

Pedro Bay Village Council
P.O. Box 47020, Pedro Bay, AK 99647
Phone: (907) 850-2225

July 14, 2020

Honorable Mayor Glen Alsworth Sr.
Borough Assembly
Lake & Peninsula Borough
P.O. Box 495
King Salmon, AK 99613

RE: Proposal to Purchase Former Dena'ina School Buildings & Reconfigure Site Parcel

Dear Mayor Alsworth:

As you are aware, the Dena'ina School buildings in Pedro Bay have not been used to operate and maintain a school for nearly ten years. The Borough's Comprehensive Plan states: "In November 2010, Pedro Bay's student count dropped below ten students, and the school was closed. LPSD ended maintenance and completely suspended operations in Pedro Bay in 2012." The former school buildings are situated on a 7.5 acre parcel (known as Tract A, Big Hill Subdivision) leased through the State DCRA Municipal Land Trust. The 55-year lease was established on March 15, 2001 and terms and conditions of the lease require that the lessee (LPSD) must "operate and maintain a school" on the property. Considering this has not been the case for at least eight years now, there are legitimate questions as to the ongoing validity of the MLT lease.

In 2016, at the suggestion of DCRA MLT personnel, the Pedro Bay Village Council provided a resolution requesting the LPSD relinquish the lease. The LPSD was not amenable to this due to concerns about future Department of Education funding. In the following years, reuse and sublease options were presented, but the only follow-through on this has been to have MLT prepare sublease documents for PBVC's existing power plant facility located on a portion of Tract A. To date, PBVC has not executed the sublease as the Council no longer views LPSD's lease on Tract A as legitimate. Additionally, terms in the sublease include the statement: "If the sublessee uses the Parcel for other than electric utility generation purposes, the sublease will automatically terminate and all interests in the Parcel will revert to the sublessor..." This seems to be a double standard, holding the tribal Council to something that the LPSD has not been held to with regard to their lease with MLT; this "breach and default" language is not in the original lease.

The Pedro Bay Village Council would like to see the Borough and LPSD move off-center (as it were) regarding the former Dena'ina School in Pedro Bay. Given the current COVID-19 pandemic and additional resources at-hand, the Council would like to propose purchase of the former teacher housing building at a fair market price so that it can be put

to use as COVID-19 emergency temporary housing and also refurbished for long-term housing in the village. Additionally, the Council would like to initiate negotiations to purchase other buildings/assets on the former school site, and eventually see the LPSD relinquish the lease on Tract A so that the full extent of the 7.5 acre property will again be available for potential community uses. Your timely consideration of this proposal is greatly appreciated.

If you have any questions, or need additional information, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Jensen". The signature is written in a cursive style with a large initial "K".

Keith Jensen, President
Pedro Bay Village Council

Cc: Lake & Peninsula School District
Alaska DCRA Municipal Lands Trust