

Kachemak Park trade negotiations end

Juneau—Natural Resources Commissioner Esther C. Wunnicke has confirmed that negotiations have ended for the proposed land exchange between the State of Alaska and Seldovia Native Association, Inc. (SNA) that was to have been submitted to the 1986 Legislature.

"Completion of this exchange has been among my highest priorities as Commissioner of Natural Resources," said Wunnicke. "Since 1983 the department has committed a great deal of time, money, and energy to the proposed land trade, but we now find ourselves unable to meet the conditions put forward by SNA."

The equal-appraised-value exchange was conceived in 1979 when both parties signed a memorandum of understanding to trade SNA out of Kachemak Bay State Park, where it owned over 25,000 acres. There was no action on the exchange until mid-1983, when SNA traded out about ten percent of its holdings for state lands elsewhere on the Kenai Peninsula. Another smaller exchange followed in 1985.

"This land exchange, like many others, could benefit both parties enormously," Commissioner Wunnicke stated. "Yet we simply cannot come to mutually agreeable terms, even

though — just last week — we appeared to be closer than ever to consummation of the exchange.

"To comply with the land exchange laws, we should have a land exchange agreement before the Legislature by January 23. But SNA has raised objections to the appraisals upon which we have been relying. The corporation believes its lands are worth perhaps several million dollars more than the pool of state lands offered in exchange. On the other hand, I have confidence in the appraisals and the appraisal process."

SNA also indicated that it wants to gain ownership of state lands at Granite Point, the expected site for port and access facilities to support Beluga area coal development. The state has withheld these lands from the exchange and did not allow them to be included in the pool of over 19,000 acres of proposed state trade lands identified last summer.

"I would not wish to present the Legislature with a conditional land exchange agreement or one that SNA believed needed amendment during the legislative review," Commissioner Wunnicke said. "The state and SNA would have to be in full agreement for a Kachemak Bay land exchange to be submitted to the Legislature for its

review."

Wunnicke said that it was possible for the trade to be revived for presentation to the Legislature in 1987. "I believe that it is important for both parties, that it could benefit both parties, and that it could accomplish what was agreed to in 1979. The offer stands, and we will be available if SNA wishes to pursue the exchange.

"For this year, though, the trade is over unless we find 'exigent circumstances' that would allow us to present the agreement to the Legislature after January 23. This seems unlikely," stated Commissioner Wunnicke.

Commissioner Wunnicke praised John Crawford, Chairman of the Board for SNA and Fred Elvsaas, SNA's President, for the intensive effort that he and his staff had applied in the exchange negotiations. "I recognize that the trade negotiations have ended because of our inability to come to terms rather than because of any breach of faith," said Commissioner Wunnicke.

Those who wish further information about this land exchange may contact Gary Gustafson, Chief of Land Management of the Department of Natural Resources in Anchorage at 762-4347.