

**02/20/2017
Overview:
University
of Alaska
Land Grant
Status**

<TARGET><BILL></BILL><SUBJECT>02-20-2017 Overview
University of Alaska Land Grant
Status</SUBJECT><COMM>SRES30</COMM></TARGET>

University of Alaska

Public Land Deficit

Senate Resources Committee
February 20, 2017



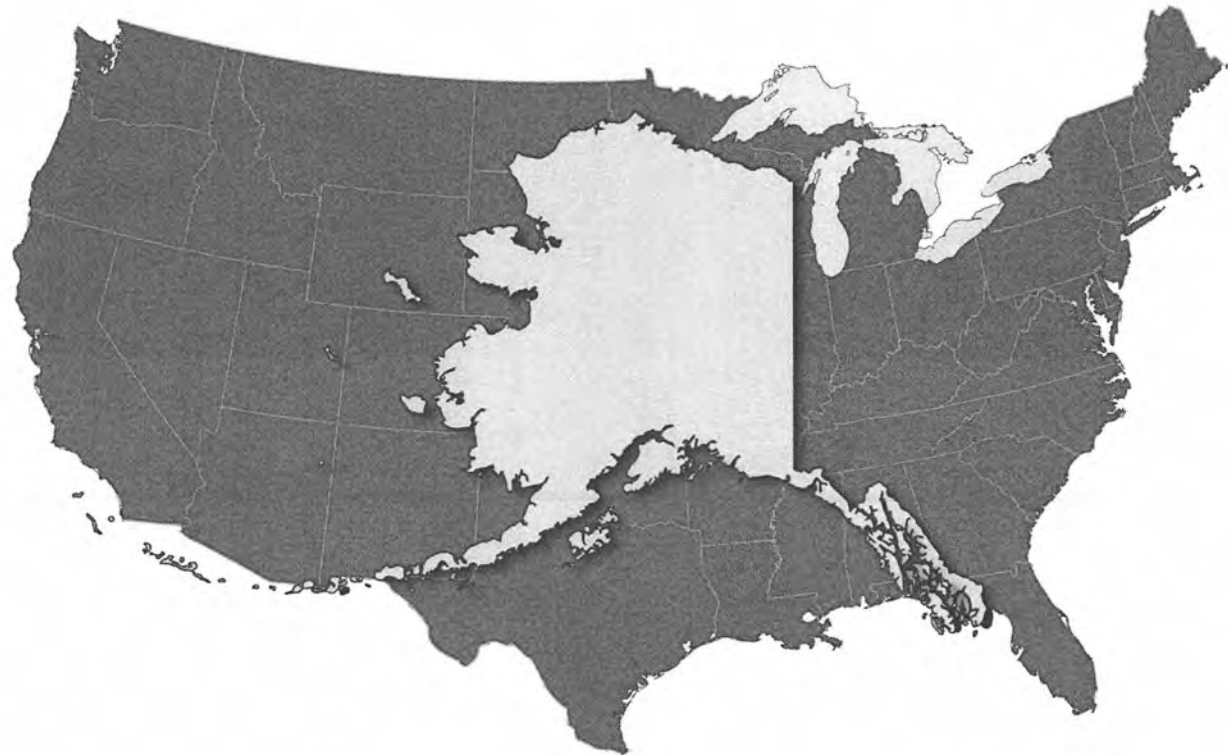
UNIVERSITY
of ALASKA

Agenda

- ✧ Land Grant Deficit History
- ✧ Current Thinking on Solution
- ✧ Existing UA Land Holdings
- ✧ UA Land Trust Balance

Landless University

- ✧ Only Delaware received a smaller public land grant than Alaska
- ✧ UA received approximately 110,000 acres of land
- ✧ UA's estimated land grant deficit is 360,000 acres



Land Grant History

- ☞ **1862 Morrill Act:** Passed by Congress under President Lincoln
 - ☞ Provided more than 11 million acres of land to states and territories to create a system of land grant colleges and universities
 - ☞ Every existing state, and every future state, would receive 30,000 acres per member of Congress (90,000 acres for Alaska) to be dedicated to higher education
- ☞ **1915 “Wickersham” Land Grant Statute:** UA was to receive large acreages in interior Alaska (sec. 33 of each township within a large “Tanana Valley” rectangle, estimated at 336,000 acres); during the Territorial era however, these lands remained largely unsurveyed, and less than 5 percent were conveyed to UA
- ☞ **1929 “Sutherland” Land Grant Statute:** Congress granted an additional 100,000 acres of land to the Territory of Alaska, for the exclusive use and benefit of the Alaska Agricultural College and School of Mines

Land Grant History

- ✧ **1959 Statehood:** Although early versions of statehood bills set aside 10,000,000 acres for UA, the final Statehood Act was much different
 - ✧ Congress repealed the 1915 Wickersham land grant, and removed Alaska's eligibility for Morrill Act lands
 - ✧ Instead, Congress gave a large 103 million acre entitlement to the new State of Alaska
 - ✧ Congress expected the state legislature to provide the University with a land endowment from those lands
- ✧ **1959 First Land Grant Veto:** The First Alaska Legislature granted 1,000,000 acres to the University; Governor Egan vetoed
- ✧ **1966 – 1980:** Congress passes Alaska Native Claims Settlement Act (ANCSA) and Alaska National Interest Lands Conservation Act (ANILCA); University land entitlement remains unresolved

Land Grant History

- ✧ **1997-2005:** Senators Murkowski, Congressman Young and Senator Murkowski introduce several federal bills in an attempt to address UA's land deficit
- ✧ **2000 State Legislation:** SB 7 passes authorizing the University to select up to 260,000 acres of state land
 - ✧ Governor Knowles vetoes; Legislature overrides but with less than a three-quarter vote
 - ✧ Supreme Court rules conveyance of land is not an appropriation, but declined to address the potential dedication clause issue
- ✧ **2005 State Legislation:** Legislature passes HB 130 identifying a specific list of lands DNR is to transfer to the University
 - ✧ Southeast Alaska Conservation Council files suite in 2007 arguing the law violates the anti-dedication clause
 - ✧ The State and the University defend the law

Land Grant History

- ✧ **2009 Supreme Court Decision:** Alaska Supreme Court struck down HB130 holding that the state legislature could not set up a permanent land endowment for UA, under the state constitution's anti-dedication clause (*Article 9 Section 7*)
- ✧ **2010 State Legislation:** Governor Parnell introduces HB 295 partially modeled after HB 130 but without the permanent endowment aspects; legislation does not pass
- ✧ **2010:** University complies with Superior Court deadline and transfers HB 130 lands back to Department of Natural Resources

Is There a Solution?

- ✧ The University's estimated land grant deficit is approximately 360,000 acres
- ✧ A permanent land endowment would allow the University to generate more revenue, and over time help moderate our state general fund support
- ✧ The state has repeatedly attempted to remedy the deficit but is constitutionally precluded from doing so
- ✧ The federal government's position is that University land was included in Alaska's Statehood Act grant and has resisted remedies that rely solely on additional federal lands

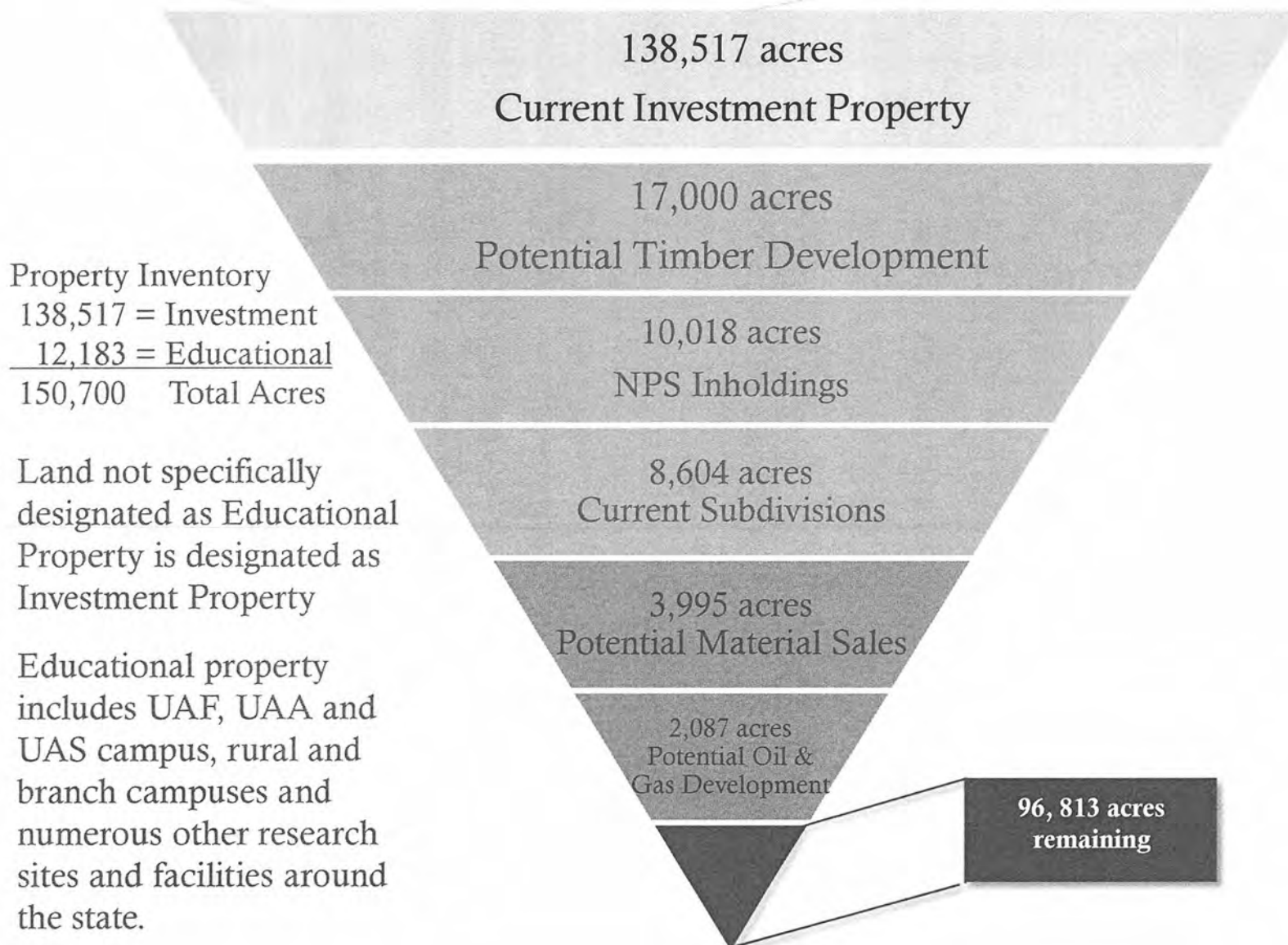
Is There a Solution?

- ✧ The anti-dedication clause has an explicit exemption “*when required by the federal government for state participation in federal programs*”
- ✧ A federal program that establishes a permanent UA land endowment, consisting of a combination of state and federal lands, will ensure compliance with the state constitution
- ✧ State participation in such a federal program will require the state to convey lands through the program for the purpose of endowing the University’s permanent land trust
- ✧ Preliminary discussions are underway with DNR and the congressional delegation on federal legislation to establish such a program

UA Land Holdings

- ✧ UA owns approximately 150,700 acres of land, mostly acquired under (or in replacement for) the 1929 Sutherland Act, but also including land acquired from private parties, and from local, state or federal governments
- ✧ UA's Land Management Office is responsible for managing, developing, acquiring and disposing of all University real property
- ✧ Since 1987, land and resource sales have generated over \$204 million
- ✧ Income generated from the sale, lease, and development of the University's federal land grant are deposited into the University's Land Grant Endowment Trust Fund, the University's permanent endowment
 - ✧ The Trust is managed by University of Alaska Foundation Board of Trustees
 - ✧ Earnings from the endowment trust fund are used to fund an array of natural resources related education and research projects, including fisheries and ocean sciences, biology, and agriculture
 - ✧ Trust earnings also fund the Alaska Scholars Program which awards \$12,000 scholarships to attend UA to the top 10% of high school graduates in Alaska

UA Land Holdings



UA Investment Property

UNIVERSITY OF ALASKA - REGIONAL SUMMARY OF INVESTMENT PROPERTY YEAR ENDING JUNE 30, 2016 (In Acres)

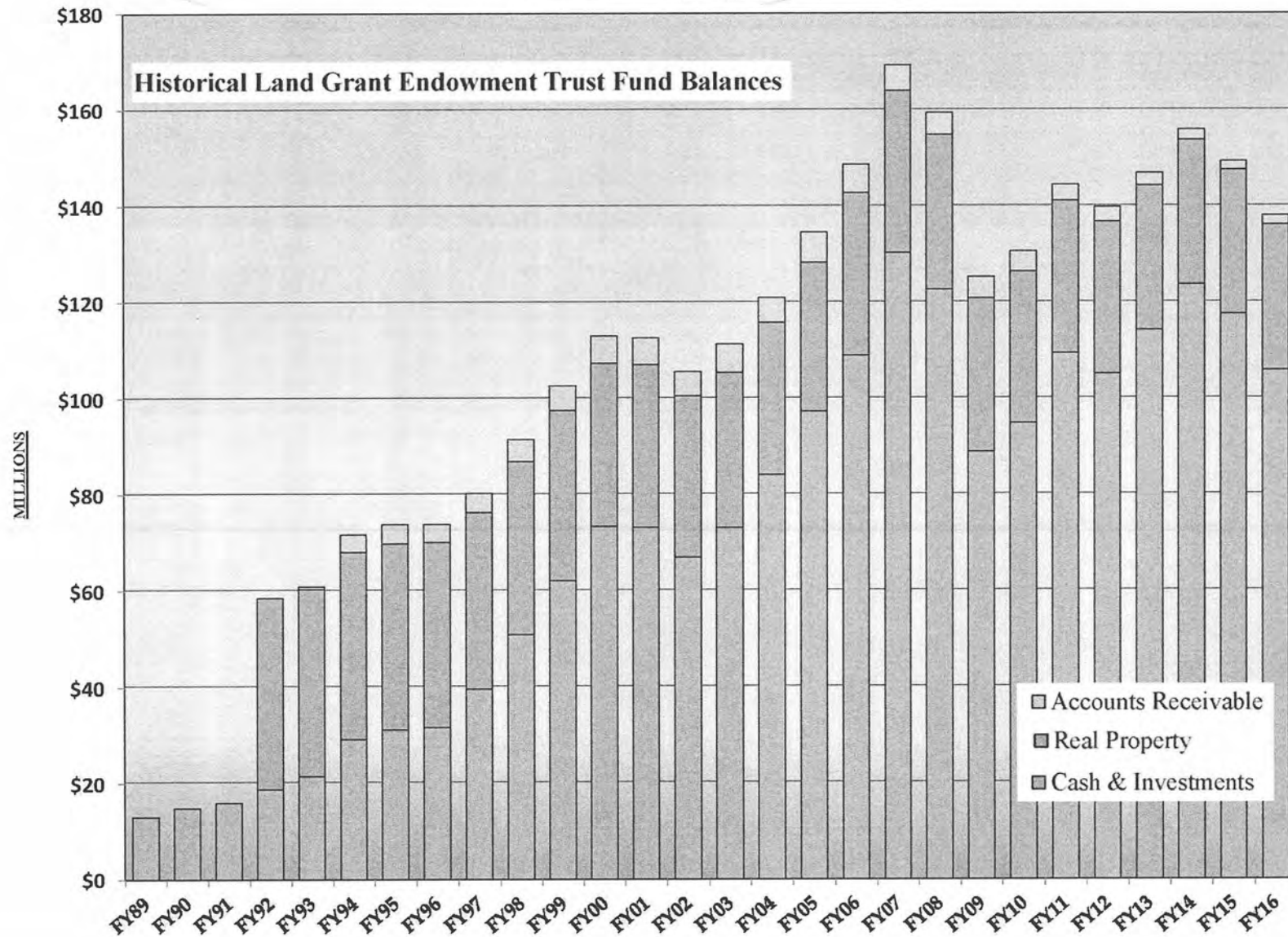
Region	Fee Simple	Surface Rights	Subsurface Only	Timber Rights	Mining Claims	Easement/ ROW	Partnership Interest	Royalty	Total	Percent of Total
ALASKA PENINSULA	1,151	1,393							2,544	1.18%
ANCHORAGE	9		879						888	0.41%
COPPER BASIN	6,608		902						7,511	3.49%
FAIRBANKS	11,102		2,974			5	2	19	14,100	6.55%
GULF	331	843	1,225	61,876	40	21			64,336	29.89%
HAINES	13,826	6	1,070						14,902	6.92%
HOMER	2,844	46	981			1			3,872	1.80%
JUNEAU	713								713	0.33%
KENAI	12,146	361	340						12,847	5.97%
KETCHIKAN	5	2,499	145						2,649	1.23%
MAT-SU	8,058	110	1,425			1			9,593	4.46%
NENANA	12,493		1,308			3			13,804	6.41%
OUT OF STATE	30								30	0.01%
PETERSBURG	113	1,109	41						1,262	0.59%
PRINCE OF WALES		4,095	4						4,099	1.90%
SALCHA-DELTA	7,872		855						8,726	4.05%
SITKA		438	17						456	0.21%
UPPER SUSITNA	14,075	80	325						14,480	6.73%
VALDEZ	312	259	73			1			645	0.30%
WEST FAIRBANKS	8,040		559			32			8,631	4.01%
WHITE MOUNTAIN	19,244	675							19,919	9.25%
WRANGELL ST. ELIAS	7,291	340	1,628						9,259	4.30%
TOTAL	126,263	12,255	14,752	61,876	40	62	2	19	215,267	100%

Type	Fee Simple	Surface Rights	Subsurface Only	Timber Rights	Mining Claims	Easement/ ROW	Partnership Interest	Royalty	Total	Percent of Total
TRUST LAND (Grants, Settlement I & II)	124,702	12,139	13,680	61,876					212,397	98.67%
OTHER LAND (Acquisitions & Donations)	1,561	115	1,071		40	62	2	19	2,870	1.33%
TOTAL by interest rights	126,263	12,255	14,752	61,876	40	62	2	19	215,267	100%

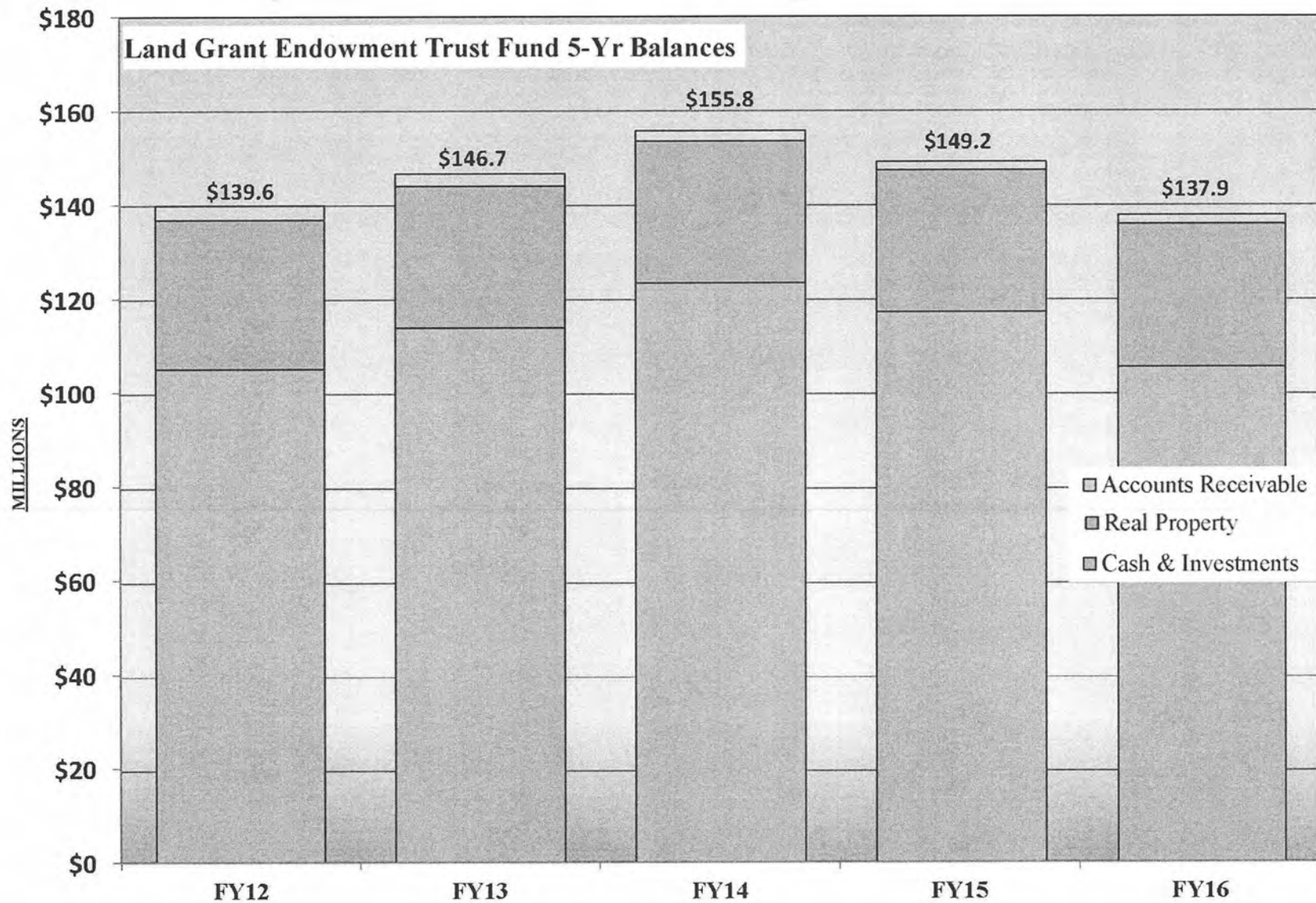
Totals may not sum due to rounding

Total acres of Trust Land = (fee simple + surface rights)	136,841
Total acres of Other Land = (fee simple + surface rights)	1,676
Total Acres University Owned =	138,517

UA Land Trust Balance



UA Land Trust Balance



UNIVERSITY LAND GRANTS
(IN ACRES)

STATE	UNIVERSITY LAND GRANT	TOTAL STATE LAND GRANT	UNIV PERCENT OF TOTAL STATE LAND GRANT
1. New Mexico	1,346,546	12,794,718	10.52%
2. Oklahoma	1,050,000	3,095,760	33.92%
3. New York	990,000	990,000	100.00%
4. Arizona	849,197	10,543,753	8.05%
5. Pennsylvania	780,000	780,000	100.00%
6. Ohio	699,120	2,758,862	25.34%
7. Utah	556,141	7,501,737	7.41%
8. Illinois	526,080	6,234,655	8.44%
9. Indiana	436,080	4,040,518	10.79%
10. Montana	388,721	5,963,338	6.52%
11. Idaho	386,686	4,254,448	9.09%
12. Alabama	383,785	5,006,883	7.67%
13. Missouri	376,080	7,417,062	5.07%
14. South Dakota	366,080	3,435,373	10.66%
15. Massachusetts	360,000	360,000	100.00%
16. Mississippi	348,240	6,097,997	5.71%
17. North Dakota	336,080	3,163,552	10.62%
18. Washington	336,080	3,044,471	11.04%
19. Wisconsin	332,160	10,179,804	3.26%
20. Kentucky	330,000	354,607	93.06%
21. Tennessee	300,000	300,000	100.00%
22. Virginia	300,000	300,000	100.00%
23. Iowa	286,080	8,061,262	3.55%
24. Michigan	286,080	12,142,846	2.36%
25. Georgia	270,000	270,000	100.00%
26. North Carolina	270,000	270,000	100.00%
27. Louisiana	256,292	11,441,955	2.24%
28. Minnesota	212,160	16,422,051	1.29%
29. Maine	210,000	210,000	100.00%
30. Maryland	210,000	210,000	100.00%
31. New Jersey	210,000	210,000	100.00%
32. Arkansas	196,080	11,936,834	1.64%
33. California	196,080	8,825,657	2.22%
34. Florida	182,160	24,214,722	0.75%
35. Connecticut	180,000	180,000	100.00%
36. South Carolina	180,000	180,000	100.00%
37. Texas	180,000	180,000	100.00%
38. Kansas	151,270	7,794,669	1.94%
39. New Hampshire	150,000	150,000	100.00%
40. Vermont	150,000	150,000	100.00%
41. West Virginia	150,000	150,000	100.00%
42. Colorado	138,040	4,471,604	3.09%
43. Oregon	136,165	7,032,847	1.94%
44. Nebraska	136,080	3,458,711	3.93%
45. Nevada	136,080	2,725,226	4.99%
46. Wyoming	136,080	4,342,520	3.13%
47. Rhode Island	120,000	120,000	100.00%
48. Alaska	112,064	104,569,251	0.11%
49. Delaware	90,000	90,000	100.00%

Source: U.S. Dep't of Interior, Bureau of Land Management, Public Land Statistics 1984, Table 4. (BLM ceased publication of that particular table in 1985.) Hawaii received a monetary permanent endowment (~\$6 million) for its University in 1961-62 in place of land acreages.

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UNIVERSITY
of ALASKA
Many Traditions One Alaska

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February 22, 2017

Senator Cathy Giessel
Chair of Senate Resources Committee
State Capitol Room 427
Juneau, Alaska 99801

Dear Senator Giessel,

Below are the University responses to the questions from the Senate Resources Committee meeting on February 20, 2017.

1. *Please provide a map (or maps) showing where the University's lands are located. (Senator Meyer)*
 - Please see the attached maps depicting University lands that are located in the northern, southcentral and southeast regions of Alaska.
2. *Please provide a list of the lands that were included in the HB 130 Land Bill from 2005. (Senator Wielechowski)*
 - Please see the attached Exhibit "A" for the "University of Alaska Land Grant List 2005 (revised 2010)" and summary. This list is the original 2005 Land Grant List which also identifies the parcel deletions made in the attempt to get HB 295 passed in 2010.
3. *Please provide the cost associated with transferring the HB 130 lands back to the state after the Supreme Court ruling. (Senator Coghill)*
 - The costs to identify and research the lands to be transferred to the University were approximately \$711,550.00.
 - The costs pertaining to the transfer of lands back to the state, after the Supreme Court ruling of March 13, 2009, were approximately \$119,900.00.

4. *What are the timber potentials for Edna Bay, Vallenar Bay and Waterfall in Southeast? Is there any first or second growth harvestable timber in those areas? Are there subdivision potentials in any of those areas? (Senator Stedman off-line)*

- **Edna Bay** – Currently Edna Bay is under contract with Alcan Forest Products, LLC and generated approximately \$560,000 in calendar year 2016. Timber harvesting is anticipated to continue in March 2017 with an anticipated revenue of \$2,230,000.00.
 - Old growth and second growth timber are being harvested concurrently.
 - Next anticipated second growth harvest – 10-15 years.
 - Subdivision Potential is long term – >20 years.

- **Vallenar Bay** – It is anticipated that Vallenar Bay will be advertised as a competitive timber sale in the summer of 2017. Vallenar Bay is projected to produce 11,250,000 million board feet of merchantable timber.
 - Next anticipated second growth harvest - > 70 years.
 - Subdivision Potential is long term – > 20 years.

- **Waterfall** – Depending on market conditions, Waterfall could be advertised as a competitive timber sale in the spring of 2018. Waterfall is projected to produce 9,000,000 million board feet of merchantable timber.
 - Next anticipated second growth harvest - > 70 years.
 - Subdivision Potential – Highest near term potential – ±5 years.

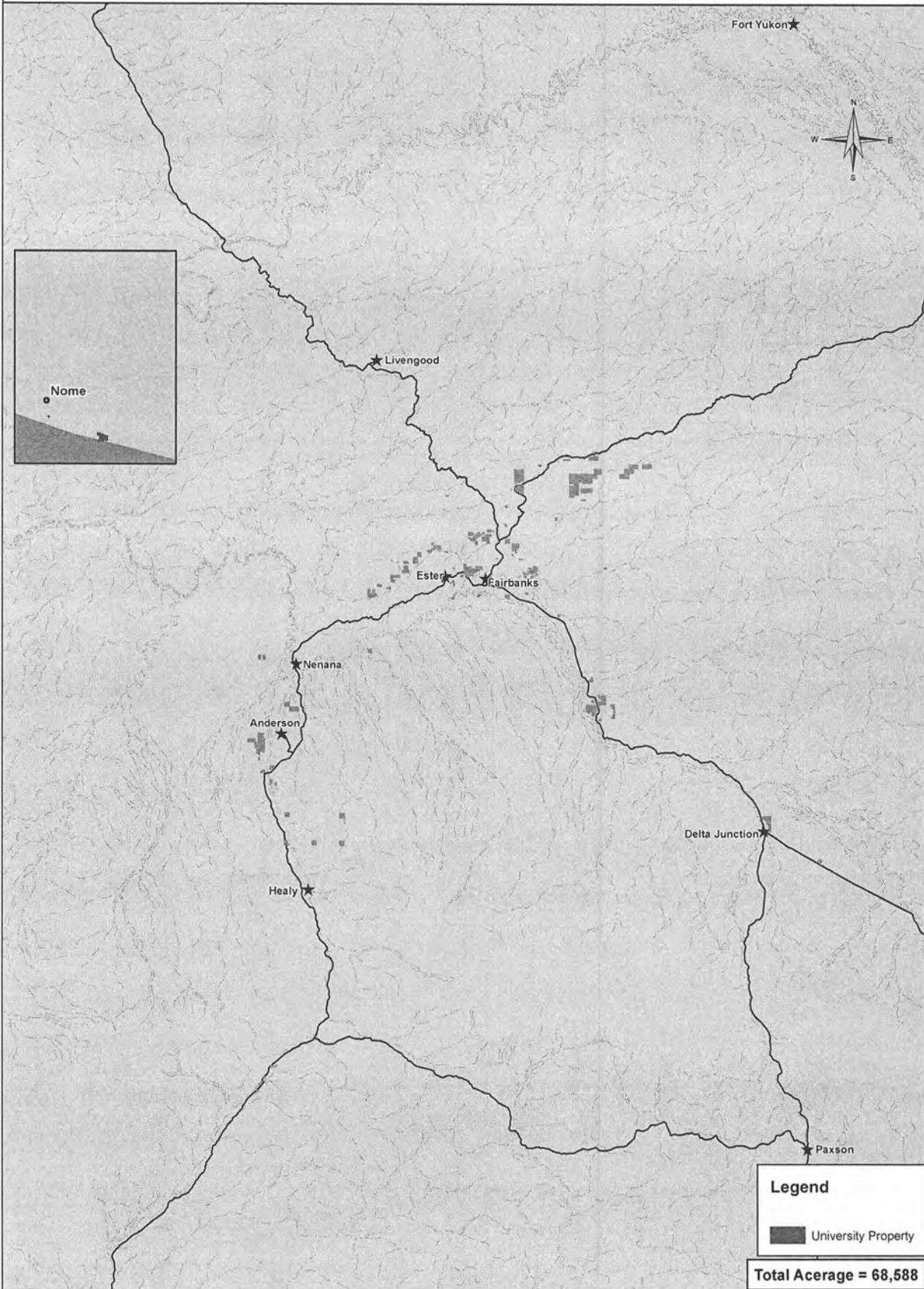
Respectfully,



Miles Baker

Attachments

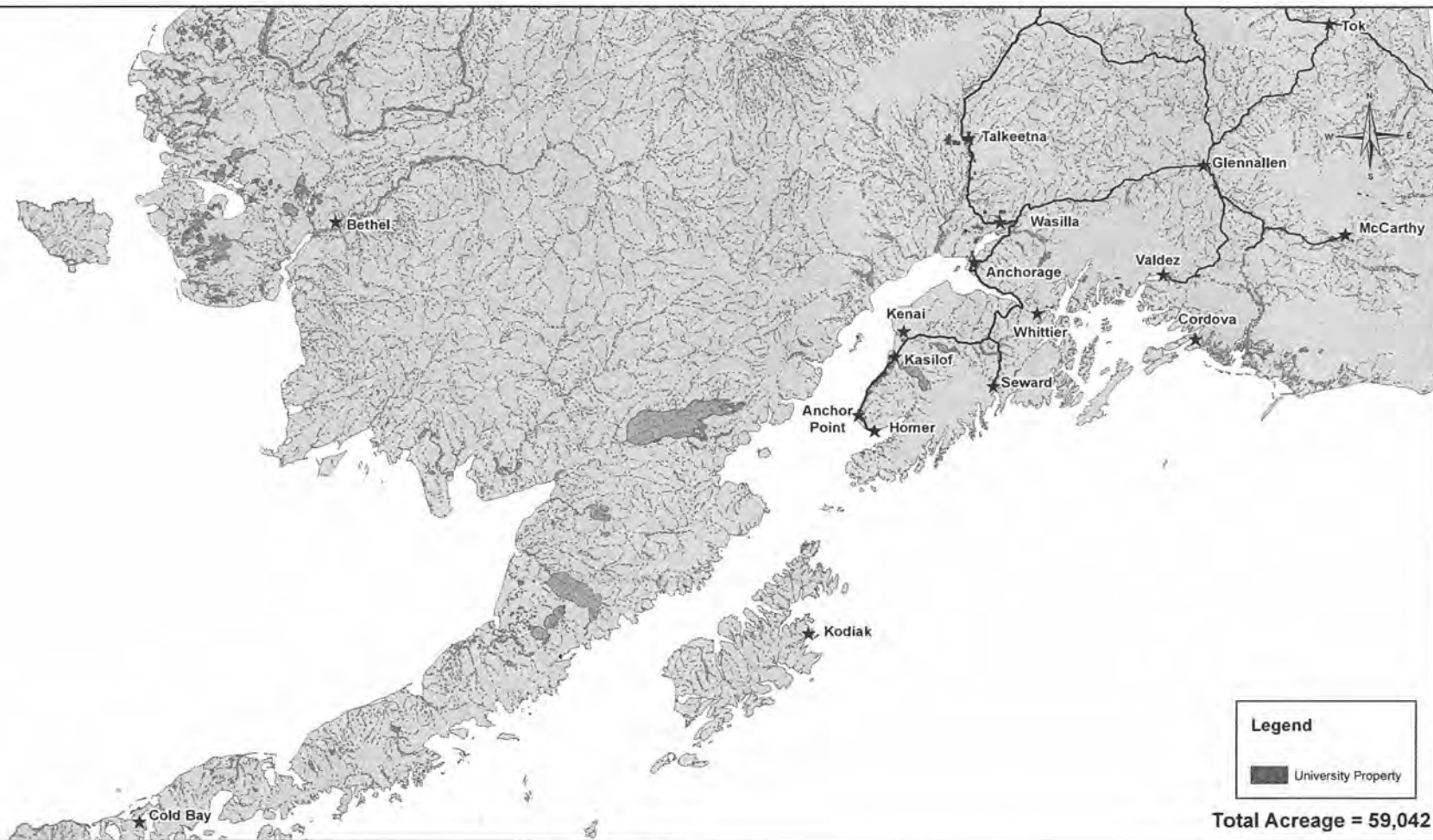
University of Alaska Northern Alaska Land Holdings



20
Miles

UA FACILITIES and
LAND MANAGEMENT
February 2017

University of Alaska Southcentral Alaska Land Holdings



65

Miles

UA FACILITIES and
LAND MANAGEMENT
February 2017

Total Acreage = 59,042

University of Alaska Southeast Alaska Land Holdings



University of Alaska
Land Grant List 2005
(revised 2010)
Summary

Total Acreage: 199,838

Type	Acres
Educational Properties	35,973
Nenana Basin Oil and Gas	90,000
Southeast Alaska Investment Properties	34,643
Other Investment Properties (excluding SE)	39,222
Total	199,838

	Percent
Educational Properties	18.0%
Nenana Basin Oil and Gas	45.0%
Southeast Alaska Investment Properties	17.3%
Other Investment Properties (excluding SE)	19.6%
Total	100.0%

Region	Acres
Southeast	34,655
Southcentral	14,230
Northern Interior	150,953
Total	199,838

	Percent
Southeast	17.3%
Southcentral	7.1%
Northern Interior	75.5%
Total	100.0%

University of Alaska
Land Grant List 2010

Parcel #	Name	Approx. Area in Acres
Non-producing Oil and Gas Resources		
	Nenana Gas Basin Tracts - Mineral *	90,000
	Nenana Gas Basin Tracts - Land **	90,000
	2010 Revised Oil and Gas Resources, Subtotal	90,000
Investment Properties		
Northern/ Interior Region		
DH.IS.1001	Dalton Highway MP 48 to 54	1,360
DH.SR.1001	Dalton Highway MP 345 to 347	880
MA.HR.1001	Haul Road Nodes-Coldfoot	1,700
M1.JC.1001	Jarvis Creek (Mineral)	16,000
FA.JC.1001	Jennie M. Creek C	5
N1.LS.1001	Lake Snohomish	740
NZ.FA.1003	Noyes Slough (See Fairbanks Area Parcels map)	7
N5.RS.1001	Summit Lake (Parks Highway)	960
N1.WT.1001	West Twin Lake	1,560
N5.WL.1001	Wien Lake	1,780
	2010 Revised Northern Interior Region Subtotal	24,992
Southcentral Region		
SU.DC.1001	Deception Creek	280
SU.FP.1001	Frying Pan Lake	450
MA.MC.1001	McCarthy-Nizina	12,500
SU.WC.1001	Willow Creek Road	1,000
	2010 Revised Southcentral Region Subtotal	14,230
	2010 Revised Investment Properties Total	39,222

* The mapped extent of the parcel exceeds this amount, but will be reconfigured when the Remote Staking for Teklanika II has been completed to equal approximately 90,000 acres.

** The University will provide, at no charge to the state, reasonable access to the state land and resources west and north of the Nenana parcel.

University of Alaska
Land Grant List 2010

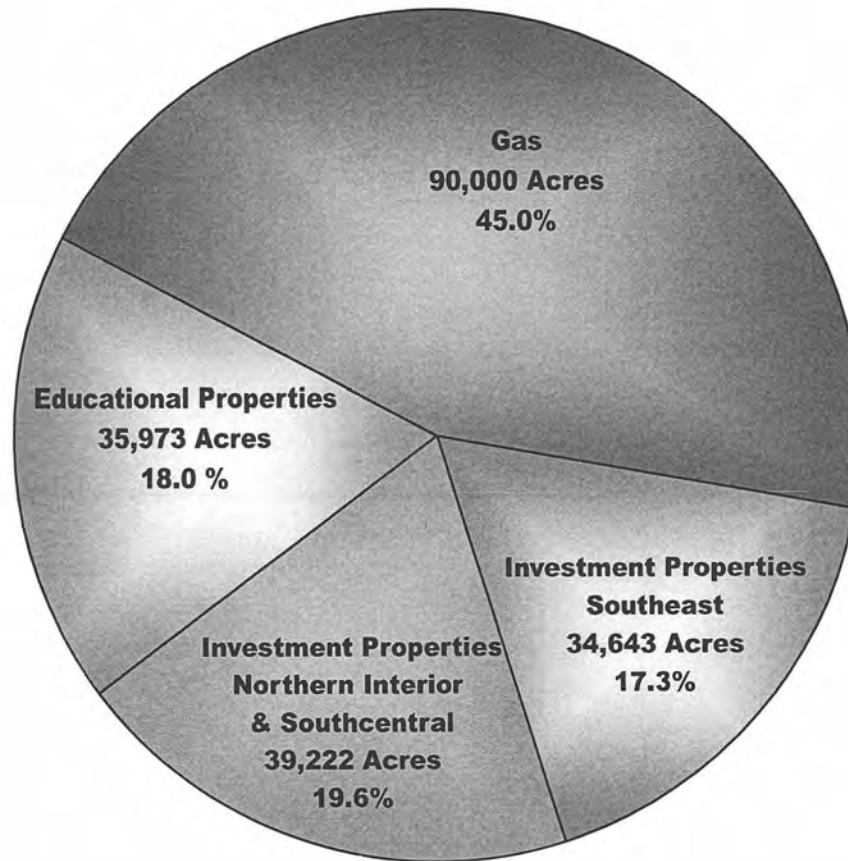
Parcel #	Name	Approx. Area in Acres
Southeast Alaska		
SD.1001	Beecher Pass	1,193
PA.1002	Biorka Island	438
KT.1002	Cleveland Peninsula	4,055
PW.CC.1001	Coffman Cove	1,984
CS.DI.1001	<i>Duke Island DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-1,440
CS.EW.1001	Earl West Cove	3,564
PW.ED.1001	Edna Bay	250
PW.EC.1001	El Capitan North	1,847
PW.ES.1005	El Capitan South	865
NS.EX.1002	Excursion Inlet	477
SD.1001	Favor Peak	1,290
HA.CH.1001	<i>Haines - Chilkoot DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-60
CR.1001	Harris Road Junction	320
PW.HO.1001	Hollis	622
PW.HK.1001	Hook Arm	1,280
MF.1002	<i>Idaho Inlet DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-539
JU.NL.1001	Ivanhoe	120
CS.KI.1001	<i>Kelp Island DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-535
CS.LE.1001	Leask Cove	460
JU.LM.1001	Lena Creek	610
NS.NS.1001	Lisianski Peninsula	1,443
JU.1002	Lynn Canal	1,358
NS.MI.1001	Middle Island	665
PA.1002	Mite Cove	320
PW.MS.1001	Moira Sound/Nowiskay Cove	160
CS.MB.1001	Moser Bay	906
PW.NA.1001	Naukati Sound	937
KT.1004	<i>Neets Creek DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-1,500
CS.OV.1001	Olive Cove	450
ST.1002	<i>Pelican DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-851
PA.1001	<i>Port Alexander DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-267
PA.1001	Port Conclusion (See Port Alexander map)	10
PW.PD.1001	Port Delores	1,100
SD.1001	Read Island	706
CS.RB.1001	Rowan Bay	665
SD.1001	Sumdum	5
ST.1003	Tenakee Springs	346

University of Alaska
Land Grant List 2010

EXHIBIT A
Page 4 of 6

Parcel #	Name	Approx. Area in Acres
SD.1001	Thoms Place	2,360
PW.TH.1001	Thorne Bay	2,557
CS.TL.1001	Three Lake Road	640
CS.WA.1001	Ward Cove	3
ST.1002	<i>Warm Springs Bay DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-267
SD.1001	Whitney Island	316
JU.1001	William Henry Bay	321
	2010 Revised Southeast Region Subtotal	34,643
Educational Properties		
JU.AU.1002	Auke Weir	6
LG.PC.01	Caribou-Poker Creeks Drainage	24,250
MA.XS.1001	Delta Ag & Forestry Exp. Station	363
N2.FA.1004	<i>Fairbanks Parking Garage/Court House COURTHOUSE CONVEYED UNDER OTHER AUTHORITY</i>	-1
NZ.FA.1004	<i>Key Bank Site CONVEYED UNDER OTHER AUTHORITY</i>	-1
MA.KR.1001	<i>Kodiak Rocket Range DELETED FROM 2005 LAND LIST BY LEGISLATURE</i>	-2,880
MA.PF.1002	Poker Flat (Special Use Area)	6,680
MA.PF.1001	Poker Flat Lease	533
MA.SF.1001	Silver Fox Mine	120
ST.1001	Sitka Campus	6
TV.RF.1001	Tok Research Forest	4,015
TV.TV.1001	<i>University Research Forest CONVEYED UNDER HB 130</i>	-51,820
	2010 Revised Educational Properties Subtotal	35,973
2010 REVISED TOTAL		
		199,838

Resource Distribution of Parcels 2010 Land List



Region Distribution of Parcels 2010 Land List

