

# **PETITION**

To the Local Boundary Commission  
For

## **ANNEXATION**

To

**the City of Kachemak**

**A SECOND CLASS CITY**

Within

**The KENAI PENINSULA BOROUGH**

**Using the Local Option Method by**

**Unanimous Consent**

The petitioner requests that the Local Boundary Commission grant this petition for annexation of territory adjacent to the city by ordinance without an election, with the unanimous consent of all owners of the property proposed for annexation and all registered voters residing on that property under Article X, Section 12 of the Constitution of the State of Alaska; AS 29.06.040(a) and (c)(4); AS 44.33.812(a)(3); 3 AAC 110.150(2); and 3 AAC 110.590. All exhibits attached to this petition are incorporated by reference.

### **SECTION 1. PETITIONER'S NAME. 3 AAC 110.420(b)(1)**

The name of the petitioner is the City of Kachemak (hereafter "Petitioner," "City," or "Kachemak City"). This city is located within the organized borough known as the Kenai Peninsula Borough.

### **SECTION 2. THE PETITIONER'S REPRESENTATIVE. 3 AAC 110.420(b)(2).**

The petitioner designates the following individual to act as representative in matters regarding the proposed municipal annexation:

Name: Philemon D. Morris, Mayor of Kachemak City  
Physical address: 59906 Bear Creek Drive, Kachemak, Alaska 99603  
Mailing Address: Box 958, Homer, AK 99603  
Telephone number: (907) 235-8897  
Fax number: (907) 235-8854  
Email address: [Kachemak@xyz.net](mailto:Kachemak@xyz.net)

**ALTERNATIVE REPRESENTATIVE DESIGNATED BY THE PETITIONER.**

The petitioner designates the following person to act as alternate representative in matters regarding the proposed annexation, in the event that the primary representative is absent, resigns, or fails to perform his/her duties:

Name: Bill Overway, Vice Mayor of Kachemak City  
Physical address: 59906 Bear Creek Drive, Kachemak, Alaska 99603  
Mailing Address: Box 958, Homer, AK 99603  
Telephone number: (907) 235-8897  
Fax number: (907) 235-8854  
Email address: [Kachemak@xyz.net](mailto:Kachemak@xyz.net)

**SECTION 3. THE NAME AND CLASS OF THE EXISTING MUNICIPAL GOVERNMENTS FOR WHICH A CHANGE IS PROPOSED. 3 AAC 110.420(b)(3).**

Name of City: City of Kachemak  
Class: Second

Name of organized borough: Kenai Peninsula Borough  
Class: The Kenai Peninsula Borough was incorporated in 1964 as a second-class borough under the authority of the State of Alaska Borough Act of 1961.

**SECTION 4. GENERAL DESCRIPTION OF THE NATURE OF THE PROPOSED COMMISSION ACTION. 3 AAC 110.420(b)(4).**

This petition, initiated by the City under the authority of 3 AAC 110.410(a)(4), requests the Local Boundary Commission authorize the following boundary change: annexation of territory generally described as a forty-acre aliquot part (NE1/4 SW1/4) within section 1, township 6 south, range 13 west, Seward Meridian, as depicted on the attached maps. This block is composed of: 1) 10 residential lots (averaging 1.73 acres in size) within the Kachemak Estates Subdivision 2004 (and 2007) additions; 2) a 14.86-acre undeveloped tract within the Kachemak Estates Subdivision 2004 addition; 3) a 4.82-acre portion of tract C2 (parcel number 17406078) north of the Kachemak City Limits; 4) a 0.18-acre portion of tract A1 (parcel number 17406079) lying outside of Kachemak City; and 5) the northern half of Morning Star Road, to the City under the local option method provided for in AS 29.06.040(a) and (c)(4), and 3 AAC 110.150(2). Annexation under AS 29.06.040(c)(4) allows for territory adjoining a municipality to be annexed by ordinance, without an election, if all property owners and voters in the territory proposed to be annexed petition the governing body. 3 AAC 110.990(12) defines “property owner” as “a legal person holding a vested fee simple interest in the surface estate of any real property including submerged lands.”

**SECTION 5. GENERAL DESCRIPTION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(5).**

- a. The area to be annexed is an aliquot part (NE1/4 SW1/4) of section 1, Township 6 S, Range 13 W, Seward Meridian) encompassing 39.966 acres. There are currently 5 families (approximately 10 individuals) living within the area to be annexed. The current and projected use of this area is residential.

**SECTION 6. REASONS FOR THE PROPOSED BOUNDARY CHANGES. 3 AAC 110.420 (b)(6).**

- a. This petition for annexation was proposed to the City of Kachemak by residents of the Kachemak Estates Subdivision, 2004 addition. There are basically three reasons for which they would like to be annexed into the City of Kachemak.

First, half of the subdivision is already in the City of Kachemak, and there is only one access road into and out of the subdivision: Morning Star Road. Morning Star Road is a dead-end road that starts at East End Road within Kachemak City. At about the midpoint the road crosses the Kachemak City limits and goes into Borough jurisdiction. Properties along the southern half of the road are within Kachemak City. Properties along the northern half of the road are outside of Kachemak City. All of the property owners within the subdivision (inside and outside of the City) have the same conditions, covenants, and restrictions on the use of their properties. The property owners have formed a nonprofit property owners association (AK Entity # 125042). This association has developed bylaws for the purpose of maintaining a well-functioning community and to uphold the conditions, covenants, and restrictions of the subdivision. The property owners association collects dues for road maintenance and capital improvements within the subdivision. The property owners work together cooperatively to maintain and improve the condition and quality of the subdivision. These property owners state that it would facilitate local community projects for the entire subdivision to be within the same municipal jurisdiction.

Second, one of the largest community projects and the biggest expenditure for the Kachemak Estates Property Owners Association is maintaining, plowing, and sanding Morning Star Road, the only road within the proposed annexation. The dual political jurisdiction (City and Borough) within the area complicates the funding and implementation of road maintenance. Property owners within the proposed annexation area currently pay the Borough an annual 1.40 mill property tax for road maintenance (which collectively amounts to over \$3,600). However, the Borough will not do any maintenance on Morning Star Road because, the property owners have been told, the road begins within Kachemak City. Kachemak City does not do any road maintenance nor does the city collect a road maintenance tax. The city does subsidize maintenance and improvement of privately maintained roads within the city by partially reimbursing the

neighborhood associations on a matching basis for the work they accomplish. Kachemak Estates subdivision property owners receive grants from Kachemak City to help maintain that portion of the road within the City, but not that portion of the road outside of the City.

Morning Star Road is privately maintained by the property owners association. Kachemak Estates Subdivision property owners outside of the City are paying twice for road maintenance, both to the Borough (which does not do any maintenance on Morning Star Road) and through an annual assessment to the Property Owners Association for road maintenance. In fact, barring a catastrophic event, the entire road (inside and outside of the City) could be well maintained for less than the property owners are currently paying the Borough for road maintenance on the northern half of Morning Star Road. Annexing the rest of the subdivision into Kachemak City would greatly benefit and simplify the property owners' efforts to maintain Morning Star Road.

Finally, residents within the Kachemak Estates Subdivision have different primary emergency responders for fire and medical emergencies, even though all emergency response vehicles must use the same (and only) access road: Morning Star Road. Kachemak City has a 1 mill property tax that is used to fund a contract with the City of Homer Fire Department. For those residents within Kachemak City, emergency response would come from the Homer Fire Department (4.5 miles away from the entrance to Morning Star Road) or from the Kachemak Community Center which maintains a fire truck under agreement with the Homer Fire Department. That fire truck is less than two miles from the entrance to Morning Star Road. Residents outside of Kachemak City (i.e., residents of the proposed annexation area) pay a 2.25 mill property tax to the Borough for Kachemak Emergency Services. The Kachemak Emergency Services fire/ambulance station is 7.5 miles from the entrance to Morning Star Road. It seems inefficient and inequitable to the residents of the subdivision that neighbors living 100 yards apart have different emergency responders, especially

when those being taxed more than two times what their neighbors are for the same services will likely have longer response times and a higher insurance risk rating (which means potentially higher rates). Having a shorter distance to a fire/ambulance station should improve response times and possibly reduce insurance rates.

In summary, placing all lots within the same political subdivision will: 1) ensure consistent emergency services responses, 2) facilitate and streamline road maintenance and other subdivision projects, 3) ensure a uniform property tax structure, and 4) alleviate the inefficiencies of dealing with different political subdivisions.

It should be noted that all property owners within the area proposed for annexation, including those outside of the Kachemak Estates Subdivision, 2004 Addition, have unanimously agreed to and support the proposed annexation.

## **SECTION 7. LEGAL METES AND BOUNDS DESCRIPTIONS, MAPS, AND PLATS.**

### **3 AAC 110.420(b)(7).**

- a. **Legal Description of the Territory Proposed for Annexation. Exhibit A-1** provides a written metes and bounds legal description of the territory proposed for annexation.
- b. **Legal Description of Existing City's Boundaries. Exhibit A-2** provides a legal metes and bounds description of the existing city's boundaries.
- c. **Legal Description of Proposed Post-Annexation Boundaries. Exhibit A-3** provides a legal metes and bounds description of the proposed post-annexation boundaries of the city.
- d. **Maps and Plats. Exhibit A-4** provides a map showing the existing boundaries of the city and the boundaries of the territory proposed for annexation. Any plats required by the Department of Commerce, Community, and Economic Development to demonstrate the accuracy of the legal descriptions in Exhibits A-1, A-2 or A-3 are included with the map in Exhibit A-4.

**SECTION 8. SIZE OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(8).**

- a. The existing city proposing annexation encompasses approximately 1,100 acres or 1.72 square miles.
- b. The territory proposed for annexation encompasses approximately 40 acres or .06 square miles.
- c. The existing city after the proposed annexation encompasses 1,140 acres or 1.78 square miles.

**SECTION 9. DATA ESTIMATING THE POPULATION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(9).**

- a. The population of the territory proposed for annexation is currently 10 individuals.
- b. According to the US Census Bureau's "2005-2009 American Community Survey 5 Year Estimates," the total population of Kachemak City is 491.
- c. The population of the existing city after the proposed annexation is estimated to be 501.

**SECTION 10. INFORMATION RELATING TO PUBLIC NOTICE AND SERVICE OF THE PETITION. 3 AAC 110.420(b)(10).**

As provided for in 3 AAC 110.450(a), no later than 45 days after receipt of the department's written notice of acceptance of the petition, the petitioner shall publish public notice of the filing of the petition in a display ad format no less than six inches long by two columns wide in a newspaper of general circulation designated by the department. Under the modified procedures for "certain local action annexations" 3 AAC 110.590(a) the City council must publish the notice at least once in a newspaper of general circulation in the area or territory proposed for annexation and provide the notice to each owner of property abutting the boundaries proposed for annexation at least 30 days before passage of its authorizing ordinance. The public notice information regarding this petition for annexation and concurrent incorporation is provided in **Exhibit B**.

**Exhibit B** offers additional information relevant to providing public notice of this annexation proceeding.

**SECTION 11. TAX DATA. 3 AAC 110.420(b)(12).**

This section lists estimates or actual figures concerning the value of taxable real and personal property within the boundaries of the municipality and the proposed annexation. Figures are provided for the territory within the boundaries of the city government, the nonareawide portion of the borough (i.e., the area outside of all cities), and the borough areawide (i.e., throughout the entire borough).

**A. The assessed or estimated value of taxable property in the territory proposed for change.**

1. (a) This subsection lists estimates or actual figures concerning the value of taxable real property in the existing city.

<b>ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY</b>		
<b>Borough, City, or Service Area</b>	<b>Estimated or Locally Assessed Value</b>	<b>Estimated or Actual Full and True Value</b>
Kachemak City	\$ 66,313,200	\$ 66,313,200

- 
- (b) This subsection lists estimates or actual figures concerning the value of taxable personal property in the existing city.

<b>ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE EXISTING CITY</b>		
<b>Borough, City, or Service Area</b>	<b>Estimated or Locally Assessed Value</b>	<b>Estimated or Actual Full and True Value</b>
Kachemak City	\$ 3,337,200	\$ 3,337,200



2. (a) This subsection lists estimates or actual figures concerning the value of taxable real property in the territory proposed for annexation.

<b>ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE TERRITORY PROPOSED FOR ANNEXATION</b>		
<b>Borough, City, or Service Area</b>	<b>Estimated or Locally Assessed Value</b>	<b>Estimated or Actual Full and True Value</b>
Area Proposed for Annexation	\$ 2,585,700	\$ 2,585,700

- (b) This subsection lists estimates or actual figures concerning the value of taxable personal property in the territory proposed for annexation.

<b>ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE TERRITORY PROPOSED FOR ANNEXATION</b>		
<b>Borough, City, or Service Area</b>	<b>Estimated or Locally Assessed Value</b>	<b>Estimated or Actual Full and True Value</b>
Area Proposed for Annexation	None according to KPB Finance Director Chapman	None according to KPB Finance Director Chapman

- 3 (a) This subsection lists estimates or actual figures concerning the value of taxable real property within existing city after the proposed annexation.

<b>ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY AFTER THE PROPOSED ANNEXATION</b>		
<b>Borough, City, or Service Area</b>	<b>Estimated or Locally Assessed Value</b>	<b>Estimated or Actual Full and True Value</b>
Kachemak City Post-Annexation	\$ 68,898,900	\$ 68,898,900

(b) This subsection lists estimates or actual figures concerning the value of taxable personal property in the existing city after the proposed annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE EXISTING CITY AFTER THE PROPOSED ANNEXATION		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
Kachemak City Post-Annexation	\$ 3,337,200 (no change)	\$ 3,337,200 (no change)

**B. Projected taxable sales in the territory proposed for change.**

There is no sales tax currently levied by Kachemak City. The Borough does collect a 3 percent sales tax, borough-wide. This 3 percent sales tax is the same within Kachemak City and the area proposed for annexation. There would be no change to sales tax revenue for the City or for the Borough as a result of this annexation.

For the record, we attempted to determine the amount of sales tax collected within the area proposed for annexation. We contacted the Kenai Peninsula Borough Finance Director, Mr. Craig Chapman. In an email dated December 10, 2010, Mr. Chapman states, “Based upon our records, there appears to be only one business that has a business registered within the referenced properties. In accordance with our sales code, this information is considered confidential and cannot be released to the public.” This was confirmed in a follow-up telephone conversation with Mr. Chapman on January 4, 2011.

**C. Taxes currently levied by municipal governments within the territory proposed for annexation.**

1. The type and rate of each tax currently levied by municipal governments within the territory proposed for annexation is listed below:

Borough, City, or Service Area	Property tax (mills)	Sales Tax (%)
Kenai Pen. Borough	4.50	3.00
KPB Road Maint.	1.40	
Kachemak EMS	2.25	
South Hospital	2.30	

**SECTION 12. BUDGET INFORMATION. 3 AAC 110.420(b)(13).**

- a. Projected revenue for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed is presented in **Exhibit C-1.**
- b. Operating expenditures for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed are presented in **Exhibit C-2.**
- c. Capital expenditures for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed are presented in **Exhibit C-3.**
- d. For subsections **a** through **c** above if 3 AAC 110.420(b)(13)(A)-(C) are not applicable then only one fiscal year is required.
- e. Exhibits C-1 through C-3 can be combined using a municipality’s budget.

**(Municipal budgets for Kachemak City and the Kenai Peninsula Borough are shown in Exhibit C-1 to 3)**

The proposed annexation would result in minor changes to the property tax revenues of both municipalities. At the end of calendar year 2010, the assessed real property value of the land and structures in the area proposed for annexation was \$2,585,700. The property tax mill rates of 4.50 mills for the Borough (\$11,636) and 2.30 mills for the South Hospital (\$5,947) would remain the same under the proposed annexation. However, the Borough would lose the road maintenance tax of 1.40 mills (\$3,620) and the Kachemak Emergency Services tax of 2.25 mills (\$5,818). Kachemak City would gain a 1.00 mill property tax (\$2,586) which would be used to help fund the Emergency Services contract with the City of Homer. The annexation would have minimal impact

on Kachemak City’s Community Revenue Sharing and Fish Taxes. The per capita payment amount in FY 11 was \$50.51 for Community Revenue Sharing and 8 cents for Fish Tax. So with the annexation, the Community Revenue Sharing impact would be about \$505 and for Fish Tax about 80 cents.

Operating expenditures and capital expenditures would be expected to change little for either municipality.

**Effect of Annexation on Municipal Budgets (Tax Authority Funds 80 and 81)**

	<b>Kachemak City</b>	<b>Kachemak Emergency Services</b>	<b>KP Borough Road Maintenance</b>	<b>South Hospital</b>	<b>KP Borough Sales Tax</b>	<b>KP Borough Property Tax</b>
<b>Post Annexation</b>	<b>Gain of \$2,585</b>	<b>Loss of \$5,818</b>	<b>Loss of \$3,620</b>	<b>\$5,947 (no change)</b>	<b>3% (no change)</b>	<b>\$11,636 (no change)</b>

**SECTION 13. EXISTING LONG-TERM MUNICIPAL DEBT. 3 AAC 110.420(b)(14).**

Information regarding existing long term municipal debt is in Exhibit D.

**SECTION 14. MUNICIPAL POWERS AND FUNCTIONS. 3 AAC 110.420(b)(15).**

Exhibit E provides a list of powers and functions of:

- a. Any existing municipality for which a change is proposed, before and after the proposed change.
- b. Alternate service providers within the territory proposed for city boundary change.

**SECTION 15. THE TRANSITION PLAN. 3 AAC 110.420(b)(16).**

As provided for in 3 AAC 100.900, **Exhibit F** presents a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities in the territory proposed for annexation to the existing city.

<b>OFFICIALS CONSULTED FOR THE TRANSITION PLAN</b>			
<b>Name</b>	<b>Title &amp; Organization</b>	<b>Date Consulted</b>	<b>Subject Discussed</b>
Craig Chapman	Director of Finance, KPB	Multiple contacts; Dec. 2010 & Jan. 2011	Taxes: sales , personal property, real property, etc.
Gwen Watkins	Kenai Peninsula Borough's Homer Office	July 2010	Petition and mapping
Bill Rolfzen	Program Administrator, DCCED	January 2011	Tax credits, community revenue sharing
Eric Mohrmann	Emergency Manager, KPB	March 2011	Change of emergency responders

**SECTION 16. COMPOSITION AND APPORTIONMENT OF THE CITY COUNCIL.**

**3 AAC 110.420(b)(17).**

**Exhibit G** presents information about the composition and apportionment of the existing city council proposing annexation both before and after the proposed change.

**SECTION 17. CIVIL AND POLITICAL RIGHTS INFORMATION.**

**3 AAC 110.420(b)(18).**

Information regarding any effect of the proposed annexation upon civil and political rights for purposes of the federal Voting Rights Act of 1965 (42. U.S.C. 1971 - 1974) is provided in **Exhibit H**.

**SECTION 18. SUPPORTING BRIEF. 3 AAC 110.420(b)(19).**

**Exhibit I** presents a supporting brief providing a detailed explanation of how the proposed annexation serves the best interests of the state and satisfies each constitutional, statutory, and regulatory standards set out in Article I, Section 1 and Article X of the Constitution of the State of Alaska; AS 44.33.812; AS 29.06.040(a); AS 29.06.040 (c)(1) and (c)(2); 3 AAC 110.090 – 3 AAC 110.150; 3 AAC 110.400 – 3 AAC 110.700; and 3 AAC 110.900 – 3 AAC 110.990, and any other pertinent laws, that are relevant to the proposed annexation.

**SECTION 19. DOCUMENTATION DEMONSTRATING THAT THE PETITIONER IS AUTHORIZED TO FILE THE PETITION UNDER 3 AAC 110.410. 3 AAC 110.420(b)(20).**

A certified copy of the ordinance or resolution adopted by the City Council to authorize the filing of this Petition is provided as **Exhibit J-1**. A copy of a petition signed and/or letters from each property owner and registered voter of the territory proposed for annexation is provided as **Exhibit J-2**.

**SECTION 20. DOCUMENTATION REGARDING PRE-ORDINANCE NOTICE.**

Streamlined procedures for public notice and service of the petition for annexation of adjacent property by unanimous consent of all registered voters and all property owners provided for in AS 29.06.040(c)(4) are set out in 3 AAC 110.590(a)(3). The commission may require the standard procedures under 3 AAC 110.590(b), instead of the streamlined procedures, and may convert this local action petition to a legislative review petition under 3 AAC 110.590(e). Under this regulation, in lieu of notice and service of the petition under 3 AAC 110.450 – 470, the petitioning municipality, at least 30 days before passage of its authorizing ordinance under AS 29.06.040(c)(4) by the city council, may publish notice of the annexation proposal in a newspaper of general circulation in the area or territory proposed for annexation, and provide the notice to each owner of property abutting the boundaries proposed for annexation. If the petitioning municipality elects to publish, serve and post a pre-ordinance notice under 3 AAC 110.590(a)(3), proof of compliance with the notice and service requirements of 3 AAC 110.590(a)(3) and (f) must be filed with the department.

If the petitioning municipality publishes a pre-ordinance notice as provided under 3 AAC 110.590(a)(3), the municipality shall file with the department a copy of (1) the publisher's affidavit of publication of the notice; (2) written comments submitted to the municipality regarding the annexation proposal; and (3) the minutes of all council or assembly meetings at which the proposal was addressed by the petitioning municipality. The petitioning municipality must also provide notice of the annexation to each owner of property abutting the boundaries proposed for annexation, and proof that each owner was contacted should be filed with the department. These documents are required by 3 AAC 110.590(f) and are presented as **Exhibit K**.

**SECTION 21. PETITIONER'S AFFIDAVIT. 3 AAC 110.420(b)(22).**

An affidavit from the Petitioner's representative that, to the best of the representative's knowledge, information, and belief, formed after reasonable inquiry, the information in the Petition is true and accurate is provided in **Exhibit L**.

**SECTION 22. ADDITIONAL INFORMATION REQUIRED FOR PETITION.**

**3 AAC 110.420(b)(23).**

- a. An affidavit from the Petitioner's representative that details who provided the information in each section of this Petition is provided in **Exhibit M**.
- b. Other information or supporting material that the department believes the Petitioner must provide for an adequate review of the proposal.

**SECTION 23. ELECTRONIC FORMAT. 3 AAC 110.420(c).**

- a. The petitioner shall provide the department with a copy of the petition and supporting materials in an electronic format, unless the department waives this requirement because the petitioner lacks a readily accessible means or the capability to provide items in an electronic format.

**EXHIBIT A-1.  
LEGAL METES AND BOUNDS DESCRIPTION OF THE TERRITORY  
PROPOSED FOR ANNEXATION**

The proposed annexation territory is described below :

An aliquot part, being the Northeast one-quarter (NE1/4) of the Southwest one-quarter (SW1/4) of Section One, within Township 6 South, Range 13 West, Seward Meridian, Alaska. Being more particularly described as:

Beginning at the center-south one sixteenth corner of Section 1;  
thence along the north-south centerline of section 1, N0°03' W 1321.2 feet to the center ¼ corner of Section 1;  
thence along the east-west centerline of section 1, S89°46' W 1319.1 feet to the center west 1/16 corner of Section 1 ;  
thence S00°01' E 1317.6 feet to the south-west 1/16 corner of Section 1 ;  
thence N89°55' E 1321.6 feet to the center-south 1/16 corner of Sections 1, the True Point of Beginning;

Containing an area of 39.966 acres more or less.

#### **EXHIBIT A-2.**

#### **LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY**

The boundaries of the city as described below are the effective city limits:

“Situated on the north shore of Kachemak Bay, within Township 6 South, Range 13 West, Seward Meridian, Alaska. Being more particularly described as beginning at Corner One, the corner of Sections 1 and 12, Township 6 South, Range 13 West, Seward Meridian, Alaska, and corner of Sections 6 and 7, Township 6 South, Range 12 West, S.M.; thence north along Range line, between Sections 1 and 6, a distance 1319.8 feet to the south one sixteenth corner of Sections 6 and 1 to Corner Two; thence S 89° - 56'W, along the south one sixteenth line of Section 1, a distance of 5283.3 feet to the south one sixteenth corner of Sections 1 and 2 to Corner Three; thence S. 0° -01' E. between Sections 1 and 2, a distance of 1318.3 feet to the Corner of Sections 1, 2, 11, and 12 to Corner Four; thence S 89° -53' W. between Sections 2 and 11, a distance of 5285.9 feet to the corner of Sections 2, 3, 10, and 11 to Corner Five; thence South 0° - 03' E between Sections 10 and 11, a



distance of 2635.5 feet to the quarter corner of Sections 10 and 11 to Corner Six; thence S 89° -04'W along centerline of Section 10, a distance of 2639.7 feet to the center of Section 10 to Corner 7; thence S 0° -07' E, along centerline of Section 10, to the center of the East Road right of way to Corner 8; thence northeasterly along the centerline of the East Road right of way to the intersection of East Road and the section line between Sections 11 and 12 to Corner 9; thence south along section line between Sections 11 and 12 to the Meander Corner of Sections 11 and 12 on the line of Mean High Water of Kachemak Bay to Corner 10; thence northeasterly along the line of Mean High Water of Kachemak Bay to the Meander Corner of Sections 12 and 7 on the Range line between Ranges 12 and 13 to Corner 11; thence north along range line between Sections 12 and 7; a distance of 1,167.2 feet to the POINT OF BEGINNING.”

As for mileage figures the City of Kachemak starts approximately 2 1/2 miles from the beginning of the East Road and ends at approximately mile 5.

### **EXHIBIT A-3.**

#### **LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY POST-ANNEXATION**

The boundaries of the city as described below are the effective city limits:

“Situated on the north shore of Kachemak Bay, within Township 6 South, Range 13 West, Seward Meridian, Alaska. Being more particularly described as beginning at Corner One, the corner of Sections 1 and 12, Township 6 South, Range 13 West, Seward Meridian, Alaska, and corner of Sections 6 and 7, Township 6 South, Range 12 West, S.M.;

thence north along Range line, between Sections 1 and 6, a distance 1319.8 feet to the south one sixteenth corner of Sections 6 and 1 being Corner Two;

thence S89° 56' W along the south one sixteenth line of Section 1, a distance of 2641.1 feet to the center-south one sixteenth corner of Section 1 being Corner Three;

thence N0°03' W 1321.2 feet to the center ¼ corner of Section 1 being Corner Four;

thence S89°46' W 1319.1 feet to the center west 1/16 corner of Section 1 being Corner Five;

thence S0°01' E 1317.6 feet to the south-west 1/16 corner of Section 1 being Corner Six;  
thence N89°56' W 1319.7 feet to the south 1/16 corner of Sections 1 and 2 being Corner Seven;

thence S0°01' E between Sections 1 and 2, a distance of 1318.3 feet to the Corner of Sections 1, 2, 11, and 12 being Corner Eight;

thence S89°53' W between Sections 2 and 11, a distance of 5285.9 feet to the corner of Sections 2, 3, 10, and 11 being Corner Nine;

thence S0°03' E between Sections 10 and 11, a distance of 2635.5 feet to the quarter corner of Sections 10 and 11 being Corner Ten;

thence S89°04' W along centerline of Section 10, a distance of 2639.7 feet to the center of Section 10 being Corner Eleven;

thence S0°07' E along centerline of Section 10, to the center of the East Road right of way to Corner Twelve;

thence northeasterly along the centerline of the East Road right of way to the intersection of East Road and the section line between Sections 11 and 12 to Corner Thirteen;

thence south along section line between Sections 11 and 12 to the Mean High Water Meander Corner of Sections 11 and 12 on the line of Mean High Water of Kachemak Bay to Corner Fourteen;

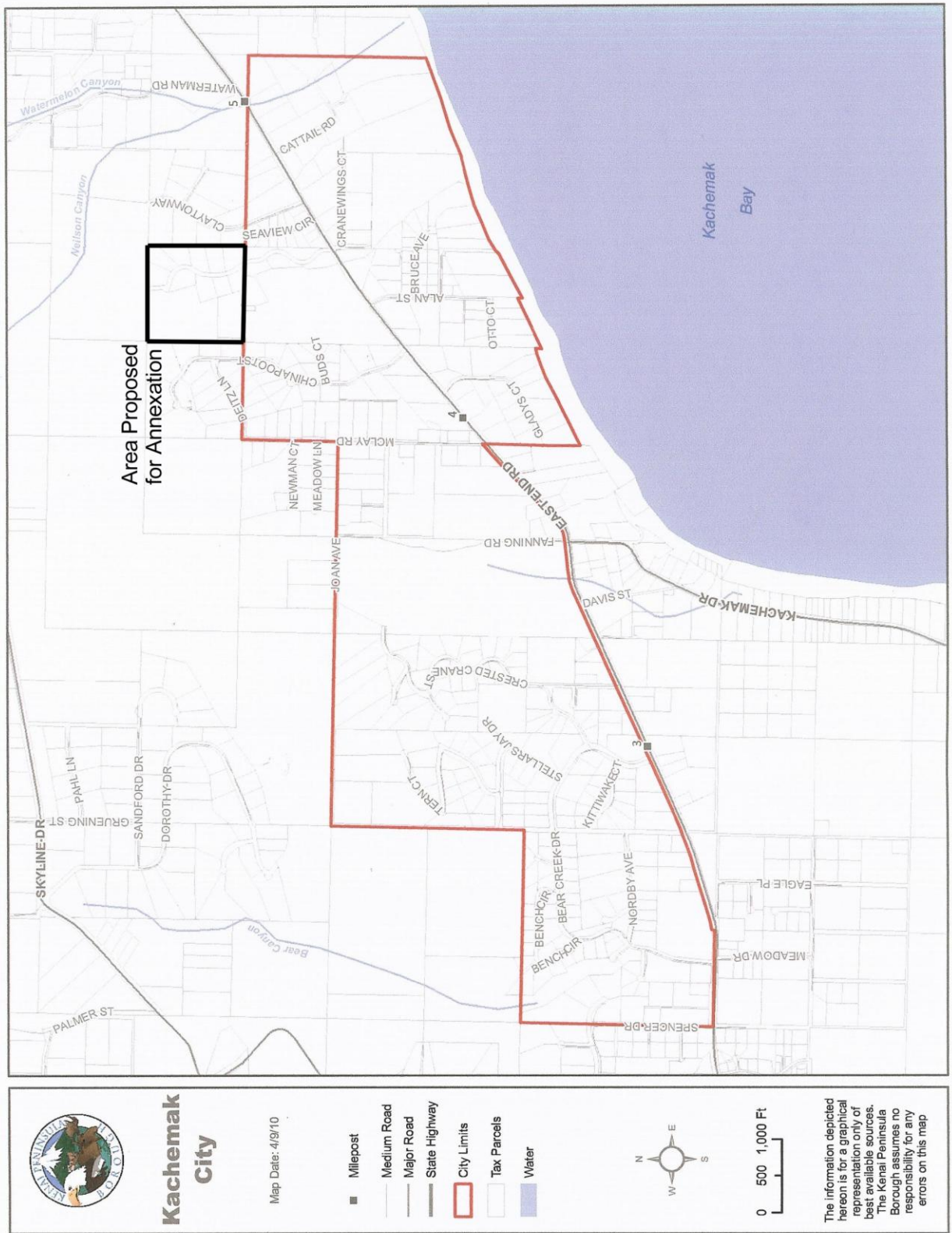
thence northeasterly along the line of Mean High Water of Kachemak Bay to the Meander Corner of Sections 12 and 7 on the Range line between Ranges 12 and 13 to Corner Fifteen;

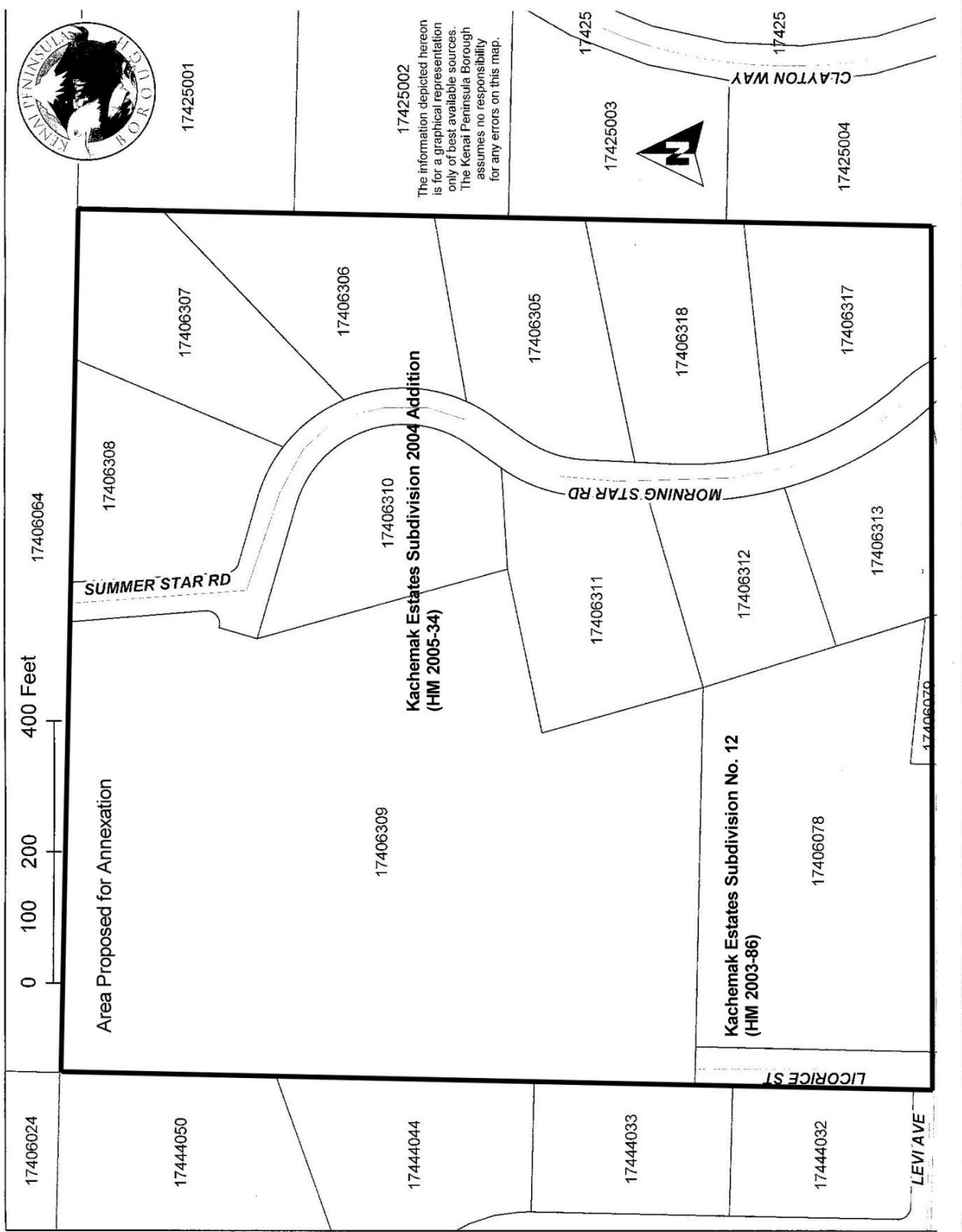
thence north along range line between Sections 12 and 7; a distance of 1,167.2 feet to the POINT OF BEGINNING.”

As for mileage figures the City of Kachemak starts approximately 2 1/2 miles from the beginning of the East Road and ends at approximately mile 5.

**EXHIBIT A-4.**  
**MAPS AND PLATS**

A map showing the existing boundaries of the City and the boundaries of the territory proposed for annexation is presented in this exhibit. Any plats required by the Department of Commerce, Community, and Economic Development to demonstrate the accuracy of the legal descriptions in Exhibit A-1, A-2, or A-3 are also included in this exhibit.





**EXHIBIT B.  
INFORMATION RELATING TO PUBLIC NOTICE  
AND SERVICE OF THE PETITION**

This exhibit provides information relevant to public notice of this annexation proceeding. Included are details about local media; municipal governments adjacent to the territory proposed for annexation; places for posting public notices relating to the proposed annexation; location(s) where the petition may be viewed by the public, and persons who, because of their interest in this matter, may warrant individual notice of the annexation proceedings.

**LOCAL MEDIA**

The following lists the principal news media serving the territory within the current and proposed boundaries of the City:

**Newspaper(s)**

Name: Homer News

Physical Address: 3482 Landings St., Homer, AK 99603-7999

Mailing Address: same as above

Telephone: (907) 235-7767

Fax number: (907) 235-4199

Email Address: news@homernews.com

Name: Homer Tribune

Physical Address: 435 E. Pioneer Avenue

Mailing Address: same as above

Telephone: (907) 235-3714

Fax number: (907) 235-3716

Email Address: www.homertribune.com

**Radio station(s)**

Name: KBBI AM 890 (Public Radio), Kachemak Bay Broadcasting, Inc.

Physical Address: 3913 Kachemak Way, Homer, AK 99603

Mailing Address: same as above

Telephone: (907) 235-7721

Fax number: (907) 235-2357

Email Address: dorle@KBBI.org

### **Television station(s)**

None in area.

### **ADJACENT MUNICIPAL GOVERNMENTS**

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

Kenai Peninsula Borough -- Mayor Dave Carey, 144 North Binkley Street,  
Soldotna, AK 99669

Homer -- Mayor James Hornaday, P.O. Box 2489, Homer, AK 99603

City of Seldovia -- Tim Dillon, City Manager, 148 Dock Street, P.O. Box B,  
Seldovia, AK 99663

### **PLACES RECOMMENDED TO POST OFFICIAL NOTICES RELATING TO ANNEXATION**

The following three prominent places, readily accessible to the public, *within or near the boundaries proposed for change* are recommended for posting of notices concerning this annexation proposal.

**Bulletin Board at Redden Marine Supply** – Business hours: Mon-Fri: 8 am-6 pm, Sat: 9 am-6 pm, Sun: 10 am-6 pm; mailing address: 3625 East End Road, Homer, AK 99603

**Fritz Creek Post Office** – Business hours: Mon-Sat: 10 am-6 pm; mailing address: 55770 East End Road, Homer, AK 99603

**Bulletin Board at Glacier Building** – Bulletin board outside, available for viewing at all hours; mailing address: 3125 East End Road, Homer, AK 99603

The following prominent places, readily accessible to the public, within the current boundaries of the City are recommended to post notices concerning this annexation proposal.

**Bulletin Board outside of Kachemak City Mayor’s Office** – Bulletin board outside, available for viewing at all hours; mailing address: P.O. Box 958, Homer, AK 99603

**Bear Creek Winery** – Business hours: Summer 10 am-6 pm daily, winter 12 noon-6 pm Thur-Mon; 12 noon-4 pm Sun; mailing address P.O. Box 164 Homer, AK 99603

**Home Run Oil** -- Business hours: Mon-Fri: 8 am-5:30 pm; Sat. 9 am-2 pm; mailing address 60998 East End Road, Homer, AK 99603

**LOCATION(S) WHERE THE 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 days and times listed below.

Location	Days and Times Open to the Public
Kachemak City Mayors Office	Mondays, 9:00 a.m. to 3:00 p.m. – other hours by appointment. Please call 235-8897 for more information
Kachemak Estates Property Owners Association	Please call 299-8359

**INDIVIDUALS AND ENTITIES WHO MAY WARRANT INDIVIDUAL NOTICE OF THE FILING OF THE ANNEXATION PETITION**

The following lists names and addresses of persons whose potential interest in the annexation proceedings may warrant individual notice of the filing of the petition:



Kachemak City has the names and addresses of all property owners who own land abutting the proposed annexation area. All of these property owners will be contacted at least 30 days prior to the City Council passing an authorizing ordinance.

**EXHIBIT C-1 to 3**  
**MUNICIPALITIES BUDGETS**

Kachemak City and Kenai Peninsula Borough FY 2010-2011 Budgets follow at pages 26 to 34.

CITY OF KACHEMAK

ORDINANCE 10-01

AN ORDINANCE OF THE CITY OF KACHEMAK, ALASKA PROVIDING FOR THE ESTABLISHMENT AND ADOPTION OF THE BUDGET FOR FISCAL YEAR 2011.

Section 1. Classification.

This is a Non-Code Ordinance.

Section 2. General Provisions.

The budget document attached lists the authorized revenues and expenditures for the period of July 1, 2010 through June 30, 2011, and made a matter of public record.


Section 3. Authorization and Appropriation.

The appropriations are adopted and authorized for the period July 1, 2010 through June 30, 2011 and are the budget for that period. Subject to council approval by resolution, the Mayor may (1) establish line item expenditures within an authorized appropriation, and/or (2) transfer from one authorized line item to another line item. The amount being transferred cannot annually exceed 10 percent of the line item the money is taken from, or \$10,000, whichever is less.


Section 4. Effective Date.

This ordinance becomes effective upon its adoption by the City Council.

ADOPTED by a duly constituted quorum of the City Council of Kachemak, Alaska this 12<sup>th</sup> day of May, 2010.

  
Philemon D. Morris, Mayor

ATTEST:

  
Helyn F. Schoepke, City Clerk

Attachment: Approved Revenues and Expenditures.

First Reading: 4/14/2010  
Public Hearing 5/12/2010  
Second Reading 5/12/2010

<b>CITY OF KACHEMAK</b>		
<b>BUDGET FY2011 Revenue Sharing 1 mil tax</b>		
<b>GENERAL FUND</b>		
GENERAL FUND REVENUES:		FY 2011
<b>LOCALLY GENERATED REVENUES:</b>		
Property Taxes	10.313	\$ 65,000
Interest Earned	10.330	\$ 3,000
Rentals	10.326	\$ 1,750
Admin User Fees		\$ 4,200
Assessment Admin		\$ 100
Total Locally Generated Revenues		\$ 74,050
<b>OUTSIDE REVENUE SOURCES:</b>		
Stimulus grant		
Revenue Sharing		\$ 115,000
Fish Tax--and other state monies	10.311	\$ 3,000
Total Outside Revenues		<u>\$ 118,000</u>
Subtotal Revenue		\$ 192,050
<b>WITHDRAWAL FROM CITY SAVINGS</b>		\$ 30,000
<b>TOTAL CASH AVAILABLE</b>		<u>\$ 222,050</u>

GENERAL FUND EXPENDITURES:		Page 2 of 4	
COUNCIL:			
Misc.	10.401	\$	200
TOTAL COUNCIL	10.401		\$ 200
ELECTIONS:			
Misc.		\$	50
Judges	10.402.5	\$	450
Advertising	10.402.55	\$	500
TOTAL ELECTIONS	10.402	\$	1,000 \$ 1,000
NON-DEPARTMENT:			
Insurance	10.430.5	\$	6,300
dues to AML		\$	900
TOTAL NON-DEPARTMENT	10.430	\$	7,200 \$ 7,200
BUILDING			
Maintenance--Supplies and Serv	10.431.24	\$	2,500
Electricity	10.431.32	\$	2,000
Telephone/Internet		\$	1,750
Water	10.431.3	\$	200
Sewer	10.431.3	\$	600
Fuel	10.431.36	\$	3,000
Janitorial	10.431.56	\$	4,000
Winter Maintenance	10.431.57	\$	1,200
TOTAL BUILDING	10.431	\$	15,250
ADMINISTRATION:			
Gross Salary		\$	30,000
KC PERS (CLERK)		\$	4,400
KC FICA (MAYOR+HELPER)		\$	500
KC Medicare		\$	450
KC ESC		\$	350
Office Supplies & Equip & Repai	10.432.21	\$	1,500
Postage, Box & Meter Rent	10.432.2	\$	1,500
Misc	10.432.2	\$	300
Legal	10.432.4	\$	1,000
Accounting/Audit	10.432.4	\$	2,500
Insurance	10.432.5	\$	100
Travel	10.432.5	\$	400
Advertising	10.432.5	\$	700
Bank Charges	10.432.58	\$	100
TOTAL ADMINISTRATION	10.432		\$ 43,800

GENERAL FUND EXPENDITURES:		Page 3 of 4	
PARKS & RECREATION:			
Port a Potti	10.441.3	\$	900
Tennis Court Exp	10.441.5	\$	100
Outside Maint		\$	2,000
Winding Trails Lots		\$	900
Other		\$	-
TOTAL PARKS & REC	10.441		\$ 3,900
PUBLIC SAFETY & FIRE:			
Repair/Maintenance/Signs	10.452.24	\$	500
Contract Fire Service	10.452.56	\$	65,000
Fire Truck Ins	10.452.52	\$	3,000
Street Lights	10.452.3	\$	900
Fire Truck Reserve		\$	20,000
Other--		\$	-
TOTAL PUB SAFE & FIRE	10.452		\$ 89,400
MATCHING GRANTS (KC PROJECTS)		\$	46,000
Homer Hockey Local Share Grant			
ROAD RESERVE (BEAR CREEK DR)		\$	20,000
TOTAL GRANTS			\$ 66,000
TOTAL EXPENDITURES			\$ 211,500
CONTINGENCY			\$ 10,550
TOTAL EXPENDITURES			<u>222,050</u>

FY 2011 Page 4/4			
CITY OF KACHEMAK			
LID BUDGET			
LID REVENUES:			
SEWER ASSESSMENTS	\$	5,000	
USER FEE INCOME	\$	85,000	
PAYMENT LEIU OF ASSESSMENTS			
INTEREST	\$	<u>1,000</u>	
TOTAL LID REVENUE	\$	91,000	\$ 91,000
			<hr/>
TOTAL CASH AVAILABLE			<u>\$ 91,000</u>
LID EXPENDITURES:			
HOMER SEWER USER FEE	\$	80,000	
K CITY USER FEE ADMIN	\$	4,200	
LID ATTORNEY 70.773.	\$	1,500	
CREDIT CARD FEES	\$	1,800	
K CITY ASSESSMENTS ADMINIST	\$	<u>100</u>	
LID EXPENDITURES			\$ 87,600
CONTIGENCY			\$ 3,400
TOTAL LID EXPENDITURE			<u>\$ 91,000</u>

Introduced by:	Mayor
Date:	05/04/10
Hearings:	05/18/10 and 06/08/10
Action:	Postponed Until 06/08/10
Date:	06/08/10
Action:	Enacted as Amended
Vote:	7 Yes, 2 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2010-19**

**AN ORDINANCE APPROPRIATING FUNDS FOR FISCAL YEAR 2010-2011**

**WHEREAS,** Alaska Statutes 29.35.100 and KPB 05.04.020 require that the mayor present a budget proposal to the assembly for the next fiscal year during or prior to the eighth week preceding the first day of the fiscal year; and

**WHEREAS,** the assembly is empowered with making appropriations for the General Fund, the Special Revenue Funds, the Debt Service Funds, the Capital Projects Funds, the Enterprise Funds, and the Internal Service Funds of the Borough;

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That \$73,034,781 is appropriated in the General Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011 as follows:

General Government Operations	\$16,610,925
Transfer to School District for Operations and In-kind Services	43,251,135
Transfer to School Debt Service	2,287,138
Transfer to Special Revenue Funds:	
Solid Waste	8,249,899
Post Secondary Education	637,570
Land Trust Fund	59,915
Kenai River Center	601,657
Disaster Relief Fund	50,000
Nikiski Senior Service Area	36,542
Transfer to Capital Projects Funds:	
School Revenue	1,250,000

**SECTION 2.** The following is appropriated to the school fund from local sources for operations purposes and in-kind services:

A. Local Effort	\$33,636,304
B. Maintenance	6,437,719
C. School District Utilities	78,024

D. School District Insurance	2,939,587
E. School District Audit	50,000
F. Custodial Services	<u>109,501</u>
Total Local Contribution per AS 14.17.410	\$ <u>43,251,135</u>

**SECTION 3.** Disbursements from Section 2 item (A) shall be made monthly, and only as needed to supplement other revenues available and received by the school district to fund the operations portion of the school district budget. Any available balance remaining at the end of the fiscal year shall then be disbursed to the school district, provided that the total amount disbursed shall not exceed the amount allowed under AS 14.17.410 as determined after actual enrollment numbers are known.

**SECTION 4.** That the appropriations for the Special Revenue Funds for the fiscal year beginning July 1, 2010 and ending June 30, 2011 are as follows:

Nikiski Fire Service Area	\$3,923,578
Bear Creek Fire Service Area	366,212
Anchor Point Fire and Emergency Medical Service Area	464,835
Central Emergency Service Area	7,471,476
Central Peninsula Emergency Medical Service Area	20,741
Kachemak Emergency Service Area	792,936
Seward Bear Creek Flood Service Area	247,161
Lowell Point Emergency Service Area	18,152
Kenai Peninsula Borough Road Service Area	7,052,119
North Peninsula Recreation Service Area	1,514,988
Post-Secondary Education	637,570
Land Trust	1,094,872
Kenai River Fund	728,836
Disaster Relief	50,000
Nikiski Senior Service Area	261,300
Solid Waste	8,977,137
Central Kenai Peninsula Hospital	4,116,965
South Kenai Peninsula Hospital	3,904,950

**SECTION 5.** That \$2,287,138 is appropriated in the School Debt Service Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

**SECTION 6.** That \$1,903,365 is appropriated in the Solid Waste Debt Service Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

**SECTION 7.** That \$192,077 is appropriated in the Central Emergency Services Debt Service Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

**SECTION 8.** That \$3,757,188 is appropriated in the Central Kenai Peninsula Hospital Service Area Debt Service Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.



**SECTION 9.** That \$2,440,862 is appropriated in the South Kenai Peninsula Hospital Service Area Debt Service Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

**SECTION 10.** That appropriations for the Capital Projects Funds for the fiscal year beginning July 1, 2010 and ending June 30, 2011 are as follows:

School Revenue	\$1,250,000
Solid Waste	336,000
Service Areas:	
Nikiski Fire	290,000
Bear Creek Fire	105,000
Anchor Point Fire and Emergency	50,000
Central Emergency	1,145,000
Kachemak Emergency	50,000
North Peninsula Recreation	40,000
Central Kenai Peninsula Hospital	900,000
South Kenai Peninsula Hospital	1,337,962

**SECTION 11.** That appropriations for the Internal Service Funds for the fiscal year beginning July 1, 2010 and ending June 30, 2011 are as follows:

Insurance and Litigation	\$3,783,824
Health Insurance Reserve	4,419,600
Equipment Replacement	1,550,000

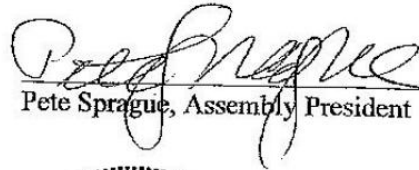
**SECTION 12.** That the FY2011 budget of the Kenai Peninsula Borough, as submitted to the Assembly on May 4, 2010, is incorporated as a part of this ordinance to establish the appropriations assigned to the various departments and accounts and the positions authorized therein.

**SECTION 13.** That funds reserved for outstanding encumbrances as of June 30, 2010 are reappropriated for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

**SECTION 14.** That this ordinance takes effect at 12:01 a.m. on July 1, 2010.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 8TH DAY OF JUNE, 2010.**

ATTEST:

  
Pete Sprague, Assembly President

  
Johni Blankenship, Borough Clerk



Yes: Haggerty, McClure, Picree, Smalley, Smith, Superman, Sprague  
No: Fischer, Knopp  
Absent: None

**EXHIBIT D.**

**EXISTING LONG TERM MUNICIPAL DEBT.**

The following lists any existing long term municipal debt in annexing city and the territory proposed for annexation.

There is no long-term municipal debt for Kachemak City. Municipal debt for the Kenai Peninsula Borough as of July 1, 2010, is as follows and is taken from their 2010-2011 budget document, which can be found on-line at:

<http://www.borough.kenai.ak.us/financedept/default.htm>

<b><u>NAME/TYPE OF BOND</u></b>	<b><u>PURPOSE OF BOND</u></b>	<b><u>MATURITY DATES</u></b>
School	Capital improvements/re-roofing of various schools (\$769,000 outstanding)	2002-2011
School	New middle school in Seward (\$10,620,000 outstanding)	2004-2023
School	Capital improvements and arsenic removal at various schools (\$1,870,000 outstanding)	2007-2016
Solid Waste Bonds	Construction, capital improvements, and equipment (\$2,325,000 outstanding)	2003-2013
Solid Waste Bonds	Construction, capital improvements, and equipment (\$4,780,000 outstanding)	2011-2015
Central Emergency Service Area	Construction and equipping a station in Kasilof and upgrading the Funny River Station (\$2,170,000 outstanding)	2006-2026
Central Kenai Hospital	Expansion and remodeling of hospital (\$37,920,000 outstanding)	2005-2024
South Kenai Hospital	Phase II expansion of hospital (\$8,230,000 outstanding)	2004-2024
South Kenai Hospital	Phase III expansion of hospital (\$13,605,000)	2008-2027
South Kenai Hospital	New CT scanner and picture archiving system (\$385,079 outstanding)	2006-2011

In addition, there is an unissued authorized debt of \$1,400,000 expected to be issued in FY 2011 for a Bear Creek Fire Service Area Public Safety Building. And debt in the

amount of \$650,000 is needed for the purchase of Quint Fire Apparatus for the Kachemak Emergency Service Area.

**EXHIBIT E.  
MUNICIPAL POWERS AND FUNCTIONS.**

**MUNICIPAL POWERS AND FUNCTIONS OF ANY EXISTING MUNICIPALITY FOR WHICH CHANGE IS PROPOSED BEFORE THE PROPOSED CHANGE**

**Kenai Peninsula Borough**

The following is taken directly from the Kenai Peninsula Borough's FY 2011 Budget User Guide.

State of Alaska law mandates that second-class boroughs provide certain services on an areawide basis to all taxpayers. All other services must be approved by a majority of voters who are to receive the services. This gives taxpayers control over the type and level of services they receive and pay for. Currently, the Borough has the following powers:

Areawide powers: assessment and collection of property taxes and sales tax collection for the Borough and cities within the Borough, planning, solid waste disposal, education, post secondary education, 911 emergency communications, emergency management and general administrative services.

Non-areawide services provided by the Borough include fire protection, hospital services, emergency medical and ambulance services, recreation, senior citizen funding, road maintenance, economic development, tourism promotion, and special assessment authority for utility extensions and road improvement districts.

The Borough also has non-areawide powers of port and harbor that are authorized but not exercised.

## **Kachemak City**

Kachemak City has limited services. The following is taken directly from the Kachemak City Comprehensive plan.

The primary policy and goal of the Kachemak City Comprehensive Community plan is to support minimization of government and retention of low taxes. This is accomplished by providing no road maintenance services, minimal planning services, limited sewer services, and fire and emergency services under contract with the City of Homer.

Kachemak has historically let landowners and subdivision covenants guide land usage, with no opinion from the City. There is no plan to change this policy at this time. In response to a landslide City vote in 2007, Kachemak City requested that the Borough enact a minimum lot size of 40,000 square feet for new plats in Kachemak City, in order to help preserve the rural essence of the community.

Kachemak City's roads are all public access roads that are maintained by the State or by neighborhood associations. The city does subsidize maintenance and improvement of privately maintained roads by partially reimbursing the neighborhood associations, on a matching grant basis, for work they accomplish. The plan is to continue with this highly successful and popular approach. By Kachemak City Ordinance all new roads built in the City of Kachemak must be constructed to the current Kenai Peninsula Borough Road Standards, because properly constructed roads are necessary to reduce maintenance costs and allow year around access for residents, service vehicles and emergency vehicles.

Kachemak City is in the South Kenai Peninsula Hospital Service Area. Fire and emergency medical services are provided under contract with the City of Homer. The closest hospital is South Peninsula Hospital in Homer, approximately five miles from the center of Kachemak City.

Law enforcement in Kachemak City falls under the jurisdiction of the Alaska State Troopers. The plan is to maintain the current fire, emergency medical, and law enforcement arrangements.

**MUNICIPAL POWERS AND FUNCTIONS OF ANY EXISTING MUNICIPALITY FOR WHICH CHANGE IS PROPOSED AFTER THE PROPOSED CHANGE**

There will be no changes to municipal powers and functions as a result of the annexation. There will be two changes in the services provided by the municipalities. One, the Borough, through Kachemak Emergency Services, will no longer be the primary emergency responder in the area proposed for annexation. This responsibility will now fall to Kachemak City through a contract with the Homer Fire Department. Two, the Borough will be relieved of road maintenance responsibility on the northern half of Morning Star Road.

**CURRENT ALTERNATIVE SERVICE PROVIDERS IN THE TERRITORY PROPOSED FOR ANNEXATION**

<b>Provider</b>	<b>Service or Function</b>
NONE	

**EXHIBIT F.  
TRANSITION PLAN.**

3 AAC 110.900(a) requires that a petition for annexation include a practical plan that demonstrates the capacity of the municipal government to extend essential municipal services into the boundaries proposed for change in the shortest practicable time after the effective date of the proposed change. Toward that end, the City has developed the following transition plan.

The City intends to extend all existing City functions to the annexed territory immediately upon the effective date of the annexation. The essential features of the City's transition plan follow.

The territory proposed for annexation is made up of residential properties that are located in the Kenai Peninsula Borough and adjacent to the City of Kachemak. There are four significant changes to the properties that will occur upon annexation:

- 1) Voting changes;
- 2) The subdivision road will be eligible for Kachemak road grants;
- 3) The first-responder for fire and emergency services would be the City of Kachemak's contract fire and EMS provider which is the City of Homer; and
- 4) The property will be located in Kachemak, a second class City in the Kenai Peninsula Borough and will no longer be in the South Peninsula Road Maintenance Service Area or Kachemak Emergency Service Area so the property taxation will change.

Once the annexation is approved, the Clerk will notify both the Department of Elections and the Kenai Peninsula Borough about the boundary change and the residents qualified to vote will be able to vote 30 days after the annexation. If the annexation is approved the area that is annexed will be in the City of Kachemak, thus having a different assembly person than when it was outside of the City Limits. The general election for both the Kenai Peninsula Borough and City of Kachemak are held the first Tuesday in October so this should be a seamless transition.

The subdivision road, Morning Star, is presently located both in the City of Kachemak and outside the City Limits. The area presently located within the City Kachemak is eligible for road grants from Kachemak to help with maintenance while the area located outside the City is not eligible for grants from Kachemak and it is not maintained by the Kenai Peninsula Borough so road maintenance is done solely by residents and property owners. Immediately upon annexation the newly annexed portion of the road will be eligible for Kachemak Road Grants to help defray the cost of road maintenance.

The area proposed for annexation is located within 2 miles from the Kachemak fire hall and 4.5 miles from the City of Homer fire station. Currently, their first responder for fire or EMS is the Kachemak Emergency Services which is located approximately 7.5 miles away. After annexation the first responder for fire and EMS will change to the City of Homer, which is contracted by the City of Kachemak for fire and emergency services. The Borough will need to change the routing for emergency phone calls made from landlines within the area proposed for annexation from the Soldotna Public Safety Answering point to the Homer Public Safety Answering Point. This may require action by ACS and or MTA.

The area proposed to be annexed will not have a change in sales tax, as Kachemak does not impose a sales tax but does charge Borough Sales Tax. However, the area will be in a new tax code area. We are anticipating that the annexation will take effect January 1, 2012, which will coincide with the real property tax year. Revenue Sharing and fish tax will have a small effect on finances (under \$600) for the City. When the annexation is approved the Clerk will notify the Department of Community and Regional Affairs so it will have the corrected population figures.

## **EXHIBIT G.**

### **COMPOSITION AND APPORTIONMENT OF THE EXISTING CITY COUNCIL.**

This exhibit presents information about the current composition and apportionment of the City Council. It also describes any change to the composition and apportionment of the City Council following annexation.

Kachemak City is governed by a publicly elected 7-member city council, serving staggered 3-year terms. The council annually elects a mayor and vice mayor from its membership. The council meets once monthly to conduct the business of the city. The



mayor votes on all motions, but does not have veto power. The mayor also functions as the city manager, and the city employs a permanent part-time city clerk. No changes to the composition or apportionment of the city council are anticipated as a result of the annexation.

**EXHIBIT H.**  
**CIVIL AND POLITICAL RIGHTS INFORMATION.**

This Exhibit provides information regarding any effects of the proposed annexation upon civil and political rights for purposes of the federal Voting Rights Act. This information includes the following:

- A. The purpose and effect of annexation as it pertains to voting: This annexation will have no effect on borough-wide, state-wide, or national elections. All registered voters within the area to be annexed are already qualified to vote in these elections. The annexation will allow a few more residents (currently 10 registered voters and possibly more as additional homes are built) of the area to vote in Kachemak City elections.
- B. The extent to which the annexation excludes minorities while including other similarly situated persons: This annexation does not exclude minorities.
- C. The extent to which annexation reduces the City's minority population percentage: According to the U.S. Census Bureau's "2005-2009 American Community Survey 5-Year Estimates" for Kachemak City, out of a population of 491 individuals in the city, there are 440 individuals who list their race as white, which leaves 51 or approximately 10 percent of the population as being in recognized minority groups or two or more races. The area to be annexed has a higher percentage of recognized minorities (at least 20%) than the City currently does. Therefore, the City's minority population percentage would increase by a small amount.

- D. Whether the electoral system of the City fails fairly to reflect minority-voting strength: No. City elections fairly reflect all registered voters within the area.
- E. Participation by minorities in the development of the annexation proposal: This annexation proposal was requested by and largely prepared by the residents of the area proposed for annexation. As stated under C there is a higher minority percentage within the area proposed for annexation than in the existing city.
- F. Designation of an Alaska Native for U.S. Department of Justice contact regarding the proposed annexation: There are no Alaska Natives currently living within the area proposed to be annexed.
- G. Statement concerning the understanding of English in written and spoken forms among minority residents of the City and the territory proposed for annexation: There are no non-English speaking residents within the area proposed for annexation.

**EXHIBIT I.  
SUPPORTING BRIEF.**

This exhibit consists of a supporting brief that provides a detailed explanation of how the proposed annexation satisfies each constitutional, statutory, and regulatory standard that is relevant to the proposed annexation.

As allowed by AS 29.060.040(c)(4) and 3 AAC 110.150, the annexation action requested in this petition is by ordinance of the City of Kachemak and unanimous consent of all registered voters and property owners within the territory proposed for annexation.

The area proposed for annexation is small (40 acres) and is currently populated by 10 individuals. The Mayor and Council of the City of Kachemak support this annexation request. Controversy is limited or non-existent. At the first, and to date the only, public hearing the City Council held to discuss the proposed annexation, no one other than

residents of the area proposed for annexation showed up to provide input or offer comments.

The residents of the 40-acre parcel sought this action to remedy two significant service inequities and inefficiencies. These service inequities and inefficiencies have a direct and negative impact on the health, safety, or general welfare of the individuals residing within the parcel but could easily be remedied through the requested annexation action.

All land within the area is privately owned. There is no State, Borough, or City property within the area to be annexed, with the exception of Morning Star Road which is owned, but not maintained, by the Borough. Impacts to the municipal budgets, both City and Borough, from the annexation would be minimal.

### 3 AAC 110.090. Need

This annexation petition was initiated by the residents of the 40-acre parcel proposed for annexation, who believe that there is a reasonable need for city government and the services provided by Kachemak City. These residents live or own property within the Kachemak Estates 2004 Addition Subdivision, which is accessible by only one dead-end road, Morning Star Road. The lower portion of the subdivision is currently within the boundaries of Kachemak City. The upper portion of the subdivision is just outside but adjacent to the City boundaries.

As outlined in detail at Section 6, Reasons for the Proposed Boundary Changes, 3 AAC 110.420.(b)(6), pp. 3-6, two conditions exist that negatively impact the existing and/or reasonably anticipated health, safety, and general welfare of the residents of the area proposed for annexation.

The first of these relevant factors to be considered under 3 AAC 110.090 is the inequity in emergency response service provided to the homeowners who reside just outside the current boundaries of Kachemak City. Due to the dual City/Borough jurisdiction within the subdivision, detailed in Section 6, neighbors living on adjoining lots have different

and inequitable emergency response service. The ten homeowners who initiated this petition live in a portion of the Kachemak Estates 2004 Addition subdivision that is currently outside but adjacent to the boundaries of the City of Kachemak. They pay a much higher mill rate (2.25 mills vs. 1 mill) for emergency services through the Borough for Kachemak Emergency Services response, yet their emergency response provider is located 7.5 miles from the entrance to the subdivision. Their subdivision neighbors, who live a mere stroke of the pen inside the current boundaries of the City of Kachemak and who in some cases live only 100 yards from the homeowners who are seeking this annexation, receive emergency response from the Homer Fire Department (4.5 miles from the entrance to the subdivision) or from the Kachemak Community Center, less than two miles from the subdivision.

In an emergency, the three-to five-mile disparity in driving distance and resulting increased response time could make the difference between life and death. At best, having different emergency responders for residents living within the same small subdivision, accessible by only one road, is inefficient and has a negative impact on residents who are taxed over two times what their neighbors are for the same services, face longer response times, and are subject to higher insurance risk ratings and homeowners' insurance premiums.

The second relevant factor is that of availability of -- and equitable access to -- road maintenance services. Also outlined in detail at Section 6 at pp. 4-5, there is no Borough or City maintenance of Morning Star Road, the only road within the area. The road, which was constructed to Borough standards, is used by all residents of the subdivision for vehicular and foot traffic, dog-walking, berry-picking, hiking, and other pursuits.

Morning Star Road is privately maintained (plowed, sanded, and graded) by a non-profit property owners association, Kachemak Estates Property Owners Association, 2004 Addition (AK Entity # 125042). All residents of the subdivision are assessed, through the local property owners association, an annual fee that is dedicated to maintenance

and upkeep of the subdivision road. Residents of the subdivision whose lots are currently outside of the City boundaries pay the Borough a 1.4 mill property tax for road maintenance (collectively over \$3,600/year), but they receive no road maintenance service from the Borough. In effect, these residents are paying twice for road maintenance – once for Borough services, which they do not receive, and once for private road maintenance through their property owners association.

Residents of the subdivision who live within the current boundaries of Kachemak City also pay the same road maintenance assessment to the homeowners association but are not taxed by the Borough for road maintenance. The City of Kachemak provides matching grants for maintenance and improvement of privately maintained roads located within the City and does not levy a road maintenance tax. The portion of Morning Star Road that abuts the lots within the City limits is eligible for grant funding, on a matching basis, for road maintenance but that funding is not available to, nor is it used by the property owners association for the benefit of, the portion of Morning Star Road that lies outside the City limits even though the road is utilized by all subdivision residents.

Existing Borough services for maintenance of Morning Star Road are inadequate, given that residents in the area proposed for annexation are taxed for a service that they simply do not receive and must provide for themselves. City services, though limited to the availability of matching grants, would benefit all subdivision owners by providing some financial support for the cost of the road maintenance and by eliminating the disparity between the road maintenance costs assumed by neighbors living on adjacent lots on the same road within the same subdivision.

In addition to the issues of emergency service response and road maintenance, two additional factors should be considered. The first is that annexation to the City would allow residents of the area to vote in City elections, run for City Council, and participate in City matters. The residents of this area are already part of the local community and should have those rights.

The second additional consideration is recognition of the efforts of the City of Kachemak to encourage the extension of a natural gas pipeline to the City, which would significantly reduce heating costs within the City boundaries. Residents of the area proposed for annexation would like to benefit from this City effort, which if successful would positively impact the area through improved property values (including re-sale of existing properties and development potential for the road-accessible lots and undeveloped parcel that will be developed at some future point) and decreased energy costs.

### 3 AAC 110.100. Character

The area proposed for annexation is compatible in character with the City of Kachemak. It is a residential area, as is most of the City of Kachemak. As shown in Exhibit A-4 at page 21, the area has been platted. All of the property is privately owned. There are currently 5 single-family residences within this area and there is the potential for 5 more single-family homes to be built on the road accessible lots. If the 14.86-acre undeveloped tract (parcel number 17406309) is developed, Morning Star Road will likely loop back into Licorice Street. Long-term development plans for this parcel are for additional single-family residences.

### 3 AAC 110.110. Resources

City services within the proposed annexation area (as within all of Kachemak City) would be minimal. See Exhibit E, p. 37, for primary policy and goal of the City of Kachemak. New expenses of the City would be:

- 1) An increase in the emergency services contract with the Homer Fire Department. This increase would be fully funded by a 1 mill property tax within the territory proposed for annexation. At current property assessments this would be \$2,586 per year.

- 2) A possible increase in requests for road maintenance grants. The annexation would also allow residents of the territory to request matching grants for road maintenance. This could result in an additional city expense of approximately \$1,400 per year.

The annexation would result in no additional income for the City other than the 1 mill property tax, which would be a pass-through to fund the emergency services contract, and minor adjustments in the city's Community Revenue Sharing and Fish Taxes. At the current population this would be about \$505 in Community Revenue Sharing and a full 80 cents in Fish Taxes. The area proposed for annexation is a residential area. There would be no additional large scale commercial or industrial development within the City as a result of the annexation, since the covenants of the subdivision allow only cottage industries. We do not have information about the personal income of the residents in the area proposed for annexation and in the City. The valuation of the real property in the territory proposed for annexation is set out in detail in Section 11 at p. 9 and was \$2,585,700 at the end of 2010. There would be no need to increase the City's payroll or municipal taxes as a result of the annexation.

### 3 AAC 110.120. Population

Kachemak Estates Subdivision, 2004 Addition, is a newly developed area. All homes are less than 7 years old. There are currently 10 residents within the area proposed for annexation, and it is likely that a few (up to 10) additional homes will be built in the future. Much of the area was historically devoted to agriculture (hay fields). The population is slowly expanding as new homes are built. The population of 10 is too small for meaningful statistical analysis, but most of the residents are retired professionals who wanted to live near Kachemak Bay. The majority of the property owners are Alaska residents who occupy their homes year-round. There would be no impact on public school enrollment as a result of the proposed annexation.

### 3 AAC 110.130. Boundaries

As clearly shown in Exhibit A-4 on page 20, the area proposed for annexation is contiguous to the City of Kachemak. A full 40-acre aliquot part was selected for annexation to facilitate mapping of boundaries and City management. Including the undeveloped and privately-owned 14.86-acre parcel was logical and necessary since it will likely be developed in the same manner, for single-family housing, with the same covenants, restrictions, etc. as the road accessible lots. In fact, the property owners/developers of that parcel fully support this annexation proposal. The proposed annexation does not include any territory that is not currently part of the community or cannot reasonably be expected to be within the next 10 years. The petition does not include territory overlapping the boundaries of another city. The territory is within the Kenai Peninsula Borough, as is the City of Kachemak, and will remain as such.

### 3 AAC 110.135. Best Interests of the State

One intent of the framers of the State constitution was to provide for maximum local self-government with a minimum of local government units and tax levying jurisdictions. We believe this annexation epitomizes local self-government, as it is being requested by the local residents of the area. By placing the remainder of the subdivision within the City of Kachemak the proposal promotes a minimum number of local government units and tax levying jurisdictions. Other than the Community Revenue Sharing and Fish Taxes already mentioned, we are not aware of any impact this annexation would have on local services provided by the state government.

**EXHIBIT J-1.  
DOCUMENTATION DEMONSTRATING THAT THE  
PETITIONER IS AUTHORIZED TO FILE THE PETITION UNDER  
3 AAC 110.410.**

**CERTIFIED COPY OF ORDINANCE AUTHORIZING THE ANNEXATION PETITION  
(THE ITALICIZED TEXT BELOW WILL BE REPLACED AFTER THE DEPARTMENT'S  
TECHNICAL REVIEW, PUBLIC ADVERTISEMENT OF THE PROPOSED  
ANNEXATION, AND NOTIFICATION OF THE PROPERTY OWNERS ABUTTING THE  
AREA)**



*I, the undersigned City Clerk, do hereby certify that the attached ordinance is a true and correct copy of Ordinance Number \_\_\_\_\_ of the City as finally passed at a duly convened meeting of the City Council.*

*In witness whereof, I have hereto set my hand and affixed the official seal of the City this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.*

\_\_\_\_\_  
City Clerk

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING THE CITY TO FILE A PETITION FOR  
ANNEXATION**

*WHEREAS, as 29.06.040(c)(4) provides that an area adjoining the municipality may be annexed by ordinance without an election if all property owners and voters in the area petition the governing body;*

*WHEREAS, the territory proposed for annexation exhibits a reasonable need for city government; and*

*WHEREAS, services determined to be essential city services under 3 AAC 110.970 can be provided more efficiently and effectively by the City (Petitioner) than by another existing city or by an organized borough on an areawide basis or nonareawide basis, or through an existing borough service area; and*

*WHEREAS, the territory proposed for annexation is compatible in character with the annexing city; and*

*WHEREAS, the economy within the proposed expanded boundaries of the City include the human and financial resources necessary to provide services determined to be essential city services under 3 AAC 110.970 on an efficient, cost-effective level; and*

*WHEREAS, the population within the proposed expanded boundaries of the City is sufficiently large and stable to support the extension of city government; and*

*WHEREAS, the proposed expanded boundaries of the City include all land and water necessary to provide the development of services determined to be essential city services under 3 AAC 110.970 on an efficient, cost-effective level; and*

*WHEREAS, the territory proposed for annexation is contiguous to the existing boundaries of the City and would not create enclaves in the expanded boundaries of the City; and*

*WHEREAS, the proposed expanded boundaries of the City include only that territory comprising an existing local community, plus reasonably predictable growth, development, and public safety needs during the 10 years following the effective date of annexation; and*

*WHEREAS, the proposed expanded boundaries of the City do not include entire geographical regions or large unpopulated areas, except where justified by the application of the standards in 3 AAC 110.090 – 3 AAC 110.135; and*

*WHEREAS, if the Petition describes boundaries overlapping the boundaries of an existing organized borough, it will address the procedures and the brief will address the standards for either annexation of the enlarged city to the existing organized borough or annexation of the enlarged city from the existing organized borough; if the Petition describes boundaries overlapping the boundaries of another existing city, it will address the procedures and the brief will address the standards for annexation of territory from a city, merger of cities, or consolidation of cities; and*

*WHEREAS, annexation to the City is in the best interests of the State as required by AS 29.06.040(a) and 3 AAC 110.135; and*

*WHEREAS, the territory proposed for annexation meets the annexation standards specified in 3 AAC 110.090 – 3 AAC 110.135. Although not subject to the legislative review annexation standard set out in 3 AAC 110.140, the brief to accompany the Petition will also demonstrate with detailed facts and analysis any of the circumstances outlined in 3 AAC 110.140(1) – (9) that exist with respect to the annexation proposal; and*

*WHEREAS, all property owners in the territory proposed for annexation, as defined by 3 AAC 110.990(12), and all registered voters in the territory proposed for annexation*

*have petitioned the City Council for annexation in accordance with AS 29.06.040(c)(4); and*

*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; and*

*WHEREAS, the Petitioner has prepared a proper transition plan under 3 AAC 110.900; and*

*WHEREAS, other constitutional principles are served by the annexation proposal, such as the equal-protection clause and the equal-responsibility clause of Article I, section 1 of the Constitution of the State of Alaska and the maximum local self-government clause and minimum of local government units clause of article X, section 1 of the Constitution of the State of Alaska, and 3 AAC 110.981 – 982;*

*NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF \_\_\_\_\_, as follows:*

*Section 1. Authorization. That the [insert title of official] is authorized to file a petition with the Alaska Local Boundary Commission for annexation using the method of annexation set out in AS 29.06.040(c)(4). The petition shall propose the annexation of the territory generally described as [insert description]. The legal boundary description of the territory proposed to be annexed is attached hereto as "Attachment A" and shown on the map attached here as "Attachment B", both of which are hereby incorporated by reference.*

*Section 2. Petitioner's Representative. That the [insert title of official] is designated as the representative of the City for all matters relating to the annexation proceeding.*

*Section 3. Terms and Conditions. That the annexation will be on the following terms and conditions:*

*[Describe services to be provided, date services will be extended, date taxes will be levied, and other relevant terms and conditions].*

Section 4. Effective Date. *That this ordinance shall become effective immediately.*

ENACTED BY THE COUNCIL OF THE CITY OF \_\_\_\_\_ THIS \_\_\_\_\_  
DAY OF \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
*Mayor*

ATTEST:

\_\_\_\_\_  
*City Clerk*

**EXHIBIT J-2.  
DOCUMENTATION OF THE UNANIMOUS CONSENT OF THE  
PROPERTY OWNERS AND VOTERS IN THE TERRITORY  
PROPOSED FOR ANNEXATION.**

This exhibit includes a certified copy of each petition received from all property owners and registered voters in the property proposed to be annexed, consenting to the proposed annexation. These documents demonstrate the unanimous consent of all property owners and voters in the territory proposed for annexation to the City required by AS 29.06.040(c)(4).

**PETITION BY PROPERTY OWNERS  
AND REGISTERED VOTERS FOR ANNEXATION  
TO KACHEMAK CITY**

**Subject to approval by the Local Boundary Commission of a petition from a city government, AS 29.06.040(c)(4) allows territory adjoining the**

**petitioning city government to be annexed to that city by ordinance, without an election, if all owners of the property proposed for annexation and all registered voters in the territory proposed for annexation first petition the governing body of that city for annexation.**

(As defined in 3 AAC 110.990(12), "property owner" means a legal person holding a vested fee simple interest in the surface estate of any real property including submerged lands.)

The owner(s) of the property and all registered voter(s) in the property described below hereby petition the Kachemak City for annexation of the property described below to Kachemak City of (hereafter "City").

**Legal metes and bounds description of the property proposed for annexation:**

The Annex area is described below :

An aliquot part, being the Northeast one-quarter (NE1/4) of the Southwest one-quarter (SW1/4) of Section One, within Township 6 South, Range 13 West, Seward Meridian, Alaska. Being more particularly described as;

Beginning at the center-south one sixteenth corner of Section 1;  
thence along the north-south centerline of section 1, N0°03' W 1321.2 feet to the center ¼ corner of Section 1;  
thence along the east-west centerline of section 1, S89°46' W 1319.1 feet to the center west 1/16 corner of Section 1 ;  
thence S00°01' E 1317.6 feet to the south-west 1/16 corner of Section 1 ;  
thence N89°55' E 1321.6 feet to the center-south 1/16 corner of Sections 1, the True Point of Beginning;

Containing an area of 39.966 acres more or less.

**Names of all property owners in the territory proposed to be annexed to the City, whether or not they live on the property or are registered voters in the territory:**

Marilyn Beachy  
Sanford Beachy  
Lilia Co

Nelson Co  
Dale Conn  
Wanda A. Conn  
Jerry D. Froeschle  
Sharon M. Froeschle  
Barbara E. Heuer  
Emil T. Heuer, Jr.  
Carl M. Lorentzson  
Darlene Lorentzson  
J. Michael Pate  
M. Kathleen Pate  
Alan R. Turkington  
Robert B. Turkington

**Names of all registered voters in the territory proposed to be annexed:**

Lilia Co  
Nelson Co  
Dale Conn  
Wanda A. Conn  
Jerry D. Froeschle  
Sharon M. Froeschle  
Barbara E. Heuer  
Emil T. Heuer, Jr.  
Carl M. Lorentzson  
Darlene Lorentzson

**SIGNATURES OF PROPERTY OWNERS AND REGISTERED VOTERS  
IN THE TERRITORY PROPOSED FOR ANNEXATION**

This exhibit presents the signatures and residential addresses of property owners and registered voters in the territory seeking annexation to the City.

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To help verify your voter registration status, please:

- sign your name as it is listed in the Alaska voter registration records;
- print your name legibly;
- list a numerical identifier. "Numerical identifier" means a voter's date of birth, the last four digits of a voter's social security number, a voter's Alaska driver's license number, or a voter's Alaska identification card number or voter identification number;

- list your residence address (e.g. street number, milepost) – **do not list a post office or other mail box**; and
  - list the date you signed the petition.
- 

WE, THE UNDERSIGNED, hereby petition for the annexation of the territory to the City as described in the complete petition. Further, we affirm that:

- a. We own property in the territory proposed for annexation; **or**
- b. we are registered voters of the State of Alaska in the territory proposed for annexation.

**[Hard copies of the petitions from all property owners and registered voters living within the area proposed for annexation have been provided to the Local Boundary Commission. Original copies are on file at the City of Kachemak Mayor's Office.]**

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#### **EXHIBIT K. DOCUMENTATION REGARDING PRE-ORDINANCE NOTICE.**

This exhibit presents the required filings when the petitioning municipality publishes a pre-ordinance notice. In other words, if the petitioning municipality publishes a pre-ordinance notice as provided under 3 AAC 110.590(a)(3), the municipality is required to file with the department a copy of (1) the publisher's affidavit of publication of the notice; (2) written comments submitted to the municipality regarding the annexation proposal; and (3) the minutes of all council or assembly meetings at which the proposal was addressed by the petitioning municipality.

The petitioning municipality must also provide notice of the annexation to each owner of property abutting the boundaries proposed for annexation. Proof that each owner was contacted (such as a copy of the letter sent to each of the owners of abutting property), is also provided in this exhibit.

**[All of this information will be provided after the Department's technical review.]**



**EXHIBIT L.  
PETITIONER'S AFFIDAVIT.**

STATE OF ALASKA )  
 )  
\_\_\_\_\_ JUDICIAL DISTRICT ) ss.

I, Philemon D. Morris (Mayor, City of Kachemak), representative of the Petitioner seeking annexation, being sworn, state that the following:

To the best of my knowledge, information, and belief, formed after reasonable inquiry, the information in the Petition is true and accurate.

\_\_\_\_\_  
Petitioner's Representative

SUBSCRIBED AND SWORN TO before me on \_\_\_\_\_, 200  
\_\_\_\_\_.

[notary seal]

\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_



- c. In Section 9, the estimate of the population of the territory and city proposed for change was provided by the U.S. Census Bureau's website, and Ted Heuer, (Kachemak Estates, 2004 Addition, Property Owners Association).
- d. In Exhibit B, the public notice information was provided by Ted Heuer (Kachemak Estates, 2004 Addition, Property Owners Association).
- e. In Section 11, the information relating to assessed or estimated value of taxable property, projected taxable sales, and taxes currently levied was is from the Kenai Peninsula Borough website, and Craig Chapman (Finance Director, KPB).
- f. The information regarding the projected revenues, operating expenditures and capital expenditures for Exhibit C-1 through C-3 was provided by Helyn Schoepke (City Clerk, Kachemak City), Craig Chapman (Finance Director, KPB), and the Kenai Peninsula Borough's website.
- g. In Exhibit D, the information concerning existing long term municipal debt was provided by Philemon D. Morris (Mayor, Kachemak City), and the Kenai Peninsula Borough's website.
- h. In Exhibit E, the list of municipal powers and functions is from the Kachemak City Comprehensive Community Plan and the Kenai Peninsula Borough's website.

- i. The transition plan presented in Exhibit F was prepared by Helyn Schoepke (City Clerk, Kachemak City).
  
- j. In Exhibit G, the information about the composition and apportionment of the governing body of the existing municipality for which a change is proposed, before and after the proposed change was provided by the Kachemak City Comprehensive Community Plan.
  
- k. Exhibit H, the information concerning population demographics is from the U.S. Census Bureau's website and from conversations with the Kachemak Estates, 2004 Addition, Property Owners Association.
  
- l. The supporting brief in Exhibit I of the Petition was prepared by Ted Heuer, (Kachemak Estates, 2004 Addition, Property Owners Association).
  
- m. The information in Exhibit J demonstrating that the Petitioner is authorized to file this petition was provided by the City Council of the City of Kachemak and the Kachemak Estates Subdivision 2004 Addition Property Owners Association.

\_\_\_\_\_  
Petitioner's Representative

SUBSCRIBED AND SWORN TO before me on \_\_\_\_\_, 20 \_\_\_\_.

[notary seal]

\_\_\_\_\_  
Notary Public in and for Alaska

My Commission expires: \_\_\_\_\_