

City of Valdez – Municipal Entitlement Program

When Alaska became a state on July 7th, 1958, it was after a decade of contentious debate in the halls of congress. Several congressmen expressed concern that due to the small population and lack of contiguity with the rest of the USA, Alaska could be unhealthily dependent on the Federal Government, specifically Federal construction projects and military bases. In order to mitigate these problems and help Alaska achieve an equal footing with the existing states, the Alaska Statehood Act allowed the newly formed state to select 104,350,000 acres of Federal and public lands through the Municipal Entitlement Program.

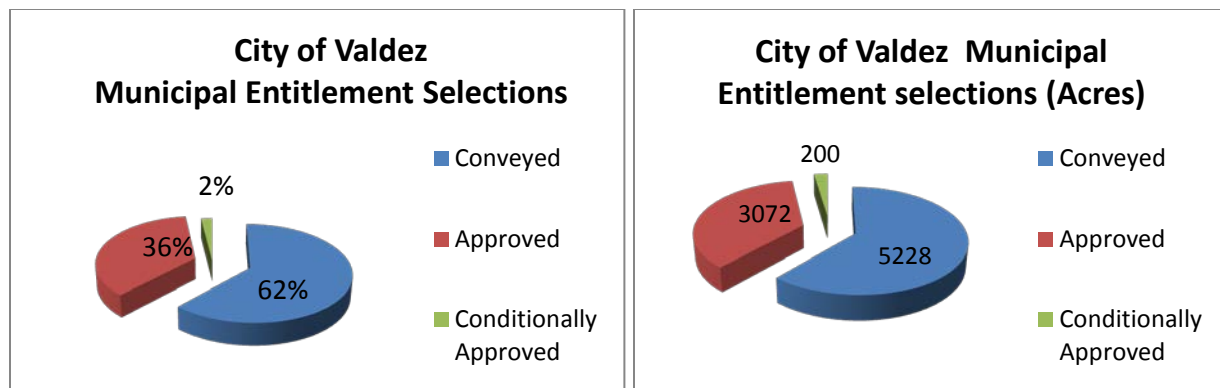
The House report on the Statehood Act indicates that the intent of these provisions was: “To enable Alaska to achieve full equality with existing States, not only in the technical juridical sense, but in practical economic terms as well. It does this by making the new State master in fact of most of the natural resources within its boundaries, and making provisions for appropriate Federal assistance during the transition period. “

The State of Alaska then passed Alaska Statute (AS) 29.65 in order to transfer some of that land to Municipalities. Determination of entitlement for cities was 10 percent of the maximum total acreage of vacant, unappropriated, unreserved land in the boundaries of each city at any time between the initial date of eligibility and January 1, 1988.

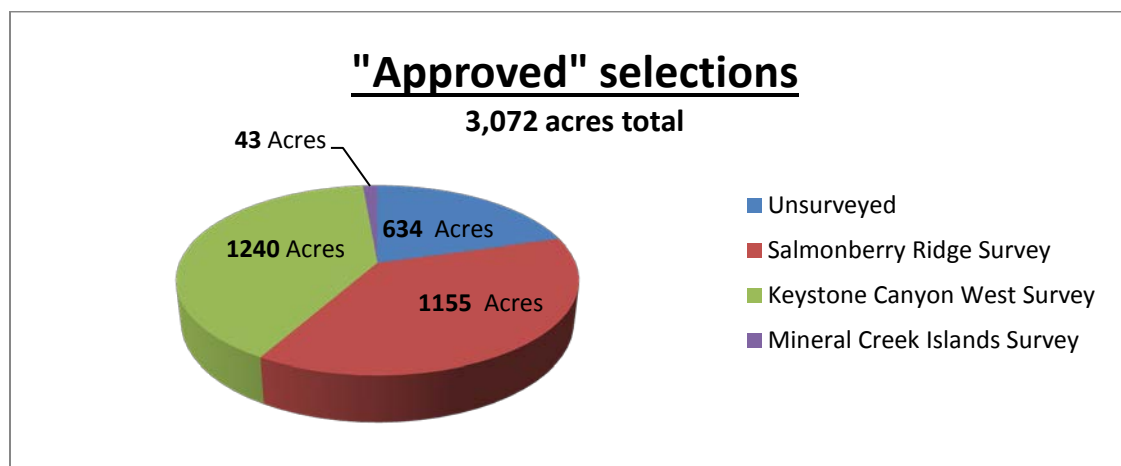
The selections that Valdez has received through the Municipal Entitlement program are of crucial importance to the City. Cottonwood and Corbin Creek subdivisions are located on entitlement lands, as are the hospital, senior center, and the new small boat harbor. Recreational areas that are on municipal entitlement lands are: Dock Point, Valdez Glacier Campground, East and West Dike Trails, the Goldfields, and Crooked Creek Visitor Center.

Following a municipality’s selection of desirable vacant, unappropriated, or unreserved (VUU) land within its boundaries, the director of lands of the Alaska Department of Natural Resources decides whether to approve, approve with conditions, or reject each individual land selection. If the selections are surveyed at the time of selection the city shall receive patent, and the land will be designated as “conveyed.” If the approved selections are not surveyed at the time of selection, the costs of the survey are to be borne by the municipality before receiving the patent for that selection (See Map #1).

The certified municipal entitlement for Valdez is 7,593 acres. 8,500 acres have been selected by the state for eventual transfer to the city. Of this total 5,228 acres have been “conveyed” (62%), 3,072 acres have been “approved” (38%), and 200 acres have been “conditionally approved” (2%).



Of the 3,072 acres that have been approved (See Map #2), 1155 acres have been surveyed as part of the Salmonberry Ridge survey, filed May 10th, 2017. 1240 acres have been surveyed as part of the Keystone Canyon West survey, filed with DNR December 19th, 2016. The City of Valdez is awaiting final decision regarding these surveys, with conveyance being the next step. COV has one outstanding survey, 43 acres for the Mineral Creek islands, which has been delayed due to difficulty locating a monument which is usually submerged under tidewater.

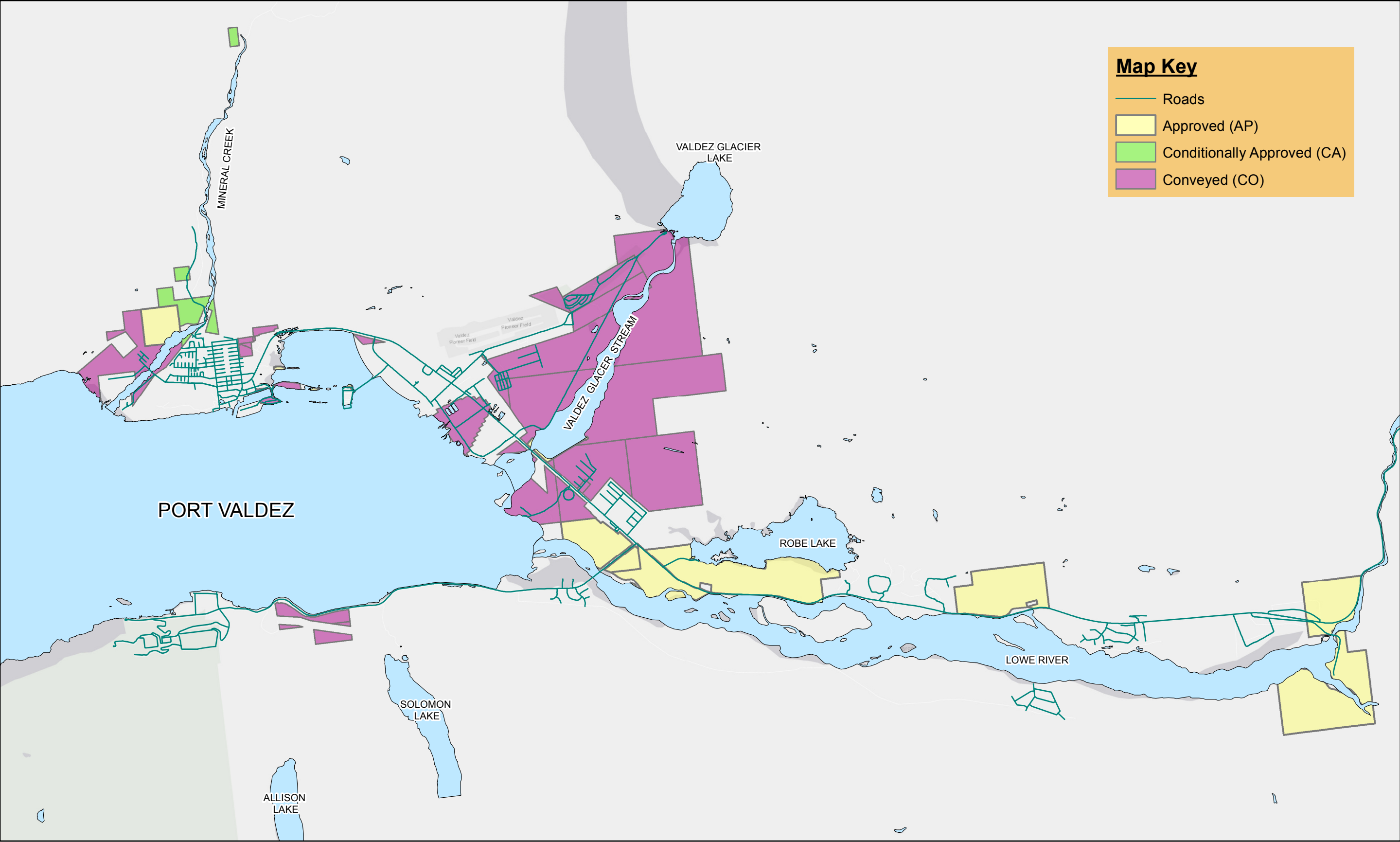


The 634 acres that are approved and need to be surveyed are in 7 separate selections (See Map #2). The most valuable parcel, from the City's perspective, is the 160 acre, square shaped parcel located along the west side of Mineral Creek, about half way between the Egan St. and the Mineral Creek canyon bridges. This parcel contains most of the City of Valdez's West Dike Trails and is a much used recreational asset. This parcel will be next on the list to get surveyed and conveyed to the City. The next two parcels that we will be targeting for conveyance are the two selections near the junction of Dayville Road and the Richardson Highway. The conditionally approved selections cannot be addressed until all of the approved selections are surveyed and conveyed, so they will be addressed in the future.

Addendum: Since this report was prepared, we have received the patent for the land included in the Keystone Canyon West Survey. This conveyance represents 40% of the land in the “Approved” category, and is a big step towards the transfer of all of our Municipal Entitlement selections into City of Valdez ownership.

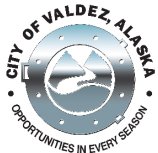
City of Valdez - Municipal Entitlement Selections

Map #1



Map Key

- Roads
- Approved (AP)
- Conditionally Approved (CA)
- Conveyed (CO)

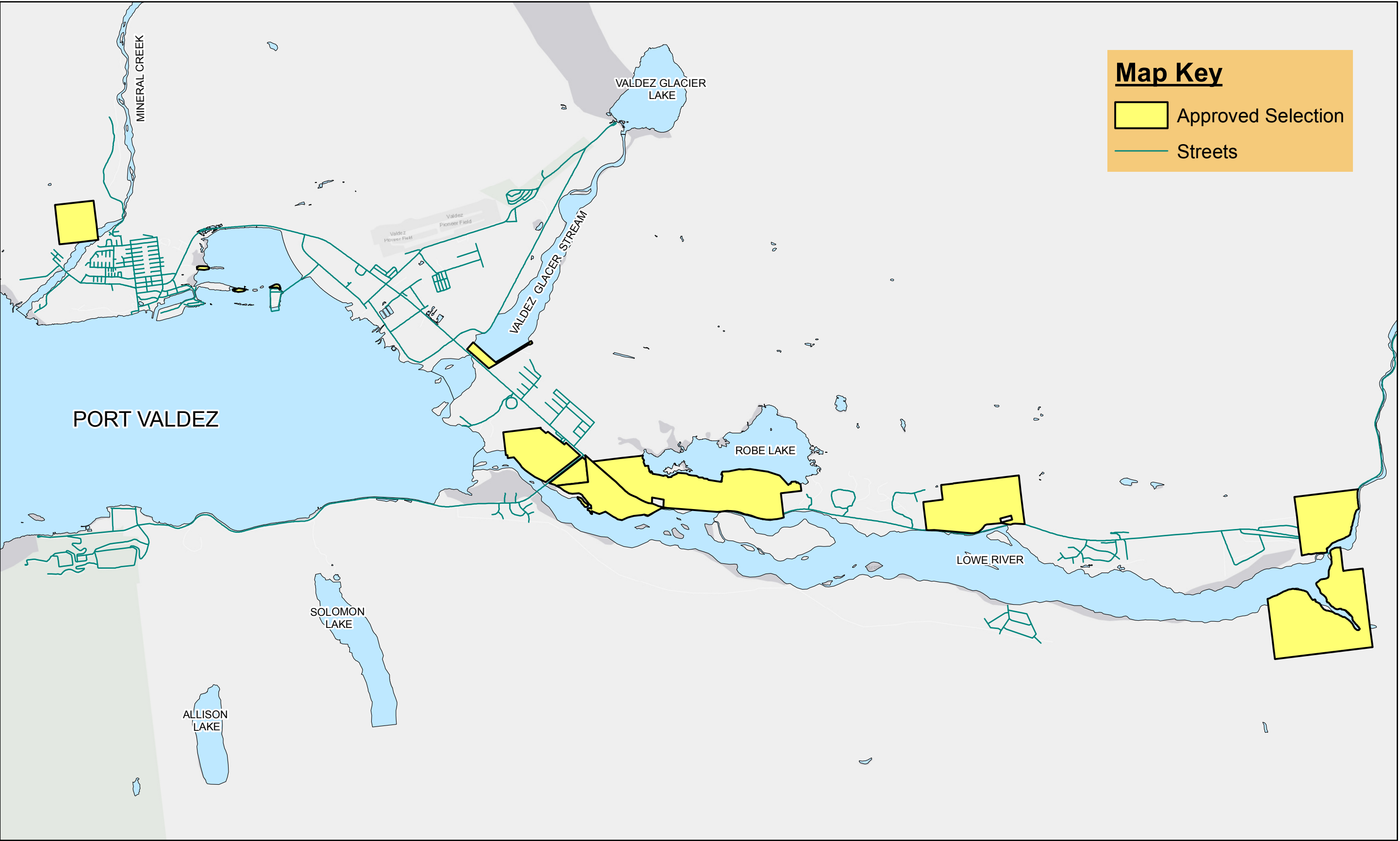


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City of Valdez - "Approved" Municipal Entitlement Selections

Map#2



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