

SB

28

<TARGET><BILL>SB 28</BILL><SUBJECT>SB
28</SUBJECT><COMM>SRES30</COMM></TARGET>

ALASKA STATE LEGISLATURE

SESSION

State Capitol, Rm. 30
Juneau, Alaska 99801-1182
(907) 465-3873 Phone
(877) 463-3873 Toll Free
Sen.Bert.Stedman@akleg.gov



INTERIM

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SENATOR BERT K. STEDMAN

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.

District R

Angoon • Coffman Cove • Craig • Edna Bay • Elfin Cove • Hollis • Hoonah • Hydaburg • Hyder • Kake • Kasani
Ketchikan • Klinock • Klukwan • Kupreanof • Metlakatla • Meyers Chuck • Naukati • Pelican • Petersburg
Point Baker • Port Alexander • Port Protection • Saxman • Sitka • Tenakee Springs • Thorne Bay • Whale Pass • Wrangell

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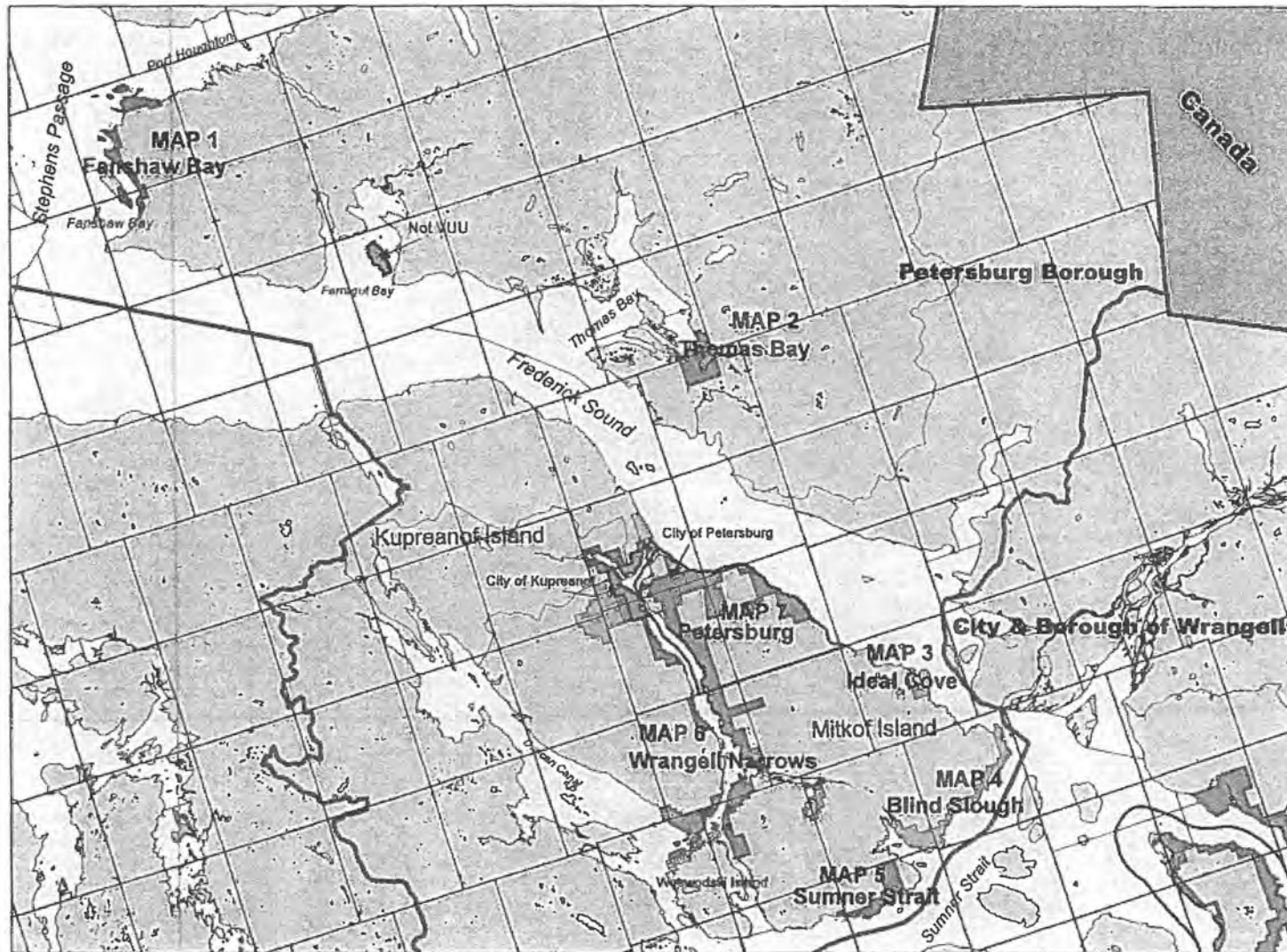
Sectional Analysis

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.

District R

Angoon • Coffman Cove • Craig • Edna Bay • Elfin Cove • Hollis • Hoonah • Hydnburg • Hyder • Kake • Kasan
Ketchikan • Klumock • Klukwan • Kupreanof • Metlakatla • Meyers Chuck • Naukati • Pelican • Petersburg
Point Baker • Port Alexander • Port Protection • Saxman • Sitka • Tennessee Springs • Thorne Bay • Whale Pass • Wrangell



Vicinity Map

Petersburg Borough

ADL 104903

VUU LAND

within the

Borough Boundary

Legend

Borough Boundary

City Boundaries

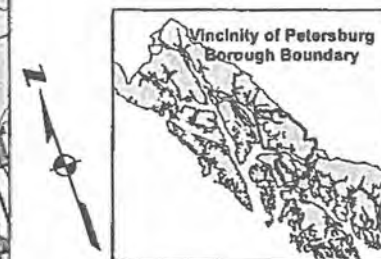
State Land

Patent

Tentatively Approved

Other Land

United States Forestry Service



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.

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

Municipal Certification

December 3, 2013

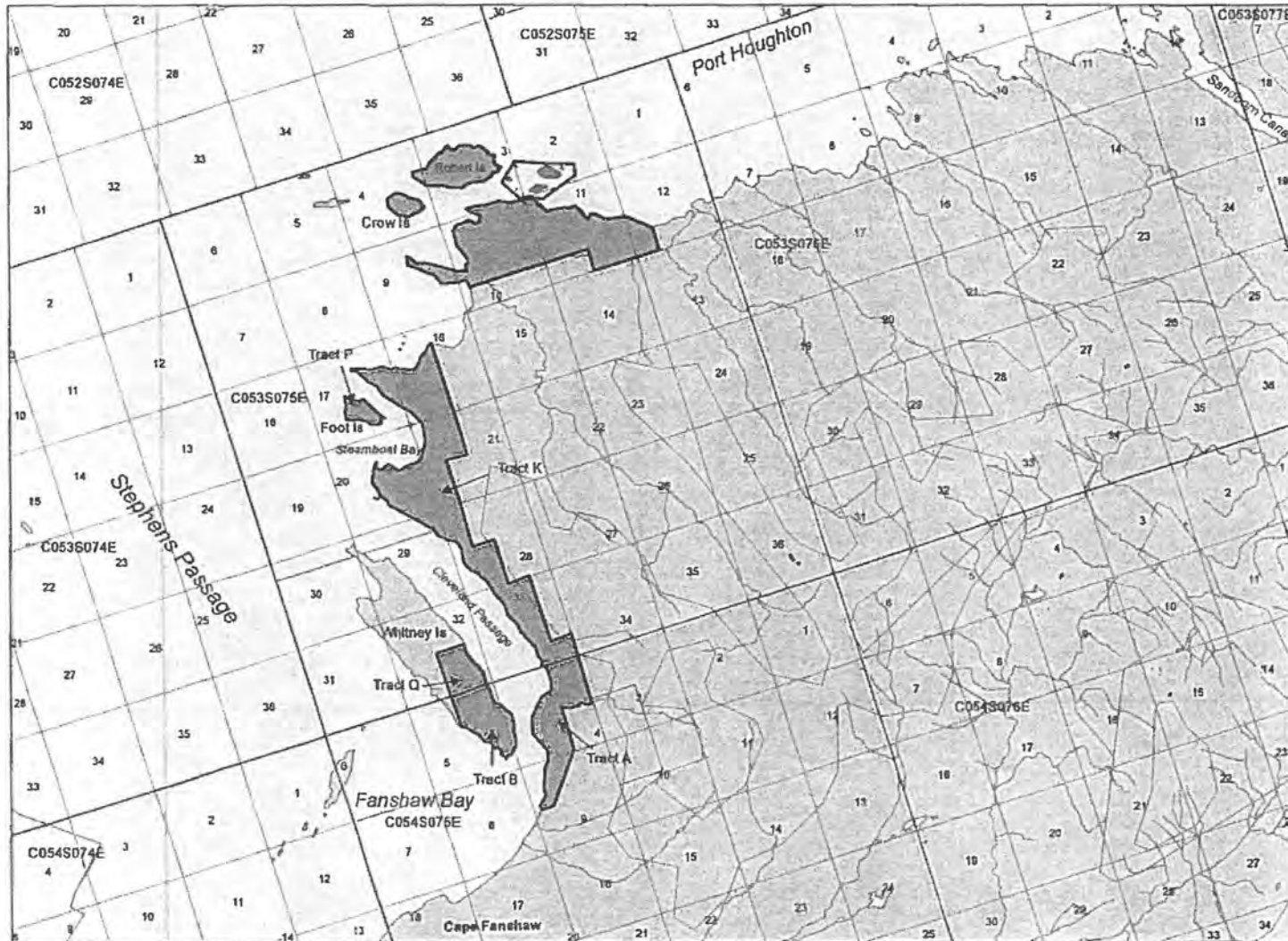
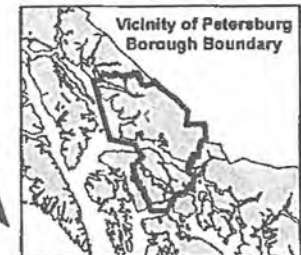
Map 1
Petersburg Borough
ADL 104903
VUU LAND
within the
Borough Boundary

Fanshaw Bay

Legend

- Surveyed Lots
- State Land**
 - Patent
 - VUU Lands
 - Area Plan Boundaries NOT VUU**
- Other Land**
 - United States Forestry Service

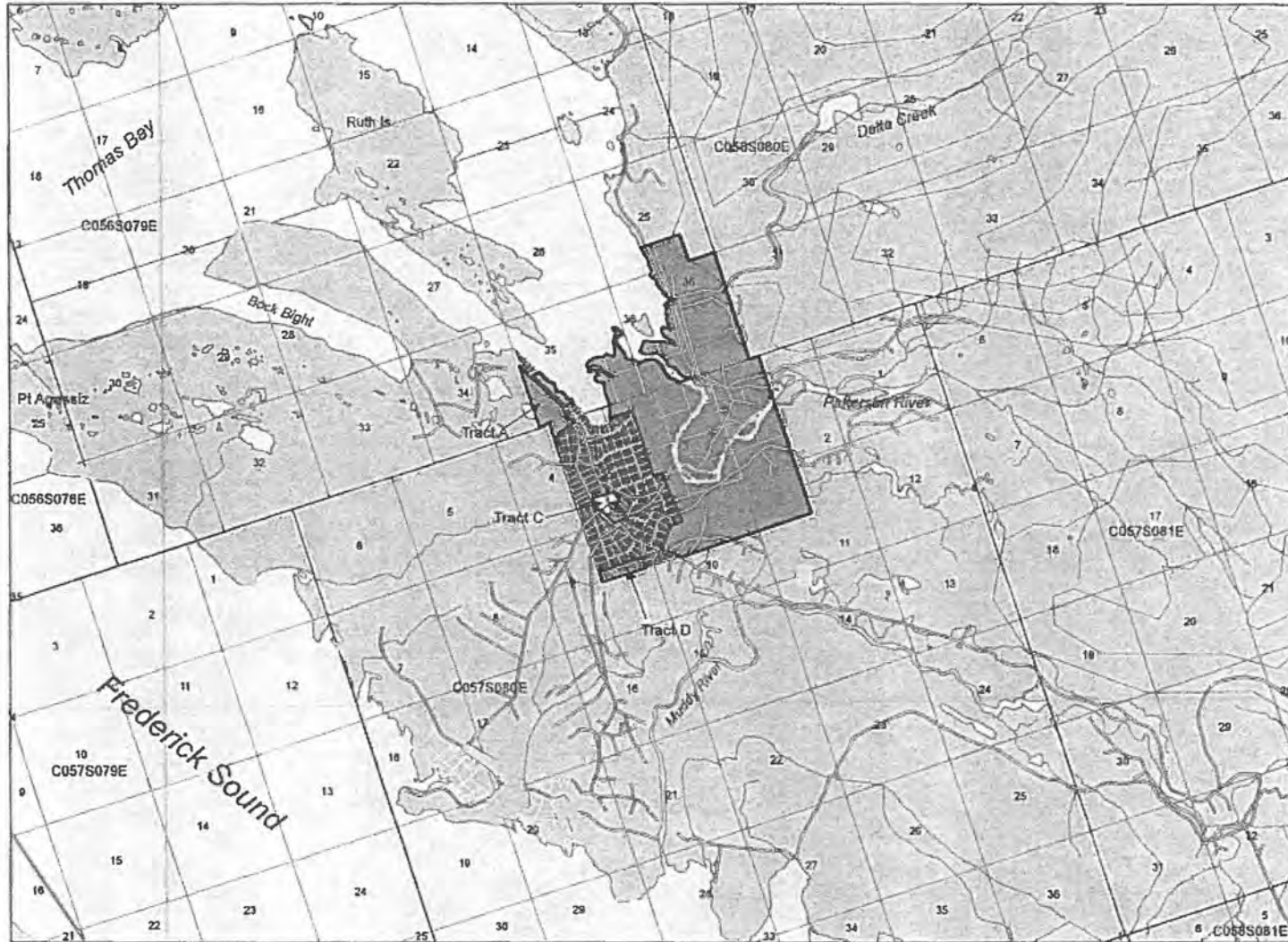
**VUU: Vacant, Unappropriated, Unreserve State Land



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

Map 2
Petersburg Borough
ADL 104903
VUU LAND
within the
Borough Boundary
Thomas Bay



Legend

- Roads
- Surveyed Lots

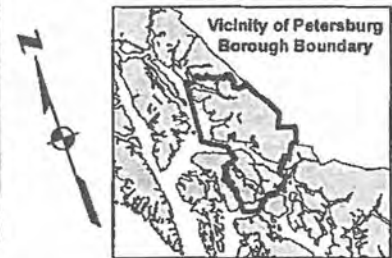
State Land

- Patent
- VUU Lands
- Area Plan Boundaries NOT VUU**

Other Land

- United States Forestry Service
- Land Disposal
- Resource Sale

**VUU: Vacant, Unappropriated, Unreserve State Land






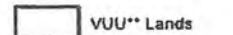
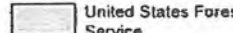
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Created by: SOA-DNR-DMLW-Municipal Entitlements (M.E.)
 Municipal Certification December 3, 2013

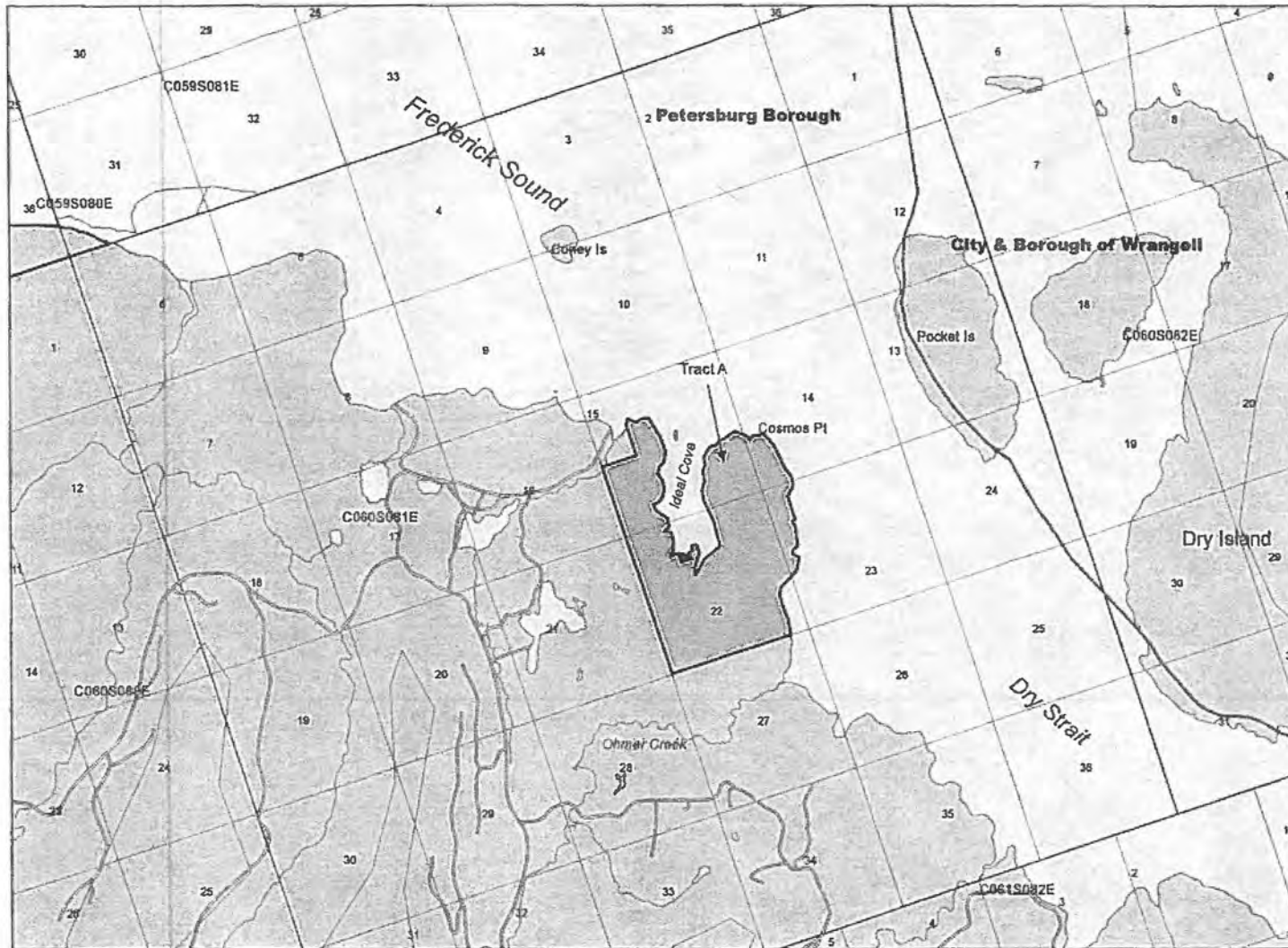
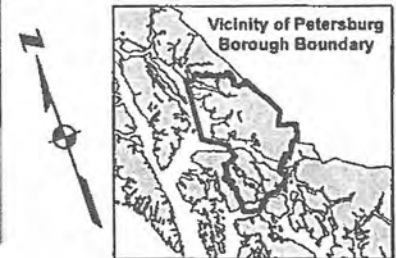
Map 3
Petersburg Borough
 ADL 104903
 VUU LAND
 within the
 Borough Boundary

Ideal Cove

Legend

-  Borough Boundary
-  Roads
- State Land**
-  Tentatively Approved
-  VUU** Lands
- Other Land**
-  United States Forestry Service

**VUU: Vacant, Unappropriated, Unreserve State Land



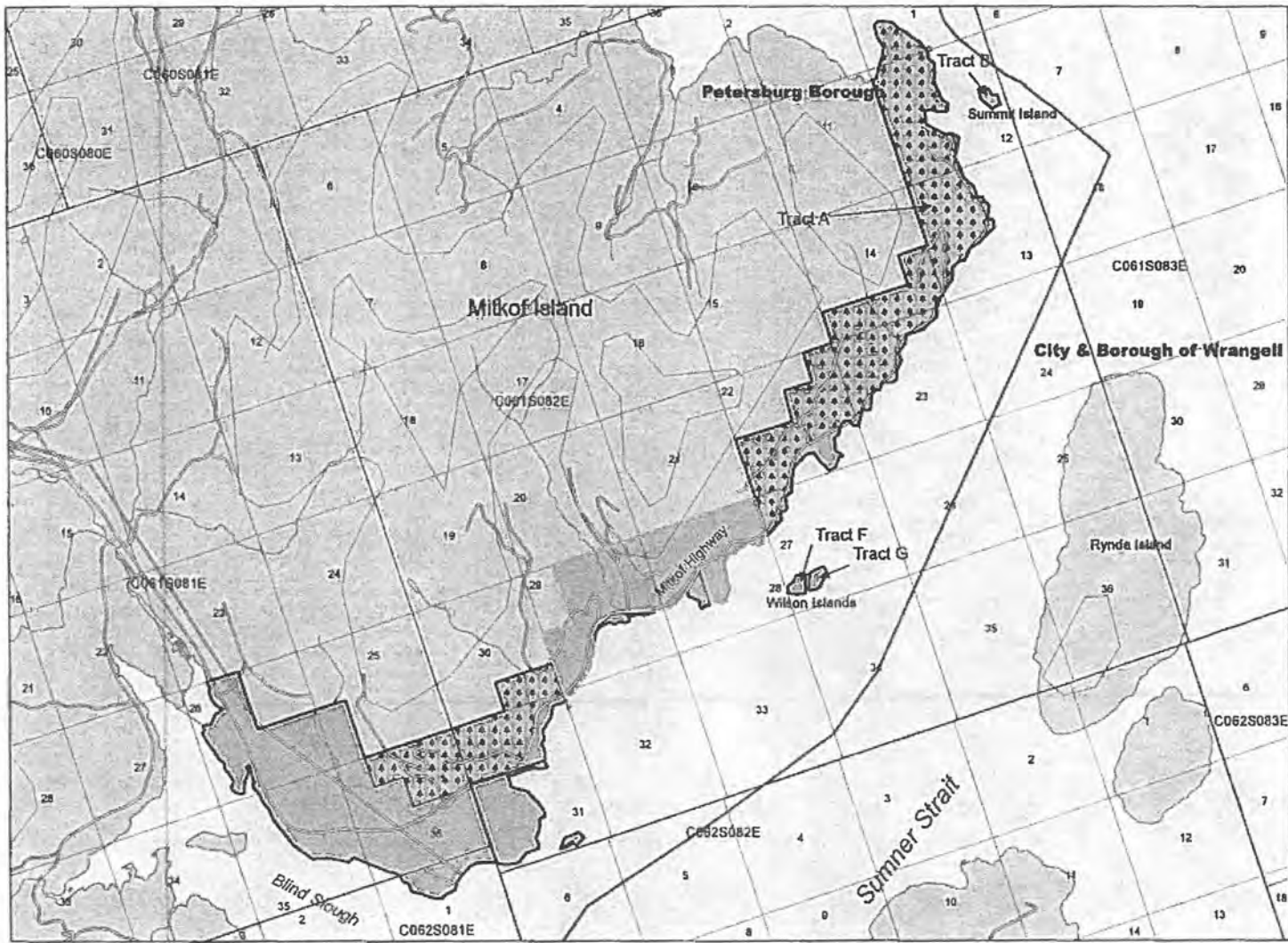
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Created by: SOA-DNR-DMLW-Municipal Entitlements (M.E.)
 Municipal Certification December 3, 2013

Map 4
Petersburg Borough
 ADL 104903
 VUU LAND
 within the
 Borough Boundary
 Blind Slough

Legend

- Borough Boundary
- Roads
- State Land**
- Tentatively Approved
- VUU Lands
- Area Plan Boundaries NOT VUU**
- SE State Forest
- University Land NOT VUU**
- Other Land**
- United States Forestry Service



VUU: Vacant, Unappropriated, Unreserve State Land

Vicinity of Petersburg Borough Boundary

The inset map shows the location of Petersburg Borough within a larger regional context, including the City & Borough of Wrangell and other nearby areas. A north arrow is also present.










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

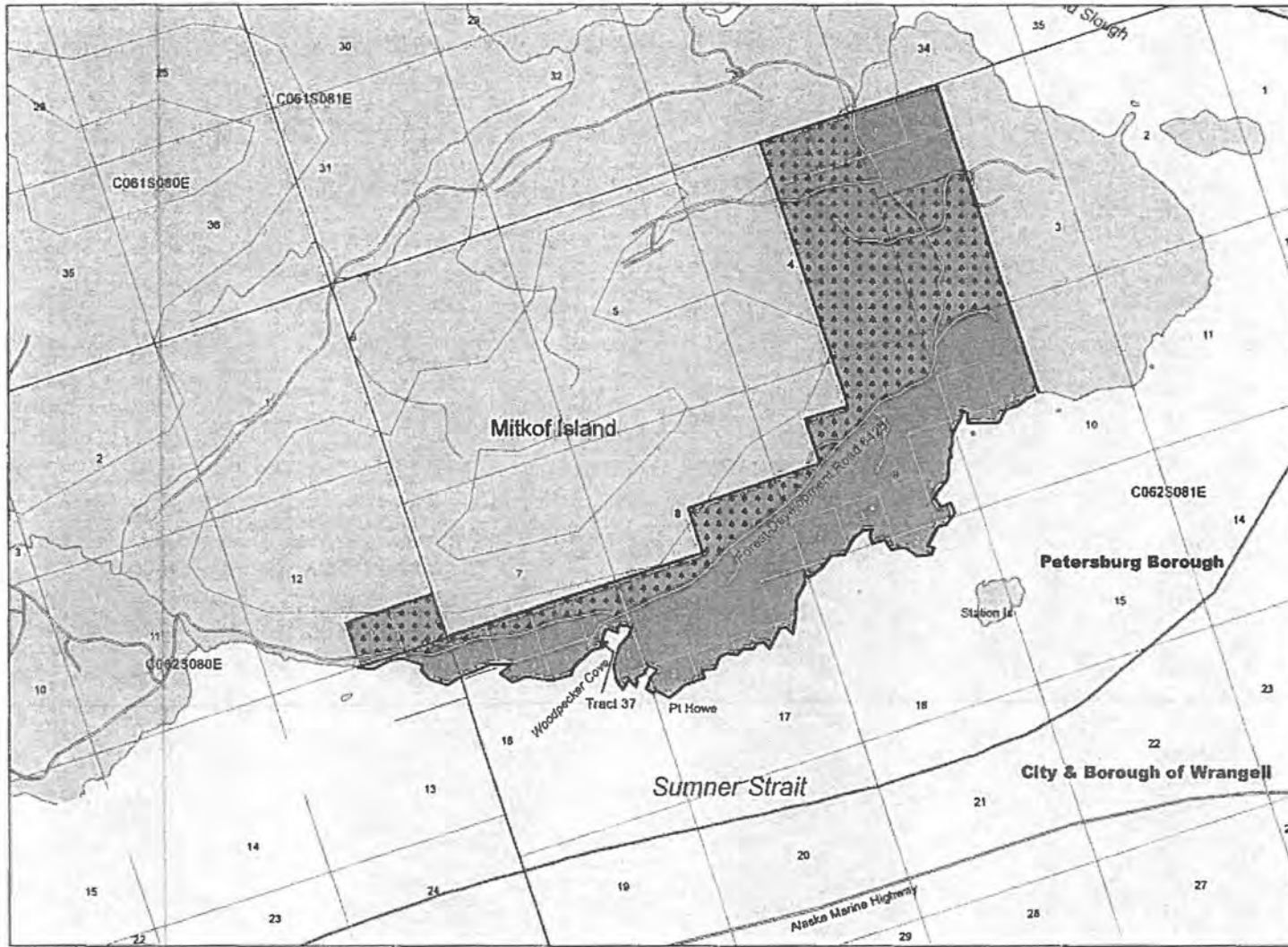
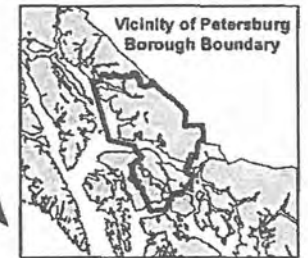
Map 5
Petersburg Borough
ADL 104903
VUU LAND
within the
Borough Boundary

Sumner Strait

Legend

-  Borough Boundary
-  Roads
-  Surveyed lots
- State Land**
 -  Patent
 -  VUU Lands
 -  SE State Forest
- Other Land**
 -  United States Forestry Service

**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



Legend

- Roads
- Surveyed lots

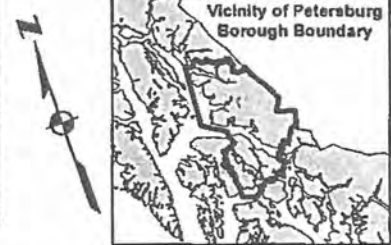
State Land

- Patent
- Tentatively Approved
- VUU Lands
- Area Plan Boundaries NOT VUU**
- University Land NOT VUU**

Other Land

- United States Forestry Service
- Land Disposal
- Mental Health

**VUU: Vacant, Unappropriated, Unreserve State Land















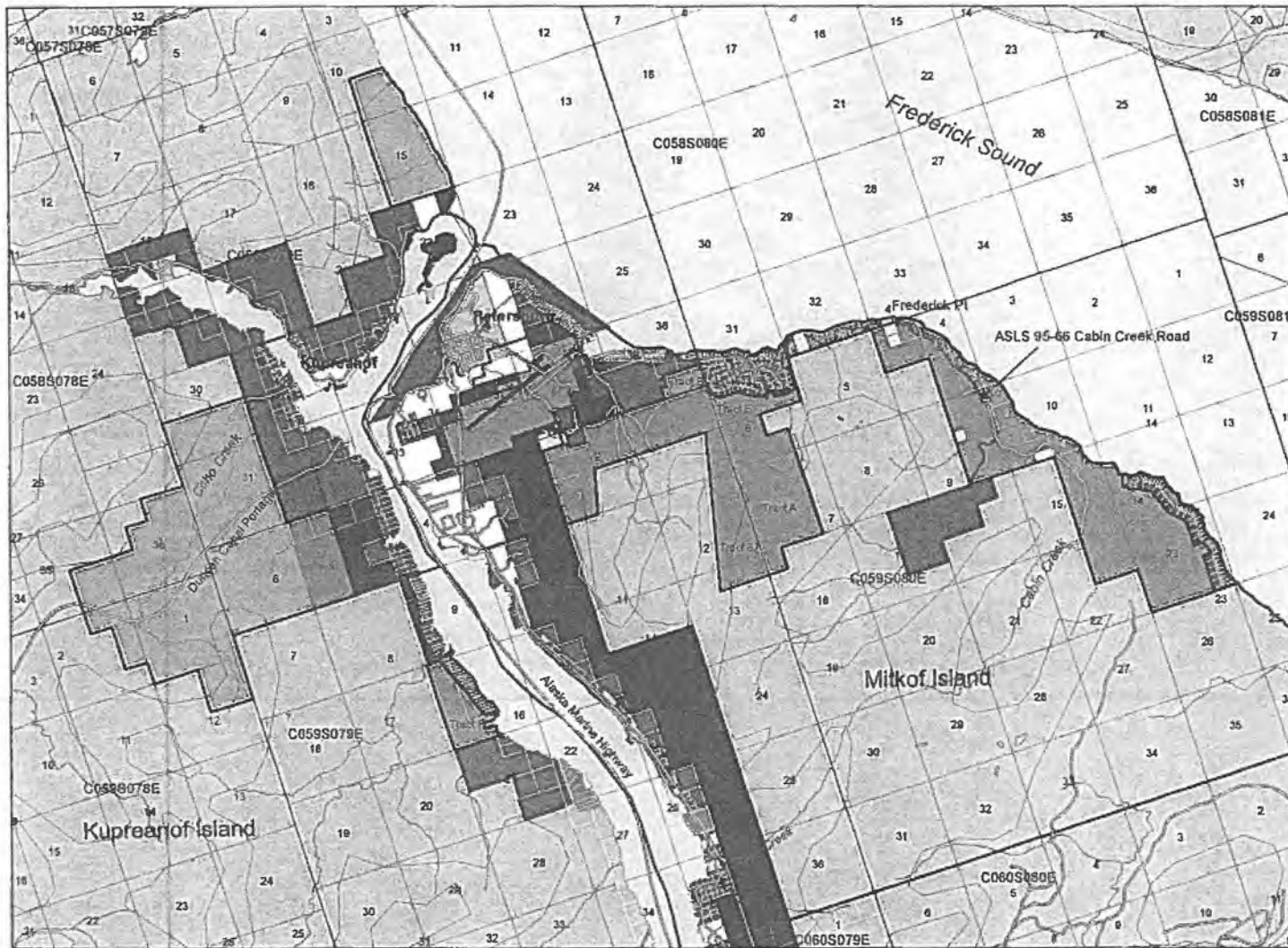
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 Municipal Certification December 3, 2013

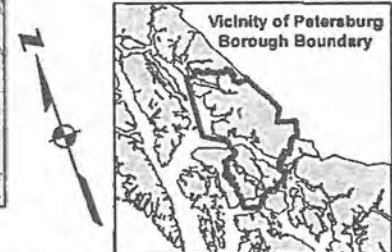
Map 7
Petersburg Borough
ADL 104903
VUU LAND
within the
Borough Boundary
Petersburg

Legend

-  Roads
-  City boundaries
-  Surveyed lots
- State Land**
 -  Patent
 -  Tentatively Approved
 -  VUU Lands
 -  Area Plan Boundaries NOT VUU**
 -  University Land NOT VUU**
- Other Land**
 -  United States Forestry Service
 -  Land Disposal
 -  Mental Health
 -  Resource Sale



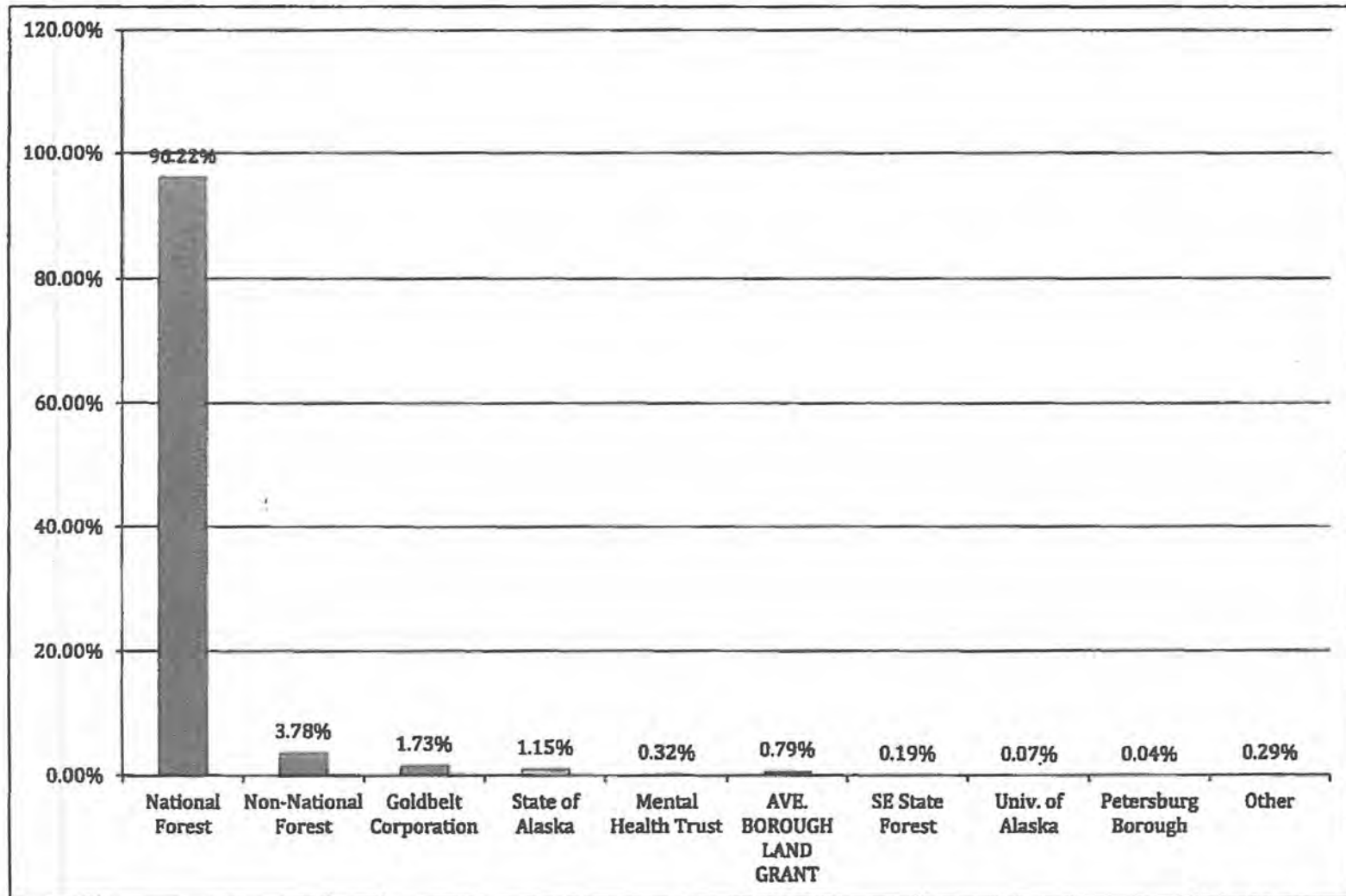
**VUU: Vacant, Unappropriated, Unreserve State Land



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

Land Ownership within the Petersburg Borough & Average Borough Land Grant





February 3, 2017

Hon. Bert Stedman
Alaska State Senate
Juneau, AK 99801

Dear Senator Stedman,

The Petersburg Chamber of Commerce Board is writing in support for SB 28 to increase the general land entitlement to the Borough of Petersburg so it will be more closely aligned with 14 of the 18 other Boroughs that have formed across the State of Alaska.

According to ADNR, the Petersburg Borough's current land entitlement is 1,374 acres – approximately only .07% of the Borough's total land area. Through this same legislative process, other Boroughs have received close to .8% of their total land area. Petersburg's request would not set a precedent as the 14,600 acres would be less than .79% of the total lands within the Borough. It would however move the Petersburg Borough towards more economic self-sufficiency.

In recent years, State land within our Borough has been designated to the Alaska Mental Health Trust, The University of Alaska, and Southeast State Forest; leaving little for the Borough to select for future economic development and planning.

The land entitlement was created for the purpose in which the Municipality is asking: the lands would be used to address the economic, cultural, and resource-based goals of the Borough and its residents.

We understand that in the near future, Municipalities will be responsible to fund more of their own operations, relying less on state and Federal monies. The Borough's request is moving them toward being more self-sufficient and an increased land base is essential in moving the Borough in that direction.

Sincerely,


Seth Scrintsher

Board President

Petersburg Chamber of Commerce

P.O. Box 649 • Petersburg, Alaska 99833
907-772-3646 Email: pcoc@alaskan.com www.petersburg.org

Presented by: The Manager
Introduced: 02/13/2017
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2790(b)

**A Resolution Endorsing Passage of House Bill 85 and Senate Bill 28,
"An Act Relating to the General Grant Land Entitlement for the
Petersburg Borough."**

WHEREAS, Petersburg and Juneau have shared a long history as neighboring communities nestled along the fjords of Southeast Alaska; and

WHEREAS, Petersburg is a vital partner in the fabric of Southeast Alaska, linked by a common maritime heritage; and

WHEREAS, the success of Southeast Alaska relies upon the individual and joint success of all of the communities in the region; and

WHEREAS, the newly formed Petersburg Borough has applied to the State of Alaska to acquire lands within its boundaries; and

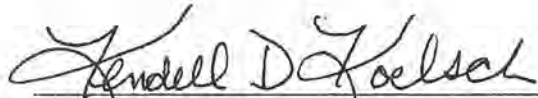
WHEREAS, all municipalities in Alaska share the common goal of maximizing control of lands within their boroughs, and the community of Juneau supports the Petersburg Borough's right to select state lands within its borders.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

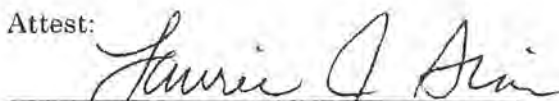
Section 1. The Assembly of the City and Borough of Juneau endorses passage of House Bill 85 and Senate Bill 28: "An Act relating to the general grant land entitlement for the Petersburg Borough" to select 14,666 acres to satisfy its entitlement to state property.

Section 2. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this 13th day of February, 2017.


Rendell D. Koelsch Mayor

Attest:


Laurie J. Sica, Municipal Clerk



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 ADNRC, 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

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version:	SB 28
Fiscal Note Number:	1
(S) Publish Date:	2/8/2017

Identifier: SB028-DCCED-DCRA-1-27-17
 Title: MUNICIPAL LAND SELECTIONS: PETERSBURG
 Sponsor: STEDMAN
 Requester: (S) CRA

Department: Department of Commerce, Community and
Economic Development
 Appropriation: Community and Regional Affairs
 Allocation: Community and Regional Affairs
 OMB Component Number: 2879

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By:	Katherine Eldemar, Director	Phone:	(907)465-8249
Division:	Community and Regional Affairs	Date:	01/27/2017 11:55 AM
Approved By:	Catherine Reardon, Director	Date:	01/27/17
Agency:	Division of Administrative Services, DCCED		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

SB 28 allows the Petersburg Borough to select 14,666 acres of land under the general grant land entitlement act before October 1, 2018. It also requires the Department of Commerce, Community, and Economic Development to review the selected lands and recommend to the Director of Lands in the Department of Natural Resources whether to approve or deny the selection.

The Division of Community and Regional Affairs does not anticipate fiscal impact from this legislation.

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version:	SB 28
Fiscal Note Number:	2
(S) Publish Date:	2/8/2017

Identifier: SB028-DNR-MLW-1-30-17
 Title: MUNICIPAL LAND SELECTIONS: PETERSBURG
 Sponsor: STEDMAN
 Requester: (S) CRA

Department: Department of Natural Resources
 Appropriation: Fire Suppression, Land & Water Resources
 Allocation: Mining, Land & Water
 OMB Component Number: 3002

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Revised analysis.

Prepared By:	Brent Goodrum, Director	Phone:	(907)269-8625
Division:	Mining, Land and Water	Date:	01/30/2017 03:30 PM
Approved By:	Andrew T. Mack, Commissioner	Date:	01/30/17
Agency:	Department of Natural Resources		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

Department of Natural Resources does not anticipate any direct fiscal impact to the department to adjudicate selections under the proposed legislation. There will be some travel costs for land inspections under this proposed entitlement but will be absorbed by the department.

The bill proposes to revise AS 29.65.010(a) to provide the Petersburg Borough a significantly expanded municipal entitlement, granting an additional 12,770 acres of general grant land for a total of 14,666 acres, which represents over 95% of all the vacant, unappropriated, unreserved (VUU) state owned lands within the Petersburg Borough. With the exception of the City and Boroughs of Haines (21.3%) and Wrangell (44.2%), every other borough or municipality was allocated either 10% of VUU lands or an amount of VUU land established by law. The bill also provides that the Petersburg Borough must select or nominate for selection the land by a certain date.

Municipal land transfers have not historically been reported as having a negative fiscal impact or as an appropriation. However, a rough estimate of the monetary value of this expanded land transfer based on indicated value in the area is \$5,375 per acre. ($\$5,375 * 12,770 = \$68,638,750$)