

August 1, 2023

TO: Borough Assembly

FR: Liz Cabrera

RE: MUNICIPAL LAND SELECTION - FFD for ADL 108982, 108983, 108984

BACKGROUND:

In January 2023, the borough submitted comments to the DNR regarding its adjudication of certain selected lands at Fanshaw Bay, Kupreanof Island, and Mitkof Island. The borough objected to two specific parcels being retained by the state:

- Hood Point - 10.03 acres
- Prolewy Point – 513.41 acres

The DNR just issued a *Final Finding and Decision (FFD)* indicating the state rejects conveyance of these two parcels. (The decision also included approval to convey 2,736.69 acres.)

The borough has 20 calendar days to file an appeal if it so chooses (August 14). If no appeal is filed, the decision goes into effect 31 days after the date the notice is signed (September 5).

The justification for the state’s decision is based on the management intent of the Central SE Area Plan (the Plan) adopted in November 2000 to retain these parcels in state ownership.

HOOD POINT (P-31) - (see attached, Map 1) – This is the eastern half of a waterfront lot adjacent to Beecher Pass State Marine Park. The designated land use is Public Recreation-dispersed use, and the management intent in the Plan is to retain the parcel in state ownership to maintain a natural buffer and additional recreational zone between the marine park and the nearby private parcels.

PROLEWY POINT - (see attached, Map 2) – This is a 513-acre parcel along the Kupreanof shoreline adjacent to the City of Kupreanof. It has a land use designation of “Public Recreation – dispersed use” and the management intent in the Plan is to retain in state ownership to preserve scenic viewshed and habitat values.

DISCUSSION:

1. The likelihood of a successful appeal is low. A successful appeal would need to demonstrate that the borough’s interest in obtaining the land outweighs the public interest in retaining state ownership of the land. The state has no written criteria outlining what constitutes best interest and the DNR Commissioner makes the final decision.

2. The appeal may not be resolved quickly. The borough previously appealed a FFD in 2021 and the appeal took over a year to be considered. In the end the borough’s appeal was upheld, but the DNR commissioner’s decision approved the two parcels for postponement, meaning the parcels would be considered for conveyance again at a future date.

3. The DNR may place a stay on all the parcels covered by the FFD pending resolution of the appeal. If an appeal is filed, the borough will request the DNR waive the stay on those lands that have been approved for conveyance, but it will be DNR’s decision whether to grant the waiver.

4. These selections represent the borough's second-tier priorities and are waterfront properties. The Kake to Petersburg Road proposed by AK DOT is slated to cross the Prolewy Pt parcel. The AK DOT has stated their intent to establish a 300' right-of-way through the parcel to continue development of this planned road and transmission line (see attached, Map 3). The AKDOT has acquired a 300' easement across USFS land up to the Prolewy Pt parcel. This is likely the borough's only opportunity to acquire a parcel along this potential road and transmission line corridor.

The table below shows the status of the entitlement lands.

ADL	Selections Adjudicated	Approved for Conveyance	Rejected for Conveyance	Remaining to be adjudicated or postponed	Conveyed
108579	1,804	1,421	130	253	0
108981	701	550	150	0	550
108982-4	3,283	2,736	523	8,793	0
	5,788	4,707	803	9,046	550

NB: The borough's remaining entitlement is 13,658 acres.

MAP 1










Petersburg Borough Municipal Selections

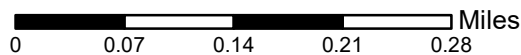
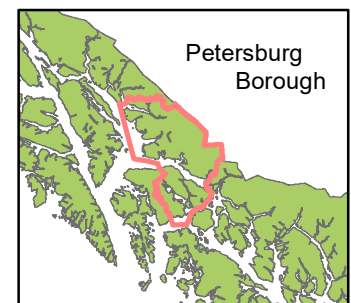
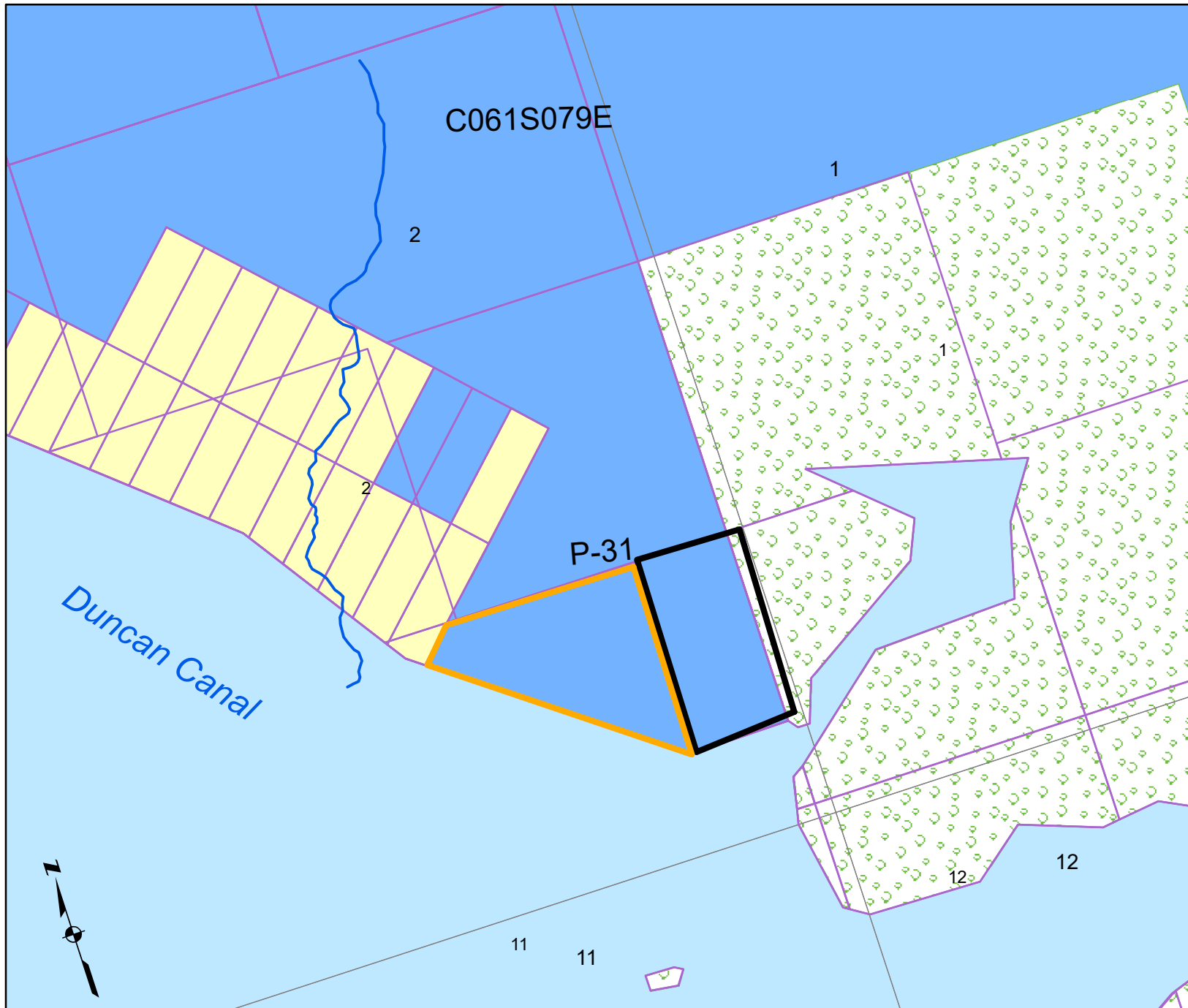
Final Finding and Decision

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



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.



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MAP 2

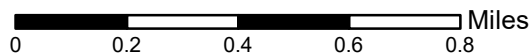
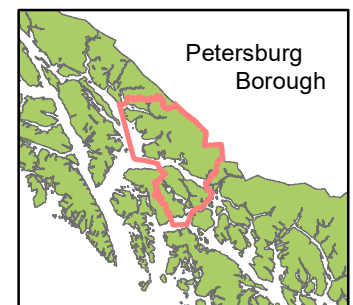
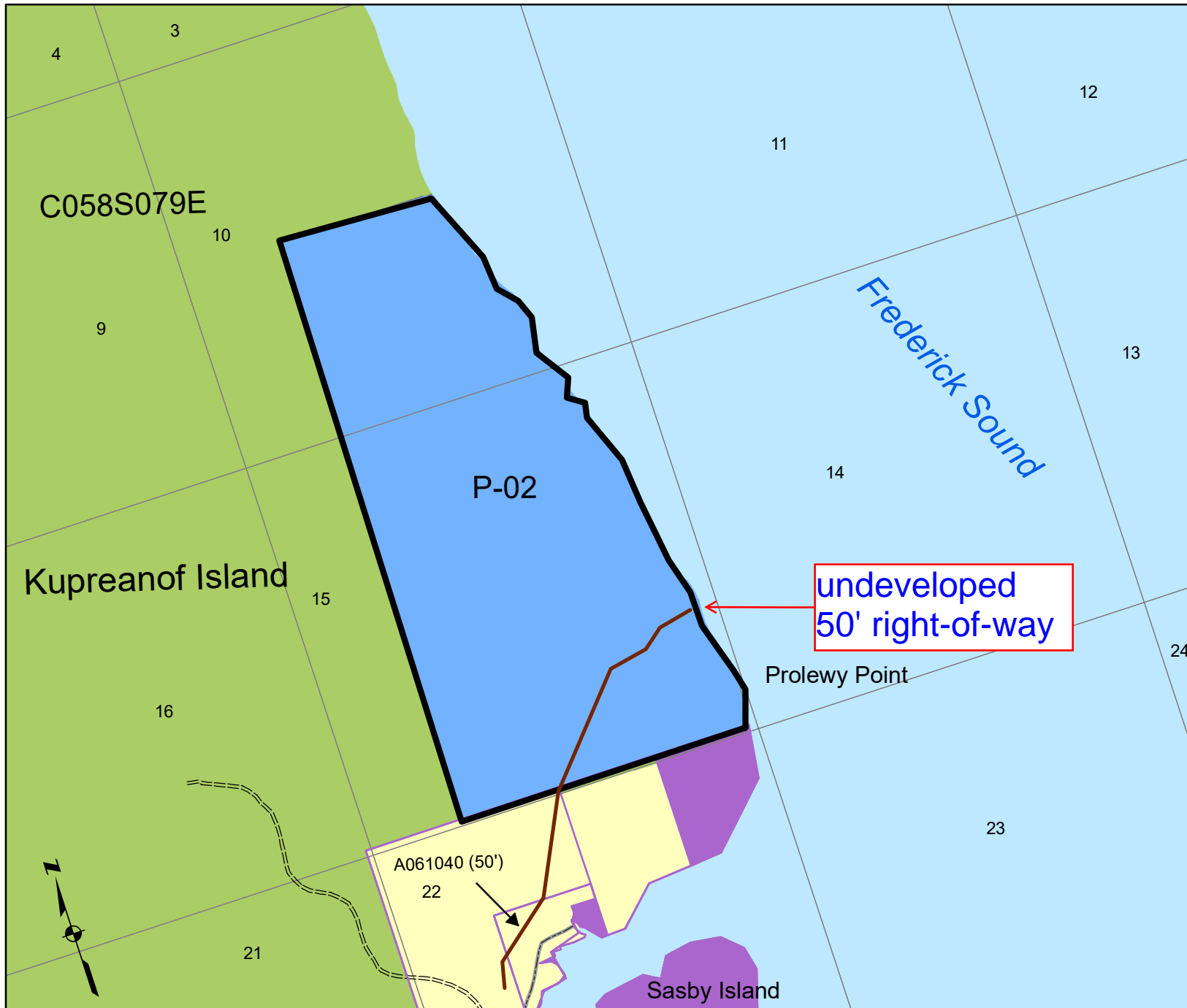
Petersburg Borough Municipal Selections

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

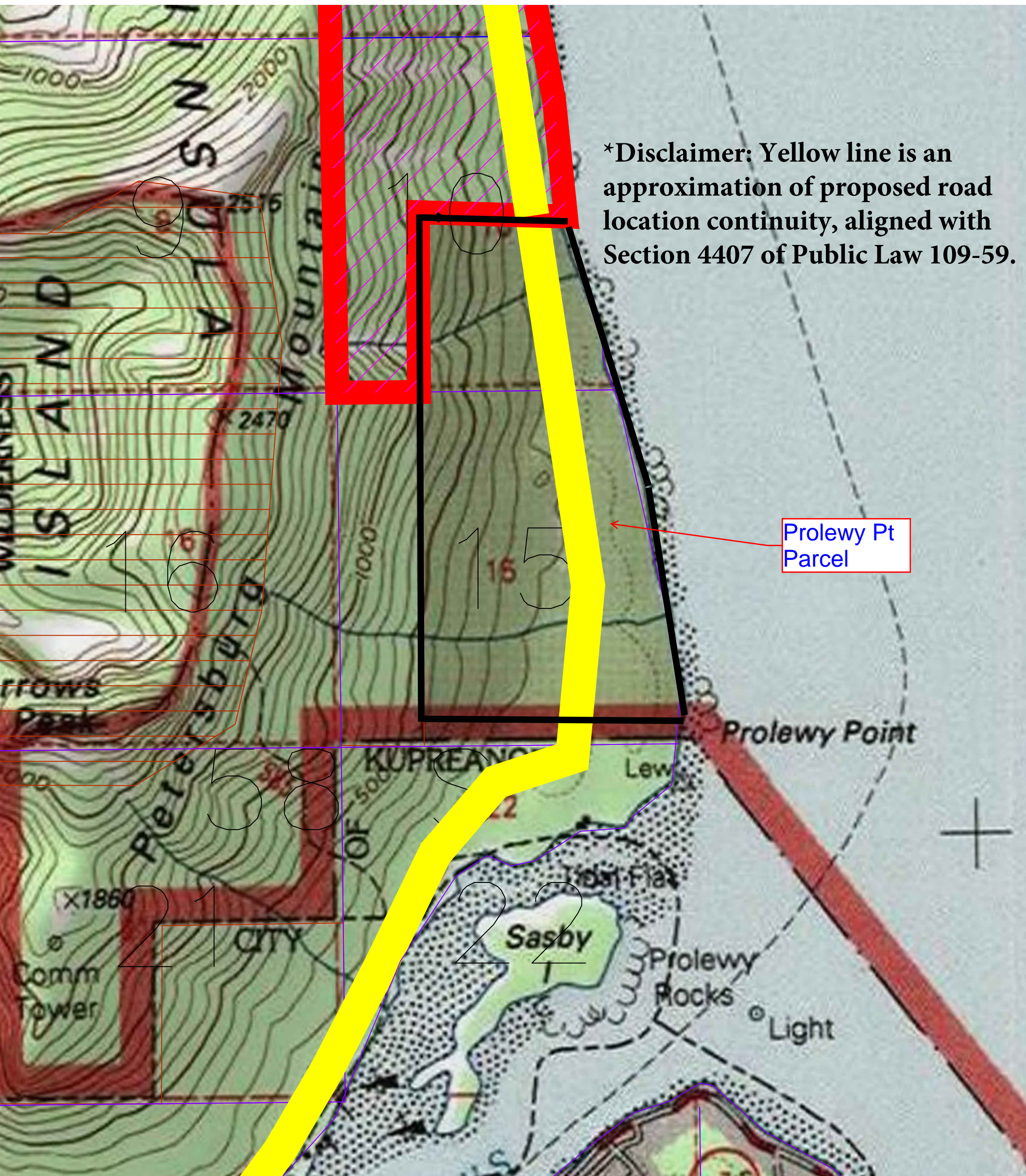


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***Disclaimer: Yellow line is an approximation of proposed road location continuity, aligned with Section 4407 of Public Law 109-59.**

Prolewy Pt Parcel