

November 18, 2019

Good evening, members of the Borough Assembly and Mayor,

My name is Kandi Woodworth and I reside at 848 S. Mitkof Hwy. My husband and I own property at Fredrick Point East and I would like to speak on the Assembly Discussion Item 17 A. regarding Fredrick Point East., an undeveloped subdivision of 55 lots where there is currently only one couple living there as full time residents- that would be Don & Jenny Cummins.

A quick history of Fredrick Point East goes something like this:

In 1978 at the time of the Petersburg Annexation, the newly annexed area boundary pretty much cut the island in half beginning at approximately 8 ½ mile on Mitkof Hwy running straight across to Fredrick Sound on the other side of the island. It included a large portion of forest with a partial logging road. In the early 80's an area of the forest was surveyed by the state to create two subdivisions which we now know as Fredrick Point East and Fredrick Point North.

According to the 1978 annexation documents regarding property taxes, the City of Petersburg agreed to:

1. "...charge initially a flat 50% of the tax levy in the newly annexed area for basic general services and administration..."
2. The Council was to review the situation annually and establish differential tax zones for the newly annexed areas in regard to the particular services they received so that the property taxes would reflect the services provided by the City. Percentages were to be applied to each service provided, such as fire, police, ambulance, road maint, etc. . This was to insure that the annexed area was not subjected to unfair taxation for services not available in the newly annexed area. This did not include enterprise fund activities paid for by the users.

Since 1987 to the present, there have been no services provided to the Fredrick Point East Subdivision because the area is still remote. There is no access road to the Subdivision and the cost to build an access road would I guess be in the millions of dollars. From the municipality's standpoint, it would not be economically feasible and from what I have gathered from speaking to FPE property owners, this is not what the property owners would want anyway. They like it remote.

The issue then isn't wanting the Borough to provide services to Fredrick Point East. It is the fact that Fredrick Point East was placed in Service Area 1 and is being taxed at the full operational mill rate, an Education mill rate of 4.33 plus the General Services mill rate of 5, when there have been no services provided nor is there any intention by the Borough to provide services any time in the foreseeable future.

According to the Borough Charter, under Section 14.04 called the Criteria for establishing Service Areas it states,,

"Service Areas...shall comprise the area to which the services shall be provided."

Let me repeat that.

According to the Borough Charter, under Section 14.04 called the Criteria for establishing Service Areas it states,,

"Service Areas...shall comprise the area to which the services shall be provided."

Therefore, because Fredrick Point East has not been provided any services by the Borough, it does not meet the criteria to be included in a Service Area.

Thank you for your attention and consideration.