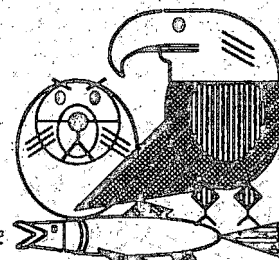


Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



RECEIVED
MAR 0 1996

Habitat Protection Program: Large Parcels

Status Report

March 26, 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

The *Exxon Valdez* Trustee Council funds the acquisition of land to protect the habitat of injured resources and services. The goals of habitat protection are to prevent additional injury to resources and services while recovery is taking place and to provide a long-term safety net for these resources.

In 1992, the Restoration Office evaluated 16 large parcels (over 1,000 acres) that were imminently threatened by development. In March 1993, the Restoration Office contacted 90 owners of large parcels in the spill area. Thirty-two landowners expressed interest in having their land considered and 850,000 acres of land were subsequently evaluated.

As of March 1996, the Council has committed \$161.5 million to protect 362,000 acres of land, with parcels ranging in size from 2,000 to 120,000 acres. Six large parcels have been purchased, including inholdings in Kachemak Bay State Park, land adjacent to Seal Bay/Tonki Cape on Afognak Island, commercial timber rights on land along Orca Narrows, and lands owned by the Akhiok-Kaguyak, Inc., Old Harbor Native Corporation, and Koniag, Inc. Agreement has been reached with the Kodiak Island Borough on acquisition of the 27,000-acre Shuyak Island parcel, and closing is expected in late March.

In February 1996, the Council offered the Eyak Corporation \$7 million for 11,200 acres near Cordova. The Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer.

Negotiations continue with seven landowners to protect an additional 381,000 acres of land. The landowners are Chenega Corporation, Tatitlek Corporation, Eyak Corporation, Port Graham Corporation, English Bay Corporation, Afognak Joint Venture, and Koniag, Inc. Table 1 summarizes the status of land acquisitions as of March 1996 — whether acquisitions are complete, negotiations continue, or offers have been rejected. Table 1 also indicates the acreage of each parcel and, if known, its purchase price, contributions from the joint trust fund, and contributions from other sources. So far, \$35 million from other sources have been contributed to these acquisitions and an additional \$20 million have been offered for future acquisitions.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Large Parcel Acquisitions

Parcel Description	Acreage	Purchase Price	Trust Fund	Other Sources
Acquisitions Complete				
<i>Imminently Threatened Parcels</i>				
Kachemak Bay State Park Inholdings	23,800	\$22,000,000	\$7,500,000	\$14,500,000
Seal Bay / Tonki Cape	41,549	\$39,600,000	\$39,600,000	\$0
Orca Narrows (Timber Rights)	2,052	\$3,650,000	\$3,650,000	\$0
<i>Other Large Parcels</i>				
Akhiok - Kaguyak, Inc.	119,885	\$46,000,000	\$36,000,000	\$10,000,000
Old Harbor *	32,100	\$14,500,000	\$11,250,000	\$3,250,000
Koniag (Fee Title)	59,691	\$26,500,000	\$19,500,000	\$7,000,000
Koniag (Limited Term Easement)	56,048	\$2,000,000	\$2,000,000	\$0
Shuyak Is. (expected to close 3/28/96)	26,665	\$42,000,000	\$42,000,000	\$0
Subtotal:	361,790	\$196,250,000	\$161,500,000	\$34,750,000
Negotiations Continuing				
Afognak Joint Venture	48,728	≤\$70,000,000	≤\$70,000,000	\$0
Chenega	74,554	≤\$48,000,000	≤\$38,000,000	≤\$10,000,000
English Bay	49,300			
Eyak - Orca Revised and Other Lands	49,800			
Koniag (Fee Title)	56,048			
Port Graham	46,170			
Tatitlek	56,785	≤\$22,000,000	≤\$12,000,000	≤\$10,000,000
Subtotal:	381,385			
Offers Rejected				
Eyak - Core Parcels	11,200	\$7,000,000	\$7,000,000	\$0
Subtotal:	11,200	\$7,000,000	\$7,000,000	\$0

* As part of the protection package, the Old Harbor Native Corporation agreed to protect an additional 65,000 acres of land on Sitkalidak Island as a private wildlife refuge.

Acquisitions Complete. As of March 1996, the Council has committed \$161.5 million to protect 362,000 acres of land in the following areas:

Kachemak Bay. In August 1993, the state acquired surface title to 23,800 acres of private inholdings within Kachemak Bay State Park on the Kenai Peninsula. This acquisition protects a highly productive estuary, several miles of anadromous fish streams, and intertidal shoreline and upland habitat for bald eagles, marbled murrelets, river otters, and harlequin ducks. The Council contributed \$7.5 million to this purchase and \$14.5 million were contributed from other sources.

Seal Bay and Tonki Cape (Afognak Island). In November 1993, the state purchased surface title to 41,549 acres on northern Afognak Island. This mature spruce forest land is adjacent to highly productive marine waters, includes anadromous fish streams, and provides excellent habitat for bald eagles and marbled murrelet nesting. The Council authorized \$39.6 million for this purchase. In 1994, the Alaska State Legislature designated these lands as the Afognak Island State Park.

Orca Narrows Subparcel. In January 1995, the federal government purchased from the Eyak Corporation commercial timber rights on 2,052 acres of land in Orca Narrows. This parcel is near Cordova in Prince William Sound and contains anadromous fish streams, active bald eagle nests and favorable habitat for marbled murrelet nesting. The Council authorized \$3.65 million for this acquisition.

Akhiok-Kaguyak. In May 1995, the federal government purchased from Akhiok-Kaguyak, Inc., surface title to 76,646 acres of land and conservation easements on 43,239 acres. These lands are within the Kodiak National Wildlife Refuge. The Council contributed \$36 million toward this acquisition and the federal government contributed \$10 million from the federal restitution fund.

Old Harbor. Also in May 1995, the federal government purchased from the Old Harbor Native Corporation surface title to 29,100 acres and conservation easements on 3,000 acres. These lands are also within the Kodiak National Wildlife Refuge. In addition, the Old Harbor Native Corporation agreed to preserve 65,000 acres of land on nearby Sitkalidak Island as a private wildlife refuge. The Council contributed \$11.25 million toward this acquisition and the federal government contributed \$3.25 million from the federal restitution fund.

Koniag. In November 1995, the federal government purchased from Koniag, Inc., surface title to 59,691 acres of prime habitat for bear, salmon, bald eagles, and other species in the Kodiak National Wildlife Refuge. This agreement protected an

additional 56,048 acres under a nondevelopment easement through the year 2001. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers. The Council contributed \$21.5 million toward this acquisition and the federal government contributed \$7 million from the federal restitution fund.

Shuyak Island. Also in November 1995, the Council approved \$42 million to purchase from the Kodiak Island Borough surface title to 26,665 acres of prime habitat on Shuyak Island, at the northern tip of the Kodiak archipelago. The Kodiak Island Borough agreed to commit \$6 million from the land sale to expansion of Kodiak's Fishery Industrial Technology Center. The transaction is expected to be completed in early 1996.

Borough Tax Parcels. As part of the purchase agreement for lands on Shuyak Island, the Council authorized up to an additional \$1 million to purchase small parcels within the Kodiak Refuge that have been acquired by the Kodiak Island Borough as a result of the property owners' failure to pay borough taxes.

Negotiations Continuing. Negotiations continue on seven additional large parcels.

Chenega. In December 1994, the Council authorized up to \$38 million for an offer to purchase 74,554 acres from Chenega Corporation. An additional \$10 million would come from other sources. This offer is currently being reconfigured and a value is being determined.

Tatitlek. In December 1994, the Council authorized up to \$12 million for an offer to purchase 56,785 acres from Tatitlek Corporation. An additional \$10 million would come from other sources. Subsequently, at the request of the Tatitlek Village Council, the Trustee Council is also now negotiating to acquire timber interests from Citifor Corporation and land interests in 2,100 acres from Tatitlek Corporation at Bidarki Point and within Two Moon Bay.

Afognak Joint Venture. In December 1994, the Council authorized up to \$70 million for an offer to purchase from Afognak Joint Ventures surface title to 48,728 acres on northern Afognak Island. The property consists of four dispersed parcels, three of which are adjacent to the previously acquired Seal Bay parcel. The fourth parcel is adjacent to Shuyak Strait. A final appraisal is expected in late summer 1996.

English Bay and Port Graham. The U.S. Department of the Interior, on behalf of the Council, is holding discussions with English Bay Corporation and Port Graham Corporation about the purchase of 95,470 acres, much of which is within Kenai Fjords National Park.

Eyak - Orca Revised and Other Lands. Parcels known as Orca Narrows, East Simpson, and Rude River, together called "Orca Revised," consist of approximately 14,800 acres. Parts of these lands have been logged since 1995. Negotiations continue with Eyak Corporation on how to protect habitat in Orca Revised that has not been logged and about 35,000 acres of other corporation lands, particularly Port Gravina, Sheep Bay, and Windy Bay.

Koniag. The Council is interested in acquiring fee interest in the 56,048 acres covered by the limited term nondevelopment easement acquired in November 1995, and has agreed to maintain unobligated funds totaling \$16,500,000 for this purpose. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers and expires on December 2, 2001.

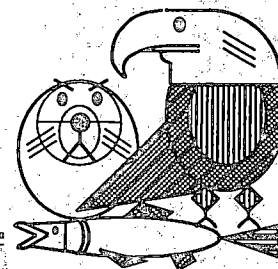
Offers Rejected. In February 1996, the Council authorized \$7 million for an offer to purchase from Eyak Corporation fee interest in 11,200 acres adjacent to Power Creek, Eyak River, and Eyak Lake. Acquisition of these "Core Parcels" would have protected a highly productive ecosystem east of Cordova. The Eyak Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer. In addition, negotiations to protect Orca Narrows fell through in June 1995 and logging operations have commenced there.

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Small Parcels

Status Report

March 26, 1996

RECEIVED
APR 0 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 362,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 285 small parcels have been nominated. Council staff have evaluated, scored, and ranked nearly all the parcels. The evaluation process took into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 32 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association. The Council has authorized offers to purchase 25 small parcels at appraised fair market value and the contribution of \$4 million to the Kenai Natives Association Package. **Table 1** summarizes the status of each of the offers. Owners of 15 parcels have accepted the offers. Landowners are considering offers on six parcels and negotiations continue on the Kenai Natives Association Package. The owners of four parcels have rejected the offers. The Council is also considering acquisition of the seven parcels listed in **Table 2**. In most cases, the appraisal of the parcel has not yet been completed or approved.

The Council has not yet acted on the nine recent nominations listed in **Table 3**. Three of these parcels ranked low and the rest have not yet been evaluated.

The Conservation Fund, a private, nonprofit organization, has purchased one of the nominated parcels, an inholding at the head of Uyak Bay (KAP 130) and donated it to the U.S. Fish and Wildlife Service for inclusion in the Kodiak National Wildlife Refuge. The U.S. Forest Service has authorization to purchase three of the nominated parcels with federal restitution funds: PWS 05 and PWS 1028 on the Valdez Duck Flats and KEN 1029, a parcel in the Upper Kenai River watershed.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Small Parcel Acquisitions

Parcel ID	Description	Acres	Value	Status
Offers Accepted				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17A-D	Ellamar Subdivision	11.4	\$345,500	
PWS 52	Hayward Parcel (Zook)	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	Subject to appraisal review
KEN 148	River Ranch	146.0	\$1,650,000	Subject to appraisal review
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
KOD 105/142	Three Saints Bay	88.0	\$168,000	
Subtotal:		843.9	\$7,049,500	
Offers Under Review				
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	Seller is reviewing appraisal
KEN 55	Overlook Park	97.0	\$244,000	Seller's response to appraisal is under review
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received
KEN 1015	Lowell Point	19.4	\$531,000	Seller is reviewing appraisal
KAP 220	Mouth of Ayakulik River	56.0	\$213,000	Willing to sell as part of larger package
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell as part of larger package
<i>Kenai Natives Association Package</i>		15,091.0	\$4,000,000	Negotiations continue
Subtotal:		16,691.9	\$7,722,000	
Offers Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000
KAP 22	The Triplets	60.0	\$6,500	Negotiations suspended
Subtotal:		257.0	\$1,178,500	

Table 2. Parcels Under Consideration

Parcel ID	Description	Acres	Status
PWS 11	Horseshoe Bay	315.0	Second appraisal rejected; third appraisal underway
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal underway
PWS 1027	Fleming Spit	5.4	Restoration benefits under review
KEN 149	Perl Island	156.0	New appraisal needed
KEN 1034	Patson Parcel	76.3	Appraisal underway
KAP 145	Termination Point	1,028.0	The State will appraise this parcel
KAP 150	Karluk	5.0	Appraisal not complete
Total:		2,527.7	

Table 3. Small Parcel Nominations
July 1995 to March 1996

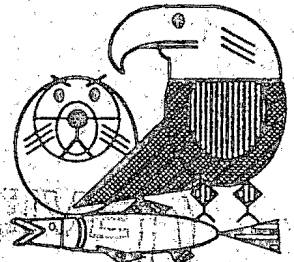
Parcel ID	Description	Acres	Rank	Sponsor
KEN 1030	Anchor River	127.8	Low	Not identified
KEN 1032	Matson Parcel (Ninilchik River)	7.4	Low	ADFG
KEN 1035	Mullen Parcel (Soldotna Creek, Kenai River)	8.5	Low	ADNR/ADFG
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	Not yet evaluated	Not identified
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	Not yet evaluated	Not identified
KEN 1038	Schilling Parcel (Kenai River)	5.9	Not yet evaluated	Not identified
KEN 1039	Oberts Parcel (Kenai River-Big Eddy)	31.7	Not yet evaluated	Not identified
KEN 1040	Oberts Parcel (Kenai River-Honeymoon Cove)	4.2	Not yet evaluated	Not identified
KEN 1041	Oberts Parcel (Kenai River-Peterkin Hmstd.)	30.0	Not yet evaluated	Not identified
Total:		270.2		

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Large Parcels Status Report

June 4, 1996

JUN 6 1996
EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

The *Exxon Valdez* Trustee Council funds the acquisition of land to protect the habitat of injured resources and services. The goals of habitat protection are to prevent additional injury to resources and services while recovery is taking place and to provide a long-term safety net for these resources.

In 1992, the Restoration Office evaluated 16 large parcels (over 1,000 acres) that were imminently threatened by development. In March 1993, the Restoration Office contacted 90 owners of large parcels in the spill area. Thirty-two landowners expressed interest in having their land considered and 850,000 acres of land were subsequently evaluated.

As of April 1996, the Council has committed \$195.3 million to protect 422,000 acres of land, with parcels ranging in size from 2,000 to 120,000 acres. Seven large parcels have been purchased, including inholdings in Kachemak Bay State Park, land adjacent to Seal Bay/Tonki Cape on Afognak Island, commercial timber rights on land along Orca Narrows, lands owned by the Akhiok-Kaguyak, Inc., Old Harbor Native Corporation, and Koniag, Inc., and a 27,000-acre parcel on Shuyak Island. In May 1996, the Council offered to acquire interests in 61,000 acres of land from the Chenega Corporation. Acceptance of the offer depends on a vote of shareholders in the corporation.

In February 1996, the Council offered the Eyak Corporation \$7 million for 11,200 acres near Cordova. The Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer.

Negotiations continue with six landowners to protect an additional 307,000 acres of land. The landowners are Tatitlek Corporation, Eyak Corporation, Port Graham Corporation, English Bay Corporation, Afognak Joint Venture, and Koniag, Inc. Table 1 summarizes the status of land acquisitions as of June 1996 — whether acquisitions are complete, offers have been made, negotiations continue, or offers have been rejected. Table 1 also indicates the acreage of each parcel and, if known, its purchase price, contributions from the joint trust fund, and contributions from other sources. So far, \$35 million from other sources have been contributed to these acquisitions and an additional \$10 million have been offered for future acquisitions.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Large Parcel Acquisitions
June 4, 1996

Parcel Description	Acreage	Total Price (Incl. Interest)	Trust Fund	Other Sources
Acquisitions Complete				
<i>Imminently Threatened Parcels</i>				
Kachemak Bay State Park Inholdings	23,800	\$22,000,000	\$7,500,000	\$14,500,000
Seal Bay / Tonki Cape	41,549	\$39,447,600	\$39,447,600	\$0
Orca Narrows (Timber Rights)	2,052	\$3,650,000	\$3,650,000	\$0
<i>Other Large Parcels</i>				
Akhiok - Kaguyak, Inc.	119,885	\$46,000,000	\$36,000,000	\$10,000,000
Old Harbor *	32,100	\$14,500,000	\$11,250,000	\$3,250,000
Koniag (Fee Title)	59,691	\$26,500,000	\$19,500,000	\$7,000,000
Koniag (Limited Term Easement)	56,048	\$2,000,000	\$2,000,000	\$0
Shuyak Island	26,665	\$42,000,000	\$42,000,000	\$0
Subtotal:	361,790	\$196,097,600	\$161,347,600	\$34,750,000
Offers Pending				
Chenega	60,635	\$34,000,000	\$34,000,000	\$0
Negotiations Continuing				
Afognak Joint Venture	48,728	≤\$70,000,000	≤\$70,000,000	\$0
English Bay	49,300			
Eyak - Orca Revised and Other Lands	49,800			
Koniag (Fee Title)	56,048			
Port Graham	46,170			
Tatitlek	56,785	≤\$22,000,000	≤\$12,000,000	≤\$10,000,000
Subtotal:	306,831			
Offers Rejected				
Eyak - Core Parcels	11,200	\$7,000,000	\$7,000,000	\$0
Subtotal:	11,200	\$7,000,000	\$7,000,000	\$0

* As part of the protection package, the Old Harbor Native Corporation agreed to protect an additional 65,000 acres of land on Sitkalidak Island as a private wildlife refuge.

Acquisitions Complete. As of March 1996, the Council has committed \$161.5 million to protect 362,000 acres of land in the following areas:

Kachemak Bay. In August 1993, the state acquired surface title to 23,800 acres of private inholdings within Kachemak Bay State Park on the Kenai Peninsula. This acquisition protects a highly productive estuary, several miles of anadromous fish streams, and intertidal shoreline and upland habitat for bald eagles, marbled murrelets, river otters, and harlequin ducks. The Council contributed \$7.5 million to this purchase and \$14.5 million were contributed from other sources.

Seal Bay and Tonki Cape (Afognak Island). In November 1993, the state purchased surface title to 41,549 acres on northern Afognak Island. This mature spruce forest land is adjacent to highly productive marine waters, includes anadromous fish streams, and provides excellent habitat for bald eagles and marbled murrelet nesting. The Council authorized \$39.4 million (including interest) for this purchase. In 1994, the Alaska State Legislature designated these lands as the Afognak Island State Park.

Orca Narrows Subparcel. In January 1995, the federal government purchased from the Eyak Corporation commercial timber rights on 2,052 acres of land in Orca Narrows. This parcel is near Cordova in Prince William Sound and contains anadromous fish streams, active bald eagle nests and favorable habitat for marbled murrelet nesting. The Council authorized \$3.65 million for this acquisition.

Akhiok-Kaguyak. In May 1995, the federal government purchased from Akhiok-Kaguyak, Inc., surface title to 76,646 acres of land and conservation easements on 43,239 acres. These lands are within the Kodiak National Wildlife Refuge. The Council contributed \$36 million toward this acquisition and the federal government contributed \$10 million from the federal restitution fund.

Old Harbor. Also in May 1995, the federal government purchased from the Old Harbor Native Corporation surface title to 29,100 acres and conservation easements on 3,000 acres. These lands are also within the Kodiak National Wildlife Refuge. In addition, the Old Harbor Native Corporation agreed to preserve 65,000 acres of land on nearby Sitkalidak Island as a private wildlife refuge. The Council contributed \$11.25 million toward this acquisition and the federal government contributed \$3.25 million from the federal restitution fund.

Koniag. In November 1995, the federal government purchased from Koniag, Inc.,

surface title to 59,691 acres of prime habitat for bear, salmon, bald eagles, and other species in the Kodiak National Wildlife Refuge. This agreement protected an additional 56,048 acres under a nondevelopment easement through the year 2001. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers. The Council contributed \$21.5 million toward this acquisition and the federal government contributed \$7 million from the federal restitution fund.

Shuyak Island. In December 1995, the Council approved \$42 million (including interest) to purchase from the Kodiak Island Borough surface title to 26,665 acres of prime habitat on Shuyak Island, at the northern tip of the Kodiak archipelago. The Kodiak Island Borough agreed to commit \$6 million from the land sale to expansion of Kodiak's Fishery Industrial Technology Center.

Borough Tax Parcels. As part of the purchase agreement for lands on Shuyak Island, the Council authorized up to an additional \$1 million to purchase small parcels within the Kodiak Refuge that have been acquired by the Kodiak Island Borough as a result of the property owners' failure to pay borough taxes. These parcels are about 10-acres in size and occupy key waterfront locations along Uyak Bay on Kodiak Island. They are embedded in two high-ranked large parcels approved as part of the Koniag purchase agreement.

Offers Pending. An offer is pending on one large parcel.

Chenega. In May 1996, the Council authorized \$34 million (or \$36 million over three annual payments) for an offer to purchase 60,635 acres from Chenega Corporation. The offer includes acquisition of surface title to 37,868 acres together with a conservation easement on 22,767 acres with public access withheld on a portion of these lands (3,330 acres on the southern portion of Chenega Island in the vicinity of the original Chenega village site). Two parcels to be acquired in fee simple, the Eshamy Bay and Jackpot Bay parcels, are among the highest ranked parcels in the oil spill area.

Negotiations Continuing. Negotiations continue on six additional large parcels.

Tatitlek. In December 1994, the Council authorized up to \$12 million for an offer to purchase 56,785 acres from Tatitlek Corporation. An additional \$10 million would come from other sources. Subsequently, at the request of the Tatitlek Village Council, the Trustee Council is also now negotiating to acquire timber interests from Citifor Corporation and land interests in 2,100 acres from Tatitlek Corporation at Bidarka Point and within Two Moon Bay.

Afognak Joint Venture. In December 1994, the Council authorized up to \$70 million for an offer to purchase from Afognak Joint Ventures surface title to 48,728 acres on northern Afognak Island. The property consists of four dispersed parcels, three of which are adjacent to the previously acquired Seal Bay parcel. The fourth parcel is adjacent to Shuyak Strait. A final appraisal is expected in late Fall 1996.

English Bay and Port Graham. The U.S. Department of the Interior, on behalf of the Council, is holding discussions with English Bay Corporation and Port Graham Corporation about the purchase of 95,470 acres, much of which is within Kenai Fjords National Park.

Eyak - Orca Revised and Other Lands. Parcels known as Orca Narrows, East Simpson, and Rude River, together called "Orca Revised," consist of approximately 14,800 acres. Parts of these lands have been logged since 1995. Negotiations continue with Eyak Corporation on how to protect habitat in Orca Revised that has not been logged and about 35,000 acres of other corporation lands, particularly Port Gravina, Sheep Bay, and Windy Bay.

Koniag. The Council is interested in acquiring fee interest in the 56,048 acres covered by the limited term nondevelopment easement acquired in November 1995, and has agreed to maintain unobligated funds totaling \$16,500,000 for this purpose. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers and expires on December 2, 2001.

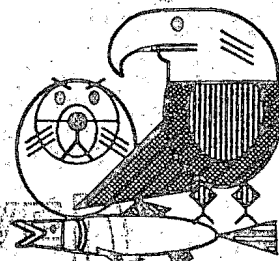
Offers Rejected. In February 1996, the Council authorized \$7 million for an offer to purchase from Eyak Corporation fee interest in 11,200 acres adjacent to Power Creek, Eyak River, and Eyak Lake. Acquisition of these "Core Parcels" would have protected a highly productive ecosystem east of Cordova. The Eyak Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer. In addition, negotiations to protect Orca Narrows fell through in June 1995 and logging operations have commenced there.

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Small Parcels

Status Report

June 4, 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 422,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 285 small parcels have been nominated. Council staff evaluate, score, and rank nearly all the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 47 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase 24 small parcels at appraised fair market value, and contributions of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels.

Table 1 summarizes the status of each of the offers. Acquisitions of three parcels have been completed. Owners of 12 additional parcels have accepted the offers. Landowners are considering offers on six parcels, negotiations continue on the Kenai Natives Association Package, and appraisals of the Kodiak Island Borough Tax Parcels will begin soon. The owners of three parcels have rejected the offers.

The Council is also considering acquisition of the 23 parcels listed in Table 2. In most cases, the appraisal of the parcel has not yet been completed or approved.

The Council has not yet acted on the nine recent nominations listed in Table 3. All of these parcels ranked low.

Table 1. Status of Small Parcel Acquisitions
June 4, 1996

Parcel ID	Description	Acres	Value	Status
Acquisitions Completed				
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
Subtotal:		152.0	\$379,000	
Offers Accepted				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17A-D	Ellamar Subdivision	11.4	\$345,500	
PWS 52	Hayward Parcel (Zook)	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	Subject to approval by Salamatof Board of Directors
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
Subtotal:		1,922.9	\$7,560,500	
Offers Under Review				
KEN 55	Overlook Park	97.0	\$244,000	Seller's response to appraisal is under review
KEN 148	River Ranch	146.0	\$1,650,000	Earlier acceptance of offer withdrawn
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received
KEN 1015	Lowell Point	19.4	\$531,000	Seller is reviewing appraisal
KAP 220	Mouth of Ayakulik River	56.0	\$213,000	Willing to sell as part of larger package
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell as part of larger package
<i>Kenai Natives Association Package</i>		15,091.0	\$4,000,000	Negotiations continue
<i>Kodiak Island Borough Tax Parcels</i>			\$1,000,000	Authorized in Shuyak Is. resolution; appraisals will begin soon.
Subtotal:		15,460.9	\$7,832,000	
Offers Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000
Subtotal:		197.0	\$1,172,000	

Table 2. Parcels Under Consideration

June 4, 1996

Parcel ID	Description	Acres	Status
PWS 11	Horseshoe Bay	315.0	Second appraisal rejected; third appraisal underway
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal underway
PWS 1027	Fleming Spit	5.4	Restoration benefits under review
KEN 149	Perl Island	156.0	New appraisal needed
KEN 1034	Patson Parcel	76.3	Appraisal underway
KEN 1038	Schilling Parcel	5.9	
KEN 1039	Oberts Parcel (Big Eddy)	31.7	
KEN 1040	Oberts Parcel (Honeymoon Cove)	4.2	
KEN 1041	Oberts Parcel (Peterkin Hmstd.)	30.0	
KAP 22	The Triplets	60.0	Seller is not interested in selling at appraised value
KAP 91	Sitkalidak Strait	137.0	Appraisal underway
KAP 98	Sitkalidak Strait	80.0	Appraisal underway
KAP 99	Kiliuda Bay	160.0	Appraisal under review
KAP 101	Sitkalidak Strait	80.0	Appraisal underway
KAP 103	Sitkalidak Strait	40.0	Appraisal underway
KAP 115	Uyak Bay	65.0	Appraisal under review
KAP 118	Sturgeon Lagoon	160.0	Appraisal underway
KAP 131	Kiliuda Bay	40.0	Appraisal underway
KAP 132	Sitkalidak Strait	160.0	Appraisal underway
KAP 135	Kiliuda Bay	70.0	Appraisal underway
KAP 145	Termination Point	1,028.0	The State will appraise this parcel
KAP 150	Karluk	5.0	Appraisal not complete
KAP 263	Kiavak Bay	60.0	Appraisal underway
Total:		3,711.5	

Table 3. Small Parcel Nominations
July 1995 to June 1996

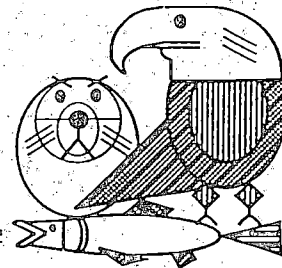
Parcel ID	Description	Acres	Rank	Sponsor
KEN 1030	Anchor River	127.8	Low	Not identified
KEN 1032	Matson Parcel (Ninilchik River)	7.4	Low	ADFG
KEN 1035	Mullen Parcel (Soldotna Creek, Kenai River)	8.5	Low	ADNR/ADFG
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	Low	ADNR/ADFG
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	Low	Not identified
KEN 1042	College Estates (Kenai River-Mile 16.5)	56.0	Low	ADNR/ADFG
KEN 1043	College Estates (Kenai River-Mile 16.5)	77.9	Low	ADNR/ADFG
KEN 1044	Breeden Parcel (Kenai River Flats)	25.0	Low	ADNR/ADFG
KEN 1045	Dennis Parcel (Valdez Duck Flats)	4.3	Moderate	Withdrawn
Total:		361.6		

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



MEMORANDUM

To: Trustee Council

From: Molly McCammon, Executive Director

Date: February 22, 1996

Subj: Small Parcel Habitat Protection Program Status Report

RECEIVED
JUN 24 1996

Last year you authorized acquisition of several small parcels of land and directed me to continue preliminary negotiations on additional parcels. The purpose of this memorandum is to inform you of the progress that has been made on these two fronts and to report on recent nominations.

Two action items related to small parcels will be on the agenda for your February 23 meeting:

1. A request for authorization for the Department of the Interior to offer to purchase two Native allotments in Three Saints Bay (KAP 105/142) at the appraised value of \$168,000.
2. Designation of a recently nominated parcel, the Patson parcel (KEN 1934) on the Kenai River, as a Parcel Meriting Special Consideration at the request of the Alaska Department of Natural Resources. (See attached memorandum.)

ACQUISITIONS

In November and December 1995, you authorized offers to purchase 22 small parcels at appraised value and the contribution of \$4 million to the Kenai Natives Association Package. Table 1 summarizes the status of each of the offers.

Owners of 11 parcels have accepted the offers. Owners of the six parcels in Prince William Sound (five parcels in Ellamar Subdivision, and the Hayward parcel) have agreed to sell their parcels at appraised value. Owners of five parcels on the Kenai Peninsula (Kobylarz Subdivision, Coal Creek Moorage, the Tulin parcel, the Girves parcel, and the Grouse Lake parcel) have also accepted the offers. Purchase agreements and deeds have been prepared for all 11 parcels.

Offers on 10 parcels and the Kenai Natives Association Package are under review. The owners of River Ranch and Lowell Point are reviewing the appraisals of these parcels. The owners of the Overlook Park parcel and the Cone parcel have responded to the appraisals of these parcels; the responses have been submitted to federal and state review appraisers for their assessment.

The owner of the Salamatof parcel, the Salamatof Native Association, Inc., questioned certain aspects of the appraisal. Federal and state review appraisers thought the owner's concerns had merit and therefore had the initial appraisal revised. The revised appraisal is being reviewed. If the revised appraisal results in an increased price or changes in the acreage, the matter will be brought before the Trustee Council.

Negotiators from the U.S. Department of the Interior have been meeting regularly with the owners of the Kenai Natives Association Package, a large and complex acquisition of land in the Kenai River drainage. The owners of the parcel at the mouth of the Ayakulik River and the Karluk Lagoon parcel have expressed their willingness to sell these two parcels as part of a larger package that would include other parcels on Kodiak Island. The Conservation Fund is participating in these negotiations along with the State and the Department of the Interior.

The owner of the Cooper parcel has asked questions about the appraisal. The questions have been answered, but no response has been received from the owner.

The owners of three parcels have rejected the offers. The Baycrest Investment Corporation has rejected the offer to purchase the Baycrest parcel at the appraised value of \$450,000 and has made a counteroffer to sell the parcel for \$720,000. The Ninilchik Native Association has submitted a counteroffer to sell the Ninilchik parcel for \$60,000 (appraised value is \$50,000) on condition that lot owners in Chinook Estates adjacent to the southern boundary of the parcel be granted an easement that allows them access to Ninilchik River. The Ninilchik Native Association also has said that it is not ready to sell the Deep Creek parcel at this time.

Table 1. Status of Small Parcel Acquisitions
February 22, 1996

Parcel ID	Description	Acres	Value	Status
Offer Accepted				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17A-D	Ellamar Subdivision	11.4	\$345,500	
PWS 52	Hayward Parcel (Zook)	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
Subtotal:		509.9	\$4,631,500	
Offer Under Review				
KEN 34	Cone Parcel	100.0	\$600,000	Seller's response to appraisal is under review
KEN 54	Salamatof Parcel	1,377.0	\$2,320,000	Revised appraisal is under review
KEN 55	Overlook Park	97.0	\$244,000	Seller's response to appraisal is under review
KEN 148	River Ranch	146.0	\$1,650,000	Seller is reviewing appraisal
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received
KEN 1015	Lowell Point	19.4	\$531,000	Seller is reviewing appraisal
KAP 220	Mouth of Ayakulik River	56.0	\$213,000	Willing to sell as part of larger package
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell as part of larger package
Kenai Natives Association Package		15,091.0	\$4,000,000	Negotiations continue
Subtotal:		16,937.9	\$9,752,000	
Offer Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000
Subtotal:		197.0	\$1,172,000	

PARCELS UNDER CONSIDERATION

In November 1995, the Trustee Council deferred action on 11 parcels until appraisals are approved. Table 2 summarizes the status of negotiations on each parcel.

State and federal review appraisers have approved appraisals of the Triplets and two Native allotments adjacent to Three Saints Bay. The U.S. Fish and Wildlife Service would like to make an offer on the Three Saints Bay parcels as soon as possible.

Federal review appraisers have rejected revised appraisals on Horseshoe Bay and Jack Bay. The U.S. Forest Service has commissioned Blacksmith and Richards to conduct a third appraisal of these parcels.

The U.S. Forest Service intends to purchase the Valdez Duck Flats parcel with federal restitution funds, as recommended by the Trustee Council. Little has changed in the status of the other parcels.

The State would like to move forward with the appraisal of the Termination Point parcel notwithstanding the uncertainties of title. The first step would be for the Alaska Department of Natural Resources to appraise the property. Once the property has been appraised, the State would make an offer to purchase fee simple title to it at the appraised fair market value. If the offer is accepted, funds for the purchase would be held in an escrow account subject to a condition that the transaction would not close and funds be transferred to Lesnoi unless and until the title dispute is resolved and Lesnoi is shown to have clear title to the property.

Table 2. Parcels Under Consideration
February 22, 1996

Parcel ID	Description	Acres	Value	Status
PWS 05	Valdez Duck Flats	33.0		Buy with federal restitution funds.
PWS 11	Horseshoe Bay	315.0		Second appraisal rejected; third appraisal underway
PWS 1010	Jack Bay	942.0		Second appraisal rejected; third appraisal underway
PWS 1027	Fleming Spit	5.4		Restoration benefits under review
KEN 149	Perl Island	156.0		New appraisal needed
KAP 22	The Triplets	60.0		Appraisal approved but not yet presented to owner
KAP 105/142	Three Saints Bay	88.0	\$168,000	Appraisal approved
KAP 145	Termination Point	1,028.0		With Trustee Council consent, the State will appraise this parcel
KAP 150	Karluk	5.0		Appraisal not complete
Total:		2,632.4		

NOMINATIONS

The Restoration Office has received 10 additional nominations since mid-July 1995, when the latest supplement to the *Small Parcel Evaluation and Ranking Report* was published. On December 11, the Trustee Council approved two of these parcels, PWS 1031 and PWS 1033, as part of the second phase of acquisitions in the Ellamar Subdivision. The U.S. Forest Service has authorization to purchase two other nominated parcels, USS 349 on the Valdez Duck Flats and the Darling parcel in the Upper Kenai River watershed, at fair market value with federal restitution funds. The remaining six nominations are listed in Table 3. The Habitat Work Group ranked four of these parcels low and have not yet evaluated the remaining two parcels.

The Alaska Department of Natural Resources has nominated the Patson parcel as a Parcel Meriting Special Consideration. The Patson parcel is the highest ranked of the recently nominated parcels, having received 18 points in the evaluation.

Table 3. Small Parcel Nominations
July 1995 to February 1996

Parcel ID	Description	Acres	Rank	Sponsor
KEN 1030	Anchor River	127.8	Low	Not identified
KEN 1032	Matson Parcel (Ninilchik River)	7.4	Low	ADFG
KEN 1034	Patson Parcel (Kenai River near Soldotna)	76.3	Low	ADNR/ADFG
KEN 1035	Mullen Parcel (Soldotna Creek, Kenai River)	8.5	Low	ADNR/ADFG
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	Not yet evaluated	Not identified
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	Not yet evaluated	Not identified
Total:		274.7		

Attachment

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FAX: (907) 465-3886

3601 C STREET, SUITE 1210
ANCHORAGE, ALASKA 99503-5921
PHONE: (907) 269-8431
FAX: (907) 269-8918

February 22, 1996

Molly McCammon
Executive Director
Exxon Valdez Trustee Council
645 G Street
Anchorage, AK 99501-3451

Dear Ms. McCammon;

A small parcel located on the Kenai River owned by Ms. Ellen Patson was recently nominated for habitat protection consideration by the Trustee Council. This parcel was subsequently evaluated by the Habitat Protection Work Group and scored 18 points which places the parcel very close to the Moderate category.

The parcel provides key habitat for pink salmon and Dolly Varden and is located along the Kenai River with 1/4 mile of river frontage. As a result this parcel receives a large amount of trespass recreational and sport fishing use.

The Department of Natural Resources would like to request that the Trustee Council consider this parcel a "Parcel Meriting Special Consideration" in light of its location and its habitat values for restoration of species and services such as recreation and sportfishing impacted by the oil spill.

Sincerely,



Marty K. Rutherford
Deputy Commissioner

[illegible]

DRAFT

SMALL PARCEL NOMINATION FORM

PARCEL NUMBER: KEN-1034

NOV 20 1995

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

Please Print or Type

Part 1: Landowner Information

TIME

Phone: 907-279-4701

Landowner: ELLEN L PATSON

Fax: 907-338-6825

Address: 1334 SUNRISE DR

ANCHORAGE AK 99508

Co-owner: _____

Other contacts/agents: _____

Subsurface owner: _____

Part 2: Parcel Information

Legal description of property: (township, range, section) _____

SEC. 34, T5N, R10W, S.M. NE 1/4, SE 1/4
+ LOT 7 CNTG 76.33 AC M/L

General description of property: IT HAS 1/4 MILE OF KENAI RIVER FRONTAGE, HAS
A NATURAL SPRING FLOWS YEARROUND INTO KENAI RIVER, THE
LAND HAS A DENSE GROWTH OF SPRUCE TIMBER WITH GOOD
GRAVEL BASE. THE LAND HAS NEVER HAD ANY DEVELOPMENT
SINCE THE PATENT WAS ISSUED

Is your property located within or adjacent to a State or Federal Park, Refuge or National Forest or other public land unit? If so, which one? NO

Approximate acreage: 76.33 acres

Are there any developments on the site: NONE

Are there any hazardous materials on the property? (waste oil, mine tailings, dump)

(Y/N/Unknown) NONE

Please provide the following if available: surveys, photos, maps, ccopy of deed, etc.: _____

SMALL PARCEL NOMINATION FORM

Part 3: Threshold Criteria:

Are you willing to sell your property at fair market value? (Y/N) _____
Is the parcel within the Oil Spill area?(see attached map) (Y/N) YES
Do you grant permission for Trustee Council staff to inspect your property? (Y/N) YES

*Describe or list any injured resources/services that occur on or are affected by your property:

THERE HAS BEEN A NOTICABLE DECLINE OVER THE PAST
5 YEARS OF THE RIVER OTTER POPULATION IN THE
AREA, IN ADDITION THERE HAS BEEN A NOTICABLE
DECLINE IN THE SALMON RETURN OVER THE SAME
TIME PERIOD

Tell us how acquisition of your property will benefit restoration: _____

THIS WOULD KEEP THE LAND AS A WILDERNESS
AREA AND NATURAL HABITAT FOR THE WILD LIFE,
IT WOULD PROHIBIT COMMERCIAL AND OR PRIVATE
DEVELOPMENT, WHICH COULD CAUSE LOSS OF THE
HABITAT AND FURTHER CAUSE RIVER BANK EROSION

General comments: THIS PROPERTY BEING UNDEVELOPED IS
A RICH RESOURCE OF WILDLIFE IN THERE
NATURAL HABITAT

Part 4:

Signature of landowner: Ellen L. Peters Date: 11/22/95

and

Signature of co-owner: _____ Date: _____

Signature of co-owner: _____ Date: _____

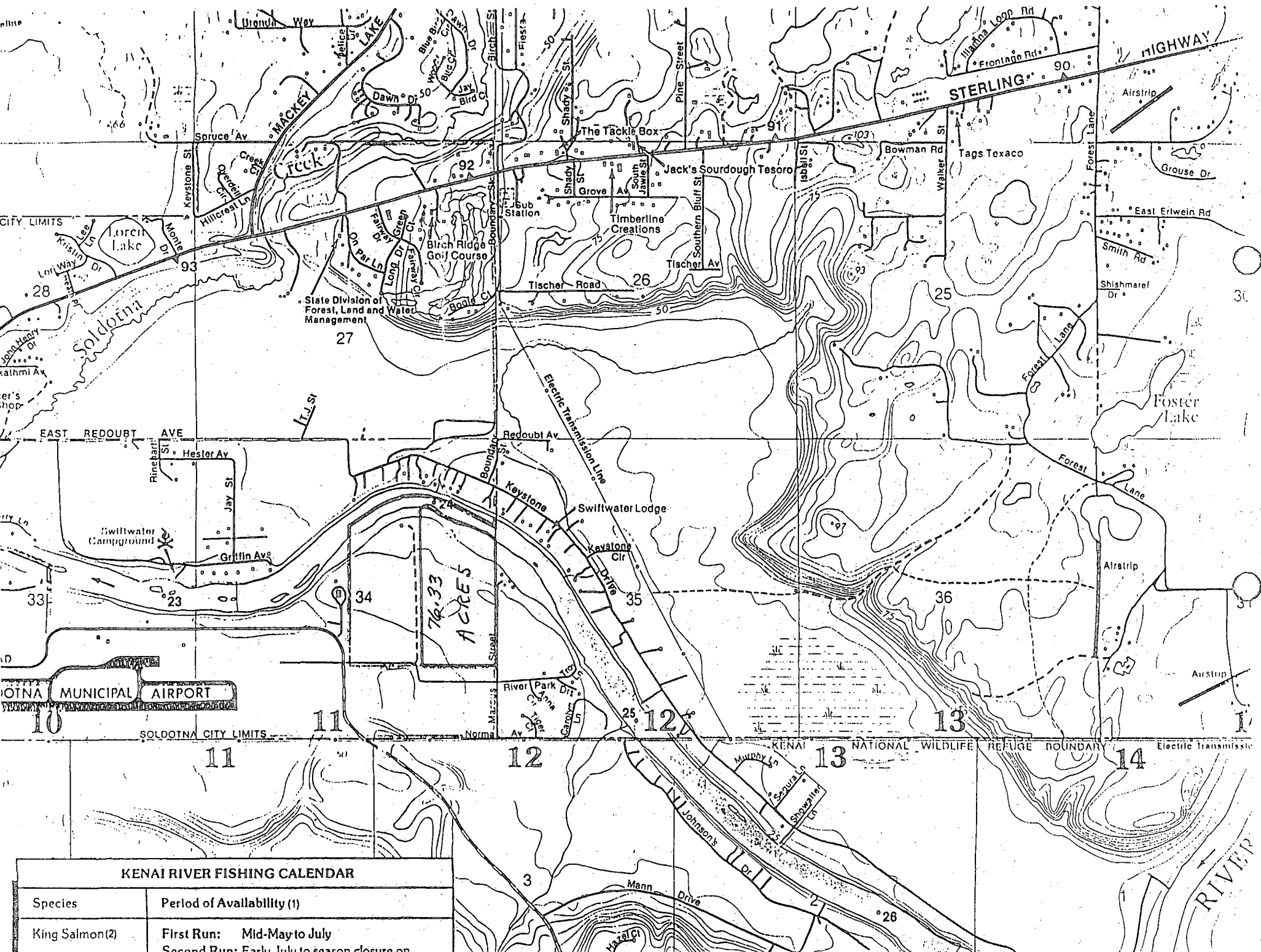
A nomination does not bind you to sell your property, nor does it bind the Trustee Council to buy your lands.

Please submit each nomination on a separate nomination form.

*A list of all injured species/services is included.

If you need additional space please use additional sheets.

INCOMPLETE NOMINATION FORMS WILL NOT BE CONSIDERED



Kenai Parcel # KEN 1034, owned by Ms. Ellen L. Patson

Parcel Score: 18 Request: Parcel Meriting Special Consideration
Injured Resources and Services: Pink Salmon, Dolly Varden, Recreation/Tourism

Other Characteristics of Note:

- Parcel contains fragile wetlands which provide an undeveloped riparian buffer and water recharge area.
- A year round ^{spring} stream flows through the property.
- The property provides a breeding ground for insects and accumulates woody debris thereby providing habitat conducive for the feeding and rearing of various species of salmon, Dolly Varden, and River Otters.
- The substrate is suitable for supporting various levels of the food chain.
- Perhaps the parcel's greatest benefit is its undeveloped nature and its relatively undisturbed bank in contrast to the area directly across the river which is highly developed and impacted by human use.
- Intense recreational use patterns have not been established thereby providing an opportunity to manage human use in an environmentally sensitive manner.
- The parcel will not present a significant management burden. Both ADNR and ADF&G have a management presence on the Kenai River. Management of this parcel will focus on maintaining a protective status any may include some minimal development for recreational use.
- Chris Degerness DNR Parks will be available by phone from 1:30 this afternoon on, should you have any questions. Mark Kuwada at ADF&G at 267-2277 will also be available if necessary. Joe Sullivan from ADF&G has been briefed and should be at the meeting.

DRAFT

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

February 13, 1996

Bob Doughty
Lesnoi, Inc.
4300 B Street, #207
Anchorage, AK 99503

Re: Termination Point

Dear Mr. Doughty:

Until recently the Termination Point property has been subject to a *lis pendens*. Even without the *lis pendens*, the status of the property remains uncertain until the litigation with Omar Stratman is resolved, in that if Stratman is successful in decertifying Lesnoi title to the property will revert to the United States. The purpose of this letter is to memorialize our conversations of the past several weeks during which we have attempted to outline a proposal to move forward with the proposed purchase of the property by the State of Alaska using funds provided by the Exxon-Valdez Oil Spill Trustee Council, notwithstanding the uncertainties of title.

The first step will be for the Alaska Department of Natural Resources to conduct a fair market value appraisal of the property. The appraisal will be subject to review by federal and state review appraisers. Once the property has been appraised, the Trustee Council could make an offer to purchase fee simple title to it at the appraised fair market value, subject to a condition that the transaction would not close and funds be transferred unless and until such time as the Stratman litigation is resolved or Lesnoi's title to the property is otherwise confirmed to the satisfaction of the State of Alaska and the United States. An interest bearing escrow account would be used to hold the purchase funds until these issues are resolved. If Stratman prevails and Lesnoi is decertified, the escrow would be terminated and the funds returned to the Trustee Council. If Lesnoi prevails, then the transaction will proceed and Lesnoi will be entitled to receive the principal and accumulated interest in the escrow at the time of closing. The transaction would also be subject to other criteria such as the ability of Lesnoi to deliver clear title, freedom from hazardous materials, and compliance with the National Environmental Policy Act.

TONY KNOWLES, GOVERNOR

PLEASE REPLY TO

1031 WEST 4TH AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 269-5100
FAX: (907) 276-3697

KEY BANK BUILDING
100 CUSHMAN ST., SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 451-2811
FAX: (907) 451-2846

P.O. BOX 110300-DIMOND COURT H
JUNEAU, ALASKA 99811-0300
PHONE: (907) 455-3600
FAX: (907) 455-6735

DRAFT

Lesnoi, Inc.
Re: Termination Point

DRAFT

February 13, 1996
Page 2 of 2

You have asked whether the Trustee Council would agree to nonrefundable payments to Lesnoi while the funds are in escrow. The payments would be equivalent to the interest earned in the escrow account and in lieu thereof. They would be considered to be in the nature of lease payments. I have advised you that I was unsure whether the Trustee Council

would agree to such an arrangement. The issue remains unresolved.

You have advised me that the escrow appears to provide a resolution of the title problem so long as price and other terms and conditions satisfactory to Lesnoi can be negotiated. With that understanding, the Trustee Council has agreed to authorize an appraisal of the Lesnoi property at Termination Point.

This letter is not intended to constitute an agreement or commitment by either the Trustee Council or Lesnoi to take or refrain from any acts and nothing contained in it may be construed as obligating either the Trustee Council or Lesnoi or their agents in any fashion.

Very truly yours,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:

Alex Swiderski
Assistant Attorney General

cc: Molly McCammon

AMS:ses

1:SWIDERSKI\75MPARCEL\TERMIN.LET

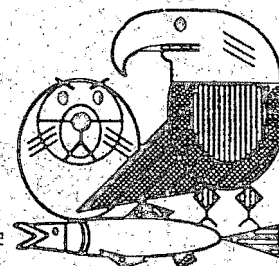
DRAFT

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Small Parcels Status Report

April 26, 1996

RECEIVED
MAY 05 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 362,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 285 small parcels have been nominated. Council staff evaluate, score, and rank nearly all the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 32 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase 24 small parcels at appraised fair market value, and a contribution of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels. Table 1 summarizes the status of each of the offers. Owners of 15 parcels have accepted the offers. Landowners are considering offers on six parcels, negotiations continue on the Kenai Natives Association Package, and appraisals of the Kodiak Island Borough Tax Parcels will begin soon. The owners of three parcels have rejected the offers. The Council is also considering acquisition of the eight parcels listed in Table 2. In most cases, the appraisal of the parcel has not yet been completed or approved.

The Council has not yet acted on the thirteen recent nominations listed in Table 3. Eleven of these parcels ranked low and the others have not yet been evaluated. Four of the parcels on the Kenai River — KEN 1038, KEN 1039, KEN 1040 and KEN 1041 — have been nominated as Parcels Meriting Special Consideration.

Other funds are being used to acquire four of the nominated parcels. The Conservation Fund, a private, nonprofit organization, has purchased KAP 130, an inholding at the head of Uyak Bay and donated it to the U.S. Fish and Wildlife Service for inclusion in the Kodiak National Wildlife Refuge. The U.S. Forest Service has authorization to

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

purchase three parcels with federal restitution funds: PWS 05 and PWS 1028, parcels on the Valdez Duck Flats and KEN 1029, a parcel in the Upper Kenai River watershed.

Table 1. Status of Small Parcel Acquisitions

Parcel ID	Description	Acres	Value	Status
Offers Accepted				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17A-D	Ellamar Subdivision	11.4	\$345,500	
PWS 52	Hayward Parcel (Zook)	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	Subject to appraisal review
KEN 148	River Ranch	146.0	\$1,650,000	Subject to appraisal review
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
Subtotal:		843.9	\$7,049,500	
Offers Under Review				
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	Seller is reviewing appraisal
KEN 55	Overlook Park	97.0	\$244,000	Seller's response to appraisal is under review
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received
KEN 1015	Lowell Point	19.4	\$531,000	Seller is reviewing appraisal
KAP 220	Mouth of Ayakulik River	56.0	\$213,000	Willing to sell as part of larger package
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell as part of larger package
<i>Kenai Natives Association Package</i>		15,091.0	\$4,000,000	Negotiations continue
<i>Kodiak Island Borough Tax Parcels</i>			\$1,000,000	Authorized in Shuyak Is. resolution; appraisals will begin soon.
Subtotal:		16,691.9	\$7,722,000	
Offers Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000
Subtotal:		197.0	\$1,172,000	

Table 2. Parcels Under Consideration

Parcel ID	Description	Acres	Status
PWS 11	Horseshoe Bay	315.0	Second appraisal rejected; third appraisal underway
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal underway
PWS 1027	Fleming Spit	5.4	Restoration benefits under review
KEN 149	Perl Island	156.0	New appraisal needed
KEN 1034	Patson Parcel	76.3	Appraisal underway
KAP 22	The Triplets	60.0	Seller is not interested in selling at appraised value
KAP 145	Termination Point	1,028.0	The State will appraise this parcel
KAP 150	Karluk	5.0	Appraisal not complete
Total:		2,587.7	

Table 3. Small Parcel Nominations
July 1995 to March 1996

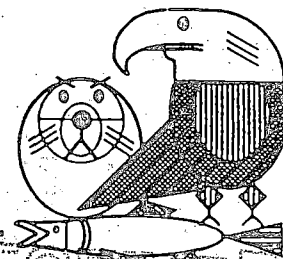
Parcel ID	Description	Acres	Rank	Sponsor
KEN 1030	Anchor River	127.8	Low	Not identified
KEN 1032	Matson Parcel (Ninilchik River)	7.4	Low	ADFG
KEN 1035	Mullen Parcel (Soldotna Creek, Kenai River)	8.5	Low	ADNR/ADFG
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	Not yet evaluated	Not identified
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	Low	Not identified
KEN 1038	Schilling Parcel (Kenai River)	5.9	Low	ADNR/ADFG
KEN 1039	Oberts Parcel (Kenai River-Big Eddy)	31.7	Low	ADNR/ADFG
KEN 1040	Oberts Parcel (Kenai River-Honeymoon Cove)	4.2	Low	ADNR/ADFG
KEN 1041	Oberts Parcel (Kenai River-Peterkin Hmstd.)	30.0	Low	ADNR/ADFG
KEN 1042	College Estates (Kenai River-Mile 16.5)	56.0	Low	ADNR/ADFG
KEN 1043	College Estates (Kenai River-Mile 16.5)	77.9	Low	ADNR/ADFG
KEN 1044	Breeden Parcel (Kenai River Flats)	25.0	Low	ADNR/ADFG
KEN 1045	Dennis Parcel (Valdez Duck Flats)	4.3	Not yet evaluated	Not identified
Total:		433.4		

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Large Parcels Status Report

April 26, 1996

RECEIVED
MAY 05 1996
EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

The *Exxon Valdez* Trustee Council funds the acquisition of land to protect the habitat of injured resources and services. The goals of habitat protection are to prevent additional injury to resources and services while recovery is taking place and to provide a long-term safety net for these resources.

In 1992, the Restoration Office evaluated 16 large parcels (over 1,000 acres) that were imminently threatened by development. In March 1993, the Restoration Office contacted 90 owners of large parcels in the spill area. Thirty-two landowners expressed interest in having their land considered and 850,000 acres of land were subsequently evaluated.

As of April 1996, the Council has committed \$161.5 million to protect 362,000 acres of land, with parcels ranging in size from 2,000 to 120,000 acres. Seven large parcels have been purchased, including inholdings in Kachemak Bay State Park, land adjacent to Seal Bay/Tonki Cape on Afognak Island, commercial timber rights on land along Orca Narrows, lands owned by the Akhiok-Kaguyak, Inc., Old Harbor Native Corporation, and Koniag, Inc., and a 27,000-acre parcel on Shuyak Island.

In February 1996, the Council offered the Eyak Corporation \$7 million for 11,200 acres near Cordova. The Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer.

Negotiations continue with seven landowners to protect an additional 381,000 acres of land. The landowners are Chenega Corporation, Tatitlek Corporation, Eyak Corporation, Port Graham Corporation, English Bay Corporation, Afognak Joint Venture, and Koniag, Inc. Table 1 summarizes the status of land acquisitions as of April 1996 — whether acquisitions are complete, negotiations continue, or offers have been rejected. Table 1 also indicates the acreage of each parcel and, if known, its purchase price, contributions from the joint trust fund, and contributions from other sources. So far, \$35 million from other sources have been contributed to these acquisitions and an additional \$20 million have been offered for future acquisitions.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Large Parcel Acquisitions

Parcel Description	Acreage	Purchase Price	Trust Fund	Other Sources
Acquisitions Complete				
<i>Imminently Threatened Parcels</i>				
Kachemak Bay State Park Inholdings	23,800	\$22,000,000	\$7,500,000	\$14,500,000
Seal Bay / Tonki Cape	41,549	\$39,600,000	\$39,600,000	\$0
Orca Narrows (Timber Rights)	2,052	\$3,650,000	\$3,650,000	\$0
<i>Other Large Parcels</i>				
Akhiok - Kaguyak, Inc.	119,885	\$46,000,000	\$36,000,000	\$10,000,000
Old Harbor *	32,100	\$14,500,000	\$11,250,000	\$3,250,000
Koniag (Fee Title)	59,691	\$26,500,000	\$19,500,000	\$7,000,000
Koniag (Limited Term Easement)	56,048	\$2,000,000	\$2,000,000	\$0
Shuyak Island	26,665	\$42,000,000	\$42,000,000	\$0
Subtotal:	361,790	\$196,250,000	\$161,500,000	\$34,750,000
Negotiations Continuing				
Afognak Joint Venture	48,728	≤\$70,000,000	≤\$70,000,000	\$0
Chenega	74,554	≤\$48,000,000	≤\$38,000,000	≤\$10,000,000
English Bay	49,300			
Eyak - Orca Revised and Other Lands	49,800			
Koniag (Fee Title)	56,048			
Port Graham	46,170			
Tatitlek	56,785	≤\$22,000,000	≤\$12,000,000	≤\$10,000,000
Subtotal:	381,385			
Offers Rejected				
Eyak - Core Parcels	11,200	\$7,000,000	\$7,000,000	\$0
Subtotal:	11,200	\$7,000,000	\$7,000,000	\$0

* As part of the protection package, the Old Harbor Native Corporation agreed to protect an additional 65,000 acres of land on Sitkalidak Island as a private wildlife refuge.

Acquisitions Complete. As of March 1996, the Council has committed \$161.5 million to protect 362,000 acres of land in the following areas:

Kachemak Bay. In August 1993, the state acquired surface title to 23,800 acres of private inholdings within Kachemak Bay State Park on the Kenai Peninsula. This acquisition protects a highly productive estuary, several miles of anadromous fish streams, and intertidal shoreline and upland habitat for bald eagles, marbled murrelets, river otters, and harlequin ducks. The Council contributed \$7.5 million to this purchase and \$14.5 million were contributed from other sources.

Seal Bay and Tonki Cape (Afognak Island). In November 1993, the state purchased surface title to 41,549 acres on northern Afognak Island. This mature spruce forest land is adjacent to highly productive marine waters, includes anadromous fish streams, and provides excellent habitat for bald eagles and marbled murrelet nesting. The Council authorized \$39.6 million for this purchase. In 1994, the Alaska State Legislature designated these lands as the Afognak Island State Park.

Orca Narrows Subparcel. In January 1995, the federal government purchased from the Eyak Corporation commercial timber rights on 2,052 acres of land in Orca Narrows. This parcel is near Cordova in Prince William Sound and contains anadromous fish streams, active bald eagle nests and favorable habitat for marbled murrelet nesting. The Council authorized \$3.65 million for this acquisition.

Akhiok-Kaguyak. In May 1995, the federal government purchased from Akhiok-Kaguyak, Inc., surface title to 76,646 acres of land and conservation easements on 43,239 acres. These lands are within the Kodiak National Wildlife Refuge. The Council contributed \$36 million toward this acquisition and the federal government contributed \$10 million from the federal restitution fund.

Old Harbor. Also in May 1995, the federal government purchased from the Old Harbor Native Corporation surface title to 29,100 acres and conservation easements on 3,000 acres. These lands are also within the Kodiak National Wildlife Refuge. In addition, the Old Harbor Native Corporation agreed to preserve 65,000 acres of land on nearby Sitkalidak Island as a private wildlife refuge. The Council contributed \$11.25 million toward this acquisition and the federal government contributed \$3.25 million from the federal restitution fund.

Koniag. In November 1995, the federal government purchased from Koniag, Inc., surface title to 59,691 acres of prime habitat for bear, salmon, bald eagles, and other species in the Kodiak National Wildlife Refuge. This agreement protected an

additional 56,048 acres under a nondevelopment easement through the year 2001. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers. The Council contributed \$21.5 million toward this acquisition and the federal government contributed \$7 million from the federal restitution fund.

Shuyak Island. In December 1995, the Council approved \$42 million to purchase from the Kodiak Island Borough surface title to 26,665 acres of prime habitat on Shuyak Island, at the northern tip of the Kodiak archipelago. The Kodiak Island Borough agreed to commit \$6 million from the land sale to expansion of Kodiak's Fishery Industrial Technology Center.

Borough Tax Parcels. As part of the purchase agreement for lands on Shuyak Island, the Council authorized up to an additional \$1 million to purchase small parcels within the Kodiak Refuge that have been acquired by the Kodiak Island Borough as a result of the property owners' failure to pay borough taxes. These parcels are about 10-acres in size and occupy key waterfront locations along Uyak Bay on Kodiak Island. They are embedded in two high-ranked large parcels approved as part of the Kodiak purchase agreement.

Negotiations Continuing. Negotiations continue on seven additional large parcels.

Chenega. In December 1994, the Council authorized up to \$38 million for an offer to purchase 74,554 acres from Chenega Corporation. An additional \$10 million would come from other sources. This offer is currently being reconfigured and a value is being determined.

Tatitlek. In December 1994, the Council authorized up to \$12 million for an offer to purchase 56,785 acres from Tatitlek Corporation. An additional \$10 million would come from other sources. Subsequently, at the request of the Tatitlek Village Council, the Trustee Council is also now negotiating to acquire timber interests from Citifor Corporation and land interests in 2,100 acres from Tatitlek Corporation at Bidarka Point and within Two Moon Bay.

Afognak Joint Venture. In December 1994, the Council authorized up to \$70 million for an offer to purchase from Afognak Joint Ventures surface title to 48,728 acres on northern Afognak Island. The property consists of four dispersed parcels, three of which are adjacent to the previously acquired Seal Bay parcel. The fourth parcel is adjacent to Shuyak Strait. A final appraisal is expected in late summer 1996.

English Bay and Port Graham. The U.S. Department of the Interior, on behalf of the Council, is holding discussions with English Bay Corporation and Port Graham Corporation about the purchase of 95,470 acres, much of which is within Kenai

Fjords National Park.

Eyak - Orca Revised and Other Lands. Parcels known as Orca Narrows, East Simpson, and Rude River, together called "Orca Revised," consist of approximately 14,800 acres. Parts of these lands have been logged since 1995. Negotiations continue with Eyak Corporation on how to protect habitat in Orca Revised that has not been logged and about 35,000 acres of other corporation lands, particularly Port Gravina, Sheep Bay, and Windy Bay.

Koniag. The Council is interested in acquiring fee interest in the 56,048 acres covered by the limited term nondevelopment easement acquired in November 1995, and has agreed to maintain unobligated funds totaling \$16,500,000 for this purpose. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers and expires on December 2, 2001.

Offers Rejected. In February 1996, the Council authorized \$7 million for an offer to purchase from Eyak Corporation fee interest in 11,200 acres adjacent to Power Creek, Eyak River, and Eyak Lake. Acquisition of these "Core Parcels" would have protected a highly productive ecosystem east of Cordova. The Eyak Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer. In addition, negotiations to protect Orca Narrows fell through in June 1995 and logging operations have commenced there.

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF FISH AND GAME

Commissioner's Office

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

MEMORANDUM

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE (907) 465-4100
FAX: (907) 465-2332TO: Molly McCammon, Executive Director
Exxon Valdez Trustee CouncilFROM: Frank Rue, Commissioner
Department of Fish and Game

DATE: April 17, 1996

SUBJECT: Small Parcel Habitat Protection Program

RECEIVED
APR 22 1996EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL

The Exxon Valdez Oil Spill Trustee Council recently received three nominations in the Small Parcel Habitat Protection program for properties the Alaska Department of Fish and Game considers to be of exceptional quality. The properties are owned by Mr. Leo Oberts and are located in the lower Kenai River at Big Eddy, Honeymoon Cove, and near Eagle Rock. These parcels are adjacent to some of the most heavily fished sections of the river and contain key habitats for injured resources such as pink salmon and Dolly Varden, as well as other fish species such as chinook and coho salmon. The Big Eddy parcel, which scored an 18 in the Habitat Evaluation Process, has been the site of intense recreational use for many years. Trespass recreational use of the property is common, with access occurring by foot and by boat. This is one of the most popular fishing spots on the river and is adjacent to the Kobylarz property that the Trustee Council is negotiating to purchase.

Another popular fishing area, particularly for chinook salmon, is the drift from Honeymoon Cove to Beaver Creek, which includes Eagle Rock. Thousands of fishermen drift or back-troll through this area each summer and thousands of fish are caught here. Mr. Obert's properties at Honeymoon Cove and Eagle Rock are in pristine condition and provide key habitat for chinook and coho salmon, the focus of this recreational use. The parcels did not score as highly in the Habitat Evaluation Process because direct recreation on the properties is limited; however, a high level of sportfishing activity occurs in adjacent waters. The overriding significance of these lands is that they provide essential fish habitat that contributes to the overall health of the area's sport, subsistence, and commercial fisheries.

April 17, 1996

Acquisition of the three properties would secure over 2800 feet of streambank protection in an area of the river that is already highly developed and heavily fished. This general area (mile 10-21) is believed to be the most productive spawning area for late-run chinook salmon in the Kenai River (Burger, 1983).¹ Therefore, the Alaska Department of Fish and Game requests that parcels KEN-1039, KEN-1040, and KEN-1041 be given consideration as Parcels Meriting Special Attention for acquisition.

cc: Janet Kowalski
Lance Trasky
Mark Kuwada

¹ Burger, Carl V. et al. 1983. Salmon Investigations in the Kenai River, Alaska 1979 - 1981. U.S. Fish and Wildlife Service, Anchorage, Alaska

Parcel ID: KEN 1039, 1040, 1041
Oberts Parcels

Rank: PMSC Acreage: 66 Agency Sponsor: ADF&G/ADNR

Location: Big Eddy, Honeymoon Cove, Eagle Rock, Kenai River.

Landowner: Leo Oberts

Address: 1440 Chinook Court
Kenai, Alaska 99611

KEN 1039, KEN-1040 and KEN-1041 are properties owned by Mr. Leo Oberts on the lower Kenai River at Big Eddy, Honeymoon Cove and near Eagle Rock. These parcels are adjacent to some of the most heavily fished sections of the river and contain key habitats for injured resources such as pink salmon and Dolly Varden, as well as other fish species such as chinook and coho salmon. The Big Eddy parcel, which scored an 18 in the Habitat Evaluation Process, has been the site of intense recreational use for many years. Trespass recreational use of the property is common, with access occurring by foot and by boat. This is one of the most popular fishing spots on the river and is adjacent to the Kobylarz property that the Trustee Council is negotiating to purchase.

Another popular fishing area, particularly for chinook salmon, is the drift from Honeymoon Cove to Beaver Creek, which includes Eagle Rock. Thousands of fishermen drift or back-troll through this area each summer and thousands of fish are caught here. Mr. Obert's properties at Honeymoon Cove and Eagle Rock are in pristine condition and provide key habitat for chinook and coho salmon, the focus of this recreational use. Existing recreational use on the properties is restricted; however, a high level of sportfishing activity occurs in adjacent waters. The overriding significance of these lands is that they provide essential fish habitat that contributes to the overall health of the area's sport, subsistence and commercial fisheries.

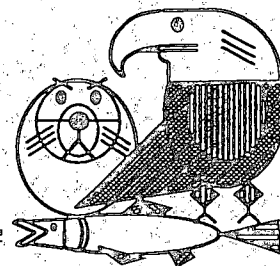
Acquisition of the three properties would secure over 2800 feet of streambank protection in an area of the river that is already highly developed and heavily fished. This general area (mile 10-21) is believed to be the most productive spawning area for late-run chinook salmon in the Kenai River (Burger, 1983).

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Small Parcels

Status Report

June 25, 1996

RECEIVED
JUN 26 1996

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 422,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 285 small parcels have been nominated. Council staff evaluate, score, and rank nearly all the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 47 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase several small parcels at appraised fair market value, and contributions of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels.

Table 1 summarizes the status of each of the offers. Acquisitions of three parcels have been completed. Owners of 12 additional parcels have accepted the offers. Landowners are considering offers on six parcels, negotiations continue on the Kenai Natives Association Package, and the Kodiak Island Borough Tax Parcels are being appraised. The owners of four parcels have rejected the offers.

The Council is also considering acquisition of the 22 parcels listed in Table 2. In most cases, the appraisal of the parcel has not yet been completed or approved. Appraisals have recently been approved for KEN 1034, KEN 1038, KAP 99, KAP 115 and KAP 135. *At its June 28 meeting, the Trustee Council will be asked to authorize funds to purchase these parcels at appraised fair market value.*

The Council has not yet acted on the 13 recent nominations listed in Table 3.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Small Parcel Acquisitions
June 25, 1996

Parcel ID	Description	Acres	Value	Status
Acquisitions Completed				
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
Subtotal:		152.0	\$379,000	
Offers Accepted				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17A-D	Ellamar Subdivision	11.4	\$345,500	
PWS 52	Hayward Parcel (Zook)	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	Subject to approval by Salamatof Board of Directors
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
Subtotal:		1,922.9	\$7,560,500	
Offers Under Review				
KEN 55	Overlook Park	97.0	\$244,000	Seller's response to appraisal is under review
KEN 148	River Ranch	146.0	\$1,650,000	Earlier acceptance of offer withdrawn
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received
KEN 1015	Lowell Point	19.4	\$531,000	Seller is reviewing appraisal
KAP 220	Mouth of Ayakulik River	56.0	\$213,000	Willing to sell as part of larger package
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell as part of larger package
Kenai Natives Association Package		15,091.0	\$4,000,000	Negotiations continue
Kodiak Island Borough Tax Parcels			\$1,000,000	Authorized in Shuyak Is. resolution; appraisals will begin soon.
Subtotal:		15,460.9	\$7,832,000	
Offers Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000
KAP 22	The Triplets	60.0	\$6,500	Seller is not interested in selling at appraised value.
Subtotal:		257.0	\$1,178,500	

Table 2. Parcels Under Consideration
June 25, 1996

Parcel ID	Description	Acres	Status
PWS 11	Horseshoe Bay	315.0	Second appraisal rejected; third appraisal under review.
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal under review.
PWS 1027	Fleming Spit	5.4	Restoration benefits under review.
KEN 149	Perl Island	156.0	New appraisal needed.
* KEN 1034	Patson Parcel	76.3	Appraisal approved; appraised fair market value is \$375,000.
* KEN 1038	Schilling Parcel	5.9	Appraisal approved; appraised fair market value is \$1,304,000.
KEN 1039	Oberts Parcel (Big Eddy)	31.7	Appraisal under review.
KEN 1040	Oberts Parcel (Honeymoon Cove)	4.2	Appraisal under review.
KEN 1041	Oberts Parcel (Peterkin Hmstd.)	30.0	Appraisal under review.
KAP 91	Sitkalidak Strait	137.0	Appraisal underway
KAP 98	Sitkalidak Strait	80.0	Appraisal underway
* KAP 99	Kiliuda Bay	160.0	Appraisal approved; appraised fair market value is \$155,200.
KAP 101	Sitkalidak Strait	80.0	Appraisal underway
KAP 103	Sitkalidak Strait	40.0	Appraisal underway
* KAP 115	Uyak Bay	65.0	Appraisal approved; appraised fair market value is \$110,500.
KAP 118	Sturgeon Lagoon	160.0	Appraisal underway
KAP 131	Kiliuda Bay	40.0	Appraisal underway
KAP 132	Sitkalidak Strait	160.0	Appraisal underway
* KAP 135	Kiliuda Bay	70.0	Appraisal approved; appraised fair market value is \$73,500.
KAP 145	Termination Point	1,028.0	The State will appraise this parcel
KAP 150	Karluk	5.0	Appraisal not complete
KAP 263	Kiavak Bay	60.0	Appraisal underway
Total:		3,651.5	

* Appraisals recently approved. At its June 28 meeting, the Trustee Council will be asked to authorize funds to purchase these parcels at appraised fair market value.

Table 3. Small Parcel Nominations
July 1995 to June 1996

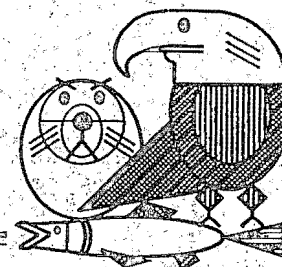
Parcel ID	Description	Acres	Sponsor
KEN 1030	Anchor River	127.8	Not identified
KEN 1032	Matson Parcel (Ninilchik River)	7.4	ADFG
KEN 1035	Mullen Parcel (Soldotna Creek, Kenai River)	8.5	ADNR/ADFG
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	ADNR/ADFG
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	Not identified
KEN 1042	College Estates (Kenai River-Mile 16.5)	56.0	ADNR/ADFG
KEN 1043	College Estates (Kenai River-Mile 16.5)	77.9	ADNR/ADFG
KEN 1044	Breeden Parcel (Kenai River Flats)	25.0	ADNR/ADFG
KEN 1045	Dennis Parcel (Valdez Duck Flats)	4.3	Withdrawn
KEN 1046	Pollard Parcel (Kasilof River)	155.0	Not identified
KEN 1047	Calvin Parcel (Kasilof River)	76.8	Not identified
KEN 1048	Lahndt Parcel (Kasilof River)	300.0	Not identified
KEN 1049	Mansholt Parcel (Kenai River-Big Eddy)	1.6	Not identified
Total:		895.0	

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Small Parcels Status Report

July 26, 1996

AUG 05 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 422,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 285 small parcels have been nominated. Council staff evaluate, score, and rank nearly all the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 47 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase several small parcels at appraised fair market value, and contributions of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels.

Table 1 summarizes the status of each of the offers. Acquisitions of seven parcels have been completed. Owners of 12 additional parcels have accepted the offers. Landowners are considering offers on six parcels, negotiations continue on the Kenai Natives Association Package, and the Kodiak Island Borough Tax Parcels are being appraised. The owners of four parcels have rejected the offers.

The Council is also considering acquisition of the 19 parcels listed in Table 2. In most cases, the appraisal of the parcel has not yet been completed or approved. Table 3 is a list of 17 additional parcels that have been nominated in the past year.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Small Parcel Acquisitions
July 26, 1996

Parcel ID	Description	Acres	Value	Status
Acquisitions Completed				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
Subtotal:		604.0	\$4,324,000	
Offers Accepted				
PWS 17A-D	Ellamar Subdivision	11.4	\$345,500	
PWS 52	Hayward Parcel	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 1034	Patson Parcel	76.3	\$375,000	
KAP 99	Kiliuda Bay	160.0	\$155,200	
KAP 115	Uyak Bay	65.0	\$110,500	
KAP 135	Kiliuda Bay	70.0	\$73,500	
Subtotal:		1,842.2	\$4,329,700	
Offers Under Review				
KEN 55	Overlook Park	97.0	\$244,000	Seller's response is under review
KEN 148	River Ranch	146.0	\$1,650,000	Earlier acceptance of offer withdrawn
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received
KEN 1015	Lowell Point	19.4	\$531,000	Seller is reviewing appraisal
KAP 220	Mouth of Ayakulik R.	56.0	\$213,000	Willing to sell a larger package
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell a larger package
<i>Kenai Natives Association Package</i>		15,091.0	\$4,000,000	Negotiations continue
<i>Kodiak Island Borough Tax Parcels</i>			\$1,000,000	Authorized in Shuyak Is. resolution; appraisals will begin soon.
Subtotal:		15,460.9	\$7,832,000	
Offers Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000
KAP 22	The Triplets	60.0	\$6,500	Seller is not interested in selling at appraised value.
Subtotal:		257.0	\$1,178,500	

Table 2. Parcels Under Consideration

July 26, 1996

Parcel ID	Description	Acres	Status
PWS 06	Valdez Duck Flats (USS 447)	24.7	Parcel reevaluated; ranked moderate.
PWS 11	Horseshoe Bay	315.0	Second appraisal rejected; third appraisal under review.
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal under review.
PWS 1027	Fleming Spit	5.4	Restoration benefits under review.
KEN 1038	Schilling Parcel	5.9	Appraisal approved; appraised fair market value is \$1,304,000.
KEN 1039	Oberts Parcel (Big Eddy)	31.7	Appraisal under review.
KEN 1040	Oberts Parcel (Honeymoon Cove)	4.2	Appraisal under review.
KEN 1041	Oberts Parcel (Peterkin Hmstd.)	30.0	Appraisal under review.
KAP 91	Sitkalidak Strait	137.0	Appraisal underway
KAP 98	Sitkalidak Strait	80.0	Appraisal underway
KAP 101	Sitkalidak Strait	80.0	Appraisal underway
KAP 103	Sitkalidak Strait	40.0	Appraisal underway
KAP 118	Sturgeon Lagoon	160.0	Appraisal underway
KAP 131	Kiliuda Bay	40.0	Appraisal underway
KAP 132	Sitkalidak Strait	160.0	Appraisal underway
KAP 145	Termination Point	1,028.0	The State will appraise this parcel
KAP 150	Karluk	5.0	Appraisal not complete
KAP 263	Kiavak Bay	60.0	Appraisal underway
Total:		3,148.9	

* Perl Island (KEN 149), a 156-acre parcel south of the Kenai Peninsula, is no longer under consideration because sponsorship has been withdrawn.

Table 3. Small Parcel Nominations
July 1995 to July 1996

Parcel ID	Description	Acres	Sponsor
PWS 1045	Dennis Parcel (Valdez Duck Flats)	4.3	Withdrawn
KEN 1030	Anchor River	127.8	Not identified
KEN 1032	Matson Parcel (Ninilchik River)	7.4	ADFG
KEN 1035	Mullen Parcel (Soldotna Creek, Kenai River)	8.5	ADNR/ADFG
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	ADNR/ADFG
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	Not identified
KEN 1042	College Estates (Kenai River-Mile 16.5)	56.0	ADNR/ADFG
KEN 1043	College Estates (Kenai River-Mile 16.5)	77.9	ADNR/ADFG
KEN 1044	Breeden Parcel (Kenai River Flats)	25.0	ADNR/ADFG
KEN 1046	Pollard Parcel (Kasilof River)	155.0	ADFG
KEN 1047	Calvin Parcel (Kasilof River)	76.8	Not identified
KEN 1048	Lahndt Parcel (Kasilof River)	360.0	Not identified
KEN 1049	Mansholt Parcel (Kenai River-Big Eddy)	1.6	ADFG
KEN 1051	Salamatof Native Association (Kenai NWR)	10.3	USFWS
KEN 1052	Salamatof Native Association (Kenai NWR)	5.3	USFWS
KAP 1050	Christiansen Parcel (Sitkalidak Strait)	159.0	USFWS
KAP 1053	Knauf Parcel (Becharof NWR)	25.0	USFWS
Total:		1,154.6	

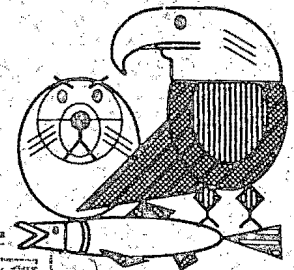
17.6.13 H₅

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program Small Parcels Status Report

August 16, 1996

RECEIVED
AUG 28 1996
EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 411,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 299 small parcels have been nominated. Council staff evaluate, score, and rank nearly all the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 49 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase several small parcels at appraised fair market value, and contributions of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels.

Table 1 summarizes the status of each of the offers. About 600 acres in nine small parcels have been acquired for \$4.6 million. Owners of an additional 1,800 acres in 10 small parcels have accepted offers for a total of \$3.7 million. Landowners are considering offers on seven parcels, negotiations continue on the Kenai Natives Association Package, and the Kodiak Island Borough Tax Parcels are being appraised. The owners of four parcels have rejected the offers.

The Council is also considering acquisition of the 19 parcels listed in Table 2. In most cases, the appraisal of the parcel has not yet been completed or approved. Table 3 is a list of 19 additional parcels that have been nominated in the past year.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Small Parcel Acquisitions
August 16, 1996

Parcel ID	Description	Acres	Value	Status
Acquisitions Completed				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17 A&D	Ellamar Subdivision	9.4	\$276,500	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
Subtotal:		613.4	\$4,600,500	
Offers Accepted				
PWS 17 B&C	Ellamar Subdivision	2.0	\$69,000	
PWS 52	Hayward Parcel	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KAP 99	Shugak Parcel (Kiliuda Bay)	160.0	\$155,200	
KAP 103	Kahutak Parcel (Sitkalidak Strait)	40.0	\$66,000	
KAP 115	Johnson Parcel (Uyak Bay)	65.0	\$110,500	
KAP 135	Capjohn Parcel (Kiliuda Bay)	70.0	\$73,500	
Subtotal:		1,796.5	\$3,744,200	
Offers Under Review				
KEN 55	Overlook Park	97.0	\$244,000	Discussions continue.
KEN 148	River Ranch	146.0	\$1,650,000	Earlier acceptance of offer withdrawn.
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received.
KEN 1015	Lowell Point	19.4	\$531,000	Discussions continue.
KEN 1034	Patson Parcel	76.3	\$375,000	Discussions continue.
KAP 220	Mouth of Ayakulik R.	56.0	\$213,000	Willing to sell a larger package.
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell a larger package.
Kenai Natives Association Package		15,091.0	\$4,000,000	Awaiting approval of legislative package.
Kodiak Island Borough Tax Parcels			\$1,000,000	Authorized in Shuyak Is. resolution; appraisal contract underway.
Subtotal:		15,537.2	\$8,207,000	
Offers Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000.
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time.
KEN 1005	Niniichik	16.0	\$50,000	Counteroffer of \$60,000.
KAP 22	The Triplets	65.0	\$6,500	Seller will not sell at appraised value.
Subtotal:		262.0	\$1,178,500	

Table 2. Parcels Under Consideration

August 16, 1996

Parcel ID	Description	Acres	Status
PWS 05	Valdez Duck Flats (USS 349-& 448)	58.0	USS 349: Appraisal complete. USS 448: Appraisal under review.
PWS 06	Valdez Duck Flats (USS 447)	24.7	Parcel reevaluated; ranked moderate.
PWS 11	Horseshoe Bay	315.0	Appraisal approved; under review by landowner.
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal under review.
PWS 1027	Fleming Spit	5.4	Restoration benefits under review.
KEN 1038	Schilling Parcel	5.9	Appraisal approved; appraised fair market value is \$1,304,000.
KEN 1039	Oberts Parcel (Big Eddy)	31.7	Appraisal under review.
KEN 1040	Oberts Parcel (Honeymoon Cove)	4.2	Appraisal under review.
KEN 1041	Oberts Parcel (Peterkin Hmstd.)	30.0	Appraisal under review.
KAP 91	Andonga Parcel (Sitkalidak Strait)	137.0	Appraisal approved; awaiting probate.
KAP 98	Pestrikoff Parcel (Sitkalidak Strait)	64.7	Appraisal underway.
KAP 101	Haakanson Parcel (Sitkalidak Strait)	80.0	Appraisal underway.
KAP 103	Kahutak Parcel (Sitkalidak Strait)	40.0	Appraisal approved.
KAP 118	Cusack Parcel (Sturgeon Lagoon)	160.0	Appraisal underway.
KAP 131	Matfay Parcel (Kiliuda Bay)	40.0	Appraisal underway.
KAP 132	Peterson Parcel (Sitkalidak Strait)	160.0	Appraisal underway.
KAP 145	Termination Point	1,028.0	The State will appraise this parcel.
KAP 150	Karluk	5.0	Appraisal not complete.
KAP 263	Kiavak Bay	60.0	Appraisal underway.
Total:		3,191.6	

* Perl Island (KEN 149), a 156-acre parcel south of the Kenai Peninsula, is no longer under consideration because sponsorship has been withdrawn.

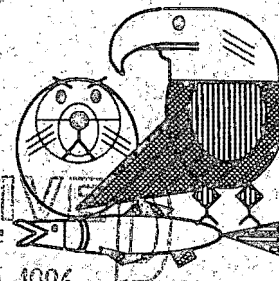
17.6.13 I 1

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



AUG 28 1996

Habitat Protection Program: Large Parcels Status Report

August 16, 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

The *Exxon Valdez* Trustee Council funds the acquisition of land to protect the habitat of injured resources and services. The goals of habitat protection are to prevent additional injury to resources and services while recovery is taking place and to provide a long-term safety net for these resources.

In 1992, the Restoration Office evaluated 16 large parcels (over 1,000 acres) that were imminently threatened by development. In March 1993, the Restoration Office contacted 90 owners of large parcels in the spill area. Thirty-two landowners expressed interest in having their land considered and 850,000 acres of land were subsequently evaluated.

As of August 1996, the Council has committed \$185.3 million to protect 411,000 acres of land, with parcels ranging in size from 2,000 to 119,000 acres. Seven large parcels have been purchased, including inholdings in Kachemak Bay State Park, land adjacent to Seal Bay/Tonki Cape on Afognak Island, commercial timber rights on land along Orca Narrows, lands owned by Akhiok-Kaguyak, Inc., Old Harbor Native Corporation and Koniag, Inc., and a 27,000-acre parcel on Shuyak Island.

In May 1996, the Council offered to acquire interests in 61,000 acres of land from the Chenega Corporation. Acceptance of the offer depends on a vote of shareholders in the corporation, expected to be held in late October.

Negotiations continue with six landowners to protect an additional 297,000 acres of land. The landowners are Afognak Joint Venture, English Bay Corporation, Eyak Corporation, Koniag, Inc., Port Graham Corporation and Tatitlek Corporation.

In February 1996, the Council offered the Eyak Corporation \$7 million for 11,200 acres near Cordova. The Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer.

Table 1 summarizes the status of land acquisitions as of August 1996 — whether acquisitions are complete, offers are pending, negotiations continue, or offers have been rejected. Table 1 also indicates the acreage of each parcel and, if known, its purchase price, contributions from the joint trust fund, and contributions from other

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

sources. So far, \$35 million from other sources have been contributed to acquisitions and an additional \$20 million have been offered for future acquisitions.

Table 1. Status of Large Parcel Acquisitions

August 16, 1996

Parcel Description	Acreage	Total Price (Incl. Interest)	Trust Fund	Other Sources
Acquisitions Complete				
<i>Imminently Threatened Parcels</i>				
Kachemak Bay State Park Inholdings	23,800	\$22,000,000	\$7,500,000	\$14,500,000
Seal Bay / Tonki Cape	41,549	\$39,447,600	\$39,447,600	\$0
Orca Narrows (Timber Rights)	2,052	\$3,650,000	\$3,650,000	\$0
<i>Other Large Parcels</i>				
Akhiok - Kaguyak, Inc.	118,674	\$46,000,000	\$36,000,000	\$10,000,000
Old Harbor *	31,609	\$14,500,000	\$11,250,000	\$3,250,000
Koniag (Fee Title)	59,489	\$26,500,000	\$19,500,000	\$7,000,000
Koniag (Limited Term Easement)	46,627	\$2,000,000	\$2,000,000	\$0
Shuyak Island	26,665	\$42,000,000	\$42,000,000	\$0
Subtotal:	350,465	\$196,097,600	\$161,347,600	\$34,750,000
Offers Pending				
Chenega	60,635	\$34,000,000	\$24,000,000	\$10,000,000
Subtotal:	60,635	\$34,000,000	\$24,000,000	\$10,000,000
Negotiations Continuing				
Afognak Joint Venture	48,728	≤\$70,000,000	≤\$70,000,000	\$0
English Bay	49,300			
Eyak - Orca Revised and Other Lands	49,800			
Koniag (Fee Title)	46,627			
Port Graham	46,170			
Tatitlek	56,785	≤\$22,000,000	≤\$12,000,000	≤\$10,000,000
Subtotal:	297,410			
Offers Rejected				
Eyak - Core Parcels	11,200	\$7,000,000	\$7,000,000	\$0
Subtotal:	11,200	\$7,000,000	\$7,000,000	\$0

* As part of the protection package, the Old Harbor Native Corporation agreed to protect an additional 65,000 acres of land on Sitkalidak Island as a private wildlife refuge.

Acquisitions Complete. Seven large parcels have been acquired.

Kachemak Bay. In August 1993, the state acquired surface title to 23,800 acres of private inholdings within Kachemak Bay State Park on the Kenai Peninsula. This acquisition protects a highly productive estuary, several miles of anadromous fish streams and intertidal shoreline and upland habitat for bald eagles, marbled murrelets, river otters, and harlequin ducks. The Council contributed \$7.5 million to this purchase and \$14.5 million were contributed from other sources.

Seal Bay and Tonki Cape (Afognak Island). In November 1993, the state purchased surface title to 41,549 acres on northern Afognak Island. This mature spruce forest is adjacent to highly productive marine waters, includes anadromous fish streams, and provides excellent habitat for bald eagles and marbled murrelet nesting. The Council authorized \$39.4 million (including interest) for this purchase. In 1994, the Alaska State Legislature designated these lands as the Afognak Island State Park.

Orca Narrows Subparcel. In January 1995, the federal government purchased from the Eyak Corporation commercial timber rights on 2,052 acres of land in Orca Narrows. This parcel is near Cordova in Prince William Sound and contains anadromous fish streams, active bald eagle nests and favorable habitat for marbled murrelet nesting. The Council authorized \$3.65 million for this acquisition.

Akhiok-Kaguyak. In May 1995, the federal government agreed to purchase from Akhiok-Kaguyak, Inc., surface title to 76,211 acres of land and conservation easements on 42,463 acres, for a total of 118,674 acres. These lands are within the Kodiak National Wildlife Refuge. The Council contributed \$36 million to this acquisition and the federal government contributed \$10 million from the federal restitution fund.

Old Harbor. Also in 1995, the federal government purchased from the Old Harbor Native Corporation surface title to 28,609 acres of land and the corporation donated a conservation easement on 3,000 acres. These lands are within the Kodiak National Wildlife Refuge. In addition, the Old Harbor Native Corporation agreed to preserve 65,000 acres of land on nearby Sitkalidak Island as a private wildlife refuge. The Council contributed \$11.25 million to this acquisition and the federal government contributed \$3.25 million from the federal restitution fund.

Koniag. In November 1995, the federal government purchased from Koniag, Inc., surface title to 59,489 acres of prime habitat for bear, salmon, bald eagles, and other species in the Kodiak National Wildlife Refuge. This agreement protected an

additional 46,627 acres under a nondevelopment easement through the year 2001. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers. The Council contributed \$21.5 million to this acquisition and the federal government contributed \$7 million from the federal restitution fund.

Shuyak Island. In December 1995, the Council approved \$42 million (including interest) to purchase from the Kodiak Island Borough surface title to 26,665 acres of prime habitat on Shuyak Island, at the northern tip of the Kodiak archipelago. The Kodiak Island Borough agreed to commit \$6 million from the land sale to expansion of Kodiak's Fishery Industrial Technology Center.

As part of the purchase agreement for lands on Shuyak Island, the Council authorized up to an additional \$1 million to purchase small parcels within the Kodiak National Wildlife Refuge that have been acquired by the Kodiak Island Borough as a result of the property owners' failure to pay borough taxes. These parcels are about 10 acres in size and occupy key waterfront locations along Uyak Bay on Kodiak Island. They are embedded in two high-ranked large parcels approved as part of the Kodiak purchase agreement.

Offers Pending. An offer is pending on one large parcel.

Chenega. In May 1996, the Council authorized \$24 million for an offer to purchase 60,635 acres from Chenega Corporation. An additional \$10 million would come from the federal restitution fund, for a total purchase price of \$34 million. The offer includes acquisition of surface title to 37,868 acres together with a conservation easement on 22,767 acres with public access on all but 3,330 acres of these lands on the southern portion of Chenega Island in the vicinity of the original Chenega village site. Two parcels to be acquired in fee simple, the Eshamy Bay and Jackpot Bay parcels, are among the highest ranked parcels in the oil spill area.

Negotiations Continuing. Negotiations continue on six additional large parcels.

Afognak Joint Venture. In December 1994, the Council authorized up to \$70 million for an offer to purchase from Afognak Joint Ventures surface title to 48,728 acres on northern Afognak Island. The property consists of four dispersed parcels, three of which are adjacent to the previously acquired Seal Bay parcel. The fourth parcel is adjacent to Shuyak Strait. A final appraisal is expected in late Fall 1996.

English Bay and Port Graham. The U.S. Department of the Interior, on behalf of the Council, is holding discussions with English Bay Corporation and Port Graham Corporation about the purchase of 95,470 acres, much of which is within Kenai Fjords National Park.

Eyak. Discussions continue with Eyak Corporation on how to protect about 35,000 acres of corporation lands, particularly Port Gravina, Sheep Bay, and Windy Bay. These discussions also include possible protection of 10,000 acres of land known as the "Core Parcels", which have recently been helicopter logged, as well as the "Orca Revised" parcels along Orca Narrows, East Simpson and Rude River, which have been logged since 1995.

Koniag. The Council is interested in acquiring fee interest in the 46,627 acres covered by the limited term nondevelopment easement acquired in November 1995, and has agreed to maintain unobligated funds totaling \$16.5 million for this purpose. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers and expires on December 2, 2001.

Tatitlek. In December 1994, the Council authorized up to \$12 million for an offer to purchase 56,785 acres from Tatitlek Corporation. An additional \$10 million would come from the federal restitution fund, for a total of \$22 million. At the request of the Tatitlek Village Council, the Trustee Council is also negotiating to acquire timber interests from Citifor Corporation and land interests on 2,100 acres from Tatitlek Corporation at Bidarka Point and within Two Moon Bay.

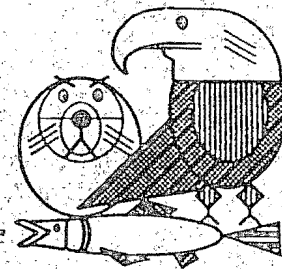
Offers Rejected. In February 1996, the Council authorized \$7 million for an offer to purchase from Eyak Corporation fee interest in 11,200 acres adjacent to Power Creek, Eyak River, and Eyak Lake. Acquisition of these "Core Parcels" would have protected a highly productive ecosystem east of Cordova. The Eyak Corporation rejected the offer and subsequently began logging operations. By logging these lands, the Corporation terminated the offer.

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Small Parcels

Status Report

October 7, 1996

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 489,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 300 small parcels have been nominated. Council staff evaluate, score, and rank nearly all the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 47 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase 28 small parcels at appraised fair market value, and contributions of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels.

Table 1 summarizes the status of each of the offers. Twelve small parcels (about 2,000 acres) have been acquired for \$7.5 million. Owners of seven additional parcels (about 300 acres) have accepted offers for a total of \$1.3 million. Landowners are considering offers on six parcels; negotiations continue on the Kenai Natives Association Package, and the Kodiak Island Borough Tax Parcels are being appraised. The owners of three parcels have rejected offers to purchase their parcels at appraised fair market value.

The Council is also considering acquisition of the 19 parcels listed in Table 2. Table 3 is a list of 20 additional parcels that have been nominated in the past 15 months.

Table 1. Status of Small Parcel Acquisitions
October 7, 1996

Parcel ID	Description	Acres	Value	Status
Acquisitions Complete				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17 A&D	Ellamar Subdivision	9.4	\$276,500	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
KAP 135	Capjohn Parcel (Kiliuda Bay)	70.0	\$73,500	
Subtotal:		2,080.4	\$7,534,000	
Offers Accepted				
PWS 17 B&C	Ellamar Subdivision	2.0	\$69,000	
PWS 52	Hayward Parcel	9.5	\$150,000	
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 1015	Lowell Point	19.4	\$531,000	
KAP 99	Shugak Parcel (Kiliuda Bay)	160.0	\$155,200	
KAP 115	Johnson Parcel (Uyak Bay)	65.0	\$110,500	
Subtotal:		308.9	\$1,275,700	
Offers Under Review				
KEN 55	Overlook Park	97.0	\$244,000	Appraisal will be updated.
KEN 148	River Ranch	146.0	\$1,650,000	Earlier acceptance of offer withdrawn.
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received.
KEN 1034	Patson Parcel	76.3	\$375,000	Discussions continue.
KAP 220	Mouth of Ayakulik R.	56.0	\$213,000	Willing to sell a larger package.
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell a larger package.
Kenai Natives Association Package		3,254.0	\$4,000,000	Awaiting approval of legislative package.
Kodiak Island Borough Tax Parcels			\$1,000,000	Authorized in Shuyak Is. resolution; appraisal contract underway.
Subtotal:		3,680.8	\$7,676,000	
Offers Rejected				
KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000; appraisal will be updated.
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time.
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000.
Subtotal:		197.0	\$1,172,000	

Table 2. Parcels Under Consideration*

October 7, 1996

Parcel ID	Description	Acres	Appraised Fair Market Value
Appraisal Approved			
PWS 11	Horseshoe Bay	315.0	\$200,000
KEN 1038	Schilling Parcel	5.9	\$1,304,000
KAP 98	Pestrikoff Parcel (Sitkalidak Strait)	80.0	\$128,000
KAP 101	Haakanson Parcel (Sitkalidak Strait)	80.0	\$52,000
KAP 103	Kahutak Parcel (Sitkalidak Strait)	40.0	\$66,000
KAP 131	Matfay Parcel (Kiliuda Bay)	40.0	\$68,000
KAP 132	Peterson Parcel (Sitkalidak Strait)	160.0	\$256,000
Subtotal:		720.9	\$2,074,000
Parcel ID	Description	Acres	Comments
Appraisal Under Review			
PWS 05	Valdez Duck Flats (USS 349 & 448)	42.0	
PWS 06	Valdez Duck Flats (USS 447)	24.7	
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal under review.
KEN 1039	Oberts Parcel (Big Eddy)	31.7	
KEN 1040	Oberts Parcel (Honeymoon Cove)	4.2	
KEN 1041	Oberts Parcel (Peterkin Hmstd.)	30.0	
KAP 91	Adonga Parcel (Sitkalidak Strait)	137.0	Awaiting probate.
Subtotal:		1,211.6	
Appraisal Underway			
KAP 118	Cusack Parcel (Sturgeon Lagoon)	160.0	
KAP 145	Termination Point	1,028.0	
KAP 263	Kiavak Bay	60.0	
Subtotal:		1,248.0	
Owner Unwilling to Sell			
KAP 22	The Triplets	65.0	Owner unwilling to sell at appraised fair market value (\$6,500).
KAP 150	Karluk	5.0	Owner unwilling to sell at appraised fair market value (\$105,000).
Subtotal:		70.0	

* Perl Island (KEN 149), a 156-acre parcel south of the Kenai Peninsula, is no longer under consideration because sponsorship has been withdrawn.

* Fleming Spit (PWS 1027), a 5.4-acre parcel in Cordova, is no longer under consideration because the Alaska Division of Parks has executed an agreement to purchase this parcel with State criminal settlement funds.

Table 3. Small Parcel Nominations
July 1995 to October 1996

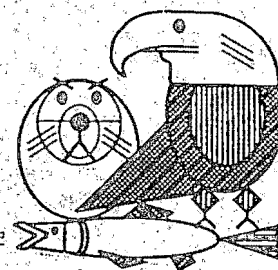
Parcel ID	Description	Acres	Sponsor	Rank
PWS 1045	Dennis Parcel (Valdez Duck Flats)	4.3	Sponsorship withdrawn.	Does not meet threshold criteria.
PWS 1056	Blondeau Parcel (Valdez)	100.0	No sponsor.	Has not yet been evaluated.
KEN 1030	Anchor River	127.8	No sponsor.	Does not meet threshold criteria.
KEN 1032	Matson Parcel (Ninilchik River)	7.4	ADFG	Low
KEN 1035	Mullen Parcel (Kenai River)	8.5	ADNR/ADFG	Low
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	ADNR/ADFG	Low
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	No sponsor.	Does not meet threshold criteria.
KEN 1042	College Estates (Kenai River)	56.0	ADNR/ADFG	Low
KEN 1043	College Estates (Kenai River)	77.9	ADNR/ADFG	Low
KEN 1044	Breeden Parcel (Kenai River Flats)	25.0	ADNR/ADFG	Low
KEN 1046	Pollard Parcel (Kasilof River)	155.0	ADFG	Low
KEN 1047	Calvin Parcel (Kasilof River)	76.8	ADFG	Does not meet threshold criteria.
KEN 1048	Lahndt Parcel (Kasilof River)	30.0	ADFG	Does not meet threshold criteria.
KEN 1049	Mansholt Parcel (Kenai River)	1.6	ADNR/ADFG	Low
KEN 1051	Salamatof Native Assn. (Kenai NWR)	10.3	USFWS	Low
KEN 1052	Salamatof Native Assn. (Kenai NWR)	5.3	USFWS	Low
KAP 1050	Christiansen Parcel (Sitkalidak Strait)	159.0	USFWS	Low
KAP 1053	Knauf Parcel (Becharof NWR)	25.0	Withdrawn by owner.	Low
KAP 1054	Christiansen Parcel (Kiliuda Bay)	160.0	USFWS	Low
KAP 1055	Abston Parcel (Uyak Bay)	160.0	USFWS	Low
Total:		1,244.6		

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Large Parcels Status Report

October 7, 1996

The *Exxon Valdez* Trustee Council funds the acquisition of land to protect the habitat of injured resources and services. The goals of habitat protection are to prevent additional injury to resources and services while recovery is taking place and to provide a long-term safety net for these resources.

In 1992, the Restoration Office evaluated 16 large parcels (over 1,000 acres) that were imminently threatened by development. In March 1993, the Restoration Office contacted 90 owners of large parcels in the spill area. Thirty-two landowners expressed interest in having their land considered for acquisition and 850,000 acres of land were subsequently evaluated.

As of October 1996, the Council has committed \$207.3 million to protect 489,000 acres of land, with parcels ranging in size from 2,000 to 119,000 acres. Seven large parcels have been purchased, including inholdings in Kachemak Bay State Park, land adjacent to Seal Bay/Tonki Cape on Afognak Island, commercial timber rights on land along Orca Narrows, lands owned by Akhiok-Kaguyak, Inc., Old Harbor Native Corporation and Koniag, Inc., and a 27,000-acre parcel on Shuyak Island.

In May 1996, the Council offered to acquire interests in 60,997 acres of land from the Chenega Corporation. In August 1996, the Council agreed to acquire interests in 66,443 acres of land owned by the Tatitlek Corporation. The acquisition of these parcels depends on shareholder votes, which are expected to be held in late October.

Negotiations continue with five landowners to protect additional habitat. The landowners are Afognak Joint Venture, English Bay Corporation, Eyak Corporation, Koniag, Inc., and Port Graham Corporation.

Table 1 summarizes the status of land acquisitions as of October 1996 — whether acquisitions are complete, offers are pending or negotiations continue. Table 1 also indicates the acreage of each parcel and, if known, its purchase price, contributions from the joint trust fund, and contributions from other sources.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Table 1. Status of Large Parcel Acquisitions
October 7, 1996

Parcel Description	Acreage	Total Price (Incl. Interest)	Trust Fund	Other Sources
Acquisitions Complete				
Kachemak Bay State Park Inholdings	23,800	\$22,000,000	\$7,500,000	\$14,500,000 ¹
Seal Bay / Tonki Cape	41,549	\$39,447,600	\$39,447,600	\$0
Orca Narrows (timber rights)	2,052	\$3,650,000	\$3,650,000	\$0
Akhiok - Kaguyak, Inc.	118,674	\$46,000,000	\$36,000,000	\$10,000,000*
Old Harbor ²	31,609	\$14,500,000	\$11,250,000	\$3,250,000*
Koniag (fee title)	59,689	\$26,500,000	\$19,500,000	\$7,000,000*
Koniag (limited term easement)	57,082	\$2,000,000	\$2,000,000	\$0
Shuyak Island	26,665	\$42,000,000	\$42,000,000	\$0
Subtotal:	361,120	\$196,097,600	\$161,347,600	\$34,750,000
Offers Pending				
Chenega	60,997	\$33,000,000	\$23,000,000	\$10,000,000*
Tatitlek	66,443	\$33,000,000 ³	\$23,000,000	\$10,000,000*
Subtotal:	127,440	\$66,000,000	\$46,000,000	\$20,000,000
TOTAL:	488,560	\$262,097,600	\$207,347,600	\$54,750,000
Negotiations Continuing				
Afognak Joint Venture	112,827			
English Bay	33,350			
Eyak	72,000			
Koniag (fee title) ⁴				
Port Graham	46,170			
Subtotal:	264,347			
Total Acreage to be Protected:	752,907			

* Federal contribution from the Exxon plea agreement.

¹ State of Alaska contribution using \$7 million from the Exxon plea agreement and \$7.5 million from the civil settlement with Alyeska Pipeline Service Company.

² As part of the protection package, the Old Harbor Native Corporation agreed to protect an additional 65,000 acres of land on Sitkalidak Island as a private wildlife refuge.

³ Interest has not yet been calculated.

⁴ Negotiations with Koniag concern fee title to the 57,082 acres that are currently protected under a limited conservation easement.

Acquisitions Complete. Seven large parcels have been acquired.

Kachemak Bay. In August 1993, the state acquired surface title to 23,800 acres of private inholdings within Kachemak Bay State Park on the Kenai Peninsula. This acquisition protects a highly productive estuary, several miles of anadromous fish streams and intertidal shoreline and upland habitat for bald eagles, marbled murrelets, river otters, and harlequin ducks. The Council contributed \$7.5 million to this purchase and the State of Alaska contributed \$7 million from the Exxon plea agreement and \$7.5 million from the civil settlement with Alyeska Pipeline Service Company.

Seal Bay and Tonki Cape (Afognak Island). In November 1993, the state purchased surface title to 41,549 acres on northern Afognak Island. This mature spruce forest is adjacent to highly productive marine waters, includes anadromous fish streams, and provides excellent habitat for bald eagles and marbled murrelet nesting. The Council authorized \$39.4 million (including interest) for this purchase. In 1994, the Alaska State Legislature designated these lands as the Afognak Island State Park.

Orca Narrows Subparcel. In January 1995, the federal government purchased from the Eyak Corporation commercial timber rights on 2,052 acres of land in Orca Narrows. This parcel is near Cordova in Prince William Sound and contains anadromous fish streams, active bald eagle nests and favorable habitat for marbled murrelet nesting. The Council authorized \$3.65 million for this acquisition.

Akhiok-Kaguyak. In May 1995, the federal government agreed to purchase from Akhiok-Kaguyak, Inc., surface title to 76,211 acres of land and conservation easements on 42,463 acres, for a total of 118,674 acres. These lands are within the Kodiak National Wildlife Refuge. The Council contributed \$36 million to this acquisition and the federal government contributed \$10 million from the federal restitution fund.

Old Harbor. Also in 1995, the federal government purchased from the Old Harbor Native Corporation surface title to 28,609 acres of land and the corporation donated a conservation easement on 3,000 acres. These lands are within the Kodiak National Wildlife Refuge. In addition, the Old Harbor Native Corporation agreed to preserve 65,000 acres of land on nearby Sitkalidak Island as a private wildlife refuge. The Council contributed \$11.25 million to this acquisition and the federal government contributed \$3.25 million from the federal restitution fund.

Koniag. In November 1995, the federal government purchased from Koniag, Inc., surface title to 59,689 acres of prime habitat for bear, salmon, bald eagles, and other species in the Kodiak National Wildlife Refuge. This agreement protected an additional 57,082 acres under a nondevelopment easement through the year 2001. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers. The

Council contributed \$21.5 million to this acquisition and the federal government contributed \$7 million from the federal restitution fund.

Shuyak Island. In December 1995, the Council approved \$42 million (including interest) to purchase from the Kodiak Island Borough surface title to 26,665 acres of prime habitat on Shuyak Island, at the northern tip of the Kodiak archipelago. The Kodiak Island Borough agreed to commit \$6 million from the land sale to expansion of Kodiak's Fishery Industrial Technology Center.

As part of the purchase agreement for lands on Shuyak Island, the Council authorized up to an additional \$1 million to purchase small parcels within the Kodiak National Wildlife Refuge that have been acquired by the Kodiak Island Borough as a result of the property owners' failure to pay borough taxes. These parcels are about 10 acres in size and occupy key waterfront locations along Uyak Bay on Kodiak Island. They are embedded in two highly ranked large parcels approved as part of the Kodiak purchase agreement.

Offers Pending. Offers on two large parcels are pending shareholder approval.

Chenega. In May 1996, the Council authorized \$23 million for an offer to purchase 60,997 acres from Chenega Corporation. An additional \$10 million would come from the federal restitution fund, for a total purchase price of \$33 million. The offer includes acquisition of surface title to 38,228 acres together with a conservation easement on 22,769 acres with public access on all but 3,330 acres of these lands on the southern portion of Chenega Island in the vicinity of the original Chenega village site. Two parcels to be acquired in fee simple, the Eshamy Bay and Jackpot Bay parcels, are among the highest ranked parcels in the oil spill area.

Tatitlek. In August 1996, the Council authorized \$23 million for an agreement to purchase 66,443 acres from Tatitlek Corporation. An additional \$10 million would come from the federal restitution fund, for a total of \$33 million. The agreement includes acquisition of surface title to 31,490 acres together with conservation easements on 34,953 acres. Two of the parcels in which interests will be acquired, Bligh Island and Two Moon Bay, were respectively the third and fourth highest ranked parcels in Prince William Sound. The offer includes a timber only conservation easement to be conveyed on the north shore of Port Fidalgo. Several development sites would be excluded from the conveyance, including a site not to exceed 20 acres on Two Moon Bay, a 15-acre hydroelectric site at Galena Bay and easements for related transmission lines and access roads, a limited use easement for an existing road from Two Moon Bay to the Hells Hole area, existing homesites and small areas for development of cabins or tent platforms.

Negotiations Continuing. Negotiations continue on five additional large parcels.

Afognak Joint Venture. In December 1994, the Council authorized up to \$70 million for an offer to purchase from Afognak Joint Venture surface title to 48,728 acres on northern Afognak Island. The Council also authorized further negotiations about the acquisition of an additional 64,099 acres, for a total acquisition of 112,827 acres. The property consists of seven dispersed parcels, five of which are adjacent to or near the previously acquired Seal Bay parcel, one is adjacent to Shuyak Strait, and one is in the western part of Afognak Island. The appraisal of these parcels is currently ahead of schedule and is expected to be finalized in late November 1996.

English Bay and Port Graham. The U.S. Department of the Interior, on behalf of the Council, is holding discussions with English Bay Corporation and Port Graham Corporation about the purchase of 79,520 acres, much of which is within Kenai Fjords National Park.

Eyak. Discussions continue with Eyak Corporation on how to protect about 72,000 acres of corporation lands, particularly Port Gravina, Sheep Bay, and Windy Bay. These lands include the "Core Parcels" and Orca Narrows.

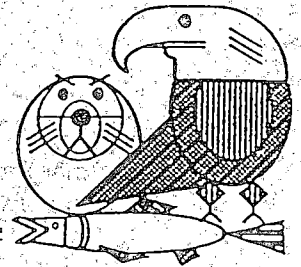
Koniag. The Council is interested in acquiring fee interest in the 57,082 acres covered by the limited term nondevelopment easement acquired in November 1995, and has agreed to maintain unobligated funds totaling \$16.5 million for this purpose. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers and expires on December 2, 2001.

Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



Habitat Protection Program: Small Parcels Status Report

October 31, 1996

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 489,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 301 small parcels have been nominated. Council staff evaluate, score, and rank the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 51 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase 34 small parcels at appraised fair market value, and contributions of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels.

Table 1 summarizes the status of each of the offers. Fourteen small parcels (about 2,200 acres) have been acquired for \$7.8 million. Owners of 12 additional parcels (about 700 acres) have accepted offers for a total of \$3.2 million. Landowners are considering offers on five parcels, negotiations continue on the Kenai Natives Association Package, and the Kodiak Island Borough Tax Parcels are being appraised. The owners of three parcels have rejected offers to purchase their parcels at appraised fair market value.

The Council is also considering acquisition of the 17 parcels listed in Table 2, but has not yet authorized offers to purchase these parcels. Table 3 is a list of 16 additional parcels that have been nominated in the past 15 months.

Table 1. Status of Small Parcel Acquisitions
October 31, 1996

Parcel ID	Description	Acres	Value	Status
Acquisitions Complete				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17 A&D	Ellamar Subdivision	9.4	\$276,500	
PWS 52	Hayward Parcel	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 99	Shugak Parcel (Kiliuda Bay)	160.0	\$155,200	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
KAP 135	Capjohn Parcel (Kiliuda Bay)	70.0	\$73,500	
Subtotal:		2,249.9	\$7,839,200	
Offers Accepted				
PWS 17 B&C	Ellamar Subdivision	2.0	\$69,000	Acquisition is expected to close within a few days.
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 148	River Ranch	146.0	\$1,650,000	
KEN 1015	Lowell Point	19.4	\$531,000	
KEN 1049	Manholt Parcel (Kenai River)	1.6	\$55,000	
KAP 98	Pestrikoff Parcel (Sitkalidak Strait)	80.0	\$128,000	
KAP 101	Haakanson Parcel (Sitkalidak Strait)	80.0	\$52,000	
KAP 103	Kahutak Parcel (Sitkalidak Strait)	40.0	\$66,000	
KAP 115	Johnson Parcel (Uyak Bay)	65.0	\$110,500	
KAP 131	Matfay Parcel (Kiliuda Bay)	40.0	\$68,000	
KAP 132	Peterson Parcel (Sitkalidak Strait)	160.0	\$256,000	
Subtotal:		687.0	\$3,245,500	
Offers Under Review				
KEN 55	Overlook Park	97.0	\$244,000	Appraisal will be updated.
KEN 1009	Cooper Parcel	30.0	\$48,000	No response has been received.
KEN 1034	Patson Parcel	76.3	\$375,000	Discussions continue.
KAP 220	Mouth of Ayakulik R.	56.0	\$213,000	Willing to sell a larger package.
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell a larger package.
Kenai Natives Association Package		3,254.0	\$4,000,000	Legislation approved.
Kodiak Island Borough Tax Parcels			\$1,000,000	Authorized in Shuyak Is. resolution appraisal contract underway.
Subtotal:		3,534.8	\$6,026,000	

Table 1. Status of Small Parcel Acquisitions (contd.)
October 31, 1996

Offers Rejected

KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000; appraisal will be updated.
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time.
KEN 1005	Ninilchik	16.0	\$50,000	Counteroffer of \$60,000.
Subtotal:		197.0	\$1,172,000	

Table 2. Parcels Under Consideration*
October 31, 1996

Parcel ID	Description	Acres	Fair Market Value / Comments
Appraisal Approved			
KEN 1038	Schilling Parcel	5.9	\$1,304,000
KAP 1055	Abston Parcel (Uyak Bay)	160.0	\$281,300
Subtotal:		165.9	\$1,585,300
Appraisal Under Review			
PWS 05	Valdez Duck Flats (USS 349 & 448)	42.0	
PWS 06	Valdez Duck Flats (USS 447)	24.7	
PWS 11	Horseshoe Bay	315.0	\$200,000
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal under review.
KEN 1039	Oberts Parcel (Big Eddy)	31.7	
KEN 1040	Oberts Parcel (Honeymoon Cove)	4.2	
KEN 1041	Oberts Parcel (Peterkin Hmstd.)	30.0	
KAP 91	Adonga Parcel (Sitkalidak Strait)	137.0	Awaiting probate.
KAP 114	Johnson Parcel (Uyak Bay)	55.0	
Subtotal:		1,581.6	
Appraisal Underway			
KEN 1051	Salamatof Native Assn. (Kenai NWR)	16.0	
KEN 1052	Salamatof Native Assn. (Kenai NWR)	10.0	
KAP 118	Cusack Parcel (Sturgeon Lagoon)	160.0	
KAP 145	Termination Point	1,028.0	
Subtotal:		1,214.0	

Table 2. Parcels Under Consideration* (contd.)
October 31, 1996

Owner Unwilling to Sell

KAP 22 The Triplets

65.0 Owner unwilling to sell at appraised fair market value (\$6,500).

KAP 150 Karluk

5.0 Owner unwilling to sell at appraised fair market value (\$105,000).

Subtotal: 70.0

* Perl Island (KEN 149), a 156-acre parcel south of the Kenai Peninsula, is no longer under consideration because sponsorship has been withdrawn.

* Fleming Spit (PWS 1027), a 5.4-acre parcel in Cordova, is no longer under consideration because the Alaska Division of Parks has executed an agreement to purchase this parcel with State criminal settlement funds.

Table 3. Small Parcel Nominations
July 1995 to October 1996

Parcel ID	Description	Acres	Sponsor	Rank
PWS 1045	Dennis Parcel (Valdez Duck Flats)	4.3	Sponsorship withdrawn	Does not meet threshold criteria.
PWS 1056	Blondeau Parcel (Valdez)	100.0	No sponsor	Not yet evaluated.
KEN 1030	Anchor River	127.8	No sponsor	Does not meet threshold criteria.
KEN 1032	Matson Parcel (Ninilchik River)	7.4	ADFG	Low
KEN 1035	Mullen Parcel (Kenai River)	8.5	ADNR/ADFG	Low
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	ADNR/ADFG	Low
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	No sponsor	Does not meet threshold criteria.
KEN 1042	College Estates (Kenai River)	56.0	ADNR/ADFG	Low
KEN 1043	College Estates (Kenai River)	77.9	ADNR/ADFG	Low
KEN 1044	Breeden Parcel (Kenai River Flats)	25.0	ADNR/ADFG	Low
KEN 1046	Pollard Parcel (Kasilof River)	155.0	ADFG	Low
KEN 1047	Calvin Parcel (Kasilof River)	76.8	ADFG	Does not meet threshold criteria.
KEN 1048	Lahndt Parcel (Kasilof River)	30.0	ADFG	Does not meet threshold criteria.
KAP 1050	Christiansen Parcel (Sitkalidak Strait)	159.0	USFWS	Low
KAP 1054	Christiansen Parcel (Kiliuda Bay)	160.0	USFWS	Low
KEN 1057	Lowe Parcel (Kenai River)	22.0	ADNR	Not yet evaluated.
Total:		1,064.4		

17.6.13 Ms

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



Habitat Protection Program: Small Parcels Status Report November 26, 1996

RECEIVED
DEC 03 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ANCHORAGE, ALASKA

One of the ways the Trustee Council protects habitat for resources and services injured by the *Exxon Valdez* oil spill is by buying land that has habitat value. The Council has already protected habitat on 489,000 acres of land in large tracts. In recognition of the unique habitat qualities and strategic value of smaller tracts of land (less than 1,000 acres), the Council initiated the Small Parcel Program in 1994.

In response to a public solicitation, 302 small parcels have been nominated. Council staff evaluate, score, and rank the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. The nomination period is open-ended. The Restoration Office continues to receive and evaluate nominations.

The Council has expressed interest in acquiring 51 of the parcels that have been nominated, along with a package of lands owned by the Kenai Natives Association and key waterfront parcels that were forfeited to Kodiak Island Borough for tax delinquency. The Council has authorized offers to purchase 35 small parcels at appraised fair market value, and contributions of \$4 million to the Kenai Natives Association Package and up to \$1 million for the Kodiak Island Borough Tax Parcels.

Table 1 summarizes the status of each of the offers. Sixteen small parcels (about 2,300 acres) have been acquired for \$7.9 million. Owners of 12 additional parcels (about 700 acres) have accepted offers for a total of \$3.3 million. Landowners are considering offers on five parcels, negotiations continue on the Kenai Natives Association Package, and the Kodiak Island Borough Tax Parcels are being appraised. The owners of two parcels have rejected offers to purchase their parcels at appraised fair market value.

The Council is also considering acquisition of the 16 parcels listed in Table 2, but has not yet authorized offers to purchase these parcels. Table 3 is a list of 17 additional parcels that have been nominated in recent months.

Table 1. Status of Small Parcel Acquisitions and Offers
November 26, 1996

Parcel ID	Description	Acres	Value	Status
Acquisitions Complete				
PWS 17	Ellamar Subdivision	22.0	\$310,000	
PWS 17 A&D	Ellamar Subdivision	9.4	\$276,500	
PWS 17 B&C	Ellamar Subdivision	2.0	\$69,000	
PWS 52	Hayward Parcel	9.5	\$150,000	
KEN 10	Kobylarz Subdivision	20.0	\$320,000	
KEN 29	Tulin Parcel	220.0	\$1,200,000	
KEN 34	Cone Parcel	100.0	\$600,000	
KEN 54	Salamatof Parcel	1,377.0	\$2,540,000	
KEN 1006	Girves Parcel	110.0	\$1,835,000	
KEN 1014	Grouse Lake	64.0	\$211,000	
KAP 99	Shugak Parcel (Kiliuda Bay)	160.0	\$155,200	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
KAP 135	Capjohn Parcel (Kiliuda Bay)	70.0	\$73,500	
Subtotal:		2,251.9	\$7,908,200	
Offers Accepted				
KEN 19	Coal Creek Moorage	53.0	\$260,000	
KEN 148	River Ranch	146.0	\$1,650,000	
KEN 1005	Ninilchik	16.0	\$50,000	
KEN 1009	Cooper Parcel	30.0	\$48,000	
KEN 1015	Lowell Point	19.4	\$531,000	
KEN 1049	Mansholt Parcel (Kenai River)	1.6	\$55,000	
KAP 98	Pestrikoff Parcel (Sitkalidak Strait)	80.0	\$128,000	
KAP 101	Haakanson Parcel (Sitkalidak Strait)	80.0	\$52,000	
KAP 103	Kahutak Parcel (Sitkalidak Strait)	40.0	\$66,000	
KAP 115	Johnson Parcel (Uyak Bay)	65.0	\$110,500	
KAP 131	Matfay Parcel (Kiliuda Bay)	40.0	\$68,000	
KAP 132	Peterson Parcel (Sitkalidak Strait)	160.0	\$256,000	
Subtotal:		731.0	\$3,274,500	
Offers Under Review				
KEN 55	Overlook Park	97.0	\$244,000	Appraisal is being updated.
KEN 1034	Patson Parcel	76.3	\$375,000	Discussions continue.
KAP 220	Mouth of Ayakulik R.	56.0	\$213,000	Willing to sell a larger package.
KAP 226	Karluk River Lagoon	21.5	\$146,000	Willing to sell a larger package.
KAP 1055	Abston Parcel (Uyak Bay)	160.0	\$281,300	
<i>Kenai Natives Association Package</i>		3,254.0	\$4,000,000	Legislation approved; signed by President.
<i>Kodiak Island Borough Tax Parcels</i>			\$1,000,000	Authorized in Shuyak Is. resolution; appraisal contract underway.
Subtotal:		3,664.8	\$6,259,300	

Table 1. Status of Small Parcel Acquisitions (contd.)
November 26, 1996

Offers Rejected

KEN 12	Baycrest	90.0	\$450,000	Counteroffer of \$720,000; appraisal is being updated.
KEN 1001	Deep Creek	91.0	\$672,000	Not ready to sell at this time.
Subtotal:		181.0	\$1,122,000	

Table 2. Parcels Under Consideration*
November 26, 1996

Parcel ID	Description	Acres	Fair Market Value / Comments
Appraisal Approved			
KEN 1038	Roberts Parcel	5.9	\$1,304,000
Subtotal:		5.9	\$1,304,000
Appraisal Under Review			
PWS 05	Valdez Duck Flats (USS 349 & 448)	42.0	
PWS 06	Valdez Duck Flats (USS 447)	24.7	
PWS 11	Horseshoe Bay	315.0	
PWS 1010	Jack Bay	942.0	Second appraisal rejected; third appraisal under review.
KEN 1039	Oberts Parcel (Big Eddy)	31.7	
KEN 1040	Oberts Parcel (Honeymoon Cove)	4.2	
KEN 1041	Oberts Parcel (Peterkin Hmstd.)	30.0	
KAP 91	Adonga Parcel (Sitkalidak Strait)	137.0	Awaiting probate.
KAP 114	Johnson Parcel (Uyak Bay)	55.0	
KAP 118	Cusack Parcel (Sturgeon Lagoon)	160.0	
Subtotal:		1,741.6	
Appraisal Underway			
KEN 1051	Salamatof Native Assn. (Kenai NWR)	16.0	
KEN 1052	Salamatof Native Assn. (Kenai NWR)	10.0	
KAP 145	Termination Point	1,028.0	
Subtotal:		1,054.0	

Table 2. Parcels Under Consideration* (contd.)

November 26, 1996

Owner Unwilling to Sell

KAP 22	The Triplets	65.0	Owner unwilling to sell at appraised fair market value (\$6,500).
KAP 150	Karluk	5.0	Owner unwilling to sell at appraised fair market value (\$105,000).
Subtotal:		70.0	

* Perl Island (KEN 149), a 156-acre parcel south of the Kenai Peninsula, is no longer under consideration because sponsorship has been withdrawn.

* Fleming Spit (PWS 1027), a 5.4-acre parcel in Cordova, is no longer under consideration because the Alaska Division of Parks has executed an agreement to purchase this parcel with State criminal settlement funds.

Table 3. Small Parcel Nominations

July 1995 to November 1996 *

Parcel ID	Description	Acres	Sponsor	Rank
PWS 1045	Dennis Parcel (Valdez Duck Flats)	4.3	Sponsorship withdrawn	Does not meet threshold criteria.
PWS 1056	Blondeau Parcel (Valdez)	100.0	No sponsor	Not yet evaluated.
KEN 1030	Anchor River	127.8	No sponsor	Does not meet threshold criteria.
KEN 1032	Matson Parcel (Ninilchik River)	7.4	ADFG	Low
KEN 1035	Mullen Parcel (Kenai River)	8.5	ADNR/ADFG	Low
KEN 1036	Weilbacher Parcel (Kenai River)	28.7	ADNR/ADFG	Low
KEN 1037	Coyle Parcel (Kenai City Boat Dock)	26.0	No sponsor	Does not meet threshold criteria.
KEN 1042	College Estates (Kenai River)	56.0	ADNR/ADFG	Low
KEN 1043	College Estates (Kenai River)	77.9	ADNR/ADFG	Low
KEN 1044	Breeden Parcel (Kenai River Flats)	25.0	ADNR/ADFG	Low
KEN 1046	Pollard Parcel (Kasilof River)	155.0	ADFG	Low
KEN 1047	Calvin Parcel (Kasilof River)	76.8	ADFG	Does not meet threshold criteria.
KEN 1057	Lowe Parcel (Kenai River)	22.0	ADNR	Not yet evaluated.
KAP 1050	Christiansen Parcel (Sitkalidak Strait)	159.0	USFWS	Low
KAP 1054	Christiansen Parcel (Kiliuda Bay)	160.0	USFWS	Low
KAP 1058	Leisnoi Parcel (Long Island)	1,442.0	No sponsor	Not yet evaluated
Total:		2,476.4		

* These parcels have been nominated since publication of *Comprehensive Habitat Protection Process, Small Parcel Evaluation & Ranking, Volume III*, Supplement July 15, 1995.

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



Habitat Protection Program: Large Parcels Status Report

November 26, 1996

RECEIVED
DEC 8 3 1996

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

The *Exxon Valdez* Trustee Council funds the acquisition of land to protect the habitat of injured resources and services. The goals of habitat protection are to prevent additional injury to resources and services while recovery is taking place and to provide a long-term safety net for these resources.

In 1992, the Restoration Office evaluated 16 large parcels (over 1,000 acres) that were imminently threatened by development. In March 1993, the Restoration Office contacted 90 owners of large parcels in the spill area. Thirty-two landowners expressed interest in having their land considered for acquisition and 850,000 acres of land were subsequently evaluated.

As of November 1996, the Council has committed \$208.3 million to protect 489,000 acres of land, with parcels ranging in size from 2,000 to 119,000 acres. Seven large parcels have been purchased, including inholdings in Kachemak Bay State Park, land adjacent to Seal Bay/Tonki Cape on Afognak Island, commercial timber rights on land along Orca Narrows, lands owned by Akhiok-Kaguyak, Inc., Old Harbor Native Corporation and Koniag, Inc., and a 27,000-acre parcel on Shuyak Island.

In May 1996, the Council offered to acquire interests in 60,997 acres of land from the Chenega Corporation. In August 1996, the Council agreed to acquire interests in 66,443 acres of land owned by the Tatitlek Corporation. The acquisition of these parcels depends on shareholder votes. The Chenega vote will be on December 4.

Negotiations continue with five landowners to protect additional habitat. The landowners are Afognak Joint Venture, English Bay Corporation, Eyak Corporation, Koniag, Inc., and Port Graham Corporation.

Table 1 summarizes the status of land acquisitions as of November 1996 — whether acquisitions are complete, offers are pending or negotiations continue. Table 1 also indicates the acreage of each parcel and, if known, its purchase price, contributions from the joint trust fund, and contributions from other sources.

Federal Trustees

U.S. Department of Interior

U.S. Department of Agriculture

National Oceanic and Atmospheric Administration

State Trustees

Alaska Department of Fish and Game

Alaska Department of Environmental Conservation

Alaska Department of Law

Table 1. Status of Large Parcel Acquisitions
November 26, 1996

Parcel Description	Acreage	Total Price (Incl. Interest)	Trust Fund	Other Sources
Acquisitions Complete				
Kachemak Bay State Park Inholdings ¹	23,800	\$22,000,000	\$7,500,000	\$14,500,000
Seal Bay / Tonki Cape	41,549	\$39,447,600	\$39,447,600	\$0
Orca Narrows (timber rights)	2,052	\$3,650,000	\$3,650,000	\$0
Akhiok - Kaguyak, Inc. ²	118,674	\$46,000,000	\$36,000,000	\$10,000,000
Old Harbor ^{2,3}	31,609	\$14,500,000	\$11,250,000	\$3,250,000
Koniag (fee title) ²	59,689	\$26,500,000	\$19,500,000	\$7,000,000
Koniag (limited term easement)	57,082	\$2,000,000	\$2,000,000	\$0
Shuyak Island	26,665	\$42,000,000	\$42,000,000	\$0
Subtotal:	361,120	\$196,097,600	\$161,347,600	\$34,750,000
Offers Pending				
Chenega ²	60,997	\$34,000,000	\$24,000,000	\$10,000,000
Tatitlek ^{2,4}	66,443	\$33,000,000	\$23,000,000	\$10,000,000
Subtotal:	127,440	\$67,000,000	\$47,000,000	\$20,000,000
TOTAL:	488,560	\$263,097,600	\$208,347,600	\$54,750,000
Negotiations Continuing⁵				
Afognak Joint Venture	112,827			
English Bay	33,350			
Eyak	72,000			
Koniag (fee title) ⁶	46,170			
Port Graham	264,347			
Subtotal:	264,347			
Total Acreage to be Protected:	752,907			

¹ Funding from other sources consists of a State of Alaska contribution of \$7 million from the Exxon plea agreement and \$7.5 million from the civil settlement with the Alyeska Pipeline Service Company.

² Funding from other sources consists of a Federal contribution from the Exxon plea agreement.

³ As part of the protection package, the Old Harbor Native Corporation agreed to protect an additional 65,000 acres of land on Sitkalidak Island as a private wildlife refuge.

⁴ Interest has not yet been calculated.

⁵ Acreage is estimated and may change as negotiations continue.

⁶ Negotiations with Koniag concern fee title to the 57,082 acres that are currently protected under a limited term nondevelopment easement.

Acquisitions Complete. Seven large parcels have been acquired.

Kachemak Bay. In August 1993, the state acquired surface title to 23,800 acres of private inholdings within Kachemak Bay State Park on the Kenai Peninsula. This acquisition protects a highly productive estuary, several miles of anadromous fish streams and intertidal shoreline and upland habitat for bald eagles, marbled murrelets, river otters, and harlequin ducks. The Council contributed \$7.5 million to this purchase and the State of Alaska contributed \$7 million from the Exxon plea agreement and \$7.5 million from the civil settlement with Alyeska Pipeline Service Company.

Seal Bay and Tonki Cape (Afognak Island). In November 1993, the state purchased surface title to 41,549 acres on northern Afognak Island. This mature spruce forest is adjacent to highly productive marine waters, includes anadromous fish streams, and provides excellent habitat for bald eagles and marbled murrelet nesting. The Council authorized \$39.4 million (including interest) for this purchase. In 1994, the Alaska State Legislature designated these lands as the Afognak Island State Park.

Orca Narrows Subparcel. In January 1995, the federal government purchased from the Eyak Corporation commercial timber rights on 2,052 acres of land in Orca Narrows. This parcel is near Cordova in Prince William Sound and contains anadromous fish streams, active bald eagle nests and favorable habitat for marbled murrelet nesting. The Council authorized \$3.65 million for this acquisition.

Akhiok-Kaguyak. In May 1995, the federal government agreed to purchase from Akhiok-Kaguyak, Inc., surface title to 76,211 acres of land and conservation easements on 42,463 acres, for a total of 118,674 acres. These lands are within the Kodiak National Wildlife Refuge. The Council contributed \$36 million to this acquisition and the federal government contributed \$10 million from the federal restitution fund.

Old Harbor. Also in 1995, the federal government purchased from the Old Harbor Native Corporation surface title to 28,609 acres of land and the corporation donated a conservation easement on 3,000 acres. These lands are within the Kodiak National Wildlife Refuge. In addition, the Old Harbor Native Corporation agreed to preserve 65,000 acres of land on nearby Sitkalidak Island as a private wildlife refuge. The Council contributed \$11.25 million to this acquisition and the federal government contributed \$3.25 million from the federal restitution fund.

Koniag. In November 1995, the federal government purchased from Koniag, Inc., surface title to 59,689 acres of prime habitat for bear, salmon, bald eagles, and other species in the Kodiak National Wildlife Refuge. This agreement protected an additional 57,082 acres under a nondevelopment easement through the year 2001. The

nondevelopment easement includes land along the Karluk and Sturgeon Rivers. The Council contributed \$21.5 million to this acquisition and the federal government contributed \$7 million from the federal restitution fund.

Shuyak Island. In December 1995, the Council approved \$42 million (including interest) to purchase from the Kodiak Island Borough surface title to 26,665 acres of prime habitat on Shuyak Island, at the northern tip of the Kodiak archipelago. The Kodiak Island Borough agreed to commit \$6 million from the land sale to expansion of Kodiak's Fishery Industrial Technology Center.

As part of the purchase agreement for lands on Shuyak Island, the Council authorized up to an additional \$1 million to purchase small parcels within the Kodiak National Wildlife Refuge that have been acquired by the Kodiak Island Borough as a result of the property owners' failure to pay borough taxes. These parcels are about 10 acres in size and occupy key waterfront locations along Uyak Bay on Kodiak Island. They are embedded in two highly ranked large parcels approved as part of the Kodiak purchase agreement.

Offers Pending. Offers on two large parcels are pending shareholder approval.

Chenega. In May 1996, the Council authorized \$24 million for an offer to purchase 60,997 acres from Chenega Corporation. An additional \$10 million would come from the federal restitution fund, for a total purchase price of \$34 million. The offer includes acquisition of surface title to 38,228 acres together with a conservation easement on an additional 22,769 acres. Public access will be allowed on all the land in the conservation easement except 3,330 acres on the southern portion of Chenega Island in the vicinity of the original Chenega village site. Two parcels to be acquired in fee simple, the Eshamy Bay and Jackpot Bay parcels, are among the highest ranked parcels in the oil spill area.

Tatitlek. In August 1996, the Council authorized \$23 million for an agreement to purchase 66,443 acres from Tatitlek Corporation. An additional \$10 million would come from the federal restitution fund, for a total of \$33 million. The agreement includes acquisition of surface title to 31,490 acres together with conservation easements on 34,953 acres. Two of the parcels in which interests will be acquired, Bligh Island and Two Moon Bay, were respectively the third and fourth highest ranked parcels in Prince William Sound. The offer includes a timber only conservation easement to be conveyed on the north shore of Port Fidalgo.

Negotiations Continuing. Negotiations continue on five additional large parcels.

Afognak Joint Venture. In December 1994, the Council authorized up to \$70 million for an offer to purchase from Afognak Joint Venture surface title to 48,728 acres on northern Afognak Island. The Council also authorized further negotiations about the acquisition of an additional 64,099 acres, for a total acquisition of 112,827 acres. The property consists of seven dispersed parcels, five of which are adjacent to or near the previously acquired Seal Bay parcel, one is adjacent to Shuyak Strait, and one is in the western part of Afognak Island. The appraisal of these parcels is nearing completion.

English Bay and Port Graham. The U.S. Department of the Interior, on behalf of the Council, is holding discussions with English Bay Corporation and Port Graham Corporation about the purchase of 79,520 acres, much of which is within Kenai Fjords National Park.

Eyak. Discussions continue with Eyak Corporation on how to protect about 72,000 acres of corporation lands, particularly Port Gravina, Sheep Bay, and Windy Bay. These lands include the "Core Parcels" and Orca Narrows.

Koniag. The Council is interested in acquiring fee interest in the 57,082 acres covered by the limited term nondevelopment easement acquired in November 1995, and has agreed to maintain unobligated funds totaling \$16.5 million for this purpose. The nondevelopment easement includes land along the Karluk and Sturgeon Rivers and expires on December 2, 2001.