the provision of water,

sewer and solid waste collection. However, fees and property taxes will serve to offset those expenses over time, as well as to resolve health and safety issues of concern to many residents of the territory to be annexed. State and federal grants will also be utilized to assist in covering capital costs of providing these services.

L. Based on factors listed in 3 AAC 110.090(a) plus other relevant factors, the territory proposed for annexation exhibits a reasonable need for city government.

Per the 2000 Census, Palmer has demonstrated that it has been one of the fastest growing areas of the State during the past 10 years, and the areas proposed for annexation are indicative of that growth. There are four housing subdivisions in various stages of development within the areas proposed for annexation, with some indication of others in the planning stages. Commercial development is anticipated to continue, particularly in areas adjacent to the Glenn Highway. There is a need to manage growth that is compatible with adjacent land uses within the City.

Annexation of existing enclaves will eliminate the confusion City personnel experience when providing service. It is particularly confusing for police personnel to know which properties are currently within the City and which are not.

Having a reliable source of quality drinking water, as well as sewer service, is one of the major factors for the seventeen requests for annexation from property owners in the territories to be annexed, particularly in the Palmer West Subdivision.

All of the areas proposed to be annexed already enjoy some of the benefits of City services and facilities. They work and play within the City, utilizing the same library, streets and roads, government buildings, parks, medical facilities, and the City owned airport.

Although portions of the water and sewer utility systems lie outside City boundaries, the City does not exercise express extraterritorial powers. City policy is that properties must be annexed to the City prior to receiving utility services. The City has provided for sewer and/or water services to 22 property owners who have signed annexation agreements within the territory proposed for annexation. These properties are in close proximity to the City's existing utility mains. The property in Area I has water and sewer services but no documentation exists for provision of those services.

There is no other nearby municipality that can provide for essential city services more efficiently and effectively than the City of Palmer.

M. Annexation will serve the broad public interests as required by AS 29.06.040(a) and 3 AAC 110.135.

The balanced best interest of the state must take into consideration the assurance to local governments of a strong tax base needed to provide local services. Absent the tax base provided at the local level, the State is the only other source of revenue and services. It does not serve the interests of the State or the City to have an expanding sales and property tax base located contiguous to the City's boundaries, while that same area utilizes those services provided within the City.

The City is the business, commercial and residential center of the Greater Palmer area. The proposed annexation will eliminate several enclaves within the City that could potentially be used for business, commercial or industrial purposes that would, under the current scenario, avoid the collection of the City's 3% sales tax and 3 mill property tax. This would deprive the City of revenues for services that the entity may already be receiving, by virtue of being essentially inside the City.

Maximum local self-government is best preserved when local governments represent a cohesive land and water mass which allows for an orderly expansion of services into perimeter areas as those areas reach the level of development to require services. One such area is the Palmer West Subdivision where a large number of individual property owners have requested annexation because of a clear need to address health and safety issues, primarily water.

Annexation to cities does not automatically dictate that the property owners will receive all City services as a trade-off for taxes. Upon annexation, the City will extend all "essential city services" and mandatory powers as defined in 3 AAC 110.990 (public safety protection, road maintenance, planning and zoning, assessing, levying and collecting taxes, and conducting elections). Other services that will be provided upon annexation include the city-owned airport, building inspection, library and golf course. The services that will not be immediately extended are water/sewer utilities, simply because they require large amounts of capital, extensive planning and physical infrastructure which require time to address. The owners of property in the areas proposed for annexation currently pay (in addition to the 13.3 mill Borough property tax), a 0.7 mill fire service area tax, a 2.50 mill road service area tax and a 0.35 mill non-areawide tax. With annexation, these service area and non-areawide taxes would go away and would be replaced by the City's 3 mill property tax. The result would be a 0.55 mill reduction in property tax for the annexed properties.

The City has demonstrated a reasonable, three-year budget, allowing for logical expansion of city services into the areas proposed for annexation, which is in the best interest of the state.

N. Annexation will satisfy at least one of the eight requirements under 3 AAC 110.140

for legislative review annexation.

All of the territories proposed for annexation are either enclaves within the current boundaries of the City of Palmer or are immediately adjacent to the current boundaries of the City.

Four housing subdivisions lie within the areas proposed for annexation, three of which have requested annexation, representing approximately 200 lots. The three developers have negotiated agreements with the City of Palmer to meet the City's subdivision standards. In addition, fourteen additional individual property owners have requested annexation, citing health and safety reasons.

The City of Palmer does not have express extraterritorial powers granted by the Matanuska-Susitna Borough, and only through the granting by the City of an annexation agreement to the property owner can water/sewer services be extended. Thus, it is impossible for the City to extend services unless the territories are within the City's boundaries or are subject to an annexation agreement. An annexation agreement is granted by the City when conditions warrant reasonable proximity to City services and provides that the property owner will comply with appropriate City Building Codes and regulations.

The City of Palmer has demonstrated that it has the financial capabilities to provide services to the areas proposed for annexation. Annexation of the territories proposed will enable the City to plan for reasonably anticipated growth and development that could otherwise potentially adversely impact the City.

EXHIBIT J

AUTHORIZATION

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ANNEXATION OF TERRITORY TO THE
CITY OF PALMER

1. WHEREAS, the territory proposed for annexation exhibits a reasonable need for city government as required by 3 AAC 110.090(a); and
2. WHEREAS, the City is capable of providing “essential city services” (as defined by 3 AAC 110.990(8) more efficiently and more effectively to the territory proposed for annexation than another existing city or organized borough as required by 3 AAC 110.090(b); and
3. WHEREAS, the territory proposed for annexation is compatible in character with the area inside the current boundaries of the City as required by 3 AAC 110.100; and
4. WHEREAS, the area within the proposed post-annexation boundaries of the City (i.e., the territory proposed for annexation and the area within the existing boundaries of the City) includes the human and financial resources needed to provide essential city services on an efficient, cost-effective level as required by 3 AAC 110.110; and
5. WHEREAS, the population within the proposed post-annexation boundaries of the City is sufficiently large and stable to support the extension of city government as required by 3 AAC 110.120; and
6. WHEREAS, the population within the proposed post-annexation boundaries of the City encompass all land and water necessary to provide the full development of essential city services on an efficient, cost-effective level as required by 3 AAC 110.130(a); and
7. WHEREAS, the territory proposed for annexation is contiguous to the City’s present corporate boundaries as presumed by 3 AAC 110.130(b). Alternatively, there is a specific and persuasive basis for annexation of non-contiguous territory; and
8. WHEREAS, the proposed post-annexation boundaries of the City include only that area comprising the local community plus reasonably predictable growth, development, and public safety needs during the 10 years following the effective date of annexation as required by 3 AAC 110.130(c); and
9. WHEREAS, the proposed post-annexation boundaries of the City exclude entire geographical regions or large unpopulated areas, except where justified by the application of the city annexation standards in 3 AAC 110.090 – 3 AAC 110.130; and
10. WHEREAS, the territory proposed for annexation does not overlap the boundaries of an existing organized borough or City; and
11. WHEREAS, the City has prepared a transition plan concerning annexation in accordance with 3 AAC 110.900; and

12. WHEREAS, the proposed annexation to the City will not deny any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin in accordance with 3 AAC 110.910; and
13. WHEREAS, annexation will serve the balanced best interests of the state, the territory proposed for annexation, and affected political subdivisions as required by 3 AAC 110.140.
14. WHEREAS, annexation will serve the balanced best interests of the state as required by AS 29.06.040(a).

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF PALMER, as follows:

Section 1. Classification. This is a non-code ordinance.

Section 2. Authorization. That the City of Palmer City Manager is authorized to file a petition for annexation by legislative review with the Alaska Local Boundary Commission. The petition shall propose the annexation of the area generally described as "Petition to annex approximately 921.34 acres," including all existing enclaves, and three perimeter properties contiguous to existing boundaries. The legal boundary description of the area proposed to be annexed is attached hereto as Exhibit "A" and shown on the map attached hereto as Exhibit "C", all of which exhibits are incorporated herein by this reference.

Section 3. Petitioner's Representative. That the City of Palmer City Manager is designated as the representative of the City for all matters relating to the annexation proceedings.

Section 4. Terms and Conditions. That the annexation will be on the following terms and conditions:

Services to be provided

All services other than water and sewer will go into effect immediately.
Water and sewer will go into effect over time as need, demand and funds allow.
Sales Tax will go into effect in the area on July 1, 2003.
Property taxes will be levied on January 01, 2004.

Section 5. Effective Date. That this ordinance shall become effective immediately.

Adopted by the Council of the City of Palmer this _____ day of _____, 2002.

Mayor

ATTEST:

City Clerk

First Reading: _____

Public Hearing and Second Reading: _____

Effective Date of Ordinance: _____

EXHIBIT K

**AFFIDAVIT CONCERNING THE SOURCE AND ACCURACY OF THE
INFORMATION IN THE PETITION**

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

I, Thomas Healy, representative of the petitioner for annexation, being sworn, state the following.

1. The written legal description of the territory proposed for annexation presented in Exhibit A of the petition was prepared by Charles A. Leet, P.E. of Alaska Rim Engineering, Inc., P.O.B. 2749, Palmer, Alaska 99645.
2. The written legal description of the proposed post-annexation boundaries presented in Exhibit B of the petition was prepared by Charles A. Leet, P.E. of Alaska Rim Engineering, Inc., P.O.B. 2749, Palmer, Alaska 99645.
3. The map showing the current boundaries of the City and the territory proposed for annexation presented in Exhibit C of the petition was prepared by Mark Matson, mapping technician for the Matanuska-Susitna Borough.
4. The estimate of the size of the territory proposed for annexation stated in Section 7 of the petition was prepared by Charles A. Leet, P.E. of Alaska Rim Engineering, Inc., P.O.B. 2749, Palmer, Alaska 99645.
5. The estimate of the population within the current boundaries of the City stated in Section 9 of the petition was provided by Thomas Healy, who relied upon data provided to him by the 2000 census. Matanuska-Susitna Borough Planner Beth McKibbon provided population data for the territory to be annexed. She relied on 2000 census data, as well.
6. The statement of City taxes provided in Section 11 of the petition was based on information provided by Allan Ossakow, City of Palmer Finance Director.
7. The statement of Borough taxes provided in Section 12 of the petition was based on information provided by Karl Borglum, Matanuska-Susitna Borough Assessor.
8. The statement of the value of taxable real and personal property in the City and the territory proposed to be annexed provided in Section 13 of the petition was based on information provided by Allan Ossakow, City of Palmer Finance Director and Karl Borglum, Matanuska-Susitna Borough Assessor.
9. The statement of the value of taxable sales in the territory proposed to be annexed provided in Section 14 of the petition was based on information provided by Thomas Healy, Palmer City Manager.

10. The statement of other revenues which may accrue to the City as a result of annexation provided in Section 15 of the petition was based on information provided by Thomas Healy, Palmer City Manager.
11. The statement of expenses which the City may incur as a result of annexation provided in Section 16 of the petition was based on information provided by Thomas Healy, Palmer City Manager.
12. The statement of City services provided in Section 17 of the petition was based on information provided by Thomas Healy, Palmer City Manager.
13. The statement of extraterritorial City services as provided in Section 18 of the petition was based on information provided by Thomas Healy, Palmer City Manager.
14. The statement of City bonded indebtedness as provided in Section 19 of the petition was based on information provided by Allen Ossakow, Palmer Finance Director.
15. The maps showing the boundaries of each borough service area wholly or partially within the territory proposed for annexation as presented as Exhibit E were provided by Sandra Garley, Matanuska-Susitna Borough Planning Director.
16. The listing of borough areawide powers, borough non-areawide powers and borough service area powers exercised within the territory proposed for annexation presented as Exhibit F was prepared by Sandra Dillon, Matanuska-Susitna Borough Clerk.
17. The transition plan presented as Exhibit G of the petition was prepared in consultation with the following parties: Thomas Healy, Palmer City Manager, Palmer City staff and the Matanuska-Susitna Borough
18. The federal Voting Rights Act information presented as Exhibit H of the petition was prepared by Thomas Healy, Palmer City Manager.
19. The statistics concerning the predominant language spoken as related to Standard D, Voting Rights, were furnished by Marcy Orth, Secretary for Federal Programs in the Bilingual Department, Matanuska-Susitna Borough School District.

The information contained in the petition for annexation is complete and factual to the best of my knowledge.

DATED this _____ day of _____, 2002.

By: _____

Thomas Healy, City Manager
City of Palmer

SUBSCRIBED AND SWORN TO before me on _____, 2002.

(notary seal)

Notary Public in and for Alaska
My Commission expires _____

**OTHER INFORMATION NOT REQUIRED TO BE INCLUDED WITH THE
FORMAL PETITION**

The City is asked to provide other information and materials that may be useful to the Department of Community and Economic Development in evaluating the City's petition and in preparing the Department's reports. These materials include, but are not necessarily limited to:

1. City's current operating budget [Exhibit L];
2. Most recent audit of the City [Exhibit M];
3. The City's most recent comprehensive plan [Exhibit N];
4. Photographs of representative and relevant parts of the territory proposed for annexation [Exhibit O];
5. Photographs of major City facilities (e.g., city hall, fire hall, police department, water utility buildings, library, etc) [Exhibit P];
6. Several photographs representing services provided by the City (e.g., police cars, ambulance, utility operations, etc.) [Exhibit Q];
7. Letter from Borough manager, John Duffy [Exhibit R];
8. Notice of informational public meeting [Exhibit S];
9. City's request for transfer of Park & Recreation powers [Exhibit T-1 & T-2];
10. Northern Economics Report [Exhibit U];
11. Anton Meyer's letter supporting annexation [Exhibit V].