



City of Hoonah

P.O. Box 360 Hoonah, AK 99829 (907) 945-3663 Fax (907) 945-3445

# Borough Formation

## *Frequently Asked Questions*

***Q: Why is the City of Hoonah pursuing forming a borough government?***

*A: The City of Hoonah maintains the position that proactive formation of a Borough with proper strategic boundary alignment is in the community of Hoonah's best interest now and into the future, particularly for sustainability of the Hoonah School District. Federal and State funding sources for the District continues to shrink, but the need to fund our local contribution as much as possible and supplement other funding sources is paramount to the District's success. The City government is limited to its corporate boundaries to generate revenue and both additional sales tax and property tax are not viewed as a favorable means to raise more money for the school at this time.*

*In forming a borough and expanding corporate boundaries to include land and water resources far beyond Hoonah City limits, this will provide opportunity for additional revenue sources the City cannot currently utilize because they are outside the City's boundaries.*

*The City is not seeking to add an additional layer of government or add any additional services or government positions from this process. If approved, the City of Hoonah would transition to a unified borough government, for example the City of Hoonah would become the Xunaa Borough. The government office locations and employees would remain the same.*

***Q: I am concerned that if a borough government is formed, it will impose property tax on my property in Hoonah. Is this true?***

*A: It is true that taxation of property is within the authority of a borough government, it is also within the authority of the City of Hoonah government now. However, the proposed borough government will not include taxation of real property as a means to fund government services. The revenue sources that have funded the City of Hoonah government will continue as they are within the corporate boundaries of Hoonah, and additional revenues will be raised through taxation of other resources and commerce primarily tied to commercial fishing grounds that would be included within the Hoonah borough boundaries.*

***Q: Will the registered voters of Hoonah be involved in deciding whether to form a borough government for Hoonah?***

*A: Yes, absolutely. Our Petition to form the Xunaa Borough was approved by the State of Alaska Local Boundary Commission. All registered voters within the proposed Xunaa Borough boundaries will have the opportunity to vote in a special election to decide whether to accept the Xunaa Borough Formation.*

***Q: Would other communities and their school districts from around the region be a part of the borough too?***

*A: The Xunaa Borough Petition as it was accepted by the Local Boundary Commission includes the following communities: Hoonah, Mt. Bether, Elfin Cove, Funter Bay and Lemesiurer Island. Hoonah has the only School district in the new Xunaa Borough and the only change be a name change for the School District. The school district will now be the Xunaa Borough School District.*

***Q: How can I stay informed and get involved in the Borough Formation process?***

*A: The City will begin an information campaign in January as we progress through the timelines established by the Local Boundary Commission. We will be hosting a number of workshops and mailers to help get the information out, to include the City's Facebook account.*