

## MEMO

February 1, 2016

**TO:** Borough Assembly

**FROM:** Municipal Land Selection Committee

**RE:** Legislation to increase the general land grant entitlement to Petersburg Borough

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**RECOMMENDATION:** The Municipal Land Selection Committee recommends the Assembly submit a letter to our state representatives requesting they introduce legislation increasing the general land grant entitlement to the Petersburg Borough to 14,666, or .79% of the borough's land base.

The Land Selection Committee made a preliminary list of selection lands totaling 1,300 acres. The committee is meeting on February 2<sup>nd</sup> and will be finalizing their initial selection for recommendation to the Assembly as well as reviewing additional lands that would be requested if there were to be an increased entitlement.

**BACKGROUND:** According to ADNR, approximately 18,324 acres is considered VUU (vacant, unappropriated, unreserved) state land within the borough and qualifies for selection under the Municipal Entitlement program. Therefore, ADNR has determined that the new borough entitlement is approximately 1,832 acres in total (i.e. 10% of the VUU land). This entitlement is reduced by 457.47 acres to account for a previous land entitlement received by the City of Petersburg for a remaining entitlement of 1,374 acres.

Much of the state land conveyed at statehood or under the national forest community development process within the borough 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. Most of the land that has been re-conveyed is either valuable waterfront property or forested land, leaving primarily inaccessible and undevelopable lands in the borough's entitlement selection pool.

### Petersburg Borough Land Ownership (Estimates)

Land Owner	Acreage	% of Total	% of Non-Federal
US Forest Service	1,786,159	96.2%	
Non-USFS	70,258	3.8%	100%
GoldBelt Corp.	32,038	1.79%	45.60%
State of Alaska	21,274	1.34%	30.28%
Mental Health Trust*	6,022	.32%	8.57%
SE State Forest	3,562	.19%	5.07%
University of Alaska*	1,363	.07%	1.94%
Petersburg Borough	701	.04%	1.00%
Private, Other	5,296	.29%	7.54%
TOTAL:	1,856,418 acres	100%	

**\*Note:** This is Mental Health Trust and University current ownership. The Trust, in particular, owned significant amount of additional acreage, which they have either sold or exchanged for other lands.

Petersburg would not be setting a precedent by seeking a legislative 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.

More importantly, the land entitlement is important for the exact reason the program was created...for the development needs of the new borough and to address the economic, cultural and resource-based goals of its residents. Petersburg's Municipal Land Selection Committee has adopted a set of criteria to guide its selection process and has found little of the land offered by DNR to meet the borough's identified needs.