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

KODIAK AREA PLAN AMENDMENT SC-04-001A02

Unit K-57C – Shearwater Peninsula Preference Right

related to a Noncompetitive Preference Right Land Sale – ADL 223574

The Commissioner of the State of Alaska, Department of Natural Resources (DNR) finds that the following amendment to the Kodiak Area Plan (KAP), described more fully in the Attachment, meets the requirements of AS 38.04.065 Land Use Planning and Classification and 11 AAC 55.010-030 Land Planning and Classification for land use plans and hereby adopts the amendment. The Department of Natural Resources will manage state lands within the area of the revision consistent with this designation and management intent.

- <u>Designation</u>: The new management unit K-57C will be designated Settlement. This new
 management unit will include a subject parcel of land approximately 5.02 acres in size
 described as Tract A, ASLS 99-13, Plat 99-19, Kodiak Recording District. This parcel is
 located in Section 17, Township 33 South, Range 24 West, Seward Meridian. The subject
 parcel was considered within management unit K-55 on the Shearwater Peninsula and
 previously classified under SC-04-001 as Habitat Land.
- <u>Management Intent</u>: This unit is designated Settlement (Se). Development or disposal during the planning period is appropriate. Suitable development will support operation of a private commercial hunting and fishing lodge, economic development, and tourism.

[signature on file]	4.13.21
Approved by: Corri A. Feige	Date
Commissioner	

Department of Natural Resources

State of Alaska

ATTACHMENT

to the KODIAK AREA PLAN AMENDMENT SC-04-001A02

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<u>Location and legal description</u>: Located on Kodiak Island on the northeast side of Kiliuda Bay, approximately nine miles northeast of Old Harbor and 40 miles southwest of Kodiak, Alaska, more specifically described as:

Alaska State Land Survey No. 99-13, Tract A, Kiliuda Bay, according to the plat recorded in the Kodiak Recording District on July 27, 1999, as Plat No. 99-19, containing 5.02 acres, more or less.

<u>Authority</u>: The authority to revise plans derives from AS 38.04.065(b) Land Use Planning and Classification. 11 AAC 55.030(f) Land Use Plan defines when a revision constitutes a plan amendment.

<u>Current Plan</u>: These lands are part of Unit K-55, Shearwater Peninsula. The KAP designates Unit K-55 as Habitat (Ha). Management intent for the lands within Unit K-55 is as follows:

This unit is subject to the Cooperative Management Agreement for the Terror Lake hydroelectric project (Appendix B) with land to be managed in a manner consistent with standard 3(b). The primary resource value is habitat for brown bear, other wild mammals, birds, fish or other animals. The primary management goal is the maintenance of the habitat's productivity, with provisions for human use of the fish and wildlife resources present.

In consultation with ADF&G, the unit is to be managed to be compatible with the primary management goal, subject to valid existing rights and uses, for the life of the hydroelectric project and any associated adverse impacts to fish or wildlife. If a major economic use is determined by DNR to be a higher and better use of any portion of this unit, DNR will consult with ADF&G and USFWS as to the habitat protection or mitigation measures necessary. DNR will institute necessary habitat protection or mitigation measures after a written review by an interdisciplinary team using the best data practicably available. Authorizations for grazing are prohibited in this unit. DNR should consult with the Kodiak Island Borough to determine applicable zoning requirements prior to granting an authorization.

After the project is no longer in operation and the adverse impacts to fish and wildlife resulting from the project no longer remain, the unit is to be managed for multiple uses, primarily habitat and dispersed recreation. Protect winter range for deer, brown bear denning sites and stream concentration areas, ridges containing concentrations of mountain goats, and anadromous streams.¹

¹ KAP, 3-78

Attachment to the Kodiak Plan Amendment

Unit K-57C – Shearwater Peninsula Preference Right related to a Proposed Preference Right Land Sale-ADL 223574 Page 2 of 2

<u>Proposed Plan Amendment</u>: The proposed plan amendment will remove the ±5.02 acres from management unit K-55 and create a new management unit, K-57C, to be designated Settlement and classified Settlement Land. Management intent for the new management unit K-57C will state, "This unit is designated Settlement (Se). Development or disposal during the planning period is appropriate. Suitable development will support operation of a private commercial hunting and fishing lodge, economic development, and tourism."

Explanation: The subject parcel involved with this area plan amendment was recommended for a noncompetitive sale under AS 38.05.102 Lessee Preference in a Preliminary Decision dated December 29, 2020. State land sold under AS 38.05.102 Lessee Preference is required to have a Settlement classification. In 1998, the state used Land Classification Order (LCO) No. SC-98-002 to classify the subject parcel Habitat Land. The KAP and corresponding Land Classification Order No. SC-04-001 was adopted on December 20, 2004. This LCO replaced and superseded all existing classification orders, including SC-98-002.

KAP management goals include providing economic opportunities for jobs and income by managing state land and resources to support a vital, self-sustaining local economy. Additional goals include maintaining or enhancing the quality of the natural environment including fish and wildlife habitat and harvest opportunities and maintaining long-term productivity and quality of renewal resources including fish and wildlife. The primary management goal for KAP Unit K-55 (the unit currently encompassing the subject parcel) is the maintenance of the habitats' productivity, with provisions for human use of the fish and wildlife resources present. The long-term management intent of the unit is for multiple uses, primarily habitat and dispersed recreation.

The State issued a 25-year lease for the subject parcel on August 13, 1999 which has been used as a commercial hunting and fishing lodge for the lease term. The sale of this site into private ownership continues a course of action under which the State supported and approved of this enterprise, while the classification of the surrounding lands as habitat support sustainability of wildlife and fish habitat. The disposal of this parcel does not change the use of resources of fish and wildlife habitat. These resources continue to be managed and protected by the statutes and regulations of the Alaska Department of Fish and Game and the future owners of this parcel are still beholden to them.

This area plan amendment creating a new management unit, K-57C, designated as Settlement will allow the preference right sale to proceed and meet the KAP management goals and intent. The location and size of this parcel mitigates any impacts a sale or continued commercial use of the site might have on the protection of wildlife habitat for deer, brown bear, and mountain goats. The sale of this land also meets KAP management goals of providing economic opportunities for income and supporting a vital, self-sustaining local economy.

<u>Assessment</u>: The following alternatives were considered:

 (Preferred) Amend the Kodiak Area Plan as described above to reclassify Tract A, Alaska State Land Survey 99-13, plat 99-19, Kodiak Recording District containing approximately 5.02 acres from Habitat Land to Settlement Land. Amending the plan allows the State to address a preference right claim, supports small business on Kodiak Island, and does not interfere with uses of surrounding lands. This area plan amendment does not affect overall habitat values included in the Kodiak Area Plan and affects a very small portion of the Shearwater Peninsula area.

Attachment to the Kodiak Plan Amendment

Unit K-57C – Shearwater Peninsula Preference Right related to a Proposed Preference Right Land Sale-ADL 223574 Page 2 of 2

2. (No Action) Do not amend the Kodiak Area Plan. This alternative is not preferred as it fails to address a preference right claim and current leasehold.

<u>Requirements of AS 38.04.065 (b) Land Use Planning and Classification</u>: The factors identified in this section of statute have been considered and the proposed action is consistent with that portion of the statute.