Hello Gustavus Business Owners! It is important to your business and to Gustavus that you comment on the proposed Xunaa Borough by the City of Hoonah. The deadline is Thursday, February 29.

Please email your comments to jedediah.smith@alaska.gov

or mail to: Local Boundary Commission 550 W 7th Ave Suite 1650 Anchorage, Ak. 99501-3510

The Local Boundary Commission has a user friendly and informative website which includes the Xunaa petition, maps and comments from people around the area. Here are some bullet points from those aggregate comments:

<u>3 AAC 110.045. Relationship of interests.</u> (a) On a regional scale suitable for borough government, the social, cultural, and economic characteristics and activities of the people in a proposed borough must be interrelated and integrated in accordance with <u>AS 29.05.031(a)(1)</u> and art. X, sec. 3, Constitution of the State of Alaska.

- Hoonah claims to be the "Hub" of cultural, economic and social activity for the Icy Strait/Cross Sound corridor. (Exhibit E, Petitioner's Brief,B item a,d and e.) The reality is there is little cultural, economic or social connection between Hoonah and any other community within the proposed borough.
- The proposed Boundary of the Xunaa Borough would include 6,658,735 acres. 2,718,050 acres of land and approximately 3,940,685 acres of water. (Xunaa petition, Metes and Bounds legal description) see the map at commerce.alaska.gov, LBC. This proposed boundary buttonholes the communities of Pelican, Gustavus and Tenakee, depriving them of future revenue (PILT) and potential economic development growth. These communities will potentially need more services and financial assistance from the State, which contradicts the LBC standard (3 AAC 110.065. Best Interest of the State).
- The proposed boundary of the Xunaa Borough "Comprises the ancestral lands of the Huna Tlingit." (Exhibit E, Petitioner's Brief, item i.). The 1971 Alaska Native Claims Act settled Alaska Native "homeland" claims with the return of 44 million acres of land to Native tribes. ANCA settlement also included \$962.5 million dollars given to tribes for compensation for land they did not select (Wikipedia). The Hoonah Tlingit people were signatories and beneficiaries of ANCSA. The Local Boundary Commission is not the vehicle to revisit ANCSA disputes.
- The petitioner states the intent to levy a 1% sales tax (at first) on retail sales in the Borough, but admits they will not (and logistically cannot) provide any services and will not remit any of the tax dollars back to the communities they take from. Only Hoonah residents will benefit from the proposed borough, resulting in an overall negative economic burden to those small vulnerable communities outside Hoonah proper. The proposed borough boundaries are not in anyone's best interest outside of Hoonah. (Exhibit E. Petitioner's Brief)

- Tourism. The Petitioner sites tourism as an area of commonality between communities in, and adjacent to, the proposed borough, however, the level of "industrial" tourism promoted at Icy Strait Point is not something desired for most people in the outlying areas. It works for the people of Hoonah but not desired by most other communities in the proposed borough.
- The Xunaa Borough intends to tax commercial fishing activity in Icy Strait, Cross Sound, Yakobi Island and outside waters within their boundaries.
 The Petitioners have not stated their intention but will certainly have the ability to "tax" any commercial activity in the area, such as sport charter fishing, whale watch excursions and Kayak guided trips. Again, this poses an unacceptable economic burden on others, with zero return benefit. (Exhibit E, Petitioners Brief)
- 3 AAC 110.065 states that borough formation "will relieve the state government of the responsibility of providing local services". The creation of the Xunaa Borough with the petitioner's boundary will result in the opposite. The State will be called on for more assistance as federal and state lands are selected and included for development and revenues (PILT) which would be funneled to the new borough.
- Don't oppose the borough, oppose the borough boundaries.