

**PETERSBURG BOROUGH
ORDINANCE NO. 2026-17**

**AN ORDINANCE OF THE ASSEMBLY OF THE PETERSBURG BOROUGH, ALASKA,
ESTABLISHING THE THOMAS BAY SERVICE AREA OF THE BOROUGH, PROVIDING FOR
ITS GOVERNANCE AND FINANCING, AND AUTHORIZING USE OF LOCAL IMPROVEMENT
DISTRICTS WITHIN THE SERVICE AREA.**

WHEREAS, Sections 14.03 and 14.04 of the Petersburg Borough Home Rule Charter authorize the creation of service areas within the borough to provide services not provided on an areawide basis, based upon need and economic operating efficiency; and

WHEREAS, the Assembly wishes to create a service area encompassing ASLS 81-235 in the area of Thomas Bay, excluding the federally owned parcel, as further shown on Exhibit A; and

WHEREAS, as required under Section 14.04, the Assembly has determined that the services anticipated to be provided within the Thomas Bay Service Area cannot be reasonably provided by an existing service area or by the alteration of an existing service area; and

WHEREAS, under subsection 14.03A(2) of the Charter, a service area is created by Assembly ordinance approved by voters residing within the proposed new service area or by consent of all real property owners within the area if no voters reside in the area; and

WHEREAS, no voters reside in the proposed service area, and the entirety of real property located within the proposed service area is owned by the Petersburg Borough or the State of Alaska; and

WHEREAS, the Alaska Department of Natural Resources, on behalf of the State of Alaska, has granted written consent to include the state-owned parcels within the proposed Thomas Bay Service Area (see, Exhibit B);

WHEREAS, a public hearing was conducted on August 3, 2026, in accordance with the Petersburg Borough Code; and

WHEREAS, the Assembly has determined that providing essential fire, emergency response, and police services, road maintenance, the construction, repair, and/or upgrade of local roads, and opportunities for public recreation constitute services necessary for the development and use of the area.

**NOW, BE IT ORDAINED BY THE ASSEMBLY OF THE PETERSBURG BOROUGH, ALASKA,
AS FOLLOWS:**

Section 1. Classification:

This ordinance is of a general and permanent nature and shall be codified in the Petersburg Municipal Code.

Section 2. Purpose:

The purpose of this ordinance is to establish a service area, known as Thomas Bay Service Area, within the Petersburg Borough, Alaska, for the purpose of providing certain municipal services within its boundaries that are not provided on an areawide basis.

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Section 3. Substantive Provisions: The Petersburg Borough Municipal Code is hereby amended as follows. The language proposed for addition is bold and underlined:

A. Amendment. Section 4.12.010 of Chapter 4.12, *Local Improvement Districts*, is hereby amended to add and/or modify the following:

4.12.010 - Applicability.

A. Provisions of this chapter shall apply to the creation of a local improvement district (hereinafter "LID") to provide for a property owner-funded capital improvement project within the LID for extensions of borough streets, curbs and sidewalks, paving, utilities, or any combination thereof in the borough-controlled public rights-of-way, at the request of the owners of land benefited by the proposed project, where such project may be done by borough personnel or under contract let by the borough. This chapter shall also have application to other types of capital improvements upon a specific resolution adopted by the borough assembly which authorizes the procedures of this chapter, subject to such limitations, if any, as may be recited in the resolution.

B. The assembly may assess against the properties within an LID all or a portion of the cost of the capital improvement. All such capital improvements shall be owned by the borough, regardless of whether the project was wholly or partially property owner-funded under this chapter.

C. This chapter shall apply within Service Area 1 **and the Thomas Bay Service Area** only.

B. New Chapter. Title 4 *Revenue and Finance*, is hereby amended to add a new Chapter 4.85, entitled *Thomas Bay Service Area*, to read as follows:

Chapter 4.85 – THOMAS BAY SERVICE AREA

4.85.010. Creation and Boundaries. **The Thomas Bay Service Area within the Petersburg Borough is created with boundaries incorporating all real property located within Alaska State Land Survey No. 81-235, recorded on October 21, 1982 in the Petersburg Recording District as Plat No. 82-16, excepting the federally owned parcel described as Tract B-2, Plat No. 93-2.**

4.85.020. Services.

A. The borough services that may be provided within the Thomas Bay Service Area are as follows:

1. Fire and Emergency Medical Services;

2. Police Services;

3. Road Construction (which may also be provided by creation of a local improvement district under Article 16 of the Borough Charter);

4. Road Repair and Maintenance; and

5. Parks and Recreation.

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B. Creation of the service area does not guarantee the provision of the services set out above, or any specific level of service, which shall be determined subsequently by the Assembly through the budgeting process.

4.85.030. Financing.

A. Authority to Levy Tax. Under Petersburg Borough Charter Section 14.03, the Assembly is authorized to levy taxes, assessments, or other charges to pay for the costs of the Thomas Bay Service Area. The rate of tax levy shall not cause the taxes on real property to exceed the maximum established under Section 12.03 of the Borough Charter.

B. Use of Revenue. Revenue generated through taxes, assessments, and other charges under paragraph A above shall be segregated and used exclusively to pay the costs of the Thomas Bay Service Area, including capital, operating, and administrative costs, and for performance of services, including construction and maintenance.

Section 4. Consent to Creation of Thomas Bay Service Area

The Borough Assembly, on behalf of the Petersburg Borough, hereby consents to the creation of the Thomas Bay Service Area. In conjunction with the consent of the State of Alaska, this meets the requirements of Borough Charter, Subsection 14.03A(2), for creation of the service area.

Section 5. Effective Date

This ordinance will take effect immediately upon adoption.

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 17th day of August, 2026.

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Borough Clerk