



Yakobi Fisheries LLC
172 Salmon Way
Pelican, AK 99832
www.yakobifisheries.com

To Local Boundary Commission regarding the Xunaa Borough Proposal;

As a local resident of Pelican, Alaska, and owner of Yakobi Fisheries. I am opposed to the existing proposal by the City of Hoonah for Incorporation of the Xunaa Borough as a Home Rule Borough. I strongly urge the LBC to consider their own Borough Incorporation Standards when reviewing this petition, as the Xunaa proposal in general, does not.

I strongly oppose the City of Hoonah proposed Xunaa Borough boundary lines. I encourage the LBC to require modifications that limit the boundaries to a more reasonable, acceptable range of territory that does not infringe on the ability of the surrounding communities to support their schools and growth and development.

I was born in Pelican, at the Pelican health clinic. I went to school and graduated from Pelican High school and now my children go to school here. My family and I own Yakobi Fisheries, the only seafood processor currently operating in Pelican.

Pelican was built in the late 1930s and early 40s specifically to process the fisheries resources caught in the area instead of those fish being taken back to larger communities like Juneau and Sitka. A fisheries resource tax was established by the state in 1913 and expanded throughout the years and in 1962 the municipal sharing was expanded to 50% of that tax. Half of the fisheries resource tax is paid directly to the municipality where the fish is processed. The tax is collected on ex-vessel value of the fish processed in that community. This is a direct financial contribution the processors and fishers pay to the communities where they sell their fish. This money helps support that community.

The City of Pelican receives other benefits from the Payment in Lieu of Taxes (PILT) and National Forest Receipts, federal funds; along with the State of Alaska Shared Fishery Business Tax Program shares back to municipalities half of the state fisheries business tax collected from fish processors operating outside municipal boundaries. These federal and state revenues provide funding for the City of Pelican and the Pelican City School District. The transfer of federal lands in the Hoonah petition will significantly and negatively affect Pelican's ability to fund its local school district and community infrastructure.

No viable services for Pelican or the surrounding area are proposed by Hoonah, and the proposal limits the future growth of the City of Pelican and our fisheries resources. A large portion of seafood caught in the Cross sound area is delivered and Processed in Pelican, and those taxes go to supporting the city and community. Yakobi Fisheries, processes fish harvested in the surrounding areas of Lisianski Inlet/Strait, outer coast Yakobi Island, Cape Cross to Cross Sound, Inian Passages, and all the way up to the Alsek River. Hundreds of Thousands of pounds of processed fish are shipped out of Pelican, with no transit or economic involvement with Hoonah. Pelican is the regional hub for commercial fishing in Cross Sound because of its commercial sized ice machine, bulk fuel facilities, groceries, seafood processing, and its location, "Closest to the Fish".

Hoonah claims to be a regional hub for the area, which is inaccurate. There are no transportation links; no road, air, or AMHS connections between Pelican and Hoonah. Alaska Seaplanes does not connect Hoonah and Pelican on its service schedule. Pelican's regional hub is Juneau, Alaska.



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Pelican is experiencing economic growth and development in the surrounding areas including mining, seafood processing, mariculture development, and private charter business to name a few. None of these areas are reliant on or connected with Hoonah. If Hoonah's Borough boundary is accepted by LBC, they would reap the financial benefits from this development with no planned benefit to the local community that supports it.

The City of Pelican has its own Emergency Medical Services (EMS) to handle medical, search and rescue, fire protection, and other emergency services. The City of Hoonah does not provide this service to Pelican residents or residents of the Lisianski Inlet area.

The City of Pelican owns the Bohemia Basin public dock in Lisianski Strait on Yakobi Island, which should be excluded from Hoonah's proposed petition.

Regarding utilities; Pelican has no communication links with Hoonah, and does not benefit from Hoonah's telephonic or internet services, nor is there currently any feasible way of connecting the two. Lisianski Inlet and Lisianski Strait have abundant fresh water, with potential water rights, that can be a sustainable economic possibility. Pelican's hydroelectric grid could be expanded to accommodate further development here.

In summary, I do not agree with the boundaries or proposals defined in the "*Petition by the City of Hoonah for Incorporation of the Xunaa Borough*", and urge the LBC to strongly consider their own Borough Incorporation Standards when reviewing this petition.

1. The City of Pelican maintains that the Xunaa Borough petition boundaries be reduced. The lands and waters of the Lisianski Inlet, Lisianski Strait, Yakobi Island and Cross Sound areas must remain excluded from the Xunaa Borough petition.
2. National Forest Receipts, Payment in Lieu of Taxes, and State of Alaska Shared Fisheries Business Tax, now shared with the City of Pelican, will be redistributed to Hoonah's Xunaa Borough petition at a financial loss to the City of Pelican and its school district.
3. The proposed Xunaa Borough will stop commercial and economic development in the area surrounding the community of Pelican. All the natural resources included in the Hoonah petition, including the Lisianski Inlet/Strait, Yakobi Island, and Cross Sound areas, will be included in its Xunaa Borough boundaries. Pelican must be able to access the lands or resources for the best interests of the community, and Pelican will continue to benefit from the resources from the lands and waters of the Lisianski Inlet/Straits, Yakobi Island, and Cross Sound areas.

Thank you for the opportunity to comment.

Sincerely,

Seth Stewart

Pelican Resident and Owner, Yakobi Fisheries LLC

(907)209-1053, seth@yakobifisheries.com