

STATE OF ALASKA
ALASKA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

FINAL FINDING AND DECISION
CONVEYANCE OF STATE LAND UNDER AS 29.65

PETERSBURG BOROUGH MUNICIPAL LAND ENTITLEMENT SELECTIONS ADL 108982, ADL 108983, ADL 108984
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I. SUPPLEMENT STATEMENT

This Final Finding and Decision (FFD) complements and updates the Preliminary Decision (PD) dated January 27, 2023, for the proposed actions, which are incorporated herein, except as modified or clarified by this FFD. The maps attached to this FFD depict the selection that is the focus of this decision. The PD (attached) has had the required public review.

II. RECOMMENDED ACTION

The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) recommends that Alternative 3, as described in the PD, is the preferred action aligning with the intent and requirements of the Municipal Entitlement Act. This decision covers approximately 3,283 acres, approving approximately 2,737 acres for conveyance and transfer of management authority to the Petersburg Borough (PB). This decision postpones conveyance of approximately 23 acres and rejects approximately 523 acres.

III. AUTHORITY

The authority for conveyance of state land for municipal entitlements is pursuant to *AS 29.65 General Grant Land* and the authority for the Final Finding and Decision is pursuant to *AS 38.05.035(e) Power and Duties of the Director*.

IV. PUBLIC PARTICIPATION AND INPUT

Pursuant to *AS 38.05.945 Notice*, public notice announcing the PD for the proposed conveyance of municipal entitlement selections along with the solicitation for public comment was published and distributed in the following manner:

- Posted under State of Alaska Online Public Notice from January 27 to March 3, 2023.
- Posted on the DNR Land Sales website from January 27 to March 3, 2023.
- Posted on the DNR Municipal Entitlement website from January 27 to March 3, 2023.
- Mailed with a request to post for 30 days to the Kupreanof and Petersburg postmasters and Petersburg Library per *AS 38.05.945(c)(4)*.
- Mailed to the regional corporation and local tribes per *AS 38.05.945(c)(2)-(3)*.
- Mailed and/or emailed to the Petersburg Borough.

The public notice stated that written comments must be received by 4:30 PM, Friday, March 3, 2023, in order to ensure consideration and eligibility to appeal. For more information, refer to the attached PD.

V. SUMMARY OF COMMENTS

DNR DMLW LCS received comments from the DMLW Public Access Assertion and Defense (PAAD) section, the Alaska Department of Transportation and Public Facilities (DOT&PF), and the Petersburg Borough during the public comment period. All comments received during the public comment period are addressed below.

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DNR DMLW LCS received a brief comment of non-objection from the following agency:
Alaska Department of Transportation & Public Facilities.

DNR DMLW LCS Response: LCS appreciates your review.

DNR DMLW PAAD comment: “PAAD asserts that a paragraph on Page 7 under **3. Navigable and Public Water** is not accurate. Within the Tongass the State received title to tidal waters through a Quiet Title Disclaimer from the USDOJ [United States Department of Justice] and USFS [United State Forest Service]. This was part of Glacier Bay Decision; Original 128. A copy of the disclaimer is on the PAAD website, RDI [Recordable Disclaimers of Interest] page, in association with the Stikine River RDI.”

DNR DMLW LCS Response: LCS appreciates your review. We stand corrected in our comment that tidal waters in the Tongass were considered navigable under the Submerged Lands Act. For modifications and clarifications to this decision, please see **Section VI. Modifications to Decision** below.

Petersburg Borough comments: “The Borough has completed a review of ADL 108982, 108983, 108984, and makes the following comments. Please feel free to contact us if we can assist in clarifying any of the Borough's comments.”

DNR DMLW LCS General Response: LCS appreciates your review. To provide clarity on specific items brought up by PB through their comment, please see LCS’s responses incorporated below.

FANSHAW BAY

The Petersburg Borough supports conveyance of 1,809 acres of selected lands at Fanshaw Bay.”

DNR DMLW LCS Response: LCS appreciates your review and concurrence.

PROLEWY POINT

The Petersburg Borough objects to the LCS proposed decision to retain Unit P-02, the approximately 600-acre selection north of Prolewy Point¹.

¹ The acreage for unit P-02 varies throughout this document and other information. It is listed as 513.41 acres (p 21 of PD), 594 acres (p 11 of PD), the TA states approximately 600 acres, and the original DNR entitlement certification is 591 acres. The Borough would appreciate confirmation of the actual acreage.”

DNR DMLW LCS Response: LCS confirms that approximately 513.41 acres of land selected by PB at Prolewy Point are rejected. If this land had been approved for conveyance, a survey would have been required to determine the actual acreage.

“Agency review comments from ADF&G and DOT&PF provide directly conflicting rationale for the state's interest in retaining Unit-P-02. The ADF&G points to the need "to preserve viewshed and habitat values", relying on the Central Southern Southeast Area Plan (CSSEAP), while DOT&PF argues that it retains the "right to continue its development course" regarding the Kake Access project, and "would want a 300-foot right-of-way reservation" to protect the corridor for future road development. Neither rationale support retention of this parcel by the State.”

DNR DMLW LCS Response: Thank you for your review. LCS consulted with the DMLW Resource Assessment and Development Section (RADS) with regard to PB’s comments about

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the CSSEAP. The area plan states that Unit P-02 is to be retained by the State and managed to preserve its viewshed and habitat values. Therefore, the parcel cannot be conveyed without an amendment to the plan. Even though DOT&PF has plans to develop a road through the parcel, that development is in line with the plan's intent to preserve the viewshed and habitat because the viewshed is the reason for putting a scenic roadway there. The express management intent and the thorough planning process that led to its inclusion in the CSSEAP provide sufficient justification for the State's retention of this parcel.

"Reliance upon the CSSEAP regarding protection of the viewshed is misplaced, as it contains several significant factual errors. The CSSEAP states that the parcel is "...directly adjacent to the mouth of Wrangell Narrows and is very visible from Petersburg..."² In fact, the parcel is not adjacent to the Wrangell Narrows, but rather Frederick Sound, and it is not visible from the community of Petersburg, as it is completely blocked by Prolewy Point. In short, the CSSEAP is factually incorrect in the two instances related to the viewshed. Even if those statements were true, the community of Petersburg would be in the best position to determine how to best manage its own viewshed.

² CSSEAP, p 3-128"

DNR DMLW LCS Response: LCS appreciates your review and confirmed with RADS as to the location and management use for the viewshed at Prolewy Point. RADS communicated to LCS that the CSSEAP language in the "Resources/Uses for which Unit is to be Managed" for Unit P-02 is as follows: "Parcel is directly adjacent to the mouth of Wrangell Narrows and is very visible from Petersburg, and to ferry/cruise ship routes. It acts as an important part of the northern viewshed for the community." As correctly stated in the CSSEAP, the parcel is adjacent to the mouth of Wrangell Narrows, which is at the base of Prolewy Point. The state ferry route diverts from Frederick Sound and enters Wrangell Narrows at this point. From the northern portion of the community, the parcel is directly in the viewshed, looking up Frederick Sound.

"The CSSEAP also stated disposal is not appropriate because of the rugged topography and the difficulty of marine access, since the prevailing winds make landing difficult. This statement failed to reference the existing 50' road reservation through Section 15 that connects to the City of Kupreanof,³ and failed to acknowledge that access to this area is best accomplished over existing rights-of-way, not by water. Again, the CSSEAP's recommendations do not have a basis in actual fact.

³ Additionally, at the time the CSSEAP was adopted in 2000, Section 10 did not have a reserved right-of-way across USFS land connecting it to Kake."

DNR DMLW LCS Response: The 50' easement issued to the City of Kupreanof (ADL 101029) is located in C058S079E, Sections 22, 27, 28, and 29. There is a 50' federal ROW reservation in Section 15 (A-061040); BLM issued Tentative Approval (TA) of this land to the State in 1996, subject to this easement. Although, according to satellite imagery, this easement does not appear to be developed, lack of development at this moment does not preclude future development (if appropriate). Additionally, the management intent does not state that water access alone is the basis for determining the difficulty of access to the area, only that it includes water access. Although overland access is not stated in the management intent, this does not mean that it wasn't taken into account during the planning process for the development of the CSSEAP in determining that land disposals are not appropriate because of the rugged topography and difficulty of access.

"On the other hand, contrary to the CSSEAP, DOT&PF indicates that the State is proposing to develop the Kake Access road through the parcel, and it claims the right to continue that development. Notably,

the DOT&PF did not object to conveyance of the parcel but merely requests a right-of-way be reflected throughout the conveyance and notes its willingness to allow for transverse access.”

DNR DMLW LCS Response: Development of a roadway does not conflict with the management intent that requires retaining the parcel in state ownership. The language in the plan provides sufficient justification for retaining the parcel in state ownership. The discrepancy in the PD regarding DOT&PF’s comment will be acknowledged by a correction. For modifications and clarifications to this decision, please see **Section VI. Modifications to Decision** below.

“As the proposed road development would certainly have an adverse impact on the claimed goals of the CSSEAP to protect the viewshed and habitat, and provide for undeveloped public recreation, it is directly adverse to the reasons provided for State retention by ADF&G. Once the State’s interest in developing the Kake Access road superseded the land use classification of Public Recreation & Tourism- Undeveloped in the CSSEAP and the management intent to protect habitat and viewshed values, that inconsistency must be resolved. The State cannot rely on the stated goals of the CSSEAP to deny conveyance, while at the same time asserting the right to develop the parcel in the future.”

DNR DMLW LCS Response: CSSEAP Unit P-02 has a designation of Ru, Public Recreation – dispersed use. Lands with this designation are classified Public Recreation Land, which is defined by 11 AAC 55.160 as land that is suitable for recreation uses, waysides, parks, campsites, scenic overlooks, hunting, fishing or boating access sites, trail corridors, or greenbelts along bodies of water or roadways. The definition for the designation Ru in CSSEAP Chapter 3, page 4 states “...Land in this designation may be conveyed to municipalities depending on the unit’s management intent and the relative value of the recreation resources for which the unit was designated...” The management intent for Unit P-02 is clear; the parcel is to be retained in state ownership and managed to preserve its viewshed and habitat values. The Public Recreation Land classification does not preclude or conflict with the development of a transportation corridor.

“With the planned road development, the Borough has a strong interest in conveyance of this parcel, as it would represent the only road accessible parcel on Kupreanof Island available for selection. The Borough would anticipate significant opportunity for tourism, public recreation, commercial recreation, and subsistence activities occurring through this corridor.”

DNR DMLW LCS Response: There is a USFS ROW (J012116), which could potentially provide road access to approximately 2,336 acres of PB selected lands on Kupreanof Island, southwest of Petersburg Creek. Forest development roads are commonly used for public access. Many of the roads in PB were forest development roads at one point.

“In the PD Discussion and Alternatives section (see, p. 18), the LCS provides reasons for the decision to reject certain selections. The LCS reasons for Prolewy Point include that “The Department of Transportation and Public Facilities also requested that this unit [P-02] remains in state ownership”...“This is incorrect. DOT&PF did not request retention of the parcel in its comments, in fact, DOT&PF only requests a road reservation through the “extent of the conveyance” (See, p. 14), implying that the conveyance of the surrounding parcel is acceptable. DOT&PF also mentions it is not opposed to “permitting transverse access as appropriate...as established collaboratively” further indicating its willingness to work in conjunction with the borough once the parcel is conveyed. The reference to DOT&PF comments regarding P-02 should be deleted as it does not support LCS decision to retain the parcel.”

DNR DMLW LCS Response: Whether or not DOT&PF requested state retention of the parcel, the CSSEAP justifies the reasons for retaining Unit P-02 in state ownership. The discrepancy in

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the PD regarding DOT&PF's comment will be acknowledged by a correction. For modifications and clarifications to this decision, please see **Section VI. Modifications to Decision** below.

“Prolewy Point was acquired by the State from the Federal government for the purpose of community expansion. The DNR should follow through with this intended use and not rely on outdated and erroneous statements of the CSSEAP to guide this entitlement land action, while ignoring DOT&PF's stated intent. If a revision is required to correct the CSSEAP, the Borough would support postponing action on this parcel so that the CSSEAP can be corrected.”

DNR DMLW LCS Response: National Forest Community Grant (NFCG), the name used for state selections within national forests are authorized by Section 6(a) of the Statehood Act. NFCG land is granted to the State for furthering the development of and expansion of communities. NFCG land is adjacent to communities or suitable for prospective community centers or recreational areas. While NFCG land is slated for community expansion, this doesn't mean that all such land will be conveyed to municipalities, it means the land is eligible for conveyance if it otherwise meets statutory requirements. The State reserves the right to retain land in state ownership if the State's interest in retaining the land outweighs PB's interest in obtaining it. The CSSEAP went through an extensive planning process and determined that the highest and best use for the land in Unit P-02 is for retention in state ownership and to be managed to preserve its viewshed and habitat values. LCS has no intention of “ignoring DOT&PF's stated intent” since development of a transportation corridor would be an allowed use in Unit P-02 or any other land classified as Public Recreation Land.

“ADDITIONAL COMMENT: The Petersburg Borough has the following additional comment regarding statements in the preliminary decision about this unit:

It's unclear from DOT&PF's comments whether the state has established rights-of-way (ROW) on the state lands located within Sections 10 and 15. Table 1 of the PD notes a 44 LD 513 ROW within Section 15, and this is also noted in the Tentative Approval document, however this ROW location does not correspond with the ROW shown on the maps provided by DOT&PF. Also, there appears to be no third-party interest identified in Section 10. Please confirm whether there is a road reservation and/or third-party interest within the selected portion of Section 10 and the location of the ROW in Section 15.”

DNR DMLW LCS Response: Table 1 in the PD does not identify any third-party interests in Section 10. Per the TA (AA-71684) to the State, there is 50' ROW (A06 1040) subject to a reservation. The actual location is under DOT&PF's jurisdiction and may not be developed yet. LCS recommends PB contact DOT&PF's ROW office for more information.

“In addition to floatplane or boat, Prolewy Point may be accessed through the partially developed Petersburg Creek Highway/Trail. Please amend Section VI.D. Access of the PD (See, page 6) to include this information.”

DNR DMLW LCS Response: Acknowledged. Thank you for the additional information. The list of access paths in the PD is not all-encompassing.

“HOOD POINT

The 21-acre Tract E is located adjacent the Beecher Pass State Marine Park (SMP). The LCS recommendation is to split the parcel in half and retain the 10 acres adjacent to the park. The Borough does not agree that “the integrity” of the state marine park is in jeopardy by conveyance. Access to the SMP is by boat and generally requires a minimum 16' tide to enter the estuary. Borough ownership of the land adjacent to the entrance of the estuary would not in any way impede public access to or recreational enjoyment of the SMP.

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Moreover, it is unclear how this retention parcel will protect public access to the SMP. It is very unlikely that any member of the public would choose to enter the park through the area proposed for state retention when there is marine access and access along the shoreline. The state provides no evidence as to why the size of the buffer must be 10 acres nor how this would improve or protect the SMP given the surrounding topography.”

DNR DMLW LCS Response: The subject parcel is located in CSSEAP Unit P-31, which encompasses ASLS 81-9. This management unit has land use designations of Settlement (S) and Public Recreation – Dispersed Use (Ru), which convert to land classifications of Settlement Land and Public Recreation Land, respectively. Though these may both be conveyable classifications, the management intent for Unit P-31 requires that the State retain lots 11, 12, and 13, and Tracts A, B, and C as well as portions of D and E. The lots to be retained shall be designated Ha, and the tracts, Ru, as depicted in the plan map. This clearly indicates the lands designated Ha and Ru in this management unit shall be retained in state ownership. Therefore, this land cannot be conveyed out of state ownership without a plan amendment.

The area plan is a policy adopted by DNR determined to be in the public interest. Management guidelines in the CSSEAP regarding public recreational opportunities provide that the State’s role is to retain and manage land supporting recreational opportunities of regional or statewide significance (pg. 2-36). This parcel abuts the Beecher Pass State Marine Park, a Legislatively Designated Area established in AS 41.21.304(17), which by definition is land of regional or statewide significance. Management guidelines also provide that the State will retain appropriate areas for outdoor recreation, hunting, fishing, trails, campsites, boat launches, historic sites, and areas for scientific study. Areas for intensive and dispersed use will be preserved (pg. 2-43). See Chapter 2 of the CSSEAP for additional areawide land management policies and guidelines, which formulate the basis for the management intent statements found in Chapter 3.

“Tract E is part of ASLS 81-9 (Plat# 82-13) and is already surveyed to state standards. Subdividing the parcel will require a costly new land survey that would likely exceed the value of the acreage to be conveyed. The result being the municipality likely would never receive patent to the western portion of the parcel, which is presumably the goal of the entitlement program.”

DNR DMLW LCS Response: The survey requirements for municipal entitlement land are laid out in AS 29.65.070(a), which provides that approved selections must be surveyed for a municipality to obtain final patent to the land, and the cost of survey is to be borne by the municipality. The CSSEAP clearly states that the eastern portion of Tract E shall remain in state ownership, thus indicating that any disposal of the tract would require a survey.

“Section VIII. Discussion and Alternatives explains the reasoning for LCS's decision to retain the parcel and notes that the "west portion is classified as Settlement land, which is a conveyable classification.". In fact, both Settlement and Public Recreation & Tourism-Undeveloped on the eastern portion of the parcel are conveyable classifications so the decision to retain is not based on the land classifications. This section should be amended to note that both land classifications for this parcel are conveyable.”

DNR DMLW LCS Response: Even though certain lands may be appropriately classified for conveyance to a municipality, this does not mean that all lands appropriately classified will be conveyed to a municipality. However, it does mean the land is eligible for such conveyance if it otherwise meets the municipal land entitlement program requirements. In this case, DNR policy in the CSSEAP requires that the portion of Tract E classified as Public Recreation Land be retained in state ownership.

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“SE MITKOF

The Borough supports conveyance of 67 acres of selected land on SE Mitkof.”

DNR DMLW LCS Response: LCS appreciates your review and concurrence.

“SUMNER STRAIT/WOODPECKER COVE

The Borough supports conveyance of 848.14 acres of selected land along Sumner Strait.”

DNR DMLW LCS Response: LCS appreciates your review and concurrence.

“Comments from DNR DMLW RADS from the July 2021 Agency Review state that a portion of Unit P-27 "may be under consideration by the DOT&PF as alternate site for the south Mitkof ferry terminal." The South Mitkof Ferry Terminal was constructed by DOT&PF south of Blind Slough and it is unlikely DOT would be constructing a second terminal on south Mitkof Island.

The Division of Forestry once again argues for the closing off the entirety of Woodpecker Cove, far beyond the needs of LTF operations. The LCS indicates that it will conduct additional research on the issue, on which the Petersburg Borough assumes it will have the opportunity to provide input and response.”

DNR DMLW LCS Response: LCS recommends asking the SE DOT&PF office what their intentions are for the possibility of constructing another ferry terminal on the south end of Mitkof Island. When the postponed area goes to adjudication, PB will have the opportunity to provide comments, recommendations, and responses to the decision.

“General Comments:

1. The City of Petersburg was dissolved in favor of the Petersburg Borough in 2013. Please delete the reference to "city of Petersburg". The largest population area is Service Area 1 of the borough and corresponds to the former city limits. See, p. 2.
2. The City of Petersburg was dissolved in favor of the Petersburg Borough in 2013. Please delete the reference to "City of Petersburg" and replace with "Petersburg Borough". See, p. 6.
3. In addition to floatplane or boat, Prolewy Point may be accessed through the Petersburg Creek Highway/ Trail. See, page 6.
4. The borough concurs that there are no RS 2477 rights-of-way within the proposed selection and notes that the LCS does not propose any alternative upland access routes to be reserved under 11 AAC 51.045(d)(1). See p. 6.
5. The LCS has identified only marine waters as navigable waters and subject to a 50' public access easement. The borough concurs with this determination. See, p 7-8.
6. The borough notes that no waters navigable in fact have been identified by the state in this decision.
7. The borough concurs with the LCS that the beds of public waters are to be conveyed to the borough with the adjoining approved lands. See p. 8.
8. We assume the public access easements along the unnamed creeks listed in Table 3 correspond to the ones displayed on the maps accompanying the PD and are subject to withdrawal if

the waterbodies are determined not to meet the minimum public water standards if surveyed. See, p. 8.”

DNR DMLW LCS Responses:

(1) In referring to the “city of Petersburg” our intended reference was regarding Petersburg as a census-designated place as identified by the Department of Community and Regional Affairs.

(2) In terms of municipal entitlement processes, the City of Petersburg, as a home rule city, still existed at the time it was dissolved and subsumed by the newly created borough and was our intended reference in Section VI. Subsection A of the PD.

(3) Acknowledged.

(4-7) LCS appreciates your review and concurrence.

(8) The waterbodies are considered public until a survey is completed. And if a survey finds they do not meet the Public Water standard, then a ‘to & along’ will not be required. If they are anadromous creeks, regardless of size, they will have a public access easement. A survey may find other waterbodies not represented on the decision maps. It is noted on the decision maps that these are only a graphic depiction of the area. Not all land details are expressed.

VI. MODIFICATIONS TO DECISION

Pursuant to comments received during the public notice period, there a few small corrections or clarifications made between the PD and the FFD. None of these changes affect the amount of acreage approved for conveyance, nor the amount being rejected in this decision.

- DNR acknowledges the correction that DOT&PF did not explicitly state the agency wanted land in Unit P-02 retained by the State; and
- The State received title to the tidal waters through a Quiet Title Disclaimer from the USDOJ and USFS and were not considered navigable under the Submerged Lands Act.

VII. DISCUSSION AND FINAL FINDING AND DECISION

Through this Final Finding and Decision, DNR determines that it is in the best interest of the State to convey approximately 2,736.69 acres of state land with management authority transferred to the PB upon the effective date of this decision. There are no overriding state interests in retaining these selections, and the conveyance to PB is consistent with the requirements for conveyance under AS 29.65, and the management intent requirements of the Central/Southern Southeast Area Plan.

Lands Approved for Conveyance

Table 1 lists those lands approved for conveyance in this decision by map name/(ADL), Meridian (M), Township (T), Range (R), Section, legal description, and approximate acreage. The estimated acreages for conveyance do not account for any exclusions, and exact acreages are determined by a State approved survey. The final acreage amount will be credited towards partial fulfillment of Petersburg Borough’s municipal land entitlement.

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Table 1

Map Name (ADL)	MTR	Section and Legal Description	Acres
Fanshaw Bay (1089884)	C053S075E	Sec. 16: Tract K (205 ac.) Sec. 17: Tract K and Tract P on Foot Island (122.26 ac.) Sec. 20: Tract K (200 ac.) Sec. 21: Tract K (220 ac.) Sec. 28: Tract K (180 ac.) Sec. 29: Tract K (32 ac.) Sec. 32: Tract Q on Whitney Island (120.68 ac.) Sec. 33: Tract K (230 ac.)	1309.94
	C054S075E	Sec. 04: Tract A and Tract B (245 ac.) Sec. 05: Tract B on Whitney Island (185.89 ac.) Sec. 09: Tract A (68.4 ac.)	499.29
Hood Point (108984)	C061S079E	Sec. 2: West portion of Tract E that is classified as Settlement Land	12.32
SE Mitkof (108982)	C061S082E	Sec. 12: Tract A east of Mitkof Hwy ROW (12 ac.) Sec. 13: Tract A east of Mitkof Hwy ROW (1 ac.) Sec. 22: Tract A southeast of Mitkof Hwy ROW (39 ac.) Sec. 23: Tract A southeast of Mitkof Hwy ROW (7 ac.) Sec. 27: Tract A southeast of Mitkof Hwy ROW (8 ac.)	67
Sumer Strait (108982)	C062S081E	Sec. 08: all lands south of FDR 6245 (114 ac.) Sec. 09: Lot 1 (33.05 ac.), Lot 2 (38.44 ac.), Lot 3 (34.42 ac.), Lot 4 (11 ac.), NE1/4SW1/4 (40 ac.), W1/2SE1/4 (80 ac.), NW1/4SW1/4 that is southeast of FDR 6245 (25 ac.), S1/2NE1/4 that is south of FDR 6245 (25 ac.), SE1/4NW1/4 that is south of FDR 6245 (68 ac.)...354.91 ac Sec. 10: Lot 1 (38.79 ac.), Lot 2 (5.01 ac.), Lot 3 (7.32 ac.), Lot 4 (0.7 ac.), SE1/4NW1/4 (40 ac.), N1/2NW1/4 that is southeast of FDR 6545 (75 ac.) ...166.82 ac. Sec. 16: Lot 1 (0.61 ac.), Lot 2 (15.13 ac.), Lot 3 (1.63 ac.), Lot 4 (3.81 ac.)21.18 ac. Sec. 17: Lot 1 (29.7 ac.), Lot 2 (25.56 ac.), Lot 3 (1.63 ac.), Lot 4 (11.58 ac.), Lot 5 (2.76 ac.), NW1/4NE1/4 (40 ac.), N1/2NW1/4 (80 ac.) ...191.23 ac.	848.14
APPROXIMATE TOTAL APPROVED ACRES:			2736.69

Lands Approved for Postponement

Table 2 lists the land that was selected by PB that is postponed in this decision. This parcel, near Woodpecker Cove, will be addressed in another decision that will also cover the land postponed by the DNR Commissioner’s Decision on Appeal No. 21-022 dated December 20, 2022.

Table 1

Map Name (ADL)	MTR	Section and Legal Description	Acres
Sumner Strait (108982)	C062S081E	Sec. 18: Lot 5 (16.36 ac.), Lot 6 (5.37 ac.), Lot 7 (1.37 ac.)23.1 ac.	23.1
APPROXIMATE TOTAL POSTPONED ACRES:			23.1

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Lands to be Rejected

Table 3 lists those lands that were selected by Petersburg Borough that will be rejected in this decision. These include lands to be retained by the State per the CSSEAP and for reasons stated above in the response to PB’s comments. Preservation of the viewshed and management of habitat values for Prolewy Point, and to retain the natural character of the Hood Point parcel. These interests of the State outweigh that of the Borough. The CSSEAP underwent a rigorous public process with the community’s participation, which resulted in this recommendation for these parcels.

Table 2

Map Name (ADL)	MTR	Section and Legal Description	Acres
Prolewy Point (108983)	C058S079E	Sec. 10: Lot 1 (32.49 ac.), Lot 2 (46.63 ac.), E1/2 SW1/4 (80 ac.) ...159.12 ac. Sec. 15: Lot 1 (16.18 ac.), Lot 2 (25.39 ac.), Lot 3 (33.11 ac.), Lot 4 (39.86 ac.), Lot 5 (39.83 ac.), Lot 6 (39.92 ac.), W1/2 NE1/4 (80 ac.), E1/2 NW1/4 (80 ac) ...354.29 ac.	513.41
Hood Point (108984)	C061S079E	Sec. 02: East portion of Tract E that is classified as Public Recreation land	10.03
APPROXIMATE TOTAL REJECTED ACRES:			523.44

Recommendation and approval of the Final Finding and Decision follow.

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The Land Conveyance Section recommends proceeding with the action as described in the Preliminary Decision. This action is undertaken under relevant authorities.

The following are the findings for this FFD:

1. It is appropriate to convey approximately 2,736.69 acres of state-owned land to Petersburg Borough. This decision determines that the State's interest to retain this land does not outweigh the Borough's interest to obtain it.
2. It is appropriate to postpone adjudication of 23.1 acres of state-owned land which will be addressed in another decision that will also cover the land postponed by the DNR Commissioner's Decision on Appeal No. 21-022 dated December 20, 2022.
3. It is appropriate to reject 523.44 acres of borough land selections where the CSSEAP states the land will be retained by the State.

The findings presented above have been reviewed and considered. Public Notice has been accomplished in accordance with AS 38.05.945, and comments received were considered. The case files have been found to be complete, and the requirements of all applicable statutes have been satisfied. It has been determined that it is in the best interest of the State to proceed with the conveyance identified in this FFD to Petersburg Borough under the authority of AS 29.65.




Recommended by:

Mary Hermon
Natural Resource Specialist 2
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska



Date

Under the authority of the applicable statutes, it is in the best interest of the State to proceed with the recommended action as described in this Final Finding and Decision.



Approved by:

Hannah Uher-Koch
Acting Section Chief
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska



Date

ATTACHMENTS

Maps: *Attachment A*: Vicinity
Attachment B: Fanshaw Bay
Attachment C: Prolewy Point
Attachment D: Hood Point
Attachment E: SE Mitkof
Attachment F: Sumner Strait

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APPEAL PROVISION

An eligible person affected by this decision, and who provided timely written comment or public hearing testimony to the department, may appeal the decision to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department. Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a)-(b). A copy of 11 AAC 02 is available on the department's website at <https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.

PETERSBURG BOROUGH

Municipal Selections

Vicinity

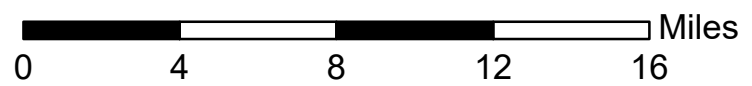
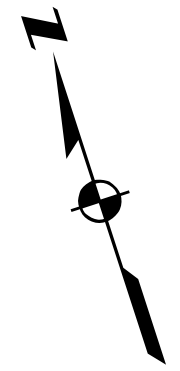
Final Finding and Decision

ADLs 108982, 108983, 108984



Legend

- Anadromous Streams
- Borough Boundary
- LDA (State Forest, PUA, etc)
- State Land, TA or Patented
- Mental Health Trust Land
- US Forest Service Land
- Private Owned Land



March 2023





DNR-DMLW-LCS-ME

Petersburg Borough
Municipal Selections



Final Finding and Decision

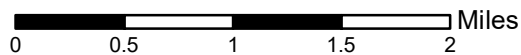
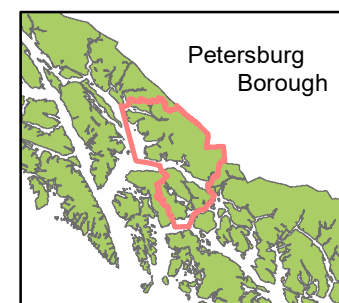
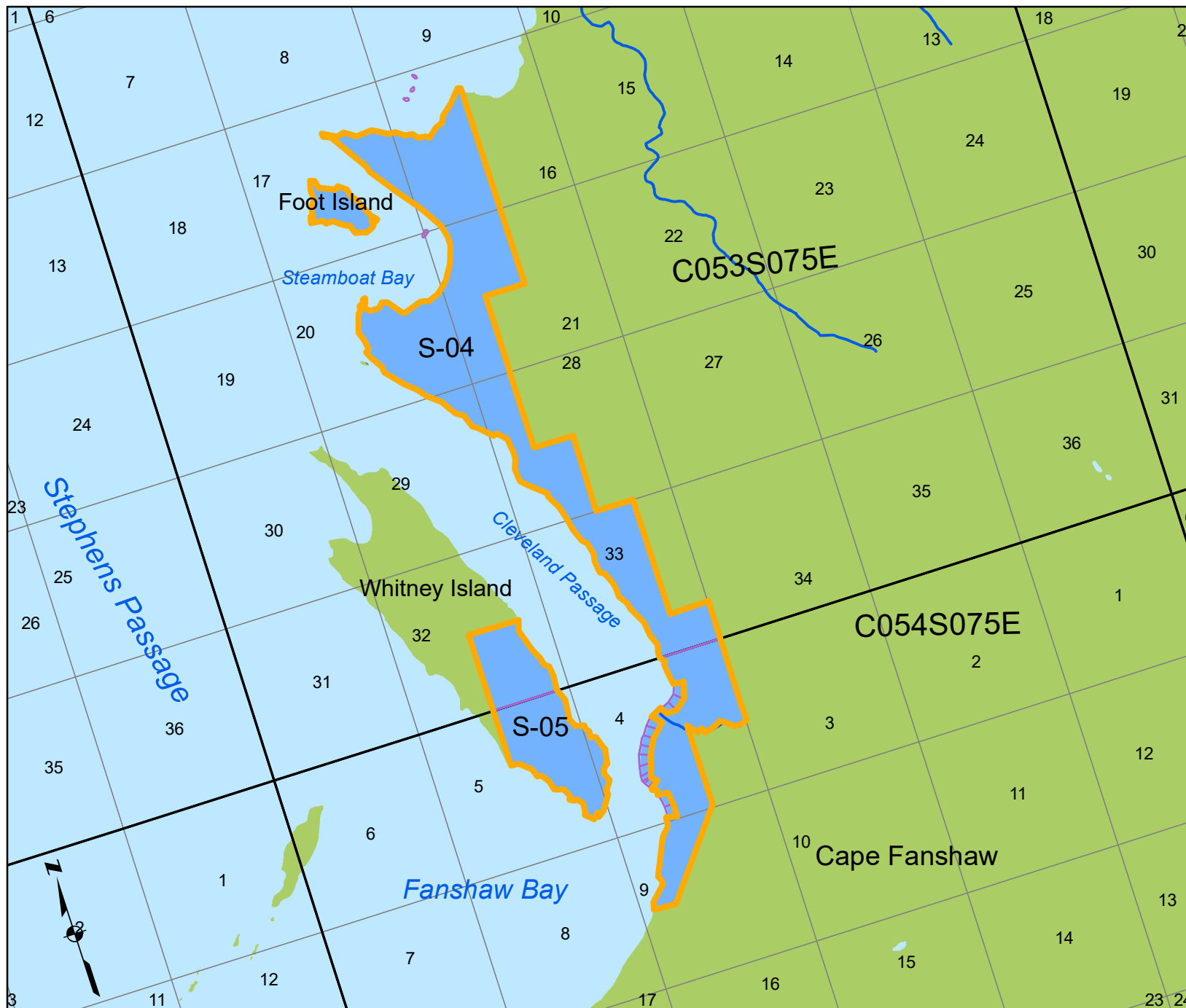
ADL 108984
Fanshaw Bay

Legend

-  Anadromous Stream
-  Approved Conveyance to the Borough
-  State Land, TA or PA
-  USFS Land

S-04, S-05 CSSE Area Plan Units

-  Section line
-  Township line



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.



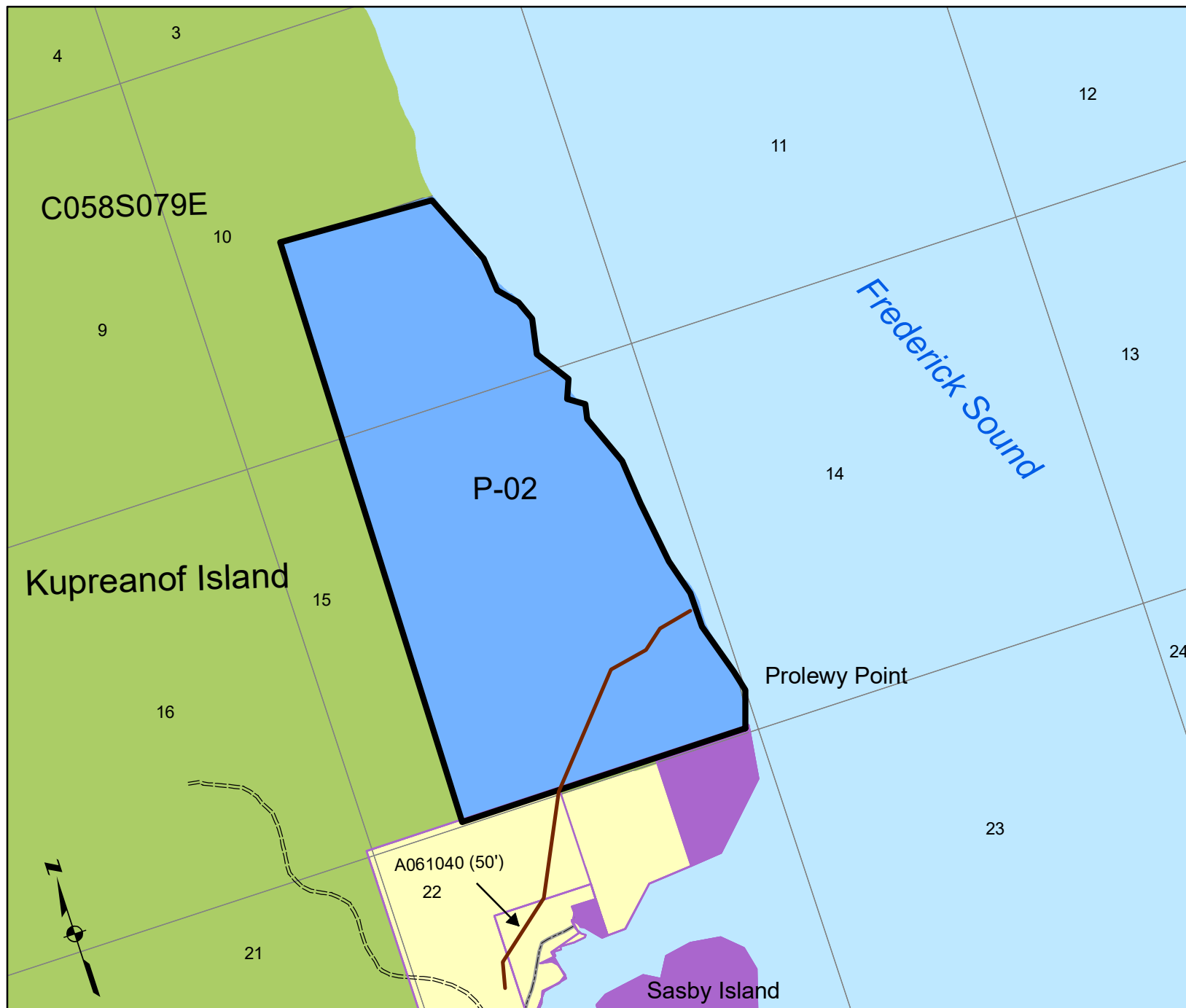
SOA-DNR-DMLW-LCS

April 2023

Petersburg Borough
Municipal Selections

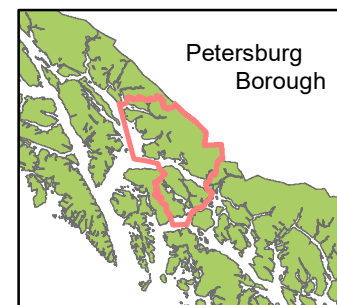
Final Finding and Decision

ADL 108983
Prolewy Point



Legend

- ==== Trail
- Road
- ▭ Approved Rejection
- State Land, TA or PA
- Mental Health Trust Land
- Private Land
- USFS Land
- P-02 CSSE Area Plan Unit
- Section line



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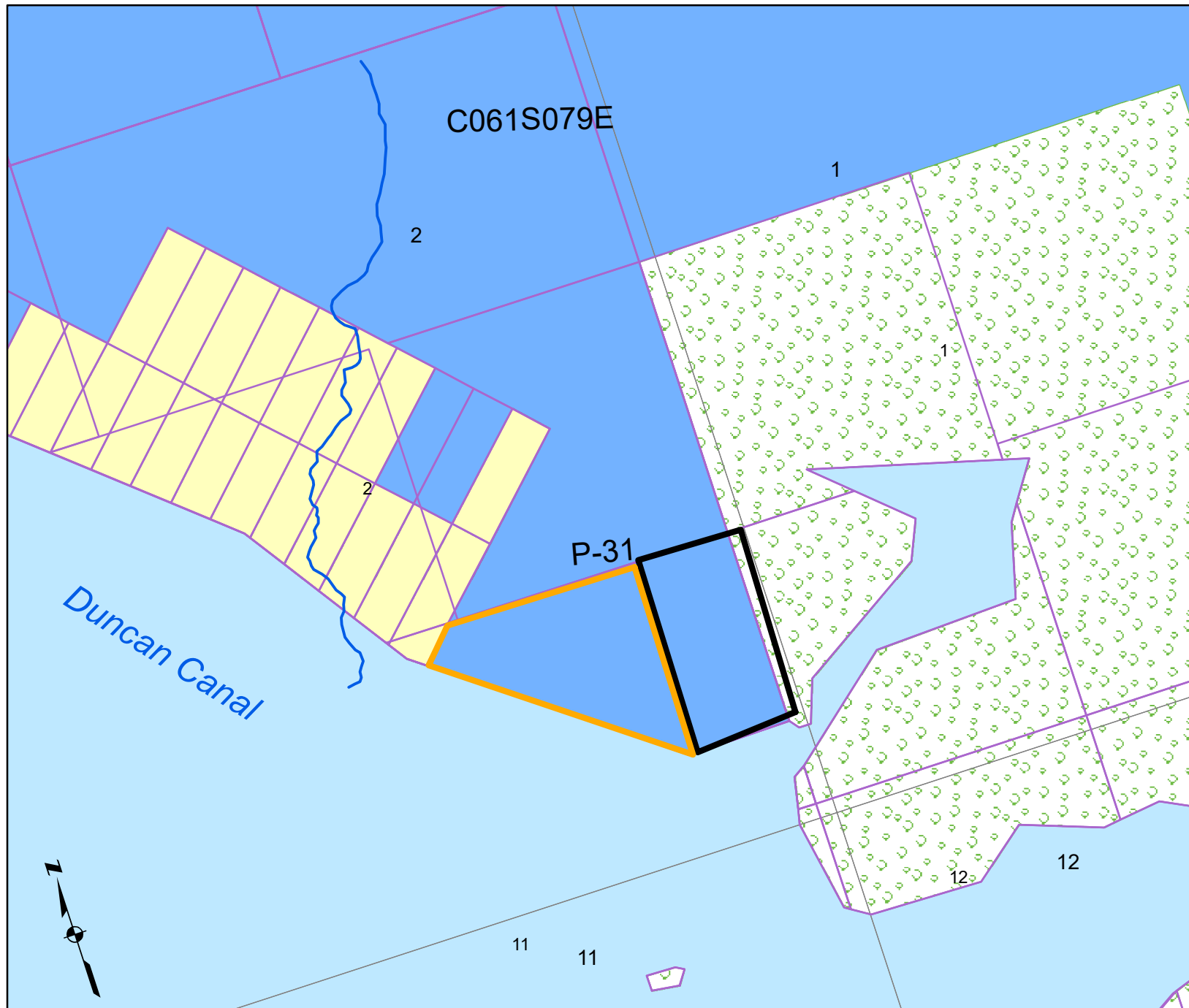


Petersburg Borough
Municipal Selections

Final Finding and Decision

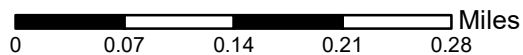
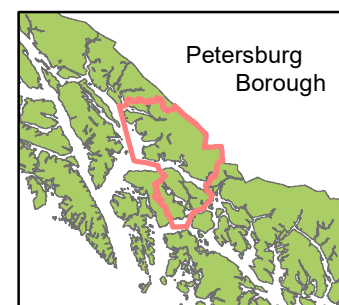
ADL 108984

Hood Point



Legend

- Anadromous Stream
- Surveyed Tracts
- Approved Conveyance to the Borough
- Approved Rejection
- State Land, TA or PA
- State Marine Park Beecher Pass LDA
- Private Land
- P-31 CSSE Area Plan Unit
- Section line



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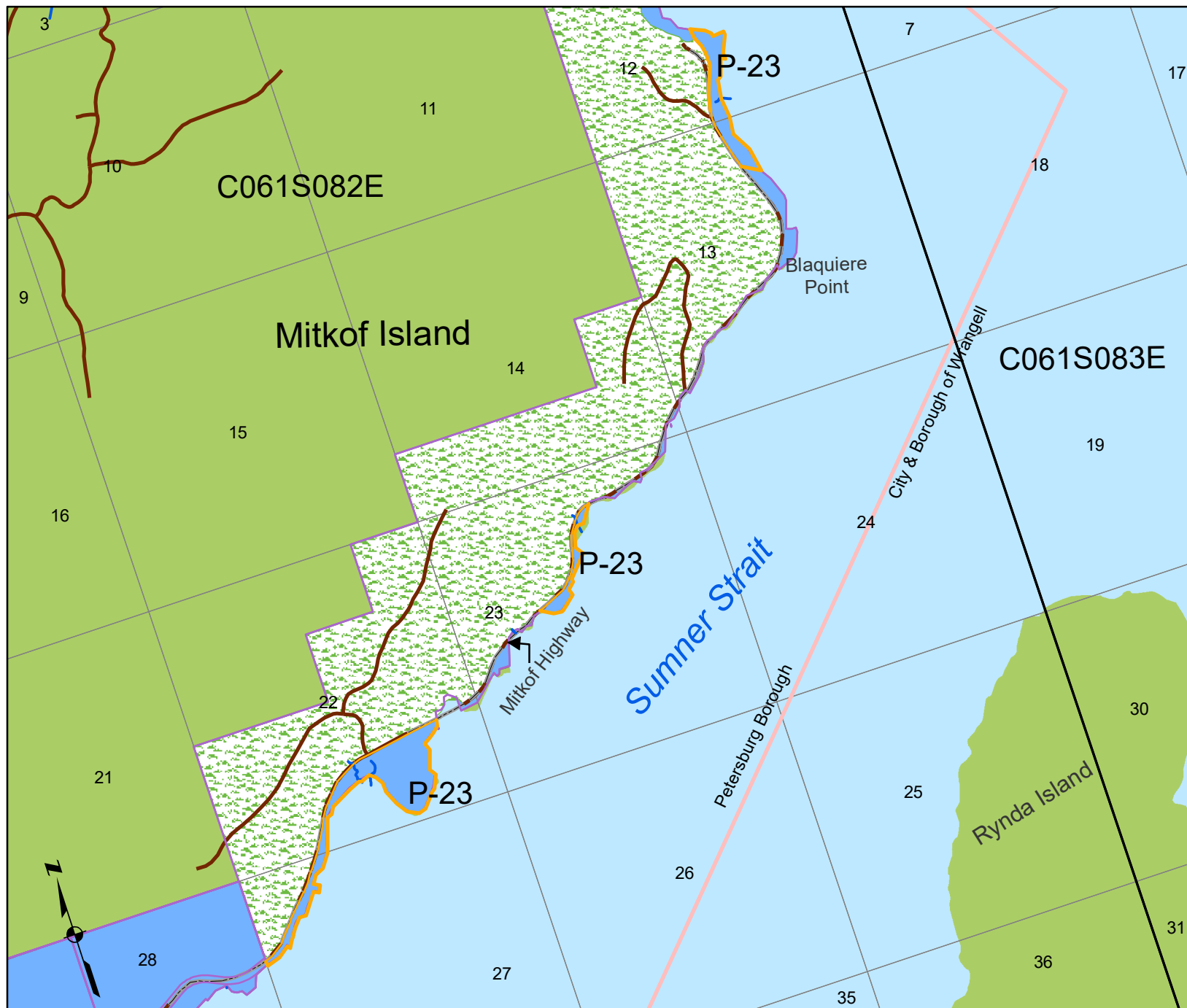
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April 2023

Petersburg Borough
Municipal Selections

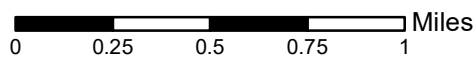
Final Finding and Decision

ADL 108982
SE Mitkof



Legend

- Anadromous Stream
- Forest Development Road
- Approved Conveyance to the Borough
- State Land, TA or PA
- SE State Forest LDA
- USFS Land
- Borough Boundary
- P-23 CSSE Area Plan Unit
- Section line
- Township line



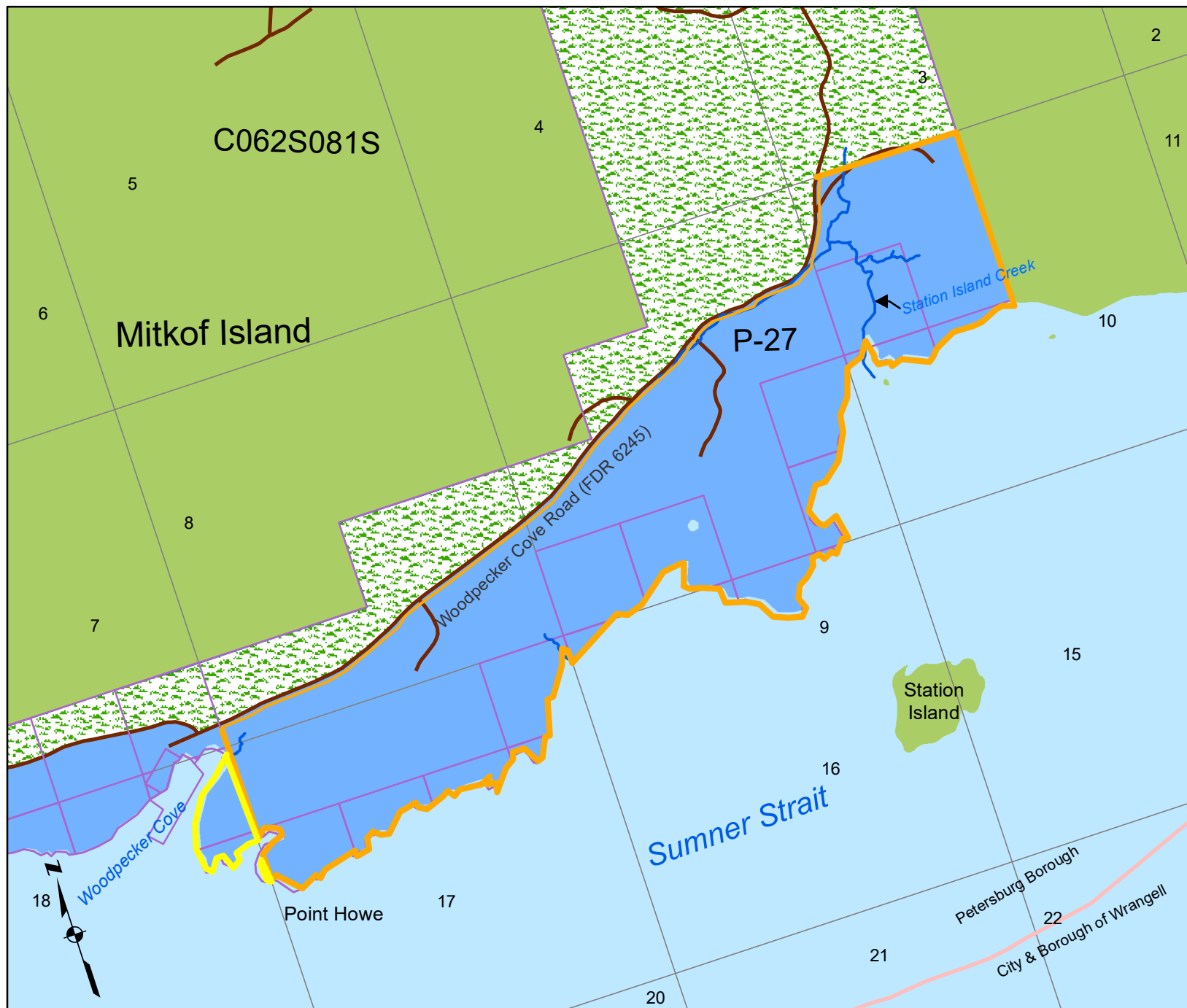
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Petersburg Borough
Municipal Selections

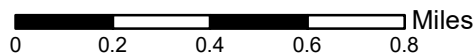
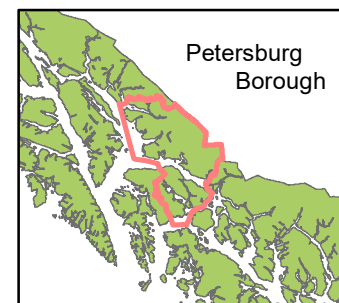
Final Finding and Decision

ADL 108982
Sumner Strait



Legend

- Anadromous Stream
- Forest Development Road
- Surveyed Lots
- Approved Conveyance to the Borough
- Postponed Adjudication
- State Land, TA or PA
- SE State Forest LDA
- USFS Land
- Borough Boundary
- P-27 CSSE Area Plan Unit
- Section line



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SOA-DNR-DMLW-LCS

April 2023