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# Alaska State Legislature

## House of Representatives

Official Business



State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-3718

### House Majority Leader

-----SPONSOR STATEMENT-----

HOUSE BILL 76 (Purchase of inholdings and timber rights in  
Kachemak Bay State Park)

#### HISTORY OF KACHEMAK BAY BUYBACK

In 1970 the Alaska State Legislature set aside 250,000 acres across from Homer, creating Kachemak Bay State Park in order to protect these pristine lands and waters for their unique and exceptional scenic beauty and recreational use.....

During the years 1971 thru 1974, the Alaska Native Claims Settlement Act allowed the Seldovia Native Association (SNA) to make a selection of 69,000 acres of land in the Seldovia area; however, the state protested two of SNA's selections leaving them no alternative but to select the remaining 30,000 acres within Kachemak Bay State Park.

In 1975, then Governor Jay Hammond agreed that the State would work with the Seldovia Native Association to attain a land trade for SNA's park inholdings.

Four years later, SNA signs a Memorandum of Understanding to exchange its inholdings for state lands of equivalent value.

Four more years go by, and during the period of 1982 thru 1986, only two small land trades take place totaling 5,000 acres and further negotiations failed to trade the remaining inholdings due to a shrinking pool of state lands and disagreements over land values.

In 1987 land trade negotiations failed again with the state and the Seldovia Native Association sells its timber rights to Timber Trading Company (TTC).

The State in 1988 approaches Timber Trading and the Seldovia Native Association with an offer of a trees-for-trees and a land-for-land trade.

A year later, the state, (SNA) and (TTC) sign a preliminary exchange agreement outlining the process for conducting appraisals and creating replacement pools for land and timber. That same year, SNA's land value is appraised by separate appraisers at different amounts and a three party review panel makes a determination as to a land cash value. Timber Trading receives appraisal figure for the Seldovia area timber while a combined state and TTC arbitrator sets the value at a different level for exchange purposes.

Former Governor Steve Cowper, in 1990, introduces an appropriations bill to provide for the cash purchase of SNA's park inholdings and TTC's timber in lieu of the state presenting any timber or land exchange package. Four days before the close of the legislative session, Cook Inlet Region, Inc. (CIRI) enters the proposed purchase for subsurface rights within the park. The appropriations bill fails the House on a 20-20 vote.

Following the bill's failure, TTC begins the application process to secure the necessary permits to begin timber harvesting.

In 1991, legislation is introduced in both the House and Senate to purchase land, timber and subsurface rights within Kachemak Bay State Park. Neither bill is enacted and TTC formally submits preliminary permit applications to the State of Alaska. The state holds public hearings in Anchorage, Homer and Seldovia.

Major focus is on the Kachemak Bay Buyback during 1992. SNA, TTC and CIRI agree to a \$22 million cash buyout package. Legislation is introduced in both the House and Senate for the purchase from Exxon Oil Spill monies and/or through a contingent appropriation from the Restoration Endowment. Legislation fails to pass the 17th Legislature.

Before the 18th Legislature convenes on January 11, 1993, the following events occurred: \$20,500,000 is deposited in the Alyeska Settlement Fund from an Agreement & Consent decree (civil settlement) entered November 25, 1992 which includes an allocation of \$7,500,000 for the purchase of the inholdings in Kachemak Bay State Park; additionally the Exxon Oil Spill Trust Council okays a \$7,500,000 appropriation from Exxon Settlement Funds for Kachemak purchase and House Bill 76, which Representative Gail Phillips introduces on January 22, provides for the remaining appropriation of \$7,000,000 from the criminal fines levied against Exxon to complete the funding package for the purchase.

On March 4, Governor Hickel formally announces an agreement between all concerned parties to buyback the private inholdings in Kachemak Bay State Park. The agreement is formally signed by the Seldovia Native Association, Cook Inlet Region, Inc., Timber Trading Company, Inc., and the State of Alaska.

NEWS RELEASE

STATE OF ALASKA

OFFICE OF THE GOVERNOR  
Post Office Box 110001  
Juneau, Alaska 99811-0001

WALTER J. HICKEL  
Governor

JOSEF P. HOLBERT  
Director of Communications



JOHN MANLY  
Press Secretary

JOHN HENDRICKSON  
Deputy Press Secretary  
Anchorage Office: 561-4228

BRIAN HART  
Assistant Press Secretary

907-465-3500  
FAX: 907-586-8369

FOR RELEASE: March 4, 1993  
No. 93-053

GOVERNOR HICKEL ANNOUNCES KACHEMAK BUYBACK

JUNEAU--Kachemak Bay State Park will be made whole again under an agreement to buyback private inholdings announced today by Governor Walter J. Hickel.

The purchase agreement between the State of Alaska and the Seldovia Native Association, Timber Trading Company and Cook Inlet Region Inc., would transfer all rights to 23,802 acres of timberland within the park back to the state. The purchase price is \$22 million.

"This has taken a long time to put together, but I think we have a workable agreement where everybody wins," Governor Hickel said. "I want to thank all the interested parties for their patience and perseverance. And I hope the Legislature will look the agreement over and act quickly to approve it."

Of the \$22 million purchase price, \$15.5 million will go to SNA, \$4.5 to TTC, and \$2 million to CIRI. The agreement is subject to the Legislature appropriating \$7 million from the \$50 million criminal restitution fund resulting from the Exxon Valdez spill and endorsing the Alyeska settlement, which provides another \$7.5 million. The Exxon Valdez settlement trustees have agreed to fund the final \$7.5 million.

House Majority Leader Gail Phillips, R-Homer, commented, "Many, many Alaskans have worked for years to get to this day. My appreciation goes to the Governor and the A.G. and all Alaskans for achieving this finality. I'm very, very pleased for the Seldovia Native Association for their lands issue finally to be resolved."

Rep. Mike Navarre, D-Kenai, who's been working on the issue for many years, said, "I was always confident this would eventually be

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93-053

Mar. 4, 1993

accomplished, and I'm glad to see it's finally been resolved. I'm hopeful the Legislature and the SNA board will approve the components of the agreement. My congratulations to Governor Hickel and Charlie Cole and to the Citizens' Coalition for all their help."

Senator Suzanne Little, D-Soldotna, added, "While the progress we've made is terrific, there's much remaining to be done. There are three bills currently in, but a lot needs to be done to put together the legislation. I'm looking forward to working on it."

All three legislators expressed their thanks to SNA President Fred Elvsaaas for his tenacity on the issue.

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sgn  
3-22-93

HISTORY OF  
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A year later, the state, (SNA) and (TTC) sign a preliminary exchange agreement outlining the process for conducting appraisals and creating replacement pools for land and timber. That same year, SNA's land value is appraised by separate appraisers at different amounts and a three party review panel makes a determination as to a land cash value. Timber Trading receives appraisal figure for the Seldovia area timber while a combined state and TTC arbitrator sets the value at a different level for exchange purposes.

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Following the bill's failure, TCC begins the application process to secure the necessary permits to begin timber harvesting.

In 1991, legislation is introduced in both the House and Senate to purchase land, timber and subsurface rights within Kachemak Bay State Park. Neither bill is enacted and TCC formally submits preliminary permit applications to the State of Alaska. The state holds public hearings in Anchorage, Homer and Seldovia.

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AGREEMENT FOR SALE AND PURCHASE OF LANDS AND INTERESTS WITHIN  
KACHEMAK BAY STATE PARK

THIS AGREEMENT is made by and between the Seldovia Native Association (SNA), Timber Trading Company (TTC), Cook Inlet Region, Inc. (CIRI), as "Sellers", and the State of Alaska as "Purchaser" (collectively, the "Parties").

1. GRANT OF OPTION. Sellers hereby each grant to Purchaser the exclusive option to purchase all Sellers' property rights within the Kachemak Bay State Park, as more particularly described in Attachment A ("the Property"), such purchase to be made in accordance with the terms and conditions of this Agreement.

2. EXERCISE OF OPTION. Purchaser hereby agrees, subject to all appropriations required to be made by the Alaska Legislature to provide for payment of the purchase price and subsequent approval of such appropriations by the Governor of Alaska, to exercise its exclusive option to purchase the Property in accordance with the terms and conditions of this Agreement.

3. OPTION TERMS. The option payment is Ten Dollars (\$10.00), the receipt and sufficiency of which is hereby acknowledged by Sellers. The option may be exercised during the period beginning with Purchaser's execution of this Agreement and ending December 31, 1993 unless extended in writing by the parties. This option shall be exercised by written notice from Purchaser to Sellers at the below provided addresses.

4. PURCHASE PRICE. The purchase price for the Property is \$22 million, with agreed upon payments of \$15.5 million to SNA, \$4.5 million to TTC, and \$2 million to CIRI.

5. INTEREST CONVEYED. At closing, Sellers each shall execute and deliver to Purchaser such deeds or assignment documents as may be necessary to convey their respective interests to the property. SNA and CIRI do hereby warrant and represent to Purchaser as follows: (1) that SNA and CIRI are vested with title to the property to the extent conveyed to SNA and CIRI pursuant to BLM Interim Conveyance Numbers 139, 304 and 372 with respect to SNA and Interim Conveyance Numbers 102, 140, 305 and 373 with respect to CIRI, and (2) that no liens, encumbrances, defects or third party interests have been created in the Property, except that SNA has conveyed certain timber rights on the Property to TTC pursuant to the Timber Sale Agreement dated May 30, 1987 ("Timber Agreement"). TTC does hereby warrant and represent to Purchaser as follows: (1) that TTC holds all interests in the Property conveyed by the Timber Agreement; and (2) that no liens, encumbrances, defects or third party interests have been created in the interest conveyed to TTC by the Timber Agreement. At closing, Sellers each shall execute and deliver to Purchaser such deeds or assignment documents warranted as above described as may be necessary to convey their respective interests to the Property. If any Seller fails to convey title or other interest as required by this Agreement, Purchaser is no longer bound by this Agreement with respect to any Seller. No Seller shall be liable for the acts or inability of another Seller to convey title.

6. RIGHT TO ENTER PROPERTY. Sellers agree that from the date this Agreement is fully executed by the Parties, Purchaser and its agents, upon reasonable notice, shall have the right to enter the Property for all lawful purposes in connection with this Agreement, including environmental audit purposes, provided Purchaser provides sufficient indemnification to the Sellers.

7. CLOSING PLACE AND DATE. The Parties agree to endeavor in good faith to close on or before 60 days after all appropriations made by the Alaska Legislature have been made and approved by the Governor, including those related to funds provided by the Alyeska settlement and the Exxon Valdez Trustee Council; provided, however, if documents that are required to be provided or completed and executed by the Parties have not been tendered by that date, the closing shall

take place within 60 days after receipt of such documentation. The date, time and location of closing shall be set by Purchaser.

8. OTHER AGREEMENTS AND ACTIONS. The Parties agree to take other action or enter into other agreements reasonably necessary to the exercise and closing of this Agreement, including Attachment C.

9. TERMINATION. Unless otherwise agreed to in writing by each of the parties, this Agreement shall terminate upon closing or on December 31, 1993, whichever is earlier; provided, however, this Agreement shall automatically terminate if, during its 1993 session, the Legislature does not appropriate all funds required to be appropriated to provide for payment of the purchase price, or if the Governor vetoes such appropriation by the Legislature.

10. SEVERABILITY. In the event any of the provisions of this Agreement are deemed to be unenforceable, the enforceability of the remaining provisions of this Agreement shall not be affected.

11. SIGNATURE AUTHORITY. Each signatory to this Agreement represents that he has the authority to bind his principal to this Agreement. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute the same instrument.

12. NOTICE. Written notices shall be provided to the parties at the following addresses:

Seldovia Native Association  
P.O. Drawer L  
Seldovia, AK 99663-0250

State of Alaska  
Department of Natural Resources  
Director, Division of Land  
P.O. Box 107005  
Anchorage, AK 99510-7005

Cook Inlet Region, Inc.  
P.O. Box 93330  
Anchorage, AK 99509-3330

Craig Tillery  
State of Alaska  
Attorney General's Office  
1031 West 4th Ave. Suite 200  
Anchorage, AK 99501

Timber Trading Company, Inc.  
3501 Denali St., Suite 202  
Anchorage, AK 99503

Seldovia Native Association

Timber Trading Company, Inc.

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Cook Inlet Region, Inc.

State of Alaska

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## Attachment A

### CIRI Lands Remaining w/in Kachemak Bay State Park

#### Seward Meridian, Alaska

##### Township 7 South, Range 12 West

Sec. 12, W2, SE4, S2NE4;  
Sec. 31, all;  
Sec. 33-34, all.

Containing 2,469.00 acres, more or less.

##### Township 8 South, Range 12 West

Sec. 2, W2;  
Sec. 3-4 all;  
Sec. 5, (fractional), excluding ADL 49431;  
Sec. 6, (fractional), excluding ADL 48787, ADL 49431, ADL 46149, ADL 46150, ADL 46151, ADL 46152, ADL 46153, ADL 46650 and ADL 41043;  
Sec. 7-8, (fractional), all;  
Sec. 9-11, all;  
Sec. 13-15, all;  
Sec. 16, (fractional), excluding ADL 46773;  
Sec. 21, (fractional), excluding ADL 47665, ADL 41036 and ADL 41300;  
Sec. 22-27, all;  
Sec. 28-29, (fractional), all;  
Sec. 30, (fractional), excluding U. S. Survey 3605;  
Sec. 31-33, (fractional), all;  
Sec. 34, all.

Containing 15,408.83 acres, more or less.

##### Township 8 South, Range 13 West

Sec. 24, Lot 8 of U. S. Survey 4742.

Containing 5.00 acres.

##### Township 9 South, Range 13 West

Sec. 1, (fractional), all;  
Sec. 2, E2, NW4;  
Sec 11, NE4.

Containing 1,275.00 acres, more or less.

Aggregating 19,157.83 acres, more or less.

Attachment C

AGREEMENT REGARDING TIMBER HARVEST RIGHTS  
ON LANDS ADJACENT TO PETERSON BAY

State of Alaska agrees that nothing in that certain Agreement for Sale and Purchase of Lands and Interests Within Kachemak Bay State Park shall restrict the ability of Timber Trading Company, Inc. (hereinafter TTC) to pursue permits necessary for timber harvest operations; provided, however, TTC shall not commence timber harvest operations until such time that the Agreement has terminated. Additionally, TTC agrees to not exercise its timber harvest rights on lands adjacent to Peterson Bay, including Island Peninsula, as more particularly described in Attachment B, attached hereto and made part hereof, or to convey such harvest rights to any other entity before April 30, 1999.

**Timber Trading Company, Inc.**

**State of Alaska**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed and Acknowledged

**Seldovia Native Association**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

# HOUSE COMMITTEE REPORT

(7)

Date Referred: January 22, 1993

FURTHER REFERRALS: Resources  
Finance

Date of Committee Action: 3-25-93

The COMMUNITY AND REGIONAL AFFAIRS Committee considered: HB 76

HOUSE BILL NO. 76 APPROP: KACHEMAK BAY ST. PK. TIMBER RIGHTS

"An Act making a special appropriation to the Department of Natural Resources for the purchase of the inholdings of the Seldovia Native Association and the Cook Inlet Region, Inc., and the timber rights of the Timber Trading Company, within the Kachemak Bay State Park; and providing for an effective date."

RECOMMENDATIONS:  the same title  
be replaced with \_\_\_\_\_  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note Fish & Game

zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>John P. Quinn</i>	<input checked="" type="checkbox"/>	<i>Jerry Sanders</i>		<input checked="" type="checkbox"/>	
<i>Harley Olberg</i>	<input checked="" type="checkbox"/>	<i>Clay Bunde</i>		<input checked="" type="checkbox"/>	
<del><i>Harley Olberg</i></del>	<input checked="" type="checkbox"/>	<i>W.R. Williams</i>		<input checked="" type="checkbox"/>	

*Harley Olberg*  
CHAIRMAN'S SIGNATURE

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. HB 76

Revision Date: \_\_\_\_\_

Department Affected: Fish and Game

Title: Purchase of Inholdings and Timber

BRU: Habitat & Restoration and Commissioner's Office

Rights in Kachemak Bay State Park

Component: Habitat & Restoration & Commissioner's Office

Sponsor: Gail Phillips

Requestor: Community and Regional Affairs

COMPONENT SERIAL NO. 04860477

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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**FUNDING:**

(Thousands of Dollars)

	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**POSITIONS:**

	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY93) impact: \$ 0

**ANALYSIS:** (Attach a separate page if necessary.)

Prepared By: Frank Rue Phone: 465 05

Division: Habitat and Restoration Date: \_\_\_\_\_

Approved by Commissioner: Carl F. Rosier

Agency: Department of Fish and Game Date: 2/21/93

PREPARED TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

## KACHEMAK BAY CITIZENS COALITION PROFILE

In October 1988, a broad-based group of Homer and Anchorage residents met in Homer to discuss a response to a timber sale on Seldovia Native Association land within Kachemak Bay State Park. From the initial group of about 15, the Kachemak Bay Citizens Coalition increased in numbers as news of the problem spread. Efforts were made to contact potentially concerned people through mailings and meetings.

Currently, over 7000 people have signed petitions in support of a buyback of inholdings of Seldovia Native Association, Timber Trading Company, and Cook Inlet Region, Inc. within Kachemak Bay State Park. These people want the State of Alaska to purchase these private inholdings for inclusion in Kachemak Bay State Park. Additionally, citizens do not want to see logging take place just outside the park on the Island Peninsula separating Peterson and China Poot bays, or in the Rocky River-Red Mountain area.

The largest number of petition signers from Alaska, about 39%, are from the Anchorage-Girdwood-Chugiak area. About 31% are from the Homer-Anchor Point area, and 29% are from 66 other cities, towns, and villages in Alaska, from Barrow to Ketchikan. Additionally, over 1000 persons from all 50 states, the District of Columbia, and 15 countries have also signed KBCC petitions, tourists who are drawn to the Kachemak Bay area's scenic beauty, recreation and fishing opportunities. Interest in the issue has continued to grow, especially in the last three years.

The Homer-Anchor Point petition signers represent a cross section of area residents, with many working within tourism or commercial and charter fishing industries. Many people there feel very strongly about this issue and adamantly oppose commercial logging in the Kachemak Bay State Park area. Some own or work for businesses that may be jeopardized if commercial-scale logging were to take place within Kachemak Bay State Park. Still others were involved in the Exxon Valdez oil spill cleanup effort.

There are many visitors to Homer from Anchorage, the Kenai Peninsula, the Matanuska-Susitna Valley, and Fairbanks as well as elsewhere who want to see the area preserved for its unique scenic beauty and as a popular tourist and fishing destination. There are petition signers who own recreational or investment property in Homer or have summer homes or cabins in Bear Cove, Halibut Cove, Saie Cove, Peterson, China Poot, Jakolof, and Tutka bays.

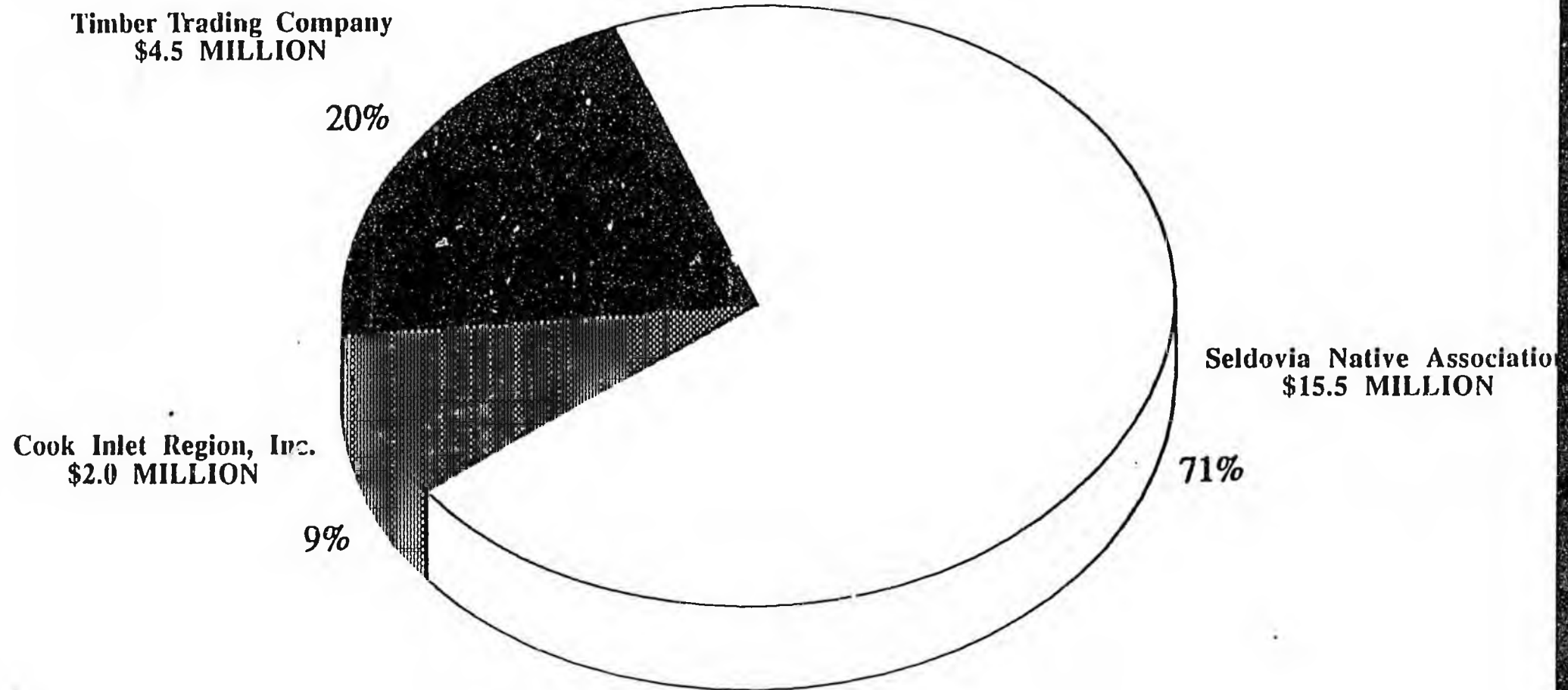
Buyback supporters include teachers, students and volunteer naturalists who visit the area to take part in marine science education programs such as the ones offered by the Center for Alaska Coastal Studies or are involved in adult education in the natural resources field. The students are from public and private schools and come in the

# KACHEMAK BAY STATE PARK BUYBACK ISSUE

## Fact sheet

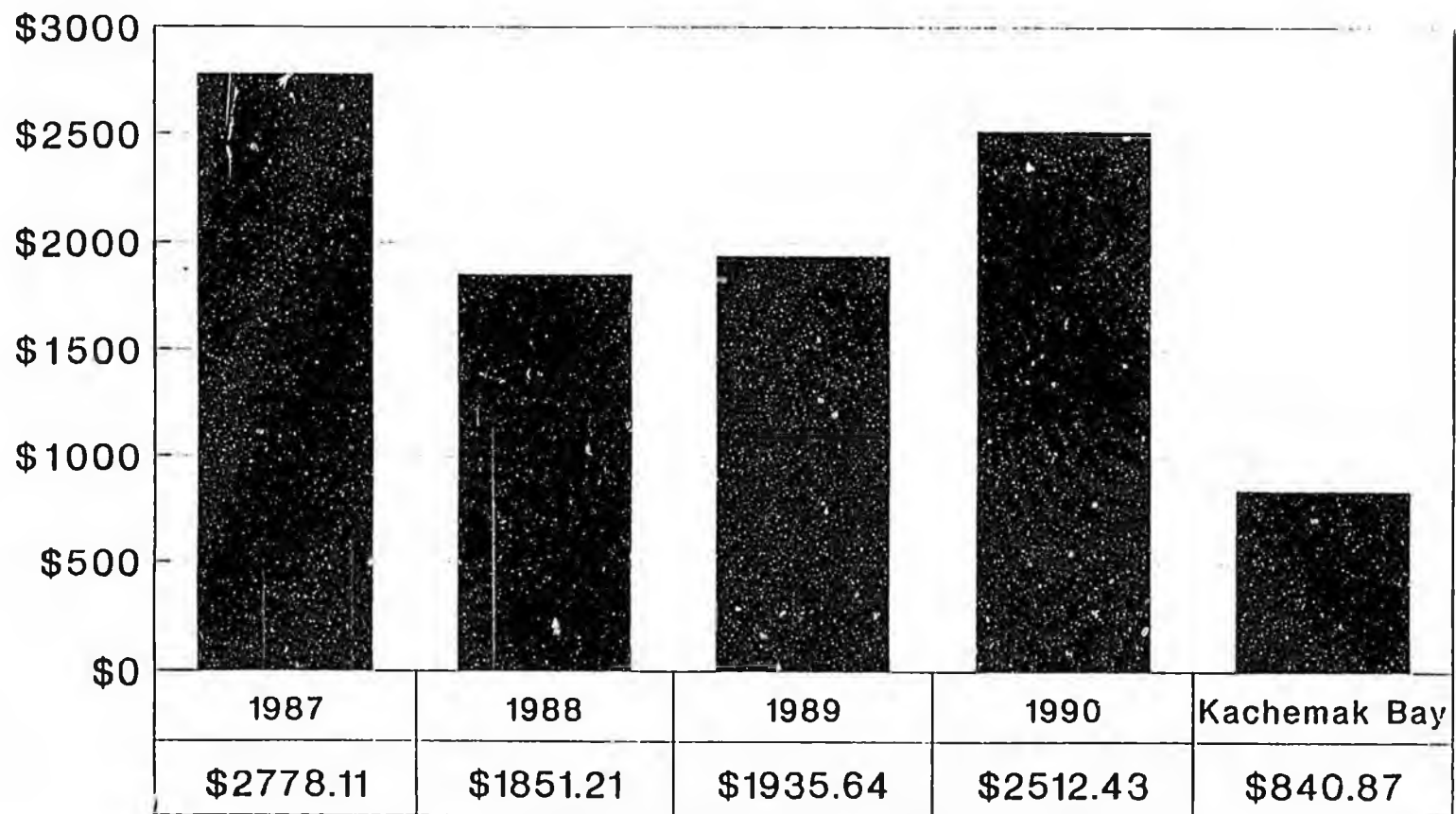
- 1971 - Kachemak Bay State Park (KBSP) receives temporary approval.
- 1974 - Under the Alaska Native Claims Settlement Act (ANCSA), Seldovia Native Association (SNA) receives nearly 30,000 acres within KBSP.
- 1979 - Memorandum of Understanding signed which, among other things, commits the State and SNA to exchange SNA's KBSP holdings for state land of equal value.
- 1983, 1985 - Two small land exchanges complete, SNA still owns 23,642 acres within the Park.
- 1987 - SNA signs 12 year timber harvest contract with Timber Trading Co.(TTC) on its lands inside KBSP and on the Island Peninsula directly across Kachemak Bay from Homer, and Jakolof Rocky River/Red Mountain area.
- 1988 - Kachemak Bay Citizens Coalition forms to facilitate the reunification of KBSP and to prevent logging within KBSP. To date, over 7,000 people have signed petitions to support these objectives.
- 1990 - Land and timber trade ideas are abandoned in favor of a \$20 million cash buyout that does not address Cook Inlet Region, Inc. (CIRI's) subsurface inholdings. A bill introduced by Rep. Mike Navarre fails in the House on a 20-20 vote.
- 1990-1991 - TTC unveils a logging plan on SNA land across from Homer using helicopters and barges. Many people testify in objection to this plan in Homer and Anchorage. Another buyback bill, HB 83 introduced by Rep. Mike Navarre passes the House but is not voted on in the Senate.
- February, 1992 - SNA, TTC, and CIRI sign a statement of intent to sell their collective property rights within KBSP to the State for \$22 million. This would be divided roughly with \$15.4 million for SNA, \$4.3 million for TTC, and \$2.3 million for CIRI. The agreement expires after July 15, 1992.
- Spring 1992 - HB 411, using \$50 Exxon Valdez Oil Spill (EVOS) criminal penalty money and including about \$11 million for the buyback of inholdings in KBSP passes the House and Senate, but is vetoed by Governor Hickel on July 15.
- August, 1992 - After the Governor's veto, TTC and SNA announce suspensions of their discount prices to the State and return to earlier appraisers' higher valuations. CIRI does not comment.
- September, 1992- EVOS Trustee Council hears testimony from the public favoring the use of civil penalty money for habitat acquisition.
- November, 1992 - Gov. Hickel announces a \$32 million settlement with Alyeska Pipeline Corporation for their role in the Exxon Valdez Oil Spill. The settlement language includes \$7.5 million for the purchase of SNA, TTC, and CIRI's inholdings within Kachemak Bay State Park.
- January 19, 1993 - EVOS Trustee Council approves expenditure of \$7.5 million civil penalty money for acquisition of imminently threatened habitat within Kachemak Bay State Park from SNA, TTC, and CIRI, bringing to \$15 million the funds already identified for the purchase of their inholdings.
- March 4, 1993 - The Governor's office announces the signing of a purchase agreement between SNA, TTC, CIRI, and the State. The three native groups agree to sell their inholdings to the State for inclusion in Kachemak Bay State Park for \$22 million, the same amount as in 1992.

# KACHEMAK BAY \$22 MILLION PURCHASE





# AVERAGE COST PER ACRE STATE PARK LAND ACQUISITIONS ALL STATES COMBINED



Excludes Texas for 1990 due to skewing



United States  
Department of  
Agriculture

Forest  
Service

Alaska Region  
S&PF

201 E. 9th Ave.  
Suite 206  
Anchorage, AK 99501  
907-271-2575

Reply to: 3400

Date: March 12, 1993

Kimberley Benton, President  
Communication Essentials  
621 W. 90th Ave.  
Anchorage, AK 99515

Dear Kimberley:

Thanks for your letter of February 28. Hopefully the following information will help clarify the spruce bark beetle/Kachemak Bay situation:

(1) Large areas of blowdown occurred in 1981 near the Aurora Spit/Mallard Bay areas. Approximately 2-3 years later, spruce bark beetle activity increased in these areas and has increased up through 1988. The following table shows, by year, the number of acres infested (also depicted in the enclosed graph), the general area(s) of the infestation, the number of acres infested that occur within the proposed Seldovia Native Association "Buy-out" lands and the percentage of the total infested area that occurs within or close to the proposed "Buy-out" lands.

YEAR	TOTAL ACRES INFEST.	AREAS	SNLA ACRES	% OF TOTAL
1992	12,454	AURORA SPIT; HALIBUT	100	0.8
1991	6,820	AURORA SPIT--BATTLE	15	0.2
1990	10,000	AURORA SPIT--BATTLE	275	3.0
1989	10,000	AURORA SPIT--BATTLE	10	0.1
1988	10,000	AURORA SPIT--BATTLE	55	0.5
1987	2,587	MALLARD BAY	20	0.7
1986	3,660	MALLARD BAY/BEAR COVE	0	0.0
1985	200	MALLARD BAY	25	12.5
1984	312	AURORA SPIT--MALLARD	30	10.0
1983	0		0	0.0
1982	0		0	0.0
1981	0	BLOWDOWN OCCURRED		

As you can see, very few of the infested areas have and are occurring in the proposed "buy-out" area. The majority of the infestation has occurred in the Halibut Cove/Aurora Spit and Mallard Bay areas. The infestation has gradually spread towards Battle Creek and not towards Seldovia.





Kimberley Benton

2

(2) Even though the number of acres infested in 1992 is 12,454 vs. 6,820 in 1991, I don't believe this represents a significant increase in spruce beetle activity. These differences probably represent mapping errors brought about by weather conditions that affect visibility when mapping and different aerial survey crews. Aerial sketch mapping is not meant to be a precise tool but rather a method of obtaining a good estimate.

(3) The species of spruce occurring on Seldovia Native Association lands is Sitka spruce (Picea sitchensis). Research studies have demonstrated that white spruce is the "best" host in terms of progeny production followed by the hybrid, Lutz spruce, followed by Sitka spruce. Black spruce is rarely attacked. The majority of past spruce beetle outbreaks have occurred in the white and Lutz spruce stands of south-central and interior Alaska. Sitka spruce stands are less susceptible to spruce beetle outbreaks. This is primarily due to the suitability differences noted above and the harsher climatic conditions associated with maritime Sitka spruce stands which moderate spruce beetle dispersal and developmental times. However, spruce beetle outbreaks in Sitka spruce have and are occurring as is evident in the Kachemak Bay, Haines, and Glacier Bay National Park areas.

I hope this answers your questions. If you need further clarification or information, please give me a call at 271-2573.

Sincerely,

EDWARD H. HOLSTEN  
Forest Entomologist

Enclosure

cc:

R. Burnside-DOF/State of Alaska



March 22, 1993

COOK INLET REGION, INC.

MAR 23 1993

Rep. Harley Oldberg, Chairman  
House Committee on Community and Regional Affairs  
Alaska State Legislature  
Juneau, Alaska 99801-1182

Dear Chairman Oldberg,

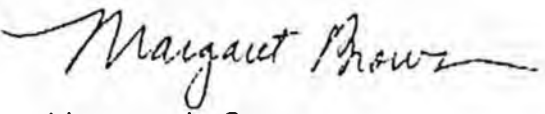
I am writing to convey the support of Cook Inlet Region, Inc. (CIRI) for the proposed acquisition of lands and interests within the Kachemak Bay State Park by the state of Alaska for the total purchase price of \$22 million. As one of the sellers, CIRI worked with Seldovia Native Association, Timber Trading Company and the state of Alaska in reaching agreement on the proposed acquisition which is currently before your committee.

A number of years ago, CIRI participated with Seldovia Native Association and the state in the exchange of an initial portion of private lands from within the park. As part of that agreement, all parties pledged to use their best efforts to work toward full acquisition by the state of the remaining private inholdings. That effort has been long and difficult. Over the years several approaches were attempted that proved unworkable. However, now with the cooperation of the sellers, the support of Governor Hickel and the involvement of Attorney General Cole, we can finally place before the legislature a workable solution which will benefit all.

State acquisition of Kachemak Bay State Park has been subject to long and rigorous debate, and has experienced strong and continuous public support. I respectfully urge the House Community and Regional Affairs Committee to help bring this long effort to successful conclusion through favorable committee action and a strong recommendation for passage by the full legislature.

Sincerely,

COOK INLET REGION, INC.



Margaret L. Brown  
Senior Vice President

cc: Governor Walter J. Hickel  
Fred Elvsaaas, SNA  
John Sturgeon, TTC



HOUSE COMMUNITY AND REGIONAL AFFAIRS

DATE: 3/23/93

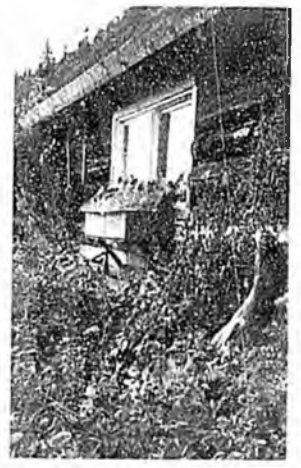
PLACE: Rm. 124

SUBJECT OF MEETING:  
 HB 76                      HB 206  
                                     HB 32  
                                     HB 20

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Karin Holser	self	Hc33 Box 3177K Wasilla	99654	376-6231		(Y) N	HB 76 ✓
Anne Wieland	Kachemak Bay Citizens Coalition	1421 N St Anch	99501	276-5477		(Y) N	HB 76 ✓
Katya Kirsch	Alaska Environmental Lobby	Box 22151 Juneau AK 99802			4633366	(Y) N	HB 76 ✓
Brooke Miles	ADOC	MS 0222		4865	4865	Y (N)	ANSWER HB 206 QUESTION ✓
Sandi Nussbaum	Rep Hours	Cap 216		6791		(Y) N	HB 76 ✓
Dany Baden	DOE	801 W. 10 <sup>th</sup>			8650	(Y) (N)	HB 32 QUESTIONS
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

# HOMER

*alaska*



Marine Wolf Dudlik, 1988

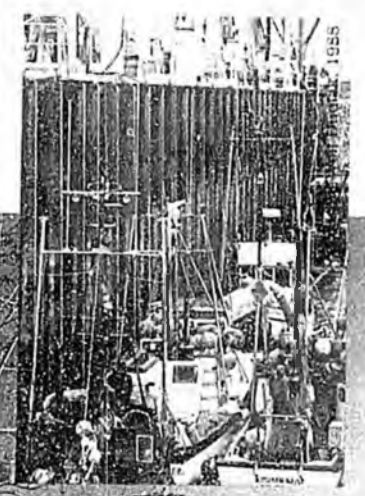
©Janice Schofield, 1988

This brochure is courtesy of the Homer Chamber of Commerce  
Printed in Alaska by the State of Alaska Division of Tourism  
Designed by Christopher Kent

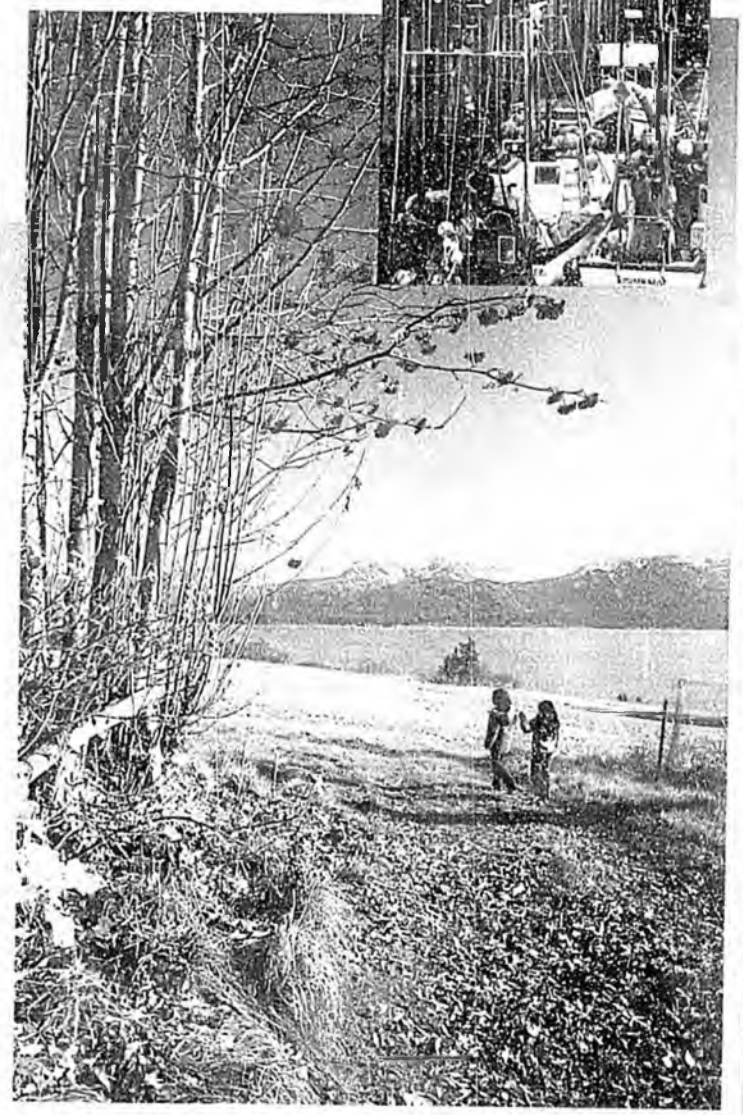
Thomas L. Fischer



Janice Schofield, 1988



1988



# HOMER

Homer—It's a humble name for a little town that is anything but ordinary. Named for Homer Pennock, a gold miner who established the first development on the Homer Spit in 1896, today's Homer is a thriving community of roughly 4,000 residents, most of whom came to this area for one main reason: It is one of the most beautiful places in the world.

Located near the southern tip of Alaska's Kenai Peninsula, Homer is blessed with a view to the south that is stunning in its beauty and grandeur. Across the sparkling waters of Kachemak Bay, the rugged Kenai Mountains spread east, west, and south. Soaring snow-capped peaks overlook massive glaciers crawling toward the sea. Along the coastline, the steep mountain valleys form narrow fjords. The waters within rise and fall with the tides—witnessed at times only by

a bald eagle soaring overhead, or a black bear prowling the shore. The mountains have a thousand moods, depending on the time of day, the sun, the clouds, rain, snow, and wind. Because of this, people who have lived all their lives here still find themselves awestruck when a bend in the road suddenly reveals a glimpse of this panorama.

But what about *this side of the bay*? Is there anything special about Homer besides the view? Yes—the people who live here. Over the years, Homer has become a mecca for artists, craftspeople, and creative minds of all types. These people have come from all over to find a place where the natural beauty refreshes and inspires them, and where they can share their ideas and talents with others who flourish in this stimulating environment. Consequently, Homer has a wealth of

talent and cultural awareness in the arts— from pottery, weaving, and painting to music, dance, and theatre—typical of a much larger town. This is not to suggest that everyone in Homer is an artist. On the contrary—part of what gives this community its rich texture is the diversity of folk who live here. Fishermen and women abound, along with ranchers and homesteaders, small business owners, guides and outfitters, professionals of all kinds, and kids of all ages. Religious and political views come from left, right, and center. But one thing *virtually every visitor to Homer will notice is that the people in this area are warm, enthusiastic, and friendly.* The sense that we are all neighbors working to preserve the quality of life here is what holds the community together and provides us with a common identity. Homerites are proud of Homer, and

are happy to show visitors from outside the area what a special place this is, whether it's with a tour of the local museums and galleries or a day spent fishing for those world-renowned halibut.

On the high bluffs surrounding Homer, the fireweed bloom in red-violet profusion, catching the light of the setting sun on a late summer's night. A cow moose leads her calf across a grassy field, pausing at the sight of a child on horseback exploring a trail along the ridge. Out on the bay, some fishermen are just returning with their catch of halibut and salmon, as a lone kayaker rounds the tip of the Spit, lured perhaps by a teasing sea otter. This is Homer, the little community of Kachemak Bay which has come to be called the "hamlet by the sea." Come see for yourselves.



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