

ALASKA STATE LEGISLATURE

SESSION

State Capitol, Rm. 30
Juneau, Alaska 99801-1182
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Sen.Bert.Stedman@akleg.gov

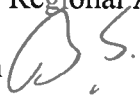


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SENATOR BERT K. STEDMAN

TO: Senator Click Bishop, Chair
Senate Community & Regional Affairs Committee

FROM: Senator Bert Stedman 

DATE: January 26, 2017

RE: SB 28 Hearing Request

I respectfully request the scheduling of Senate Bill 28 in the Senate Community & Regional Affairs Committee at your earliest convenience.

This legislation would set the total general land entitlement for the Petersburg Borough to a level similar to the other eighteen organized boroughs of the state.

Attached to this memorandum please find:

- SB 28 Sponsor Statement
- SB 28 Version D
- SB 28 Sectional Analysis
- SB 28 Maps – Land Selection Areas
- SB 28 Letter of Support – Petersburg Borough
- SB 28 Witness Names and Contact Information

If you have any questions, please contact my staff Melissa Kookesh at 465-3873.

District R

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Ketchikan • Klawock • Klukwan • Kupreanof • Metlakatla • Meyers Chuck • Naukati • Pelican • Petersburg
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Sponsor Statement

SB 28 - Municipal Land Selections for the Petersburg Borough

Senate Bill 28 will set the total general land entitlement for the Petersburg Borough (Borough) at 14,666 acres. This is an increase of 12,770 acres from its current level of entitlement, and would bring the Borough's land entitlement to a level similar to the other eighteen organized boroughs in the state. SB 28 will address the long-term economic sustainability of a recently formed borough.

When the Borough formed in 2013, it received a general land grant entitlement from the state of 1,896 acres. Of the 1,896 acres, 457.47 acres had already been given to the City of Petersburg. A substantial part of the 457.47 acres is restricted to public, charitable, or recreational use.

After deducting the 457.47 acres that went to the City, the Borough's land entitlement is 1,438.53 acres which is an area roughly 1/3rd the size of the Anchorage International Airport. 1,438.53 acres simply does not provide enough land to support economic development such as rock and sand material sites for roads, airports, waterfront land for tourism development, or residential homes.

The Borough would select the additional 12,770 acres from seven different areas around the Borough. All selections would be made from vacant, unappropriated, and unreserved state lands. No selections would interfere with existing State, University, or Alaska Mental Health Trust lands, including the Southeast State Forest, or private ownership.

The Petersburg Borough recognizes we are in difficult budget times. An increased land base is critical for the Petersburg Borough to become more self-sufficient.

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SENATE BILL NO. 28

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY SENATOR STEDMAN

Introduced: 1/20/17

Referred: Community and Regional Affairs

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the general grant land entitlement for the Petersburg Borough; and**
2 **providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 29.65.010(a) is amended to read:

5 (a) The general grant land entitlement of each of the municipalities in this
6 subsection is the amount set out opposite each:

- 7 (1) Municipality of Anchorage - 44,893 acres;
8 (2) City and Borough of Juneau - 19,584 acres;
9 (3) City and Borough of Sitka - 10,500 acres;
10 (4) Bristol Bay Borough - 2,898 acres;
11 (5) Fairbanks North Star Borough - 112,000 acres;
12 (6) Haines Borough - 2,800 acres;
13 (7) Kenai Peninsula Borough - 155,780 acres;
14 (8) Ketchikan Gateway Borough - 11,593 acres;

- (9) Kodiak Island Borough - 56,500 acres;
- (10) Lake and Peninsula Borough - 125,000 acres;
- (11) Matanuska-Susitna Borough - 355,210 acres;
- (12) North Slope Borough - 89,850 acres;
- (13) City and Borough of Yakutat - 21,500 acres;
- (14) City and Borough of Wrangell - 9,006 acres;
- (15) Haines Borough - 3,167 acres;

(16) Petersburg Borough - 14,666 acres.

* **Sec. 2.** AS 29.65.040(c) is amended to read:

(c) Land may be selected or nominated for selection by a municipality to satisfy a general grant land entitlement under former AS 29.18.201 and 29.18.202 at any time before October 1, 1980. Land may be selected or nominated for selection by a municipality to satisfy a general grant land entitlement under AS 29.65.010(a)(1) - (9), (11), or (12) at any time before October 1, 1990. Land may be selected or nominated for selection by a municipality to satisfy a general grant land entitlement under AS 29.65.010(a)(10) at any time before October 1, 1996. Land may be selected or nominated for selection by a municipality to satisfy a general grant land entitlement under AS 29.65.010(a)(13) at any time before October 1, 1999. Land may be selected or nominated for selection by a municipality to satisfy a general grant land entitlement under AS 29.65.010(a)(14) or (15) at any time before October 1, 2011. **Land may be selected or nominated for selection by a municipality to satisfy a general grant land entitlement under AS 29.65.010(a)(16) at any time before October 1, 2018.**

However, if a municipal selection or nomination or a part of a municipal selection or nomination is rejected by the director, the municipality may, not later than 90 days after receipt of the rejection or final decision on an appeal filed under AS 29.65.050(d), select additional state land as necessary to satisfy its entitlement.

* **Sec. 3.** AS 29.65.050(c) is amended to read:

(c) The director shall approve or disapprove each selection for patent within nine months of its selection by a municipality. Before a decision is issued, the Department of Commerce, Community, and Economic Development shall review the selection and recommend approval or disapproval of it. The director may disapprove a

1 selection only upon a finding that the public interest in retaining state ownership of the
2 land outweighs the municipality's interest in obtaining the land. If the director
3 determines that the public interest in land selected in satisfaction of an entitlement
4 under AS 29.65.010(a)(13), (14), [OR] (15), or (16) can be adequately protected by
5 issuing a patent that is subject to stipulations, conditions, or covenants, and if the
6 municipality agrees to accept the land subject to those stipulations, conditions, or
7 covenants, the director may approve a selection that would otherwise be disapproved
8 and may issue the patent with the stipulations, conditions, or covenants agreed to by
9 the municipality. A patent shall be issued to the municipality for land selected in
10 satisfaction of a general grant land entitlement vested under AS 29.65.010 - 29.65.030
11 within three months after approval by the director of a plat of survey.

12 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).

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Sectional Analysis

SB 28 - "An Act relating to the general grant land entitlement for the Petersburg Borough; and providing for an effective date."

- SECTION 1** Adds a new paragraph to AS 29.65.010(a) for a general grant land entitlement for Petersburg Borough.
- SECTION 2** Amends AS 29.65.040(c) to state that land may be selected or nominated for the general grant land entitlement created in sec. 1 of this bill any time before October 1, 2018.
- SECTION 3** Adds the Petersburg Borough general grant land entitlement to an exception under AS 29.65.050(c) that allows the director of lands, Department of Natural Resources, to approve a selection that would otherwise be disapproved if the director determines that the public interest can be adequately protected by issuing a patent that is subject to stipulations, conditions, or covenants, and the municipality agrees to them.
- SECTION 4** Provides for an immediate effective date.

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Vicinity Map

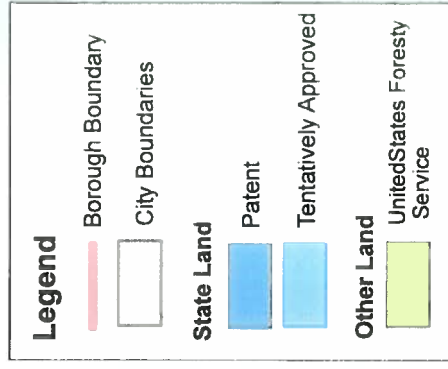
Petersburg Borough

ADL 104903

VUU LAND

within the

Borough Boundary



This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.



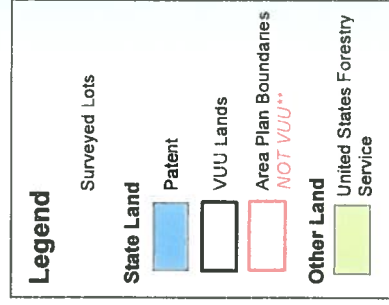
Map 1

Petersburg Borough

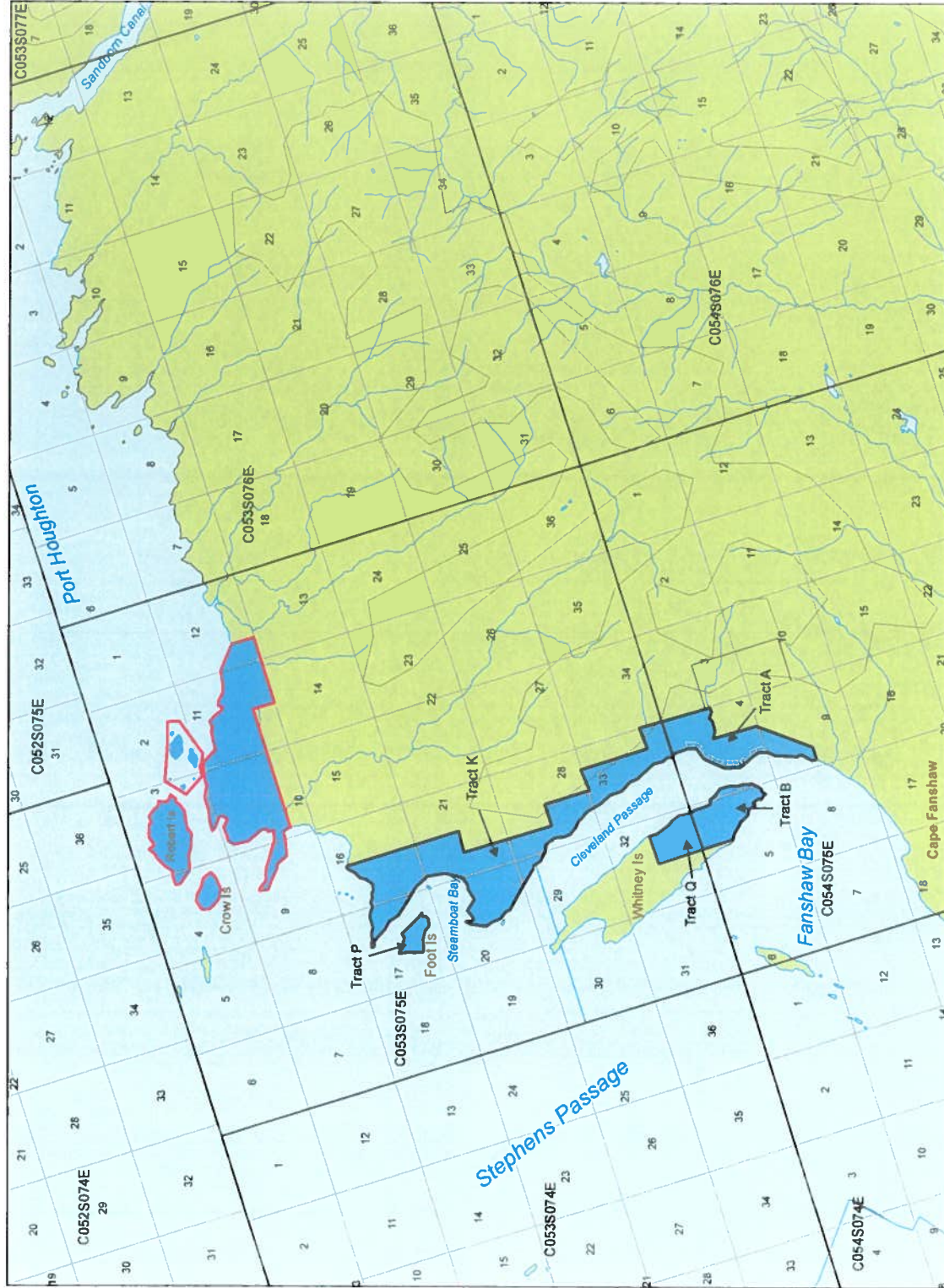
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VUU LAND
within the
Borough Boundary

Fanshaw Bay



**VUU: Vacant, Unappropriated
Unreserve State Land



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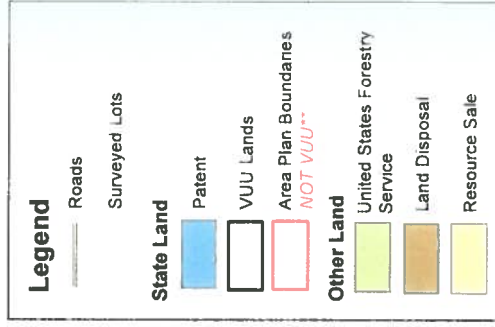
Map 2

Petersburg Borough

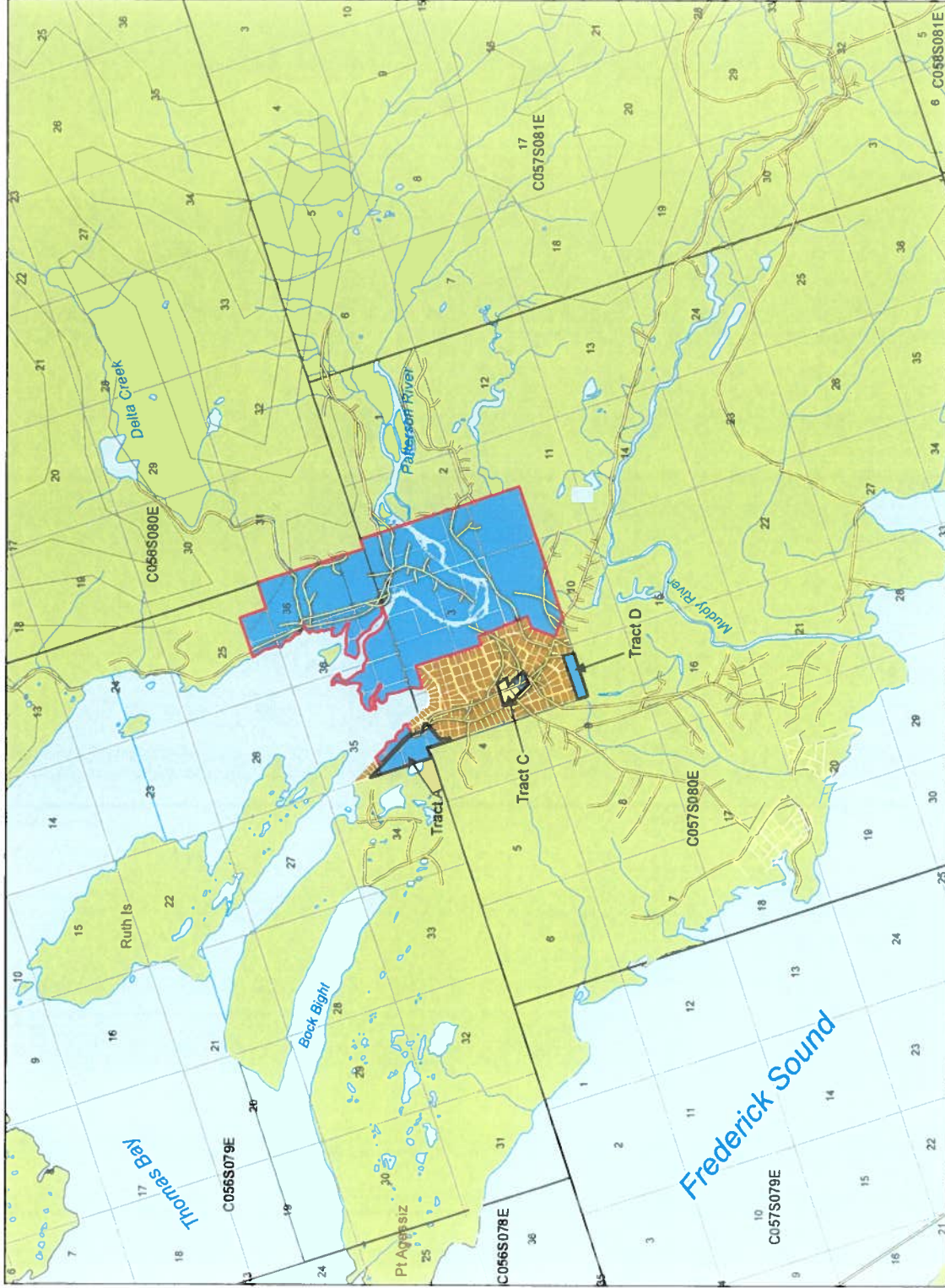
ADL 104903

VUU LAND within the Borough Boundary

Thomas Bay



**VUU: Vacant, Unappropriated, Unreserve State Land



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Map 3

Petersburg Borough

ADL 104903

VUU LAND
within the
Borough Boundary

Ideal Cove

Legend

Borough Boundary
Roads

State Land

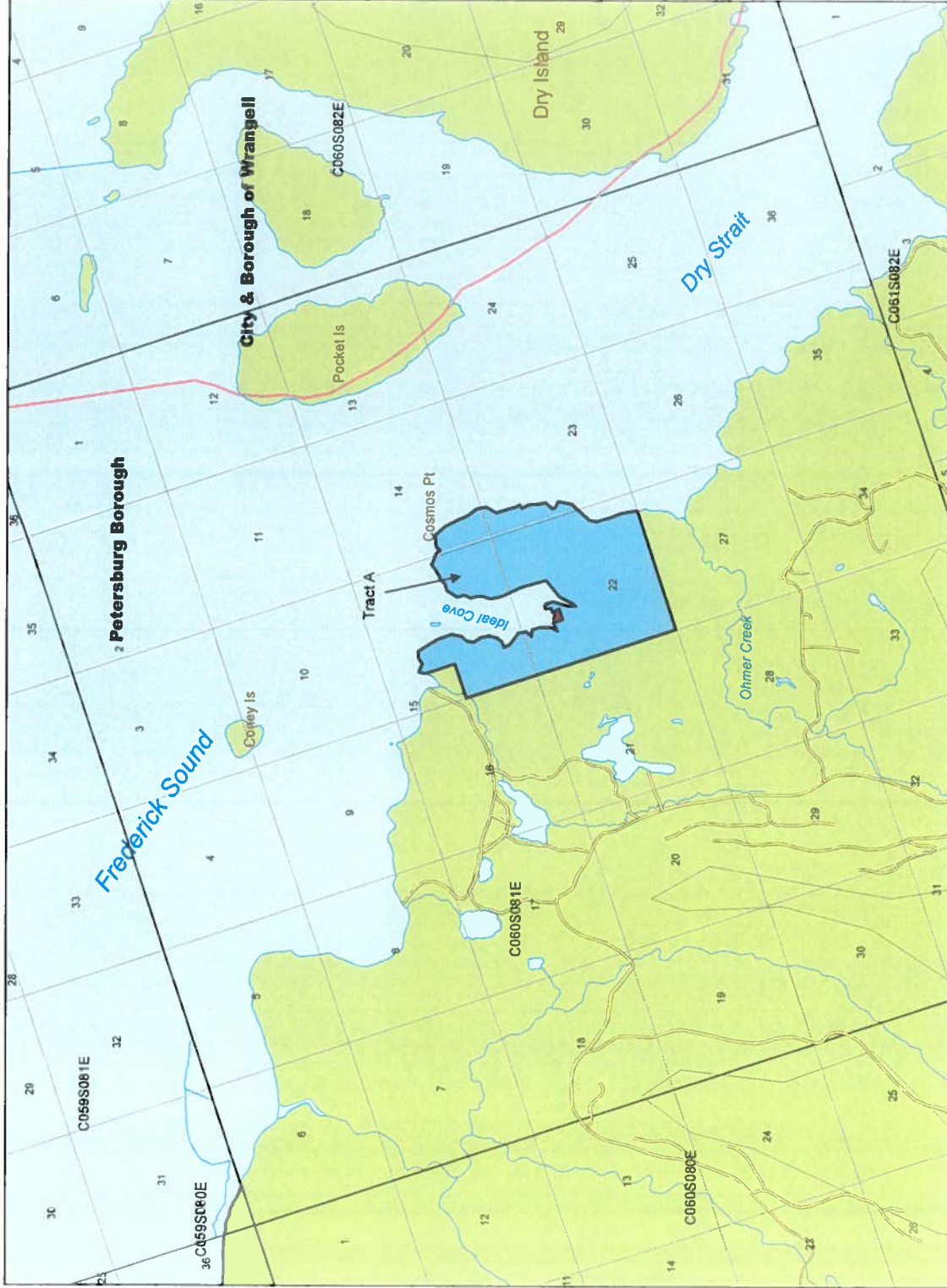
Tentatively Approved

VUU** Lands

Other Land

United States Forestry
Service

**VUU: Vacant, Unappropriated,
Unreserve State Land



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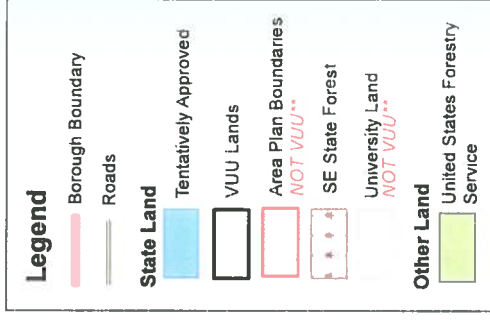
Map 4

Petersburg Borough

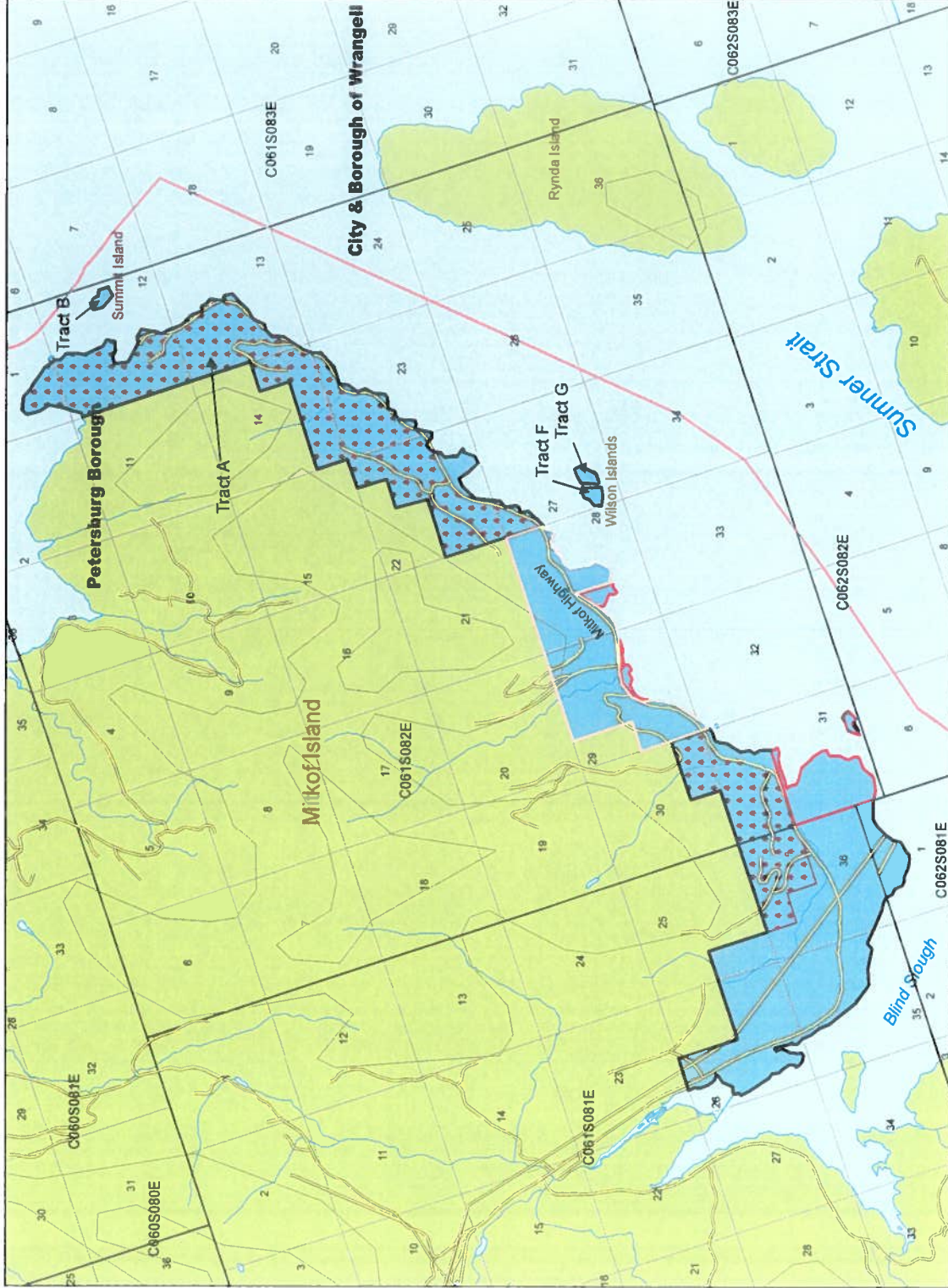
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VUU LAND within the Borough Boundary

Blind Slough



**VUU: Vacant, Unappropriated, Unreserved State Land



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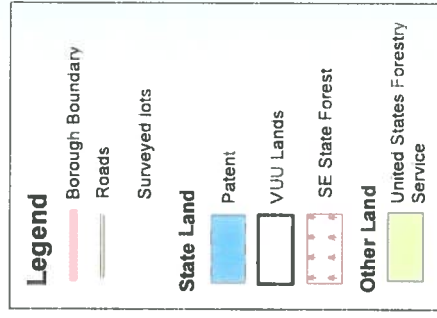
Map 5

Petersburg Borough

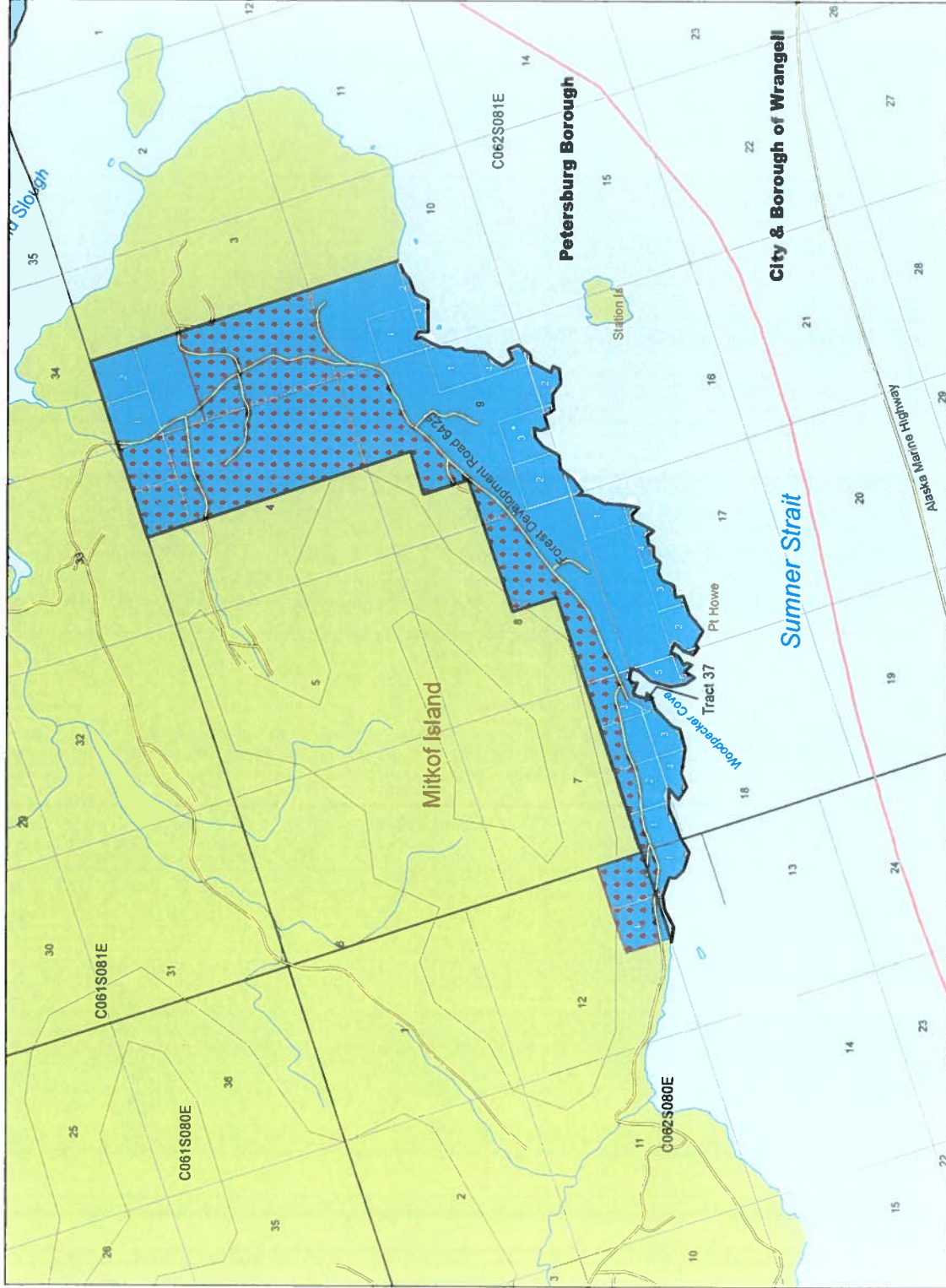
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VUU LAND
within the
Borough Boundary

Sumner Strait



**VUU Vacant Unappropriated
Unreserve State Land



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Created by: SOA-DNR-DMLW-Municipal Entitlements (M.E.)

Municipal Certification

December 3, 2013

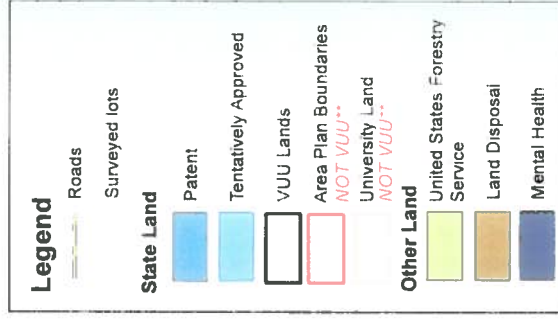
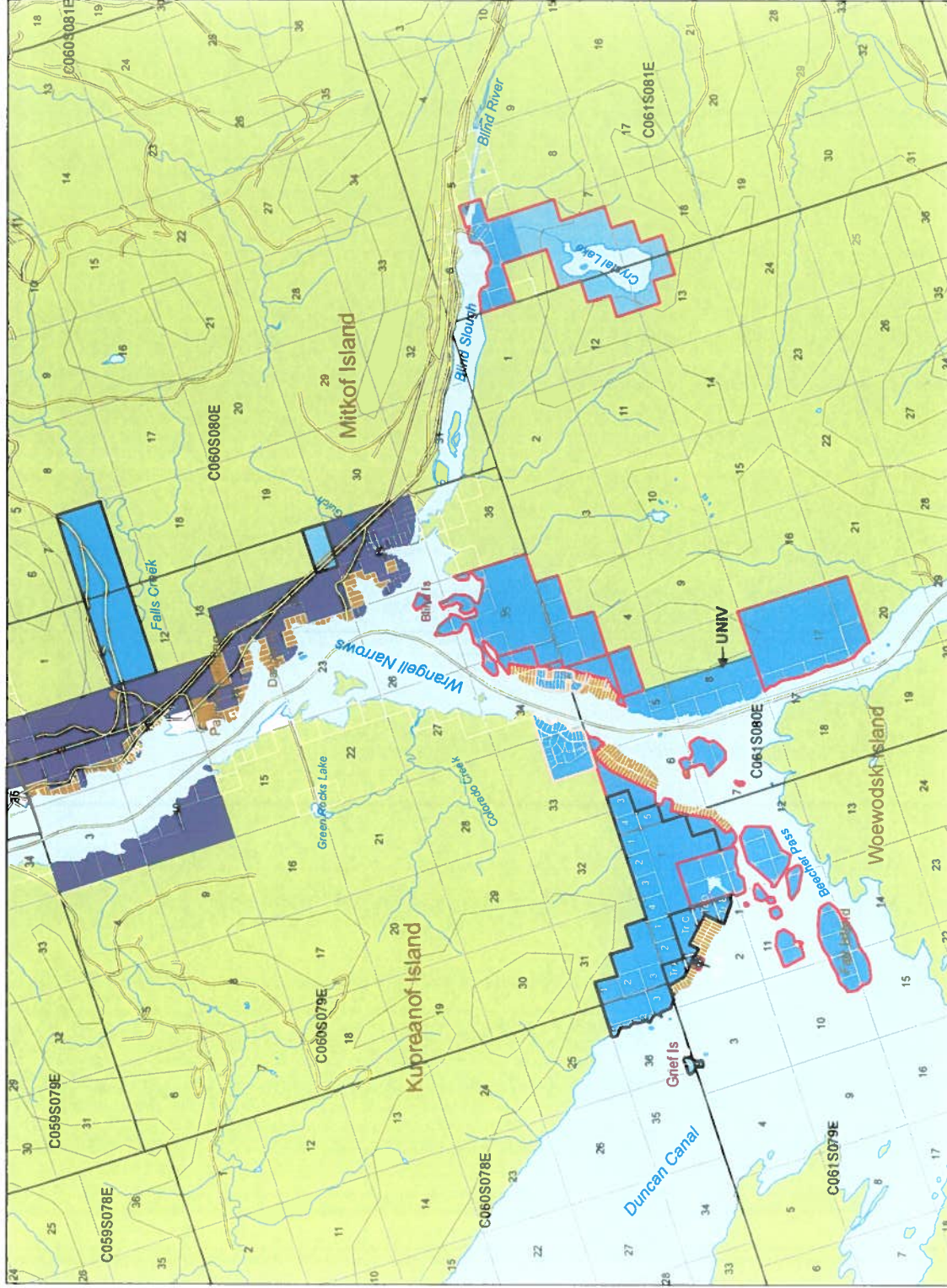
Map 6

Petersburg Borough

ADL 104903

VUU LAND
within the
Borough Boundary

Wrangell Narrows



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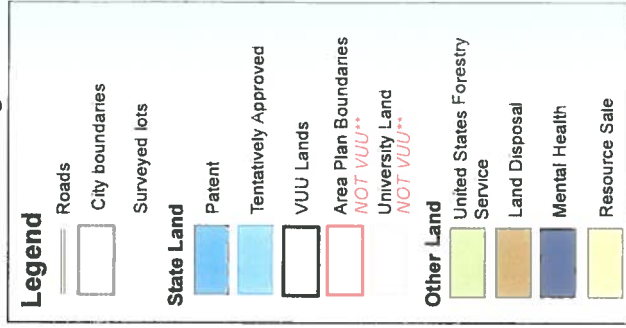


Map 7

Petersburg Borough

ADL 104903

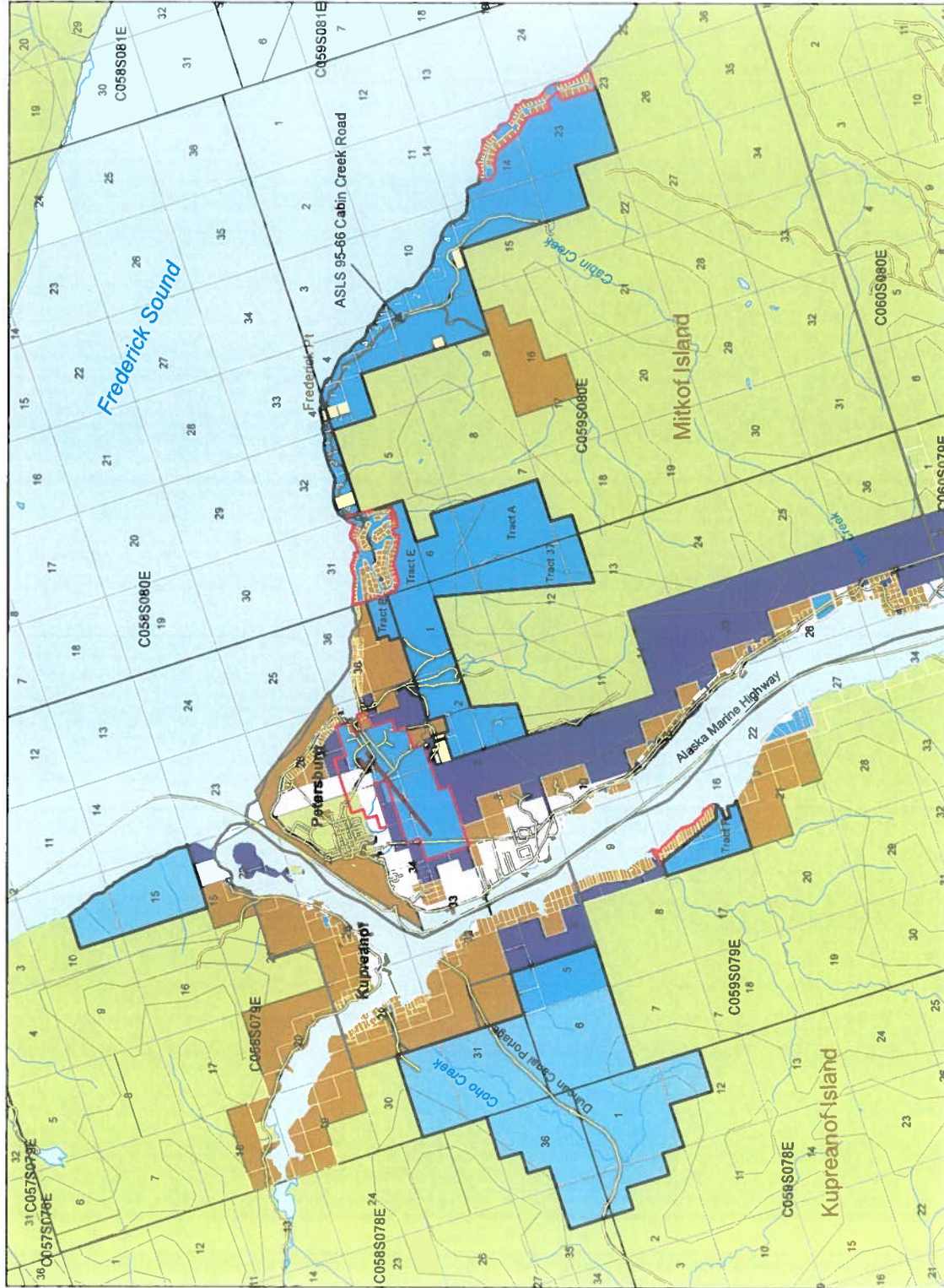
VUU LAND
within the
Borough Boundary
Petersburg



**VUU Vacant Unappropriated, Unreserve State Land

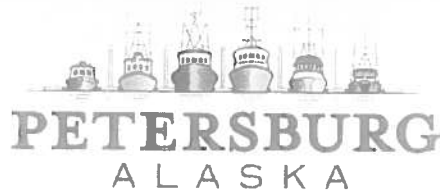


Created by SOA-DNR-DMLW-Municipal Entitlements (M.E.)
Municipal Certification December 3, 2013



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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
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Witness Information

SB 28 - Municipal Land Selections for the Petersburg Borough

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District R

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