



# University of Alaska Land Management Business Timber - Fact Sheet

## Land Management Office

University of Alaska (UA) is a Land Grant Institution established in 1915 by federal legislation granting it initial trust lands. These lands are for generating revenue to help support higher education. UA has one of the smallest holdings of any United States Land Grant Institution with title to ~150,000 acres (only Delaware has fewer trust lands).

UA property development includes residential, recreational, and commercial subdivisions; timber sales, oil, gas, mineral leases and extractions; acquisitions/sales, residential & commercial leases, easements, and permits to generate revenue for the Trust.

## Land Grant Endowment Trust

Earnings fund UA Scholars' Program awarding \$12,000 scholarships to the top 10% of graduates at each Alaska high school. A cornerstone of University efforts to retain and educate graduating seniors, over 9,000 students have benefitted. Trust income also funds natural-resources education & research, fisheries/ocean sciences, biology, agriculture and minerals.

## Financial Return

Income from land sales, leases, and resource development is placed into the University's permanent Land Grant Endowment Trust.

- Land and resource earnings average = \$6.5 million annually
- Average gross earnings = \$44.04 per acre annually

Land sales generated \$72 million, including parcels for public projects in communities - fire stations, landfills, roads, fairgrounds, conservation. A majority are personal & commercial use sales. Resource development of timber, oil & gas, mineral materials, and other related activities have generated over \$51 million in revenue.

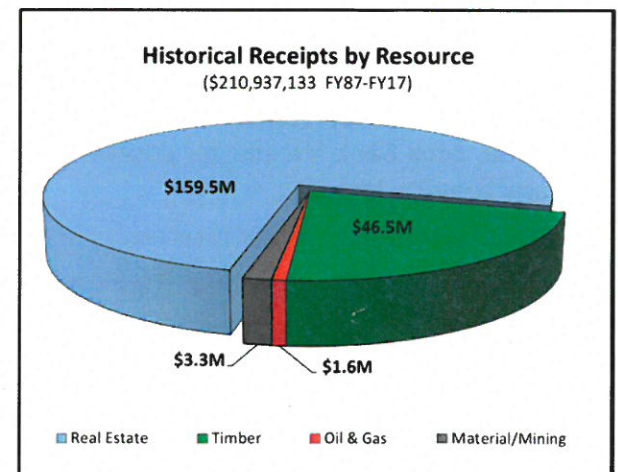
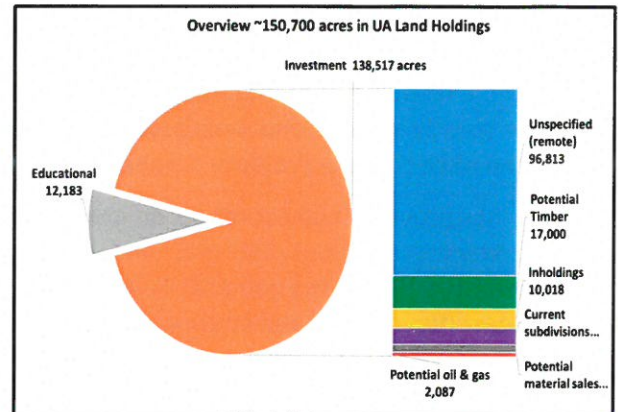
## Alaska's University for Alaskans

Our five goals driving programs and land management activities:

- Increase enrollment – funding for UA Scholars program scholarships
- Improve retention, graduation rates, and provide a skilled workforce
- Add to the economy and communities through jobs and economic opportunity for all Alaskans
- Collaborate with agencies and private entities to enhance opportunities increasing UA's world-class research
- Reduce expenses, improve efficiency, and encourage transparency and accountability to the People of Alaska.

## Timber Mainstay

Alaska is a resource rich state, and forested lands are a renewable asset that built and continue to sustain the University of Alaska Land Grant Trust Endowment. The fund has provided an education for thousands of Alaskan students -- our future leaders. There have been many successes over the years in the University's Natural Resources Management Program, its role supporting UA, the economy, and creating local jobs. A few successes are on the next page.





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## Forest Resources Key for University

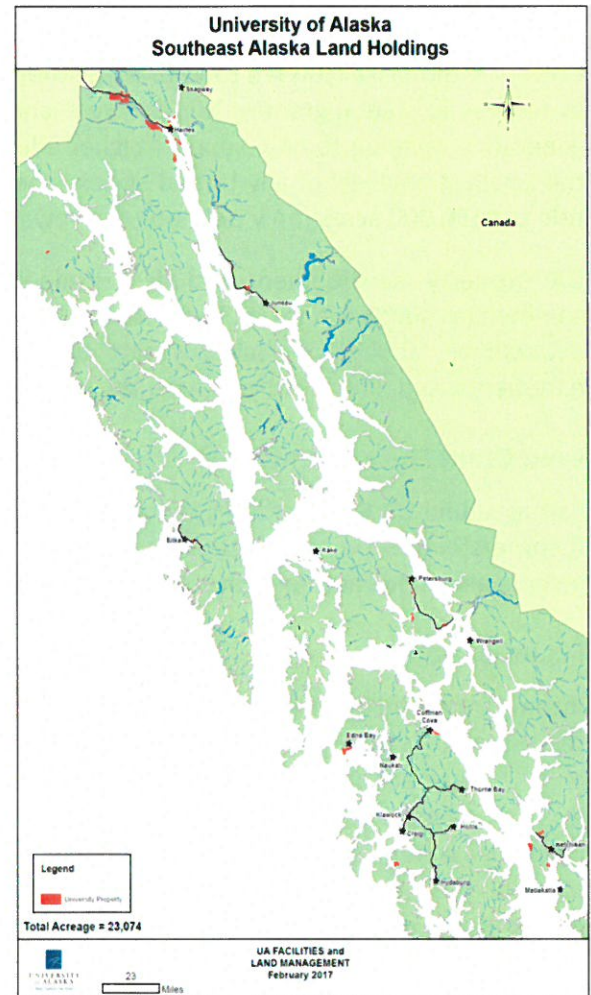
Timber sales provided over \$50 million to the University of Alaska Trust since 1987, making forest management a core to the Endowment Fund. A renewable resource, it is 2<sup>nd</sup> in income source after land sales. UA's real estate is mostly remote and inaccessible, making land sales limited in value, and once sold the property is gone forever.

Forestry has provided highest return on investment and been renewable for UA. Market conditions drive price and value, including tree type, size, shape, health, volume, and demand. Sales include young 2<sup>nd</sup> growth trees in southeast (figure right) and interior Alaska. Through UA's stewardship, its forest stands regenerate, are needed, high value, and an important sustainable asset for the University.

## Successes - Edna Bay, Kosciusko Island

Initially locals did not want timber harvests and protested. After working together, the community gave their full support and have been strong advocates of University forest management efforts. UA's leading the 1<sup>st</sup> recent area harvest sale, enabled other partners to cooperate, participate and share assets. In 2017, the Edna Bay Community hosted a "Logging Picnic" in appreciation for harvesting endeavors. Today three years later, Edna Bay is a model for positive stewardship, partnerships, and local benefits, including:

- Added 20% More Jobs
- Roads Improved
- New Bridge Funded
- Less Unemployment
- Became 2<sup>nd</sup> Class City
- Dock Infrastructure
- Harvest Shore Buffers
- Picnic Day Use Area
- Firewood for Elders
- 1<sup>st</sup> Alaska Good Neighbor Authority Enabled Many Sustainable Partnerships



## South Mitkof, Wrangell Narrows

Located near Petersburg, this timber sale added local jobs and protected a public boat launch and road. UA's selective harvest preserved existing view-sheds.

## Blank Inlet, Ketchikan

UA's timber sale utilized helicopter logging at the Gravina Island South end enabling Ketchikan Borough to harvest their timber and gain needed revenue. The combined efforts provided better sales price, local jobs, benefit local businesses, and helped the region economy.

## Economy & Demographics 2014-2017

### State of Alaska

- In an economic recession
- Oil & gas primary economy
- Lost >4,000 jobs in two years
- Unemployment at 7.2%
- Highest unemployment in US
- Revenue less than spending
- No Fiscal plan and many cuts
- Savings funding government
- Two credit rating drops

### Southeast Alaska

- Lost 434 jobs region wide
  - Maritime lost 382 jobs
  - Seafood lost 518 jobs
- Overall -1% population decline
- 648 people have left in two yrs
- Outmigration of worker ages
- Only population gain is the 65 years-of-age plus category.
- 532 people left under 29 yrs age