

To: Local Boundary Commission
Division of Community and Regional Affairs
Dept. of Commerce, Community and Economic Development
550 West 7th Ave., Suite 1650
Anchorage, AK 99501

Feb. 22, 2024

I am writing today to comment on the application by the City of Hoonah to form a new borough.

I am not in favor of the proposal of forming a Xanuu Borough. I see many problems with the vast expanse of land and water being proposed, and the fact that it does not meet LBC criteria for the formation of a borough.

Gustavus already has boundaries around the city on the north, east and west, with the Haines Borough, and the Glacier Bay Park. If the proposal is approved, the City of Gustavus is completely landlocked, eliminating any potential for future growth and economic health of our city. Pleasant Island and the reef extending due south are important subsistence and recreational areas for our community as well as the beach lands between Gustavus and the NPS line to the west. We request that you consider moving this line to respect the importance of our historical use of these areas.

Hoonah is not a regional hub.

Juneau is the hub for both air and travel by ferry. There are no scheduled plane routes from the unorganized borough communities to Hoonah. We fly to and from Juneau.

We go to Juneau for supplies, groceries, and services.

We have our own utility company, communication, clinic, fire station and EMS

Hoonah has a timber and cruise ship industry and has a very different community vision than the communities of Gustavus, Elfin Cove, Tenakee Springs and Pelican.

Hoonah does not meet the minimum 1,000 permanent resident stipulation of LBC, required for borough creation.

Funter Bay and Elfin Cove have fewer than 25 people which is again, not meeting the regulation requirements of LBC.

The Xanuu Borough has stated their intention to impose an area wide tax on anyone operating in the borough (land and water) to support itself. This will be difficult and very expensive, if not impossible to implement.

This sales tax on Elfin Cove, Tenakee Springs and Gustavus could result in the loss of grants and funding from the State of Alaska. Gustavus could lose PILT funding and Forest receipts which we depend on for operation of our city government, which would be devastating.

The proposed borough would be made up of over 90% Hoonah residents, and the expansive boundaries are mostly unpopulated. The petitioner states that this sales tax will be collected, but that the borough cannot logistically provide any service to the communities they take from. Only Hoonah residents will benefit from this proposed borough.

It would create isolated enclaves of Gustavus, Elfin Cove and Tenakee Springs, thereby eliminating future potential, growth, revenue and resources. This goes against the LBC standard. (3 AAC 110.065)

As guided by the State of Alaska, tribal homelands are not relevant to the formation of a borough. Economic interests, cultural and social identity, geographical feasibility, and desire to form a regional form of government should be considered.

Boroughs are intended to be regional forms of government that unify communities of common interest and deliver services on an areawide basis and this wide-reaching proposal does not meet this goal.

I think it reasonable to suggest a much smaller area for the Xanuu Borough with the potential for expanding, when proven it can be successfully administered.

Thank you for your consideration,

Naomi Sundberg
P.O.Box 62
Gustavus, Alaska 99826