

Letter in support of annexation of surrounding areas of Soldotna Alaska.

My name is Mitchell (Mitch) Michaud and I reside at 43973 Shirley Way located a very short distance from the City of Soldotna (500 feet). I am writing in support of annexation of area (7) as well as all other areas being considered for annexation. Over 20 years I have heard that we already defeated this measure, why bring it up again. Well it has been 20 years and the need continues to grow and the reasons are increasing and clearer today. My initial concern with annexation was the ability to maintain a small recreational dog kennel for mushing. At that time, I was able to leave my home and have access to an expanse that include the Kenai National Wildlife Refuge. I mention this somewhat nostalgic fact because during the past 20 years the ability to get into the back country with sled dogs or a snowmobile is almost nonexistent. What occurred was the development of new homesites and the fragmentation of what was near pristine wildlands. I don't want the boundary commission to get the impression that I am anti-development. In fact, I am a true conservationist, believing that land should be used for the best purpose for the greatest benefit to society for the longest period of time. Many new homes were built and many changes have occurred around the periphery of Soldotna. As these areas increase in density so do the negatives aspects of uncontrolled development and use. When density increases so do issues and problems but luckily so do solutions.

Scattered through State of Alaska documents and regulations are terms "orderly development of lands and the associated natural and mineral resources. This statement and variations are the basis of how the statehood founders viewed development, land, resource and government. The annexation process was established for orderly development. It is not a taking of lands or rights as some would lead you to believe. Today we see, examples of where lack orderly of development has cost landowners, municipalities and the state millions of dollars. Little to no development standards, or standards not being applied or enforced, result in millions of dollars of building damage associate with lax building codes in communities after an earth quakes, floods fires and erosion. Lack of proper application of septic standards leads to having public water provided when waste systems fail and groundwater is made unsafe for consumption. Millions of dollars for mitigation and remediation are spent annually in Alaska. As what was once said a million here and million there and soon we are talking about real money. Now it's a billion here and a billion there. Yes, the anti annexation landowner will shout out government overreach over codes and standards but who often pays a majority of the cost after a crisis. It's spread out over the community, city, state or nation, through tax dollars.

One of the concerns that residents outside of Soldotna is the imposition of an additional sales tax (3%). Nobody likes taxes but we all enjoy and benefit from what they are used for. When taxes are spread out equitably and used appropriately society benefits. Very few citizens access all the services that our tax dollar provide. Education is expensive and is provide to only a small segment of the population. Hospital and emergency services provide more services to the reckless, unfortunate and elderly. if you are young, unmarried, childless, stayed at home, self educated and lived a subsistence life style you're probably a character from a Jack London story with little benefit from tax dollas . But if you were a sourdough, you benefited from taxation by the issuance and protection of mineral claims and lawmen that tried to keep the peace. London rarely mentioned taxation or where the process and purchase of Alaska came from. Those times are gone or maybe were never here.

The total property tax rate after annexation is actually less in the city than it is under the borough. That is a fact. The loss of the road maintenance fee decreases the total tax liability. I say this as I see little no

sanding on Shirley Way and Turnbuckle Rd , roads I drive on. Three hundred feet away on the city portion Turnbuckle Rd. it is sanded, calciumed and plowed regularly. I don't like paying for something I don't get.

The additional tax on power and services will increase due to the 3% sales tax soon to be imposed by the City of Soldotna. In my situation I still end up with a lower tax liability. Many of the annexation opposers discuss the unfair competition that occurs when they will have to charge additional 3% to sales. They claim that this may result in putting them out of business. I shop in the area and the prices are essentially the same after taxes are applied for the same service or product. Do they actually have a higher profit margin? I doubt it since there are so many other factors involved. Most start up small business, set prices based on market prices, not on actual cost or desired margins. Larger commercial business will bring 3% tax issue up time and time again, but with a \$500 cap on sales tax, larger items the tax is actually a smaller percentage of the total sale. Many of these businesses cater to contractors and secondary sales who purchase tax free and pass the cost on to the end client. The recently withdrawn annexation areas have a good percentage of small business startups that fail in the first few years. This occurs without annexation. Warehouse retail rents in these areas are much lower than City of Soldotna rental fees. This again there is greater buisness turnover in annexation areas than in the City. I wish I could say that annexation would help them out or hurt them but I doubt that the additional 3% on the first \$500 would be end of their businesses. They often compete with larger chain stores or do low volume specialty sales that don't benefit from locations on a "Main Street" business presence. Maybe it really is location, location, location or record keeping, record keeping, that makes a difference. That's what marketing and accounting folks tell us.

The City of Soldotna has plans that address the "Strip" Mall- Box Store --Fly Down the High" issues that plague all growing population centers. Soldotna, Wasilla, & Palmer have good examples of how to improve business districts. Community events, green space and other projects are put in place with financial assistance, a good chamber of commerce, good use of sales tax revenues. Unfortunately, the unannexed area won't benefit from this planning. The City of Soldotna is very small in area, business development sites are quickly being developed by medical facilities and large infrastructure development. The airport area is continuing to develop and feeder roads into residential communities are becoming sites for local vendor and restaurants. The future or businesses in the city is hopefully but comes with a cost. The cost is always someone not happy with what gets built next door to them. Being traffic congestions or the smell marijuana production facility. On the positive side, public events, street markets, fairs, music venue bring people in from away and some commercial enterprises and local residents benefit and you don't need to live in the city. An example is Wednesdays in Soldotna. I know first hand that folks from Homer, Seward and Moose Pass have scheduled auto service, medical visits shop at the big grocery, the farmers market, eat out and take in the music in the park. These folks have gone to Anchorage in the past. They shop not only in Soldotna but in Kenai and in annexation areas. But who pays for this?

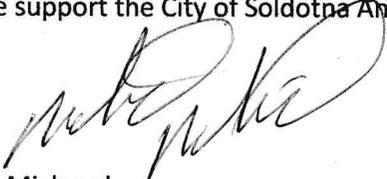
My favorite saying is – "Nothing you get in life is free... It comes at a cost...You may not pay for it.... But in the end somebody does." For me, the annexation issue is all about paying your own way, providing something to the community and getting something back. I may or may not always benefit but someone does. Something I try to remember It's not always about me. Yes, taxation, regulation, loss of personal freedom may affect me, but like my backyard mushing trail access; it is gone. That was 20

years ago and it's not only about me. I support annexation and Soldotna proposal to the State Boundary Commission.

In the past 20 years I have been subjected to potential annexation and have supported the City of Soldotna's efforts. I have spoken to the matter, have participated in online public forums and have made the effort to discuss the issue with those that do not agree with me. What I have come to the realization is that annexation is more about no government than its is a method to address common issues. This is found in almost every community in Alaska. From increased taxes, animal control, trail and recreational powers, any attempt to move in a direction that addresses a problem become a not in my backyard battle. The major voices in anti-annexation are not even residents of Soldotna or even residents in the annexation areas. They have used their wide distribution to threaten local elected officials with being voted out of office if they voiced support of annexation. I spoke at a public hearing on annexation and was immediately greeted by a business owner who explained to me that annexation would allow the city of Soldotna to regulate their own use of a commercial water well and that I should be aware that they city could also do that to my own well water consumption. How do you discuss fear based issues? Clearly a near lie, she was unhappy with the State capping their water use for a commercial purpose. I attempted with trying find common ground, and found out that we both feel that the borough does a poorly when it comes to road maintenance and improvements. I quickly learned that the individual is the principal owner of the contacting company that plows the borough road I live on Turnbuckle Terrace. This little snippet indicates that most anti-annexation individuals are not looking at solving problems. I am sure that boundary commission will get 35 letters against annexation for every one letter for the process. I use these numbers as I was the only person to speak for the issue a few months ago with 35 that were opposed. After the forum I was thank by 10 or so individuals and when I asked why they didn't speak for the issue, they responded with its not worth the public grief and condemnation that comes from speaking out. Luckily the moderator miss pronounced my name and media didn't get it write for the radio or the press after I corrected the moderator. Sometime we forget to listen at public meetings. Sometimes you get lucky. Not so for Michel Marchant? .

There are many more individuals that support annexation and an even greater number that are indifferent. I see Alaska government officials as working for the greater good when it comes to resource issues and the impacts that we as a growing population have on resources. Throw oil and salmon to the side the greatest resource we have in Alaska are the people who live here. I trust the process to do the greatest good for the Kenai Peninsula not what is only good for the next round of elections or for someone that wants to shoot squirrels from his front door in Soldotna.

Please support the City of Soldotna Annexation Petition 2019.



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