



January 26, 2017

Hon. Bert Stedman
Alaska State Senate
Juneau, AK 99801

Dear Senator Stedman,

We are writing in support of SB 28 to increase the general land entitlement to the Petersburg Borough so it is comparable to the amount received by the 18 other boroughs in Alaska.

According to ADNR, the Petersburg Borough's general 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.

Petersburg would not be setting a precedent by seeking an increase 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.

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:

- Wetlands mitigation bank to meet Army Corps of Engineers compensatory mitigation requirements for future development;
- Sources of rock/sand for road and development projects;
- Amenity/waterfront land for tourism development or settlement to increase local property and sales tax revenue; and
- 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 assistance in helping Petersburg Borough gain local control of land use to guide & promote development activities for the benefit the local economy by working toward passage of SB 28.

Sincerely,

Casey Flint
for the PEDC Board of Directors