



February 9, 2016

Honorable Senator Bert Stedman
Honorable Representative Jonathan Kreiss-Tomkins

We, the Petersburg Borough Assembly, are writing to request introduction of legislation seeking an increase in the general land grant entitlement to the Petersburg Borough.

According to ADNR, there are approximately 18,324 acres of state-owned VUU (vacant, unappropriated, unreserved) land within the Petersburg Borough that qualifies for selection under the Municipal Entitlement program. Of this, the borough land entitlement is 1,374 acres or approximately .07% of the borough's land area.

While the state owned a great deal of land within the borough at one time, most has been re-conveyed to other agencies such as the Alaska Mental Health Trust, the University of Alaska, and Southeast State Forest leaving little for the new borough to select to meet its future planning and economic development goals. Moreover, the majority of these lands were either valuable waterfront property or forested land, leaving primarily inaccessible and undevelopable lands in the borough's entitlement selection pool.

Petersburg would not be setting a precedent by seeking an increased land grant, in fact, quite the opposite. We note 14 of the 18 boroughs in Alaska prior to Petersburg Borough formation obtained general grant land entitlements through the legislative process. On average, Alaska's boroughs have received .79% of their land base in entitlement lands. If Petersburg Borough were to receive the "average", the entitlement would amount to over 14,600 acres (based on current estimate of VUU land within the borough).

The land entitlement program was created expressly for the development needs of the new borough and to address the economic, cultural and resource-based goals of its residents. The borough is seeking the increased land grant to provide for, among other things:

- o a wetlands mitigation bank to meet Army Corps of Engineers compensatory mitigation requirements for future development;
- o new sources of rock/sand for road and development projects;
- o amenity/waterfront land for tourism development or settlement to increase local property and sales tax revenue; and
- o Land suitable for commercial/industrial development.

In the very near future, it will be necessary for municipalities to fund more of their operations and rely less on state and federal monies. An increased land base is a critical component if the Petersburg Borough is to become more self-sufficient.

We appreciate your consideration in helping Petersburg Borough gain local control of land use to guide and promote development activities for the benefit the local economy. Borough Community and Economic Development Director Liz Cabrera is available for any questions you may have. She can be reached at 907-772-4425, ext. 26.

Respectfully,


Mark Jensen, Mayor

cc: Lee Cole, Department of Natural Resources

Borough Administration
PO Box 329, Petersburg, AK 99833 – Phone (907) 772-4519 Fax (907)772-3759
www.petersburgak.gov