

PROCEDURES FOR CITY DISSOLUTION BY LOCAL ELECTION

STAGE ONE SUBMISSION OF PETITION & TECHNICAL REVIEW

Voters may initiate city dissolution proceedings by filing a petition with the Department of Commerce, Community, and Economic Development (LBC Staff) pursuant to AS 29.06.460. Petition forms must be obtained from LBC Staff.

The petition must be signed by a number of voters equal to at least 25% of the number of votes cast in the last regular election in the city. **However, if the number of petition signatures exceeds 50% of the votes cast in that election, the proposal satisfies a critical standard in AS 29.06.470(a).**

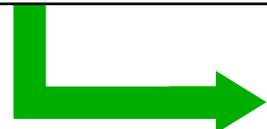
*Department of Commerce, Community, and Economic Development serves as staff to the LBC. AS 44.47.050(a)(2).

LBC Staff reviews petition for form and content.

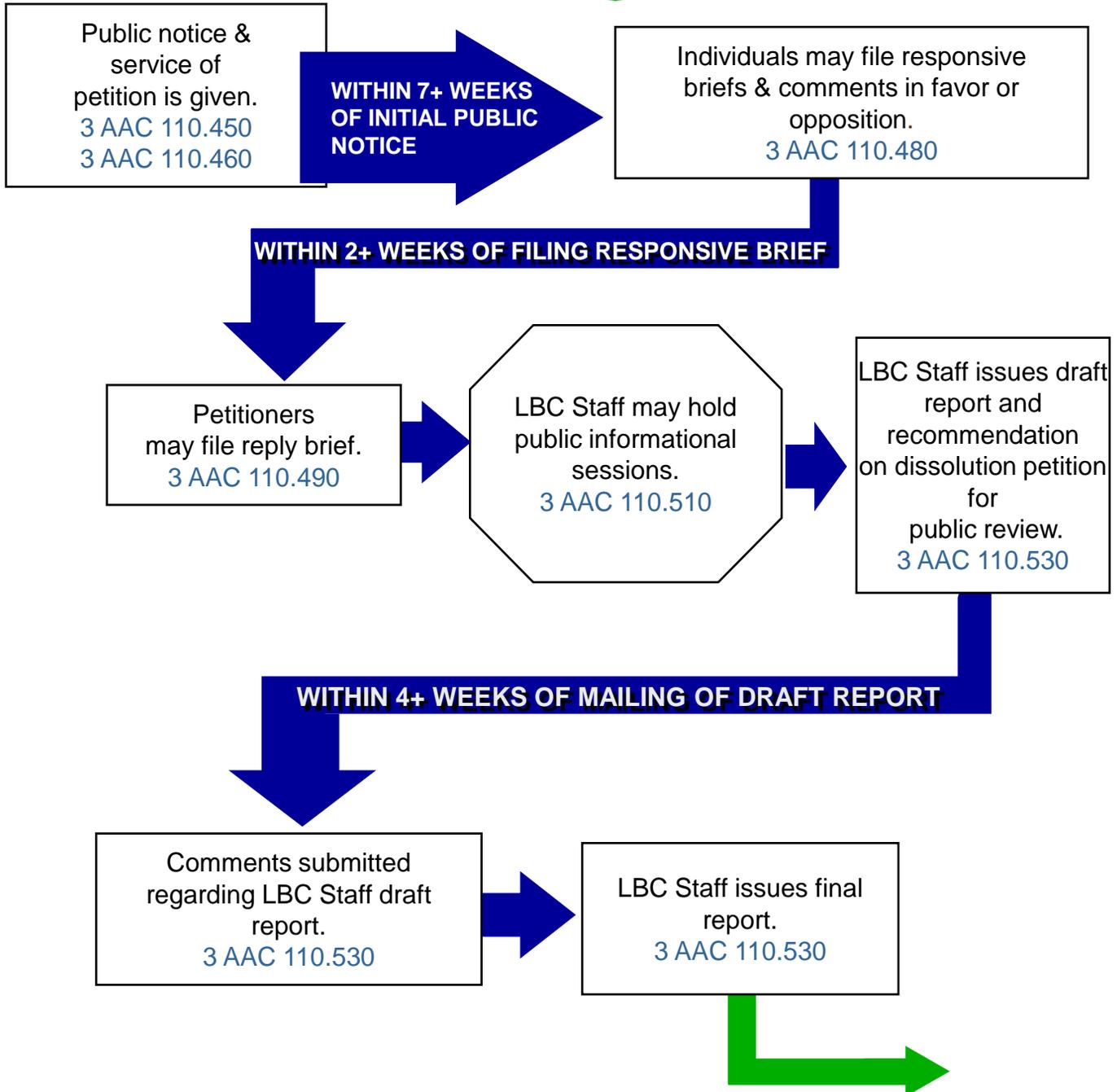
If deficient, petitioners must correct and resubmit petition.

(LBC Staff recommends that it be given the opportunity to review the draft petition.)

If form and content are OK, LBC Staff accepts petition for filing



STAGE TWO PUBLIC REVIEW



STAGE THREE HEARING & DECISION BY LBC

Hearing Procedures

1. Presentation of LBC Staff report
2. Opening statement by petitioners' rep.
3. Opening statement by respondents
4. Public comments
5. Testimony by petitioners' witnesses
6. Testimony by witnesses of respondents
7. Responsive testimony by LBC Staff
8. Closing statement by petitioners' rep.
9. Closing statement by respondents
10. Closing statement by LBC Staff

LBC conducts public hearing(s) following 30 day notice.
3 AAC 110.550
3 AAC 110.560

LBC decisional meeting.
(verbal decision reached)

- | | | |
|-------------------------------|--|-----------------------------|
| Option 1
Petition Approved | Option 2
Petition Amended &
Approved | Option 3
Petition Denied |
|-------------------------------|--|-----------------------------|

Written decision issued.
3 AAC 110.570

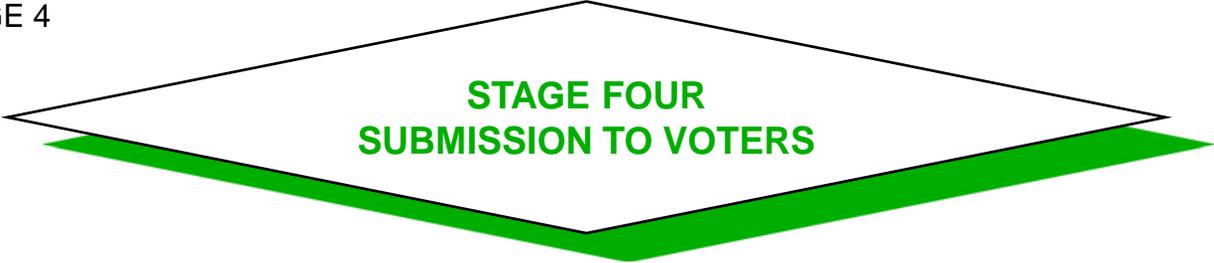
Opportunity for reconsideration.
3 AAC 110.580

If petition is denied, **process ends.**

*Decisions of the LBC are subject to judicial appeal

If petition is approved or amended and approved, the process continues to next stage.





**STAGE FOUR
SUBMISSION TO VOTERS**

If petition is accepted, LBC notifies the Division of Elections and an election is scheduled.



**ELECTION
ORDERED
WITHIN 30 DAYS
AFTER
NOTIFICATION**

Election must be held 30 - 90 days after the election order **unless** such timing would cause the election to be held between May 1 and November 1. In that case, the election shall be held within 60 days after November 1.



Dissolution must be approved at the election by a number of voters **greater than 50 percent of the number of people registered to vote in the city.**



**STAGE FIVE
SUCCESSION TO ASSETS,
LIABILITIES
AND OBLIGATIONS**

If voters approve dissolution and there is no other municipal government to be the successor to the dissolved city, the State of Alaska becomes the successor by default under AS 29.06.520.

It is the policy of the LBC that a local entity, rather than the state, will be required to be the successor to all of the former city's assets, liabilities and obligations. A local successor is chosen by the voters.

Individuals and organizations that have contracts with the city may have to give their consent before the state could transfer those contracts to a local successor. **AVEC has expressed concern about this issue in the past, particularly when the local successor is a Native traditional council.**



AND

Dissolution takes effect upon the execution and recording of an agreement between the State and the local successor transferring assets, liabilities & obligations. Provisions in such agreements include the following:



properties of the former city may be used only for public purposes and will be available to the public without restriction as to race, religion, color, national origin, sex or tribal affiliation;



properties of the former city will be transferred to a future city or organized borough upon request by that city or borough;



the State reserves the right to provide easements for property of the former city to ensure access to navigable or public water;



the local successor must hold the State harmless with respect to any contracts, agreements or other liabilities and obligations of the former city;



if the local successor is a Native village council, it must expressly waive its sovereign immunity for the purposes of the Agreement and must also consent to suit in a convenient State of Alaska court to ensure the enforceability of the stipulations of the Agreement;



if the successor is a Native village council it must acknowledge that the agreement does not constitute recognition of "Indian Country" with respect to real property of the former city.