

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY PROPOSING A RECLASSIFICATION OF THE MATANUSKA-SUSITNA BOROUGH FROM A SECOND CLASS BOROUGH TO A FIRST CLASS BOROUGH AND SUBMITTING THE PROPOSAL TO THE QUALIFIED VOTERS AT THE NOVEMBER 3, 2020 REGULAR BOROUGH ELECTION.

AGENDA OF: June 2, 2020

ASSEMBLY ACTION:

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator	NS	For Mayor Halter
	Borough Attorney	NS	
	Borough Clerk	JMM 5/20/20	JB

ATTACHMENT (S): Fiscal Note: YES _____ NO X
Summary list of powers (1 p)
Ordinance Serial No. 20-061 (2 pp)

SUMMARY STATEMENT: This ordinance is sponsored by Mayor Halter to place a ballot question before the voters to reclassify the Matanuska-Susitna Borough from a second class borough to a first class borough. Under AS 29.04.050, a second class borough may reclassify as a first class borough by submitting the question to the voters.

The subject of municipal powers is an extremely complex area of Alaska law and therefore, this informational memorandum addresses these concepts very broadly.

Currently, the MSB is a second class borough. Second class boroughs have several areawide powers which they exercise everywhere in the borough including within city limits. Second class boroughs also have a list of several non-areawide powers which can be exercised in the borough but only outside the city limits.

Generally speaking, if the MSB becomes a first class borough, the MSB's areawide powers would not change and the MSB would be able to exercise powers within city limits no differently than it currently does such as ambulance service, education, assessment, and taxation. The relationship with the cities would not change. However, if the MSB becomes a first class borough, instead of a list of non-areawide powers, the MSB would be able to exercise any power not prohibited by law in the area outside the cities. It is very important to note that simply becoming a first class borough does not automatically affect the MSB's current areawide powers, does not affect the powers of the cities, and does not automatically affect existing service areas. Service areas exist in code and would not be automatically changed by the MSB becoming a first class borough.

This proposition is not related in any way to home rule powers. Home rule powers are a different set of powers and would require additional voter approvals. In addition, if home rule powers were pursued and acquired, they would impact the relationship with the cities. This ordinance does not change the relationship between the MSB and the cities of Palmer, Wasilla, and Houston.

In conclusion, the major effect of becoming a first class borough is that the MSB would be able to exercise any power not prohibited by law in the area outside cities. This means that the MSB would not have to seek voter approval to do things like police protection, fire response outside existing service areas, health regulations, business regulations, and/or road powers outside existing service areas. If the MSB becomes a first class borough, it would be able to exercise powers outside the cities without needing additional permission from voters to do so.

RECOMMENDATION OF ADMINISTRATION: Introduce and set for public hearing.

Attachment to IM 20-126

This is a summary of the powers contained in AS 29.35.150-210 to show that 1st class borough status does not impact areawide powers, does not impact service areas, and does not impact the cities.

Second Class Borough Powers	First Class Borough Powers
<u>Mandatory Areawide Powers</u> -Education -Assessment&Collection of Taxes -Land use regulation	<u>Mandatory Areawide Powers</u> -Education -Assessment&Collection of Taxes -Land use regulation
<u>Additional Areawide Powers</u> -transportation systems -animal control -air pollution control -water pollution control -license day care facilities -energy improvement assessment program	<u>Additional Areawide Powers</u> -transportation systems -animal control -air pollution control -water pollution control -license day care facilities -energy improvement assessment program
<u>Additional Non-Areawide Powers (outside cities only)</u> -transportation systems -regulation of fireworks -animal control -solid waste and septic waste -air pollution control -water pollution control -participate in federal or state loan programs for housing rehabilitation and improvement for energy conservation -economic development -participate in the state program for local roads and trails -EMS communications -regulate the licensing and operation of motor vehicles and operators -participate in debt programs -hazardous substance cleanup -energy improvement assessment program	<u>Additional Non-Areawide Powers (outside cities only)</u> -any power not otherwise prohibited by law

IM 20-126
OR 20-061

CODE ORDINANCE

Sponsored by: Mayor Halter

Introduced:

Public Hearing:

Action:

**MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 20-061**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY PROPOSING A RECLASSIFICATION OF THE MATANUSKA-SUSITNA BOROUGH FROM A SECOND CLASS BOROUGH TO A FIRST CLASS BOROUGH AND SUBMITTING THE PROPOSAL TO THE QUALIFIED VOTERS AT THE NOVEMBER 3, 2020, REGULAR BOROUGH ELECTION.

WHEREAS, the intent and rationale of this ordinance is found in the accompanying Informational Memorandum 20-126.

BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance.

Section 2. Submission to the voters. The Borough Clerk shall submit the following question to the qualified voters at the November 3, 2020 regular Borough election. The question must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved:

PROPOSITION No. 1

Shall the Matanuska-Susitna Borough be reclassified from
a Second Class Borough to a First Class Borough?

Yes 0 No 0

Section 3. Effective date. This ordinance takes effect immediately upon adoption.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day
of -, 2020.

VERN HALTER, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)