

# 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

February 25, 1997

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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 February 1997, the Council has spent \$161.4 million to protect 361,000 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, a 27,000-acre parcel on Shuyak Island, and lands formerly owned by Akhiok-Kaguyak, Inc., Old Harbor Native Corporation, and Koniag, Inc.

On February 5, 1997, the federal government and Chenega Corporation signed a purchase agreement for 59,520 acres of land in Prince William Sound. The transaction is expected to close in Spring 1997.

In August 1996, the Council authorized funds for an offer to acquire interests in 68,888 acres owned by Tatitlek Corporation. The corporation's board of directors has indicated a willingness to accept the offer, but acquisition of this parcel depends on a vote of the shareholders of the corporation. On February 14, 1997, the Council authorized funds for an offer to purchase 32,470 acres of land owned by English Bay Corporation.

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

**Table 1** summarizes the status of land acquisitions as of February 1997 — whether acquisitions are complete, offers are pending or negotiations continue.

**Table 1. Status of Large Parcel Acquisitions**

February 25, 1997

<b>Parcel Description</b>	<b>Acreage</b>	<b>Total Price (Incl. Interest)</b>	<b>Trust Fund</b>	<b>Other Sources<sup>1</sup></b>
<b>Acquisitions Complete</b>				
Kachemak Bay State Park Inholdings	23,800	\$22,000,000	\$7,500,000	\$14,500,000
Seal Bay / Tonki Cape	41,549	\$39,549,333	\$39,549,333	\$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 <sup>2</sup>	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
<b>Subtotal:</b>	<b>361,120</b>	<b>\$196,199,333</b>	<b>\$161,449,333</b>	<b>\$34,750,000</b>
<b>Purchase Agreement Signed</b>				
Chenega	59,520	\$34,000,000	\$24,000,000	\$10,000,000
<b>Subtotal:</b>	<b>59,520</b>	<b>\$34,000,000</b>	<b>\$24,000,000</b>	<b>\$10,000,000</b>
<b>Offer Accepted</b>				
Tatitlek <sup>3</sup>	68,888	\$35,010,800	\$25,010,800	\$10,000,000
<b>Subtotal:</b>	<b>68,888</b>	<b>\$35,010,800</b>	<b>\$25,010,800</b>	<b>\$10,000,000</b>
<b>Offer Under Review</b>				
English Bay	32,470	\$15,350,000	\$14,100,000	\$1,250,000
<b>Subtotal:</b>	<b>32,470</b>	<b>\$15,350,000</b>	<b>\$14,100,000</b>	<b>\$1,250,000</b>
<b>TOTAL:</b>	<b>521,998</b>	<b>\$280,560,133</b>	<b>\$224,560,133</b>	<b>\$56,000,000</b>
<b>Negotiations Continuing<sup>4</sup></b>				
Afognak Joint Venture	112,827			
Eyak	72,000			
Koniag (fee title) <sup>5</sup>				
Port Graham	46,170			
<b>Subtotal:</b>	<b>230,997</b>			
<b>Total Acreage to be Protected:</b>	<b>752,995</b>			

<sup>1</sup> For the acquisition of Kachemak Bay State Park inholdings, 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. For all other parcels, funding from other sources consists of a Federal contribution from the Exxon plea agreement.

<sup>2</sup> 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.

<sup>3</sup> The price offered includes \$2,010,800 in lieu of interest over a two-year pay period.

<sup>4</sup> Acreage is estimated and may change as negotiations continue.

<sup>5</sup> Negotiations with Koniag concern fee title to the 57,082 acres that are currently protected under a limited conservation easement.

### **Acquisitions Complete**

*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 \$39.5 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, for a total purchase price of \$46 million.

*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, for a total purchase price of \$14.5 million.

*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, for a total purchase price of \$28.5 million.

*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.

### **Purchase Agreement Signed**

*Chenega.* On February 5, 1997, the federal government and the Chenega Corporation executed an agreement to purchase surface title to 37,236 acres of land and conservation easements on an additional 22,284 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. The Council contributed \$24 million to this acquisition and the federal government contributed an additional \$10 million from the federal restitution fund, for a total purchase price of \$34 million. The acquisition of this parcel is expected to close in Spring 1997.

### **Offer Accepted**

*Tatitlek.* In late 1996, the Council authorized \$23 million (plus \$2,010,800 in lieu of interest over a two-year pay period) for an agreement to purchase 68,888 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 of land and conservation easements on 37,398 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

timber-only conservation easements on the north shore of Port Fidalgo and on land at Sunny Bay.

### **Offer Under Review**

*English Bay.* In February 1997, the Council authorized \$14.1 million toward the purchase from the English Bay Corporation of surface title to 32,470 acres of land within the Kenai Fjords National Park and the Alaska Maritime National Wildlife Refuge. Certain access rights for hunting, fishing and gathering activities will be reserved and retained by the English Bay Corporation. The federal trustees agreed to provide up to \$1.25 million from the federal criminal restitution funds for the purchase of the reserved access rights on a majority of the lands to be acquired and for costs related to the acquisition. The English Bay Corporation has offered to commit \$500,000 from its proceeds at closing to establish a special cultural conservation fund to survey, protect, curate and interpret archaeological sites and cultural artifacts which are associated with the lands to be acquired.

### **Negotiations Continuing**

*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 timber appraisal is under review.

*Port Graham.* The U.S. Department of the Interior, on behalf of the Council, is holding discussions with Port Graham Corporation about the purchase of 46,170 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.

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## Habitat Protection Program: Small Parcels Status Report

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EXXON VALDEZ OIL SPILL  
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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 purchased 361,000 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, 303 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 52 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 38 of these 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. Twenty-two small parcels (about 2,700 acres) have been acquired for \$8.6 million. Owners of eight additional parcels (about 600 acres) have accepted offers for a total of \$3.2 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 two parcels have rejected offers to purchase their parcels at appraised fair market value.

The Council is also considering acquisition of the 14 parcels listed in **Table 2**, but has not yet authorized offers to purchase these parcels. A recently nominated parcel, KAP 1058 (Long Island), received a moderate score in the habitat evaluation and is therefore being considered for acquisition. **Table 3** is a list of 16 additional parcels that have been nominated in recent months.

**Table 1. Status of Small Parcel Acquisitions and Offers**  
February 25, 1997

Parcel ID	Description	Acres	Value	Status
<b>Acquisitions Complete</b>				
PWS 17, 17A-D	Ellamar Subdivision	33.4	\$655,500	
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 98	Pestrikoff Parcel (Sitkalidak Strait)	80.0	\$128,000	
KAP 99	Shugak Parcel (Kiliuda Bay)	160.0	\$155,200	
KAP 101	Haakanson Parcel (Sitkalidak Strait)	80.0	\$52,000	
KAP 103	Kahutak Parcel (Sitkalidak Strait)	40.0	\$66,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
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	
KAP 135	Capjohn Parcel (Kiliuda Bay)	70.0	\$73,500	
<b>Subtotal:</b>		<b>2,716.9</b>	<b>\$8,588,700</b>	
<b>Offers Accepted</b>				
PWS 11	Horseshoe Bay	315.0	\$475,000	
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 114	Johnson Parcel (Uyak Bay)	55.0	\$154,000	
<b>Subtotal:</b>		<b>636.0</b>	<b>\$3,223,000</b>	
<b>Offers Under Review</b>				
KEN 55	Overlook Park	97.0	\$244,000	New appraised value is \$279,000.
KEN 1034	Patson Parcel	76.3	\$375,000	Discussions continue.
KEN 1038	Roberts Parcel	3.3	\$698,000	Council authorized funds on 2/14/97.
KAP 220	Mouth of Ayakulik River	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	Discussions continue.
<i>Kenai Natives Association Package (Stephanka/Moose R.)</i>		3,254.0	\$4,000,000	Legislation approved and signed.
<i>Kodiak Island Borough Tax Parcels</i>			\$1,000,000	Appraisals underway.
<b>Subtotal:</b>		<b>3,668.1</b>	<b>\$6,957,300</b>	
<b>Offers Rejected</b>				
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.
<b>Subtotal:</b>		<b>181.0</b>	<b>\$1,122,000</b>	

**Table 2. Parcels Under Consideration\***  
February 25, 1997

Parcel ID	Description	Acres	Value	Comments
<b>Appraisal Under Review</b>				
PWS 05	Valdez Duck Flats (USS 349 & 448)	42.0		USS 448 to be reappraised; USS 349 appraisal to be updated.
PWS 06	Valdez Duck Flats (USS 447)	24.7		Appraisal will be updated.
PWS 1010	Jack Bay	942.0		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 118	Cusack Parcel (Sturgeon Lagoon)	160.0		
KEN 1051	Salamatof Native Assn. (Kenai NWR)	16.0		
KEN 1052	Salamatof Native Assn. (Kenai NWR)	10.0		
<b>Subtotal:</b>		<b>1,397.6</b>		
<b>Appraisal Authorized</b>				
KAP 145	Termination Point	1,028.0		Appraisal authorized, but not yet underway.
<b>Subtotal:</b>		<b>1,028.0</b>		
<b>Recently Scored Parcels</b>				
KAP 1058	Leisnoi Parcel (Long Island)	1,462.0		Recently ranked moderate.
<b>Subtotal:</b>		<b>1,462.0</b>		
<b>Owner Unwilling to Sell</b>				
KAP 22	The Triplets	65.0	\$6,500	Owner unwilling to sell at appraised fair market value.
KAP 150	Karluk	5.0	\$105,000	Owner unwilling to sell at appraised fair market value.
<b>Subtotal:</b>		<b>70.0</b>	<b>\$111,500</b>	

\* 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 February 1997\*

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	ADNR	Low
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	Low
KEN 1059	Grubba Parcel (Kenai River)	26.7	ADNR/ADFG	Low
KAP 1050	Christiansen Parcel (Sitkalidak Strait)	159.0	USFWS	Low
KAP 1054	Christiansen Parcel (Kiliuda Bay)	160.0	USFWS	Low
<b>Total:</b>		<b>1,061.1</b>		

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

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February 7, 1997

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**Table 1** summarizes the status of land acquisitions as of February 1997 — 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.

**Table 1. Status of Large Parcel Acquisitions**  
February 7, 1997

<b>Parcel Description</b>	<b>Acreage</b>	<b>Total Price (Incl. Interest)</b>	<b>Trust Fund</b>	<b>Other Sources<sup>1</sup></b>
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<b>Subtotal:</b>	<b>68,888</b>	<b>\$35,010,800</b>	<b>\$25,010,800</b>	<b>\$10,000,000</b>
<b>TOTAL:</b>	<b>430,008</b>	<b>\$231,210,133</b>	<b>\$186,460,133</b>	<b>\$44,750,000</b>
<b>Negotiations Continuing<sup>4</sup></b>				
Afognak Joint Venture	112,827			
English Bay	32,470			
Eyak	72,000			
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Port Graham	46,170			
<b>Subtotal:</b>	<b>263,467</b>			
<b>Total Acreage to be Protected:</b>	<b>693,475</b>			

<sup>1</sup> For the acquisition of Kachemak Bay State Park inholdings, 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. For all other parcels, funding from other sources consists of a Federal contribution from the Exxon plea agreement.

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### **Acquisitions Complete**

*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 \$39.5 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, for a total purchase price of \$46 million.

*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, for a total purchase price of \$14.5 million.

*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, for a total purchase price of \$28.5 million.

*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.

### **Purchase Agreement Signed**

*Chenega.* On February 5, 1997, the federal government and the Chenega Corporation executed an agreement to purchase surface title to 37,236 acres of land and conservation easements on an additional 22,284 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. The Council contributed \$24 million to this acquisition and the federal government contributed an additional \$10 million from the federal restitution fund, for a total purchase price of \$34 million. The acquisition of this parcel is expected to close in Spring 1997.

### **Offers Accepted**

*Tatitlek.* In late 1996, the Council authorized \$23 million (plus \$2,010,800 in lieu of interest over a two-year pay period) for an agreement to purchase 68,888 acres from Tatitlek Corporation. An additional \$10 million would come from the federal restitution fund, for a total of \$35 million. The agreement includes acquisition of surface title to 31,490 acres of land and conservation easements on 37,398 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

timber-only conservation easements on the north shore of Port Fidalgo and on land at Sunny Bay.

### **Negotiations Continuing**

*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 timber appraisal is under review.

*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 78,640 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

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



## Habitat Protection Program: Small Parcels Status Report

February 7, 1997

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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 361,000 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, 303 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 52 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 37 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. Twenty-two small parcels (about 2,700 acres) have been acquired for \$8.6 million. Owners of eight additional parcels (about 600 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 two parcels have rejected offers to purchase their parcels at appraised fair market value.

The Council is also considering acquisition of the 15 parcels listed in **Table 2**, but has not yet authorized offers to purchase these parcels. A recently nominated parcel, KAP 1058 (Long Island), received a high score in the habitat evaluation and is therefore being considered for acquisition. **Table 3** is a list of 16 additional parcels that have been nominated in recent months.

**Table 1. Status of Small Parcel Acquisitions and Offers**  
February 7, 1997

Parcel ID	Description	Acres	Value	Status
<b>Acquisitions Complete</b>				
PWS 17, 17A-D	Ellamar Subdivision	33.4	\$655,500	
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 98	Pestrikoff Parcel (Sitkalidak Strait)	80.0	\$128,000	
KAP 99	Shugak Parcel (Kiliuda Bay)	160.0	\$155,200	
KAP 101	Haakanson Parcel (Sitkalidak Strait)	80.0	\$52,000	
KAP 103	Kahutak Parcel (Sitkalidak Strait)	40.0	\$66,000	
KAP 105/142	Three Saints Bay	88.0	\$168,000	
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	
KAP 135	Capjohn Parcel (Kiliuda Bay)	70.0	\$73,500	
<b>Subtotal:</b>		<b>2,716.9</b>	<b>\$8,588,700</b>	
<b>Offers Accepted</b>				
PWS 11	Horseshoe Bay	315.0	\$475,000	
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 114	Johnson Parcel (Uyak Bay)	55.0	\$154,000	
<b>Subtotal:</b>		<b>636.0</b>	<b>\$3,223,000</b>	
<b>Offers Under Review</b>				
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	Discussions continue.
<i>Kenai Natives Association Package (Stephanka/Moose R.)</i>		3,254.0	\$4,000,000	Legislation approved and signed.
<i>Kodiak Island Borough Tax Parcels</i>			\$1,000,000	Appraisals underway.
<b>Subtotal:</b>		<b>3,664.8</b>	<b>\$6,259,300</b>	
<b>Offers Rejected</b>				
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.
<b>Subtotal:</b>		<b>181.0</b>	<b>\$1,122,000</b>	



**Table 2. Parcels Under Consideration\***  
February 7, 1997

Parcel ID	Description	Acres	Value	Comments
<b>Appraisal Approved</b>				
KEN 1038	Roberts Parcel	5.9	\$1,304,000	
<b>Subtotal:</b>		<b>5.9</b>	<b>\$1,304,000</b>	
<b>Appraisal Under Review</b>				
PWS 05	Valdez Duck Flats (USS 349 & 448)	42.0		USS 448 to be reappraised; USS 349 appraisal to be updated.
PWS 06	Valdez Duck Flats (USS 447)	24.7		Appraisal will be updated.
PWS 1010	Jack Bay	942.0		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 118	Cusack Parcel (Sturgeon Lagoon)	160.0		
KEN 1051	Salamatof Native Assn. (Kenai NWR)	16.0		
KEN 1052	Salamatof Native Assn. (Kenai NWR)	10.0		
<b>Subtotal:</b>		<b>1,397.6</b>		
<b>Appraisal Authorized</b>				
KAP 145	Termination Point	1,028.0		Appraisal authorized, but not yet underway.
<b>Subtotal:</b>		<b>1,028.0</b>		
<b>Recently Scored Parcels</b>				
KAP 1058	Leisnoi Parcel (Long Island)	1,462.0		Recently ranked high.
<b>Subtotal:</b>		<b>1,462.0</b>		
<b>Owner Unwilling to Sell</b>				
KAP 22	The Triplets	65.0	\$6,500	Owner unwilling to sell at appraised fair market value.
KAP 150	Karluk	5.0	\$105,000	Owner unwilling to sell at appraised fair market value.
<b>Subtotal:</b>		<b>70.0</b>	<b>\$111,500</b>	

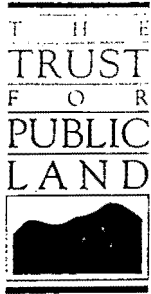
\* Perl Island (KEN 149), a 156-acre parcel south of the Kenai Peninsula, is no longer under consideration because sponsorship has been withdrawn.

\* 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 February 1997\*

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	ADNR	Low
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	Low
KEN 1059	Grubba Parcel (Kenai River)	26.7	ADNR/ADFG	Low
KAP 1050	Christiansen Parcel (Sitkalidak Strait)	159.0	USFWS	Low
KAP 1054	Christiansen Parcel (Kiliuda Bay)	160.0	USFWS	Low
<b>Total:</b>		<b>1,061.1</b>		

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



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EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL

Ms. Molly McCammon  
Executive Director  
Exxon Valdez Oil Spill Trustee Council  
645 G Street, Suite 401  
Anchorage, AK 99501-3451

Dear Molly:

I enjoyed meeting with you and your staff two weeks ago to discuss the Trust for Public Land's (TPL) efforts with the City of Homer and Kachemak Heritage Land Trust (KHLT) to protect undeveloped property on the Homer Spit and Beluga Slough. I appreciate your continued interest in this project and am pleased to present you with the following status report for consideration of funding under the Small Parcel Habitat Protection Program.

As you know, TPL was asked by the City and KHLT to join in the protection of critical habitat lands in Homer that are threatened by commercial and or residential development by using its skills in real estate and finance to secure property until funding can be identified to purchase these properties. Towards that end, TPL is negotiating exclusive options with willing sellers and has succeeded in securing several properties for a limited period of time. The enclosed map will give you a good sense of the properties that TPL is currently focused on. By the mid-February meeting of the Council, TPL will have or expects to have 73 acres on the Spit under option (includes all properties in yellow and several of those in orange). In the Beluga Slough, TPL expects to have at least 40 acres under option. Both the Spit and Slough properties (representing 8 separate ownerships) are adjacent to existing publicly-owned conservation land owned and managed by the City of Homer, State of Alaska or the United States Fish and Wildlife Service. Without funding to purchase these properties, it is likely that they will be lost to similar patterns of development that have recently affected large areas of the Spit and now also threaten the perimeters of the Beluga Slough.

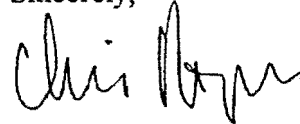
The acquisition of these additional properties will not only enhance the ecological integrity of the existing conservation land, but will help further the goals of the EVOS program by protecting the habitat and species most affected by the spill. Both the Homer Spit and the Beluga Slough have been recognized by both public agencies and conservation organizations for their

Ms. Molly McCammon  
February 3, 1997  
Page 2

habitat values. Both are within or immediately adjacent to State-designated Critical Habitat Areas and host a diverse number of species, including: clams, mussels and other mollusks, migratory and resident shore and water birds, bald eagles, silver and other salmon species, and even large mammals such as moose. It is on this basis that TPL, together with the City and the KHLT would submit properties secured under option to the Council for nomination and funding under the Small Parcel Program.

Please feel free to contact me if you have any questions concerning the enclosed map or the status of TPL's negotiations with various property owners. Again, thank you for your interest in this important project.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Rogers", with a stylized, cursive script.

Chris Rogers  
Project Manager

17.6.16 A<sub>s</sub>

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ADMINISTRATIVE RECORD

17.6.16 A<sub>s</sub>

## HOMER SPIT/BELUGA SLOUGH

- ☒ - Public Land  
(City of Homer, State of AK, U.S. Fish & Wildlife Service)
- ☐ - Private Property Available for Acquisition  
(Under option or verbal agreement reached)
- ☒ - Private Property Identified for Acquisition
- ☒ - Developed Private Property  
(currently not under consideration for acquisition)

### Joins Map Below

## BELUGA SLOUGH

## HOMER SPIT

Note: This map was prepared by The Trust for Public Land  
and should be used for illustrative purposes only (2/3/97)

## Public Fishing Hole

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