Attachment J

Public Correspondence
Peter Freer

From: Jerry A. Kvasnikoff [kvashome@alaska.com]
Sent: Saturday, December 31, 2005 6:19 PM
To: Peter Freer
Subject: Fw: RE: Annexation Study Commission

Peter,
I tried to send the message below to you but I had the address screwed up. Hopefully I've got it right now.
Regards

----- Original Message -----  
From: Jerry A. Kvasnikoff
To: Bob Millard; Peter Freer
Cc: Donna Emerson
Sent: Saturday, December 31, 2005 5:43 PM
Subject: Re: RE: Annexation Study Commission

Greetings,
Can either of you, Peter or Bob, tell me if this meeting of the Annexation Study Commission is specific to Funter Bay and if so is it open to the public? I am a landowner in Funter Bay and I have a very real interest in any discussion about possible attempts to annex into the Borough any portion of the Funter Bay area. If specific action with possible impact on Funter Bay will be discussed I would like to attend this meeting. Thank you for letting me know.
Regards

----- Original Message -----  
From: funterbay@starband.net
To: klynkole@gci.net
Sent: Saturday, December 31, 2005 4:28 PM
Subject: [Fwd: RE: Annexation Study Commission]

------- Original Message -------
Subject: RE: Annexation Study Commission
From: "Bob Millard" <bmillard@alaska.net>
Date: Sat, December 31, 2005 6:55 pm
To: "'Peter Freer" <Peter_Freer@ci.juneau.ak.us>
Cc: "Bob at work" <bob_millard@ci.juneau.ak.us>,
"Phil and Donna Emerson" <funterbay@starband.net>

Thanks Peter, I forwarded this to Donna and Phil in Funter and they will pass the information on to property owners in the Bay. Please add Emerson's to any public notice email list related to annexation. See you Thursday, bob

-----Original Message-----  
From: Peter Freer [mailto:Peter_Freer@ci.juneau.ak.us]
Sent: Friday, December 30, 2005 10:48 AM
To: bmillard@alaska.net
Subject: Annexation Study Commission
Peter Freer

From: funterbay@starband.net
Sent: Saturday, December 31, 2005 4:42 PM
To: Peter Freer
Subject: Funter Bay annexation

Peter - we are wanting to know who we should send our comments to regarding the possible inclusion of Funter Bay in a Juneau borough annexation? Can we email to the boundary commission directly? If so, do you have a valid email address?

We are unable to attend the meeting scheduled for January 5th and want our concerns voiced.

Thanks for any help you can provide.
Donna Emerson
Phil Emerson
funterbay@starband.net
907-209-8131
Good Morning Peter.
Are they going to do improvements like supply the bay with public water, sewer, roads with a ferry landing site. To do this, are they going to include funter bay in law enforcement, and fire protection.. If they are prepared with the resources to do the following and provide us land owners, with that they have the funding, and desire to do the above then we could look at the future and wonder why, they would like to spend that type of funding to do so. I know that the land owners on Funter Bay couldn't and wouldn't but the taxed funds could but shouldn't as the cost would not equall the taxes they would want from us. With out the improvements ,then it is just a method of taxing with out being represented. I don't see any reason to be annexated into the borough of Junea, with out the above.. thanks for the comminication on this issue.
I can't attend this meeting ,but will down the road. Let me know how I can help in writing to folks, funding or whatever is needed.. I like Funter Bay the way it is. Ron

-----Original Message-----
From: funterbay@starband.net [mailto:funterbay@starband.net]
Sent: Tuesday, January 03, 2006 9:24 AM
To: medjed@ptialaska.net
Subject: Funter Bay Annexation

Good morning. I should say right away, there is no annexation petition at this time. The mayor and assembly have formed a committee to hold public hearings during the year and make a recommendation to the assembly next December whether or not to annex, and if so, what area. As you know, Funter Bay is within the CBJ's model borough boundaries, and so will be one of the areas under consideration; but there will be plenty of opportunity throughout the year, well before there is ever a petition, to make you views known to the annexation committee. They plan is to meet the first Wednesday of every month at 5PM, though this week is an exception due to Dan Bockhorst's schedule.

You can submit any comments to me at peter_frer@ci.juneau.ak.us and I will make sure they reach the annexation committee members.

Cordially,

Peter Freer

>-----Original Message-----
>From: funterbay@starband.net [mailto:funterbay@starband.net]
>Sent: Saturday, December 31, 2005 4:42 PM
>To: Peter Freer
>Subject: Funter Bay annexation
Peter - we are wanting to know who we should send our comments to regarding the possible inclusion of Funter Bay in a Juneau borough annexation? Can we email to the boundary commission directly? If so, do you have a valid email address? We are unable to attend the meeting scheduled for January 5th and want our concerns voiced. Thanks for any help you can provide.

Donna Emerson
Phil Emerson
funterbay@starband.net
907-209-8131
Peter Freer

From: Collie Martin [dcm98@comcast.net]
Sent: Tuesday, January 03, 2006 12:13 PM
To: Peter Freer
Subject: Funter Bay Annexation

Peter Freer

As an owner of property in Funter Bay, I am interested in the CBJ Mayor and Assembly decision to re-consider annexing Funter Bay to the Borough. I understand that you have kindly offered to relay comments to the recently formed annexation committee. Hopefully the committee will advise property owners of the preferred means of communication. In the meantime please forward these comments to the committee.

Please include me in all correspondence related to this matter. My contact numbers are:

Permanent mailing address: 36 – 157th, Ave. SE, Bellevue, WA 98008
Telephone: 360 588 6092
Cell Phone: 425 879 0203
e-mail: dcm98@comcast.net

I understand that the annexation committee will begin meeting the first Wednesday of each month. Will the committee's proceedings be posted on a web page? I don't see an obvious link at http://www.juneau.org/ if not, will the committee keep interested parties informed in a timely manner and if so how?

I am sure that the governmental process will include communicating with affected property owners so that our comments will be from an informed position. I realize that the process is just beginning and we have yet to receive an explanation supporting the annexation of Funter Bay to the CBJ. Hopefully the explanation will address the following:

Why annex? What CBJ services are provided to Funter Bay owners? Have Funter Bay property owners expressed any interest in receiving CBJ services in a rather remote area?

Does the process provide for a decisive vote of property owners by majority of owners, majority of assessed value, etc.?

Will the committee query property owners, even though an unofficial, non-binding "straw vote", so that the property owners’ desires will be included in the committee’s findings, recommendations and conclusions for the Mayor and Assembly?

Funter Bay is part of the state’s Unorganized Borough. As far as I know the state does not provide any direct services to Funter Bay nor are any desired. How will the inclusion of Funter Bay in the CBJ improve local government or benefit the citizens of Funter Bay?

I may be premature in establishing my initial position. But I begin my involvement in this matter firmly against the annexation of Funter Bay to the City and Borough of Juneau.

Collie Martin

1/11/2007
Hello, Peter,

Would you please forward the following letter to members of the CBJ Annexation Study Commission? Thanks.

January 5, 2006

To: Members of the CBJ Annexation Committee
    George Davidson, Chair    Caren Robinson
    Sandy Williams, Vice Chair  Steve Sorenson
    Errol Champion
    cc: Peter_Freer@ci.juneau
        Dan_bockhorst@commerce.state.ak.us

Dear Committee Members,

Thank you for the informative meeting today in the Borough Assembly Chambers. As a resident of Funter Bay, I am very much concerned about any proposal to annex Funter Bay to the City and Borough of Juneau. I appreciated your opening the presentation from Dan Bockhorst to the public and giving citizens an opportunity to ask questions that reflect their concerns.

Dan’s presentation provided an interesting historic perspective for those of us seeking to understand some of what has led CBJ to look into the possibility of annexing nearby areas such as ours. A few apparent assumptions in Dan’s presentation did bother me because I don’t believe they apply to Funter Bay, though they might to many other remote places in the state. Although it is early in your deliberation process, I would like to call these to your attention.

First, the assumption seems to be that Alaskans outside formal government organization are getting a “free ride.” This is not correct for Funter Bay. We receive virtually no services—and I do not believe anyone has requested them. In the whole history of Funter Bay’s existence (since about 1902) I know of only one family that used state correspondence school for their two children. That exception is a pretty small “free ride”—and considering the educational achievement of those students, the state is going to reap far more in benefits than the small sum contributed toward their education. At any rate, I know of no families with school-age children in the bay at this time, and considering how difficult it would be to make a living there, the possibility does not seem likely for the future.

Secondly, most of us who own cabins in Funter Bay pay property taxes on our homes and small businesses in Juneau, as well as sales tax on purchases, so we are shouldering our fair share of taxes in Juneau even when we are not there! The few Funter Bay property owners who come from out of state also pay taxes in their home communities. And of course we all pay license fees for any vehicles in town, for hunting and fishing, etc.

The second assumption—that the borough should pursue some sort of constitutional mission to “organize” nearby remote areas seems flawed. If over many years and throughout the
state people in the unorganized borough have not voluntarily asked to be organized, could it mean that we do not want or need the services a borough government would provide—water, sewer, roads, fire protection? Many of us prefer to take responsibility for those things ourselves—and in sparsely populated areas (which are quite different from the 8 heavily populated areas who were forced into organizing) we can do that without impinging on our neighbors. Perhaps “unorganized” areas around Juneau have declined to “organize” because they do not want or need that layer of government. Whether forcing it upon them would ultimately create a financial asset or a drain on CBJ coffers is another question to consider.

These are just a few thoughts. Thanks for all your efforts.

Sincerely,

Marjorie C. Hermans
(part-time resident of Funter Bay)
9630 Moraine Way
Juneau, AK 99801
marjorie.herms@acsalaska.net

Marge Hermans
marjorie.herms@acsalaska.net

1/11/2007
Hello Peter -
Donna and Phil Emerson here. We have lived in Funter for 26 and 33 years, respectively. We did winter in Sitka for 3 years, a part of the time our kids were enrolled at Mt. Edgecumbe High School. Otherwise, this is our home.
We have just lost the city's sales tax exemption (as of July 1st, 06), which will be a significant financial blow to us. We live on the income derived from Phil's commercial troll fishing. We have been denied subsistence status for halibut fishing for our personal use. We do enjoy an additional month of deer harvesting each year, which has allowed us to harvest enough red meat to last us through most of the year. We are true subsistence users; fish, venison, shellfish, and our garden produce have allowed us to live here on our income.
It has been distressing to us to learn about the study and proposal of annexing our bay through 4th hand. No one from the city made any attempt to reach us to allow us to have any chance to provide our point of view.
We have been able to follow this ongoing process only because we have our own internet satellite dish and receiver, our own cell phone and radio phone systems. We had no chance to provide our point of view on losing our city sales tax exemption. We will have no opportunity to participate in city assembly meetings in Juneau. We cannot afford to travel back and forth except for major reasons.
We need to know exactly what benefits we will enjoy with inclusion in the CBJ. We know, from our past efforts to avoid inclusion, that many of the so-called benefits are going to be, in fact, burdensome; ie: building permits, zoning ordinances, property taxes.
Will you please answer the following questions:

Will there be an ordinance against having wood as the sole source of heat in a Funter Bay dwelling?

Will the city enforce septic tank/leach field requirements?

Will the CBJ allow composting toilets?

Will the city be responsible for transportation of students to and from schools through high school age?

Will the CBJ take over maintenance of the two state maintained docks in Funter Bay?

Will there be a fee structure for said docks?

Will there be fire protection available?

Will there be city police protection?

Will the CBJ seek to change the existing State Marine Park designation for the balance of the publicly owned beach property into a land sale area? If so, how many lots would be envisioned? What additional services would be made to buyers of these lots?

Will there be construction of and maintenance of trails and or roads within the bay?

Will the CBJ respond with EMT's and lifesaving equipment to calls from Funter? Will this be accomplished through 911 telephone service?

Will the CBJ provide lodging for students who attend city schools and cannot feasibly commute on a daily basis?

I am not attempting to be a gadfly; just want specific answers to specific questions that arise from thinking about what we will gain from annexation. I suppose that if the gains
were significant, we might be very willing to pay our "fair share" for the services. At present, we provide our own water system, our own hand dug septic system, our own electricity (at nowhere near your very low cost per kWh), have provided our own schooling (through the now defunct state's correspondence system).

We freely face the reality that we are far from the hospital, the doctors, the dentist, veterinarian, and even the grocery store. We pay to fly (currently over $200, one way for a small float plane), or we risk the weather in boating to Juneau to enjoy these services. We face and accept the risks inherent in living "off the grid" and away from the road system.

There are fewer and fewer people in Alaska who choose and can manage to live this type of lifestyle. I don't know if it's intentional, but the state, the cities, and the federal government (we could tell you a tale of having the postal system changing our address 3 times in less than one year without our moving, against our will, and with no way to stop it) have all begun to grind slowly towards eliminating the feasibility of bush life. Especially for families. We don't accuse you, personally, with having any such agenda. However, this is what, in effect, is happening.

We are trying to live here under our own terms. We have turned away from the life in town for our own reasons. We simply ask for the same respect we give to anyone who chooses to live in town and enjoy the benefits therein.

We argue that the CBJ cannot meet any of the specifications set forth in the Local Boundary Commission's regulations 3AAC 110.180; 3AAC 110.190(a); or 3AAC 110.195.

Thank you so much for your timely answers.

Donna and Phil Emerson
funterbay@starband.net
From: funterbay@starband.net
Sent: Thursday, January 19, 2006 8:19 AM
To: Peter Freer
Subject: Funter Bay Anex.

Dear Mr. Freer,

I know my wife just wrote but I thought I would add a few lines myself so that there is further understanding of Funter Bay.

I remember years back that the main reason for inclusion with the Juneau Borough was that Funter Bay was socially and economically dependent on Juneau. This probably has some truth to it but then the same can be said of every community connected to Juneau by ferry or small plane service. Everyone wants to shop at Costco and take advantage of what Juneau has to offer. It is also true that Juneau is socially and economically dependent on Seattle. Does that mean Juneau should be part of King County?

For my wife or I to attend a meeting in Juneau at this time of the year is an extreme hardship. I cannot leave my house and fishing boat unattended so that means only one of us can come to town. With a round trip plane charter, car rental, motel room, food etc. for a day would be around $600. That is weather permitting, we have sat in Juneau for days trying to get home due to the weather.

I am a commercial troller, there are no jobs in Funter Bay. I fish on the coast around Elfin Cove and Pelican, my fish are sold to Icicle Seafoods who work out of Excursion Inlet and are in the Haines Borough.

I listen to the Haines radio station. At one time I had a t.v. dish given to me and could get the Alaska channel. I ran wires to my neighbors so we would all have a little news. This ended when the state changed satellite formats and we could not afford the new equipment. I cannot receive Juneau t.v. and only get poor reception of Juneau radio stations. To run my boat to Auke Bay is 7 to 8 hours round trip, weather permitting. I have to pay about $10 a day just to tie up. This year I bought $5000 worth of fuel in Juneau because it was cheaper than going to Hoonah. Now that we have lost the non-resident status in Juneau I will more than likely go back to using Hoonah. If the travel lift is removed from Auke Bay I will also use Hoonah for hauling my boat out.

I have read over that standards for annexation to a borough and cannot find anything that applies. Oh, pardon me, I guess we speak the same language. I also thought that inclusion in a borough was with a vote of the residence and land owners rather than the borough forcing them.

Juneau has had Taku Inlet and Shelter Island for years and as far as I know there has been no attempt to provide them services other than what a person would normally pay for (building permits etc.) How can Juneau even think about expanding when it cannot even take care of what it has?

This interest in expanding the borough has also brought about a number of people asking me about exclusion from the borough. It seems like it is a fairly straightforward petition by residence and land owners to be removed from a borough. I told them to check with the boundary commission.

Thank you for your time and if there are any questions feel free to write.

Phil Emerson
Peter, I am a cabin owner at Funter Bay and I am concerned about the proposal to annex the area to the CBJ. Of particular concern to me is the possibility that the municipal building code would be extended to Funter Bay as a result of annexation. This matter was raised at the last meeting of the annexation advisory committee, and I wasn't entirely satisfied with the brief discussion of it then. You indicated that the building code was an "area-wide" authority of the municipal government, and that it would be extended throughout the annexation. About enforcement, you said that the municipality would enforce the code, with inspections, and as evidence of this you said that the code was being enforced at Echo Cove. Echo Cove is on the road system, and Funter Bay is not. A round trip charter flight to Funter Bay is now something over $400. Would the municipality really send inspectors to building sites in the Funter Bay area? Perhaps you can provide answers to following direct questions.

1. Would the building code be extended to Funter Bay?

2. Is it possible that the municipality could by ordinance exempt Funter Bay from the building code?

3. If the building code were enforced, how would inspections be arranged and who would pay for the travel of the inspectors?

4. How many inspections are typically done on a residential building?

5. Did the municipality enforce the building code for cabins built on Shelter Island and Taku River?
6. If so, how were the inspections handled, and who paid for the travel involved?

7. If I undertook any remodeling or rebuilding of my existing dwelling, would the code apply? would it be enforced retroactively against the entire structure?

8. What if I found it necessary to rebuild or upgrade or change in some way my existing septic system?

Thank you for your attention to this request for information.
February 12, 2006

City and Borough of Juneau Annexation Committee, Juneau, Alaska

ATTN: George Davidson, Chair
      Sandy Williams, Vice-Chair
      Caren Robinson
      Steve Sorenson
      Errol Champion

RE: Proposed Annexation of Funter Bay to the CBJ

Dear Committee Members,

As former full-time Alaska residents and current part-time Funter Bay residents, we are concerned about the proposals under consideration regarding annexation to the City and Borough of Juneau, and ask for your consideration in excluding Funter Bay from the annexation effort.

Our first item of concern is the lack of information being disseminated by your committee to the area residents, landowners all. Deeds for lands in Funter Bay, as elsewhere throughout the state, are documents of Public Record; as such they are certainly within the reach of the committee for identification of said landowners. It seems incumbent upon your committee to make a good faith effort to correspond directly with the affected landowners. Absent such an effort on your part, we are left to learn of the proposed action through communication with other residents of Funter Bay, and have had no voice in the discussions to date.

Now to the heart of the matter: We purchased land at Funter Bay without any expectation of city or borough services, and to our knowledge none have ever existed there. We accept the high costs in terms of transportation to and from our summer home, the inconveniences that come with remoteness and lack of infrastructure, and the risks we face regarding marine navigation, weather, and proximity to bear habitat. Together we have constructed our residence at the bay, complete with state-permitted septic system, small independent photovoltaic electrical system, and hand-carried water supply. Our lifestyle here over the course of the summers has been purposely simple.

In support of this lifestyle, we do find ourselves in Juneau every week or so to acquire groceries, fuel and building supplies. We avail ourselves of basic services such as laundry facilities and postal service at our mailbox in town. Frequently this is an overnight stay; therefore we are regular guests at local motels.

For ease in comparing what we contribute to the Juneau economy versus what we take, we offer the following tables:

**SUPPORT OF LOCAL AND STATE ECONOMY**
- Alaska Marine Highway (annual round trip from the lower 48 to Juneau)
- Annual Non-resident fishing licenses
- Annual boat registration
- Local air charter company (limited use)
- Grocery stores
- Hardware stores / lumber yards
- Pharmacies, doctors, dentists when needed
- Welding and mechanic shops
- Boat storage yards
- U. S. Post Office
- Hotels/Motels (10 to 15 nights per summer)
- Restaurants
- Gas stations, fuel docks
- Personal services (barber shop, laundry, etc)
- Occasional tourist destinations and shops
- Department stores
- CBJ Auk Bay Harbor (per-night basis)

**USE OF CITY SERVICES**
- Use of city road grid 10-12 times per summer, average 20 miles per visit.
The first column represents expenditures of many thousands of dollars per summer, to the benefit of the local economy. The second column represents our limited use of the infrastructure in Juneau, hardly more than that used by the average tourist who might spend at most a couple of hundred dollars here before going on his way. In short, we perceive that in terms of taxed goods and services, we already pay a share disproportionate to our limited use of CBJ taxpayer supported facilities. This spending imbalance is not atypical of the residents of Funter Bay, and puts the CBJ in an envious position from the standpoint of any taxing authority; that of deriving benefits without the responsibility of delivering services.

Our existence at Funter Bay takes nothing away from the CBJ, and expects (and gets) nothing in the way of services. We respectfully ask you to reconsider the fairness of taxing a handful of week-end and summer residents on their primitive cabins/homes, and the logic of assuming the expense and moreover, the responsibility for delivering unsolicited goods, services and remote safety nets to the residents of Funter Bay. Has any thought been given to the logistical and financial challenges of providing services, in addition to enforcing regulations, codes and standards associated with inclusion in the CBJ? And to what end would the city expose itself to this extraordinary burden? Land use will not change; construction booms will not occur, an economy will not develop, a tax base will not materialize.

In summary, annexation of Funter Bay to the CBJ will not benefit the residents of Funter Bay, but will saddle them with unnecessary, cumbersome regulations and unwanted government intrusion. The marginal benefits to the CBJ will surely not equal the financial exposure vis-à-vis the responsibilities and liabilities of such an annexation.

Sincerely,

Larry Vavra
Angela Thompson
4220 Madrid Drive
Georgetown, TX 78628
&
P.O. Box 32339
Juneau, AK 99803
Peter Freer

From: funterbay@comcast.net
Sent: Tuesday, February 14, 2006 6:37 PM
To: Peter Freer
Subject: Fw: Funter Bay Annexation

------ Original Message ------
From: funterbay@comcast.net
To: funterbay@comcast.net
Sent: Monday, February 13, 2006 3:46 PM
Subject: Funter Bay Annexation

Mr. Frer:

I am a property owner in Funter Bay and have through the "grapevine" heard the city of Juneau is planning to annex the Bay into their tax jurisdiction. I live in Seattle and do not use the cabin between the months of October and March so the information I have may be incorrect concerning possible annexation. I called some of the city offices in Juneau and your name was given as a contact. If you are not the person this letter should be directed to please let me know so I might have the opportunity to contact those in charge of this proposal.

My first concern is the lack of notification by anyone in an official capacity that this is taking place. The city of Juneau has my current address and it seems property owners would be notified as soon the process is started.

When I purchased this property I knew it was a remote site and expected nothing in the way of "normal" city services (roads, schools, garbage pick up, police or fire departments). If we are to be taxed what improvements or services does Juneau propose for those of us in Funter Bay? Or is this an attempt to generate tax revenue with no intention what so ever of providing a service to those who would be paying the taxes?

The city of Juneau already benefits from my numerous trips to Funter Bay each year. I arrive on Alaska Airlines, purchase those items required for an extended remote site stay and use the local float plane services to reach the cabin. Relatives and friends fly into Juneau, stay in the local hotels, do their shopping and then fly out to Funter Bay. In the process we all spend money, pay taxes and support your local economy creating local jobs. Seems to me that is a fair system.

As far as I know none of the property owners in Funter Bay have asked for nor do they expect any city services. In fact we like it just the way it is.

Randy Gray  funterbay@comcast.net
Thank you, Peter. I had just checked the website to look for correspondence but I did not find any. Is that just available to Commission members?

I do think the documents, minutes, etc. on the site are very helpful for people familiar with using this medium.
Someone is doing a good job on getting it started.

marjorie.hermans@acsalaska.net

-----Original Message-----
From: Peter Freer [mailto:Peter_Freer@ci.juneau.ak.us]
Sent: Wednesday, February 15, 2006 2:48 PM
To: marjorie.hermans@acsalaska.net
Subject: RE: Letter for Annexation Study Commission

Thanks Marjorie, I will post this to the annexation website. Commission members will be checking the site for correspondence from the public.
Peter Freer

From: Marjorie Hermans [marjorie.hermans@acsalaska.net]
Sent: Thursday, February 16, 2006 10:52 AM
To: Peter Freer
Subject: RE: Funter Bay

Peter,

I believe there is one other family, but they are very private people so I do not feel I should get involved in that.

I am glad about postings on the web site. They will be great for people who are comfortable working with computers and reading on-screen.

I called the city clerk's office yesterday to see if they list the mailing addresses of the Commission on the city web site somewhere—I could not find them. Can you suggest where I could get them?

We have a short document we'd like to distribute to the Commission members in hard copy so they can read it before the next meeting, and we do not want to ask you to do that. I will also drop off a copy for you, and if you'd like to have a PFD file of it, I can enclose that as well. It's about 5 pp. long. A few of us got together and looked at the state standards for annexation and how well we think Funter Bay fits them.

Thanks for your help.

marjorie.hermans@acsalaska.net

-----Original Message-----
From: Peter Freer [mailto:Peter_Freer@ci.juneau.ak.us]
Sent: Thursday, February 16, 2006 9:35 AM
To: marjorie.hermans@acsalaska.net
Subject: Funter Bay

Marjorie, all the correspondence is now posted to the website under 'Public Correspondence Received'. Responses will be posted soon. Do you know, are the Emersons the only year-round residents at Funter Bay? I hear that, but have never really confirmed it. Thanks.

Peter

1/11/2007
From: Collie Martin [dcm98@comcast.net]
Sent: Friday, February 17, 2006 10:58 AM
To: Peter Freer
Subject: Funter Bay Annexation

Peter Freer,

Thank you for the response. The web page should be very helpful towards keeping informed. I interpret your e-mails to mean that you are the point of contact with the committee and that my correspondence will be forwarded to the committee and probably posted on the web page.

To summarize, perhaps my question "Why, Annex" should be "Why should the borough petition to annex Funter Bay and initiate a process including standards when so many of the standards cannot be met?"

My conclusions from reading Model Borough Boundaries (Rev June 1997) are:

Page 3 - Boundaries are to be considered when existing organized boroughs seek to annex unorganized borough territory or when unorganized borough residents petition for borough incorporation.

My guess is that the Funter Bay residents will not petition so the committee is now engaged in studying whether CBJ should petition.

Page 4 - The purpose of Model Boroughs is not to force the incorporation of new boroughs or to promote annexation to existing boroughs. Instead, the intention is to be better prepared for future borough petitions. During the Model Borough Boundaries Study unorganized borough communities were given the opportunity to consider where future boundaries should be drawn.

I appreciate your comment that "We are not now engaged in a state Local Boundary Commission action. The CBJ has not prepared a petition, nor have the state requirements come into play". However, if the CBJ does petition, the state requirements will come into play so why not consider those standards now. Observing the state requirements and intent will avoid the appearance of "forcing" annexation.


It is noted that Funter Bay was apparently not included in the hearings. One of the annexation standards, 160 Community of Interests section (b) (3), relates to telephonic and teleconferencing facilities.

It is also implied that unorganized communities would continue to be given the opportunity to consider where future boundaries will be drawn.

Pg 31 Appendix
The following quote speaks for itself. "The language of the article presupposes plural unorganized units." The specific reference in Section 6 to 'maximum local
participation and responsibility in unorganized boroughs indicates that manageable units encompassing communities of interest were contemplated for unorganized as well as organized boroughs.”

Collie Martin
360 588 6092
Peter Freer
Juneau Borough Annexation Study Commission

Please read this into the record of the annexation study meeting scheduled for this evening, March 1, 2006 if at all possible.

-thanks for the answers to my annexation questions. I know this has become somewhat of a shouting match with lots of recreational-use cabin owners weighing in on the issue. I would imagine it is perhaps difficult for the City Assembly, the City Manager, and the LBC to feel too concerned for people who can afford to have second and third residences outside of town. I guess our own situation is so different from theirs, it might be worthwhile to expound a bit on what we consider the overwhelming burden of the addition of property taxes to our loss of the city sales tax exemption. Our taxable income for 2005 was well under $8,000. Out of that we had to pay taxes to the federal government for Social Security; we were below the taxable income limit for other taxes. We have 2 adult children in college, one in grad school. We have no debt, no mortgage, no business debt to service. This is the only way we can survive from year to year on a troller's income. We do some bartering for services and goods when we can; it's the only way we can survive living here. With the huge jump in fuel prices over the past 2 years, we have been struggling to heat our house and run our diesel generator for electrical needs. We have invested in solar and water power to help with the fuel costs, but will never be free of the need for petroleum products unless major developments are made in the alternative energy field, and then only if we can afford to make an investment into equipment. The way we survive on such a limited and fluctuating income base is by living outside of the borough.

We choose to forego the advantages city life offers and provide what we need on our own. It's not easy; our nearly 60 year old bodies are protesting at the burden we put on them. We don't know what we are going to do when we can no longer live here and take care of ourselves. Most of the other year-round residents have had to move into Juneau for doctors and support when they grew beyond an independent age. It's a harsh reality that we face every day. We are not in easy or cheap reach of doctors, the hospital, or dentist; we do not draw food stamps, fuel subsidies, assistance from any government source. We do not ask anyone to step in to assist us in our "poverty". In fact, we do not feel that we are poor. We feel richly blessed in our lives here. Providing for ourselves is a point of pride, one that we passed on to our children. Both are attending school on their own money, saved from their permanent fund dividends, job incomes, and gifts from grandparents that was all invested in their names from the day of their births. Neither of them has taken out a loan. Both of them work diligently to qualify for scholastic scholarships, which they've carefully managed to see them through their years of study. We think we have given them an excellent start in life, free of debt, and free of the mentality that the world owes them anything but a chance to benefit from their own hard work. Their homeschooling years gave them something they wouldn't have gotten, in our opinion, from the normal classroom experiences. This was a conscious choice. Living where we could manage on our income was a big piece of this commitment.

Maybe that helps you to see that losing our city sales tax exemption is a huge blow to us financially. Adding property taxes onto that is potentially catastrophic. We will have to dig into our retirement investments, made slowly, painfully, in the better years of fishing, in order to pay property taxes in our lean years. We hope for more good years of fishing to get us through; barring disability from age, health, illness that would interfere with Phil's ability to continue to operate his boat, we hope to have some sort of retirement someday.

We are well aware of the differences between us and the recreational property owners. Many, if not most, of them probably can afford property taxes on their holdings here. We probably will struggle to continue to live here and pay whatever taxes we have to. But it is going to be at a huge cost to us. There is absolutely no way that a person living in Juneau could survive independently on our income. It is only by living where we do, how
we do, that we can do so. These are some of the reasons that we are so adamantly opposed to annexation. It threatens our way of life, and possibly the way of life for other remote families that are in the path of "progress" towards borough expansion. Will it make Juneau a better place to live when there are no full time residents in the outlying areas? We have responded to many, many calls for help from boaters over the years. We field calls from Juneau air carriers for onsite weather reports, information on planes and pilots who have lost communication with their bases, floatplanes in distress. We have gone out in horrible weather again and again to help someone in need. Lost hunters have been housed overnight and fed. Boaters who lost their vessels have been housed, fed, and clothed in our home, at our own expense. Gas has been given or loaned to travelers who were in trouble. Families with inadequate heat on their boats have taken shelter with us overnight when the weather prevented them from getting into Auke Bay or further out to their destinations. Kayakers in distress, people injured in the woods - we are here for whomever asks for our help. What will Alaska be like when no one can afford to live remotely? Is this truly an outcome the city and the LBC are ready to accept in their drive to force everyone into a borough and a tax liability?

Thank you for your time and your thoughtful consideration of all the ramifications of borough expansion.

sincerely,

Donna Emerson
Phil Emerson
Funter Bay residents since 1972 and 1979 respectively
Hi, Peter,

I just found your 2/24 response to me posted on the Annexation Commission web site--but I wanted you to know I never received that response directly.

I hope I'm right, that that was just some kind of glitch. People who write to you and the Commission will receive direct answers and not have to search for them on the web site, right?

Thanks for taking time to talk with me the other day. I do appreciate your efforts to deal well with a very complicated and difficult issue. I hope the City realizes how important it is to assure that you have adequate time to do this.

The web site gets better and better as a source of information for folks who are concerned.
Have you thought of announcing it in the Juneau Empire?

Thanks,

marjorie.hermans@acsalaska.net
Thank you for your prompt and detailed response.

Aaron Shelley

-----Original Message-----
From: Peter Freer [mailto:Peter_Freer@ci.juneau.ak.us]
Sent: Thursday, March 02, 2006 4:36 PM
To: Aaron Shelley
Subject: RE: Annexation of Funter Bay

Hi Aaron. There is a lengthy and formal state process for annexation, and the borough is not engaged in that process, at least at this time. The committee that is meeting currently was formed as an ad hoc committee by the Mayor and is to make a recommendation to the Assembly whether or not the CBJ should pursue annexation. If their recommendation is to annex, and if the Assembly concurs, then the formal state process would be engaged. The process, from the preparation of a petition to final legislative approval, would probably take two years. Most annexations follow the legislative review process, which does not require a public vote, though the Assembly would have to approve the submittal of a petition.

> -----Original Message-----
> From: Aaron Shelley [mailto:aaron.nspci@alaska.net]
> Sent: Wednesday, March 01, 2006 2:46 PM
> To: Peter Freer
> Subject: Annexation of Funter Bay
> 
> Peter,
> 
> I am writing this e-mail to find out the procedure of your annexation
> study.
> If your commission recommends the annexation, will the assembly vote on
> the issue, or will there have to be a public vote.
> 
> I would like to add that as a land owner in Funter Bay, I am against
> the idea of annexation. People purchased property in Funter Bay to get
> away from Juneau. The city does not provide any services to Funter Bay
> land owners. Nor do the land owners in Funter Bay wish to pay taxes to
> have the government provide us with any services or restrictions on our
> land. If the City & Borough of Juneau wants to build all of their
> ridiculous capital improvement projects, then they should tax
> themselves. Rather than conquering new lands & taxing people they do
> not represent. Why should I have to pay 7 mills to hire another
> unnecessary government employee.
> 
> Thank You,
> 
> Aaron Shelley
> 
>
March 2, 2006

Peter Freer
Planning Supervisor
City and Borough of Juneau
155 South Seward Street
Juneau, Alaska 99801

Re: Proposed Annexation Study, Funter Bay

Dear Peter:

After putting it off for years while we cared for my mother, then my wife’s mother, I built a cabin in Funter Bay a couple of years ago. I never felt that the isolated life would suit me, but it probably saved my life. During my 32 years working for the State I did not pay much attention to the inconsistencies in government or the affects of constant negative media. I felt that it was my job was to implement not make policy as long as such policy was moral and legal. In retirement, unfortunately I had more time to be hammered by the media, and became embittered for the first time by unjust actions and procedures driven by special interests, including our own legislative bodies at both State and National level. Government unfortunately has little insensitive to make ones life simpler, and as one Director once told me none to cut itself back. It is difficult to accept higher inflation rates in health care and education, areas that use to be filled by people because they cared. Thus, when I received word of possible reconsideration by the Borough of annexation of Funter Bay I became so irritated and concerned that I prepared an eleven page reply which I am sure that no one in the Borough or State wants to receive. It is only in respect to those who hold the voluntary and elected positions, which I never wanted to myself, that I will reign myself in for the moment and reduce my comments accordingly.

**Background:** I am retired, 65 years old, was born in Juneau, had a sister born in Hawk Inlet, and aunt born in Funter Bay. My primary residence is in, and will remain in Juneau, unless I just get fed up, at which time I will take my family and considerable assets and leave. My wife and I presently pay approximately $22,000 per year in Federal Taxes, over $6,000 in local property tax, some local sales tax, and the many indirect hidden taxes that most are subject to. We have no children. Since my father’s death in 1966, my family has attempted to protect the primary assets of two mining companies, one located in Funter Bay with approx. 3,300 stockholders, intact in hopes that its
stockholders, and possibly some of my nieces and nephews might someday benefit from the same.

**Why More Tax:** The general reason, equity aside, is that the state and local governments need more revenue. Cost aside, unfortunately more revenue represents to the typical government worker potential for more/and or higher paying jobs, and to elected officials and legislators typically more power. I cannot fight with the latter so will focus on “equity” and from that the form of tax.

**No Justification When You Consider Equity:** Most of us have purchased goods from time to time from the “Lower 48” and Anchorage, but do we pay these entities property tax? As the Capital City, Juneau, provides services to the State as a whole, but municipal revenue sharing aside, is not compensated for the same, and like other cities with “State” property subsidizes those facilities, and foregoes taxes on the same. Most residents of Funter Bay actually reside in and pay property taxes to the CBJ. But even if they did not, we place no additional burden on Juneau than other Northern Panhandle communities, visitors, or residents of White Horse, B.C. However, like residents of other northern panhandle communities, and other visitors, by shopping in Juneau they add to the “economy of scale”: Juneau businesses prosper, the business district generates more property tax, the businesses can afford to maintain a larger and more varied inventory, thus benefiting the overall community and its residents. In addition to fees generated, the “economy of scale” principal applies similarly to use of the boat harbor, airport, and hospital facilities; otherwise why would the hospital change its name to “Regional” and like Sitka, Ketchikan, etc. compete for clients.

**Paying for Education:** I know of no one from Funter Bay which was not already a tax payer of the community requiring education services from the Juneau School System. Most of us, however, even those without children in the school system pay property taxes in Juneau supporting its school system, which is fine. However, if Juneau needs more revenue for this purpose it might consider the alternative suggested below.

**Forest Receipts, State and CBJ Issue:** As I recall Forest Receipts were initially intended to provide revenue to communities impacted by the presence of one of the two National Forests in Alaska, although I have little doubt that deep down there was also some hope that it would generate more support for federal timber harvesting programs. At present, with fishing and tourism, not logging being predominant mainstays of most communities, it is doubtful in my mind that any community, without harvest around it, can really argue in good faith that it is adversely affected by one of these forests. It has likewise been some time since Juneau has really supported a harvest program. Morally, this revenue should really go to communities actually impacted.

The formula, I believe required 25% of the harvest proceeds, to be divided among communities based on the amount or acres the community had in the forest generating the harvest proceeds. The amount dispersed is not affected by the boundary changes, but, who gets or does not get the proceeds is. As the Capital City, I would be concerned of the perception of those communities who may actually be impacted by and support
timber harvest, and who will loose forest receipts, if Juneau annexes more forest lands; unless such annexation is really well reasoned and justified.

Alternatives to Consider:

**Borough Solution:** The tax exemptions to out-of-town residents was in place when the Borough obtain voter approval for extensions of the various sales taxes. Since there was no anticipation of sale tax from people outside the community being available at the last vote, I would see no problem with securing modification of the ordinance to allow proceeds from re-institution of the tax in July on out-of-town sales to be dedicated to education or any other need approved by the voters.

**Juneau's Appraisal Methods:** I do not feel that Juneau's Method of Assessing Property is Fair; Thus Lawful. Its Requirement of Valuating and Reporting Personal Property Owned by Businesses is Onerous: I do not claim to know much about Juneau's current system of assessing property. My experience is limited to one meeting with a person working at the time in that office. I can say the experience, which I have detailed in an enclosure, was less than satisfying, and sets up a fear of such a system being applied to Funter Bay. I also have no desire to try to list or evaluate business property which has not changed for the most part since the 1950's. Although the Borough has considered it still has not adopted an exemption of such reporting for very small businesses; thus one must file the report with any changes on an annual basis (e.g. use to allow devaluation down to 10% of original value, later changed to 20%, etc.) These systems may work fine in a sophisticated area with established businesses but are conducive to a business already fighting for its existence.

**Closing:** Most retired people, typically on fixed incomes, can choose to consume less. However, all who own property are saddled with ever-increasing property taxes and expectations in many cases initiated by those who do not pay such taxes. Unfortunately, if one cannot afford to pay these taxes they are either forced to sell or loose the homes or businesses. Of even more concern to me would be the potential adverse impact of a property tax on my family who for so many years has provided the only support to, and the 3,300 stockholders who have invested in, the exploration and development of a mine at Funter Bay, the only remaining and essential asset besides the ore bodies located on federal lands being its patented lands. We are already burdened with enough, corporation fees, lease fees for holding federal mining claims, etc. and feel we pay our fair share. A property tax would force us to liquidate, as quickly as possible, and abandon over 90 years of effort. I do not feel that would be in the interest of either the residents of Funter Bay or, the longer term interest of Juneau or the State.

Many of us chose Funter Bay to remove us not from society, but from the complexities that come with a more urban setting. We are not asking for nor do we want to be saddled with the more sophisticated way of life, and the complexities that go with the same. We feel that dealing with the Forest Service, state agencies such as DEC, and the Army
Corps of Engineers on issues within their province offers the general public sufficient protection of public resources. We ask from Juneau no more that an average visitor or resident of another Southeast Community does. Please do not add to our burden by Annexing Funter Bay. Please pass a copy of this to the Chairman and members of the Annexation Committee. You may use your own judgment on whether you want to pass on the attachment concerning my visit to the Assessor's Office.

Sincerely,

[Signature]

Andrew W. Pekovich
Property/Owner
Attachment

Problem With the City and Borough of Juneau Property Assessment System:

Several years ago I visited the Borough Assessors Office. At the time I was concerned over the increase in value of the lot, not the dwelling, we resided on at Indian Cove. The land had gone up. I was astounded to find that my lot, which consisted of just 0.14 acres and had just 60 feet of water front, with several restrictions, was valued the same as a much larger lot with in the cove with no restrictions. This was more surprising as I was able to purchase this property undeveloped, although it had several prior owners, only because each thought it was to restricted to build on, thus when a better lot came available they sold. It was thus interesting, although I have not checked myself; to be told by my wife that our land, although narrowest of the original lots, with the most restrictions has the highest appraisal; including lots directly attached to municipal water.

I understood that State law required municipalities to assess at “fair market value”. Although I still know little about assessment methods, I had, from 32 years of working in lands, some familiarity with appraisal methods.

My first difficulty was in having the assessor inform me that although my property had less than half the water-front and many more restrictions than another property in the neighborhood, it did not matter. That all that mattered is that it had or could have a dwelling on it.

He proceeded to tell me that I was considered to have the best anchorage in Juneau. However, my lot, unlike the lot in question, was restricted to 1-1/2 stories, and a single family. Although there have been dwellings in this area sold, all the ones I know have since had the single family provision of the covenants removed. At least one of them has also had the height restriction removed. I proceeded to also inform the assessor that my lot was the lowest in the cove, and although I had sandbagged and sealed the beach door, had slight flooding during the Thanksgiving Day storm years ago. I almost fell over when he advised that should anyone find out about that it could affect the value of my property. I proceeded to ask him whether he really thought that I would not advise a potential buyer of this problem; that at the highest tide, without a wind surge, comes within 10’ of the top of my seawall. I also told him that we received some high speed vehicle noise from the highway. Although Indian Cove is a fair anchorage, it is not somewhere I want to moor my boat before May or after September. The beach in front of my property is also muddier than the average for a longer distance, so much so that I typically load passengers and freight at Auke Bay, as I typically have to back-track to fuel their anyway. There are places in the lower beach where individuals walking the beach have become stuck and had to have others pull them out leaving their boots. Although many have beaches where they can actually launch their boats from, mine does not, and the access adjacent access lot has been restricted to pedestrian only. Last, but not least, I fail to see how any fair system, intended to be “fair market value” can correctly separate the dwelling from the land. It is true that the land might be more valuable without the dwelling. However, once the dwelling is there it has to affect the
value of the land; unless the assessor felt that it would be more valuable to pay to remove
the dwelling and just sell the land; at which time I would think one would at least subtract
the cost of removing the building from the value of the land. In short, I was less than
impressed with my one short encounter with the ethics and cavalier methods of the
Borough Assessors Office and feel that if I really pushed it I would prevail. I did not for
several reasons. Although it might save me a few dollars it would cost all of us in the
end, as to do a more thorough job the assessor would have to spend more time. This
would take more personnel, more expense, or require a longer period between
assessments. At the time I also thought that although the Borough had over-assessed my
lot they had under-assessed my dwelling. I also had neither the time or energy to fight an
entity that had far more resources than I did. I do not want to spend the brief remainder
of my twilight years having to fight such a system.

Andrew Pekovich
March 2, 2006
To members of the CBJ Annexation Study Commission
& Peter Freer, CBJ Planning Supervisor

Thank you for keeping the Commission's page on the web site current, and for including Chairman George Davidson's memo to the other members there as well. We appreciate being able to keep informed as this study progresses.

We would like to say for the record that we agree with several of the conclusions in Mr. Davidson's letter:

* It does appear from testimony we heard at several meetings that annexing additional areas to CBJ would at this point be of no or very insignificant financial benefit to the borough.

* It does appear from what we heard that annexation of outlying areas at this time would benefit only the state, not the borough. (We also believe the benefit to the state would not be significant enough to outweigh the disadvantages.)

* We believe the vast majority (if not all) of public comments in letters and at the Commission meetings confirm that annexation would degrade rather than improve life in outlying areas.

And we hope the Commission will formally agree that it would be most just and fair to leave the "cabin/subsistence" areas intact as much and as long as possible.

Thank you again for being open to public comments and for your continued thoughtful deliberations.

Sincerely,

Tom Osborn & Marjorie Hermans
9630 Moraine Way
Juneau, AK 99801

email:
mhermans@acsalaska.net
Hello Peter -
I am having a problem finding any information about the ongoing meetings of the annexation committee. There has been nothing substantive on the juneau.org website for some time. I continue to receive phone calls from property owners here in Funter wanting information and I don't know what to tell them. Was there a meeting held on May 3rd? What was discussed/decided? Will there be a meeting in June? Where and when, and what will the agenda be?
It seems only fair to post this information where the majority of the landowners and interested parties can find it easily. I think the general feeling is turning toward anger and disenfranchisement at the lack of notification. That's what I am hearing. I doubt it would be productive for you to field the phone calls that are coming in to me; if you could simply keep us posted in a timely and reliable manner, I think it would help to avoid a backlash. There continues to be a lot of concern about what is being planned. Thanks.
Donna Emerson
March 28, 2006

TO: Peter Freer
Members of the CBJ Annexation Study Commission
George Davidson, chair
Sandy Williams, vice-chair
Errol Champion
Caren Robinson
Steve Sorenson

Dear Sir or Madam:

This letter is to object to the Local Boundary Commission’s recommendation that the City and Borough of Juneau annex Funter Bay, Alaska.

My wife and I are property owners and part-time residents in Funter Bay. I can see no reason why Funter Bay or any other outlying community should be annexed into the Juneau Borough, or any other borough for that matter. We are self-sufficient in Funter Bay and have not asked for any services. We buy our supplies in Juneau or Hoonah, and pay premium prices for getting them to Funter Bay. Often times the freight costs many times more to be shipped from Juneau to Funter Bay than from Seattle to Juneau.

The residents of Funter Bay supply their own water, sewer, electricity etc. and have no schools. There is no telephone, mail, freight, ferry, or police and fire protection. I fail to see how Juneau or any other borough is going to do anything to improve the quality of life in Funter Bay. Whatever services the City and Borough could try to give would be ineffective and inefficient, costing far more to try and provide than it’s worth. The residents will be taxed with nothing in return. Somehow that doesn’t seem right or fair to me, and I hope you will agree.

As a life long Alaskan resident and property owner in both Juneau and Funter Bay, I am somewhat concerned with the new mentality of some of the voters and public officials who seem to have the attitude of “get all the tax money you can get no matter who or what it hurts” in the name of “Governmental Progress”. Due to increasing taxes and cost of living in Juneau, it is becoming more and more difficult to live in the area. Annexing Funter Bay will only create continued and unnecessary financial hardship to property owners.

Sam and Helen Pekovich
P.O. Box 20885
Juneau, AK 99802