

**To: Members of the State Board of
Education & Early Development**

December 8, 2022

From: Heidi Teshner, Acting Commissioner

Agenda Item: 5

◆ ISSUE

The board is being asked to consider authorizing the Commissioner to enter into a binding agreement to sell approximately 1.56 acres over three parcels of land owned by the Department of Education and Early Development and located at 1460, 1470, and 1480 Seward Avenue in Sitka, Alaska to the U.S. Coast Guard for construction of a floating dock and support building for a new Fast Response Cutter (FRC) and replacing the existing pier for U.S. Coast Guard Cutter Kukui.

◆ BACKGROUND

- In a July 16, 2021 letter, the U.S. Coast Guard approached the Department of Education and Early Development regarding their intent to expand operations in the port of Sitka and inquiring about the availability of land owned by the State of Alaska for potential purchase.
- The U.S. Coast Guard has identified Tract C (1480 Seward Avenue), Tract C-1 (1470 Seward Avenue), and Tract F-1 (1460 Seward Avenue) as the parcels of land needed for their expansion.
- On July 19, 2022, department staff met with U.S. Coast Guard representatives to discuss their plan and timelines for these parcels.
- On September 7, 2022, the board heard a presentation from department staff and a U.S. Coast Guard representative regarding the initial request to purchase the three parcels of land and directed department staff to work with the U.S. Coast Guard to further investigate the request to purchase the requested parcels.
- On November 3, 2022, the department received from the U.S. Coast Guard their offer letter of \$950,000 for the three parcels. This offer was based on the appraisal the U.S. Coast Guard received.
- On November 3, 2022, department staff presented this land sale request to the Mt. Edgecumbe Advisory Board. Given the timelines for a decision, the Advisory Board then created a committee to review the request in more detail in advance of their December 1, 2022 meeting to give their final decision.
- If approved to finalize this sale to the U.S. Coast Guard, the department's next step would be to work through the land disposal requirements under AS 14.07.030(a)(6) and issue a preliminary decision of land conveyance supporting a negotiated sale of the subject parcel to the U.S. Coast Guard "at or above fair market value." This preliminary determination is estimated to be issued for public comment within a week of the board's approval.

- Behind this cover memo are the following items:
 - November 3, 2022 U.S. Coast Guard's offer letter;
 - Aerial Survey Plat of land parcels near the U.S. Coast Guard's current moorings;
and,
 - U.S. Coast Guard's conceptualized layout for the three parcels.

- Heidi Teshner, Acting Commissioner, will be present to brief the board.

◆ **OPTIONS**

This is a work session item. Action will take place under Agenda Item 9.