

# **Alaska Department of Education and Early Development PRELIMINARY BEST INTEREST DECISION**

## **Stratton Library Property Sale**

This Preliminary Best Interest Decision is the State of Alaska’s best interest finding regarding a proposed disposal of interest in state land. The public is invited to comment on this Preliminary Best Interest Decision. The deadline for commenting is 4:00 PM, Thursday, May 16, 2024. Please see the Public Notice section of this preliminary best interest decision for requirements related to submitting comments for consideration.

### **Requested Action**

The Alaska Department of Education and Early Development wishes to dispose of the real property known as the “Stratton Library” (Attachment A). The parcel is identified as Lot 3, of the Sheldon Jackson Campus Subdivision, Plat 2009-8, Sitka Recording District, First Judicial District, State of Alaska, and located at 831 Lincoln Street, Sitka, Alaska (Attachment B).

### **Proposed Action**

DEED does not have statutory authority to transfer real property to an entity that is not a federal agency, state agency, or political subdivision of the state. Therefore, the Alaska Department of Education and Early Development (DEED) proposes to sell the Stratton Library to a federal or state agency or political subdivision, subject to the following conditions:

1. The sale is approved by the State Board of Education and Early Development.
2. Title document remains with DEED if property is not sold.
3. DEED must sell the parcel to a federal or state agency or political subdivision for fair market value, plus any administrative costs, survey costs, appraisal costs, or other costs statutorily required to conduct a sale. The property is conveyed under “as-is, where-is” conditions, inclusive of known or unknown contaminations.
4. Sale of the property from DEED must occur in a fiscal year where appropriation language provides sale proceeds are to be appropriated to DEED to support the Division of Libraries, Archives, and Museums and renovation of the Sheldon Jackson Museum.
5. Title document requires parcel to maintain a public purpose.

If DEED does not dispose of the property to a federal or state agency or political subdivision, the property will remain with DEED under management of LAM for their continued management or future disposition.

### **Scope of Decision**

The scope of this decision is to determine if it is in the State’s best interest for DEED to sell the Stratton Library property. If the property is not sold, the title will remain with DEED. The administrative review is limited to (1) reasonably foreseeable, significant effects of the uses to be

authorized; (2) applicable statutes and regulations; (3) the facts pertaining to the land or resources; and (4) any issues that are material to the determination.

### **Authority**

The sale of this property is authorized under AS 14.07.030(a)(6), powers of the department:  
Sec. 14.07.030. Powers of the department.

(a) The department may . . .

(6) acquire and transfer personal property, acquire real property, and transfer real property to federal agencies, state agencies, or to political subdivisions; . . . .

### **Subject Property**

Geographic Location: The property is located at 831 Lincoln Street, Sitka, Alaska. It is on the upland side of Lincoln Street on the former campus of the Sheldon Jackson College.

Legal Description: Lot 3, of the Sheldon Jackson Campus Subdivision, according to Plat 2009-8, a re-subdivision of Lots 1, 2A, 2B, 3A and 3B of the SJC-Lincoln Subdivision, according to Plat 2005-20 and 2008-9, situated in the Sitka Recording District, First Judicial District, State of Alaska (Attachment B).

### **Title**

The State of Alaska, Department of Education, received title to this parcel via Statutory Warranty Deed 2010-001785-0 from the Sheldon Jackson College on December 28, 2010, recorded in the Sitka Recording District on December 30, 2010.

### **Adjacent Landowners**

The property has approximately 226 feet of frontage on Lincoln Street on its western boundary across from which are the grounds of the Sitka Sound Science Center and a city park. The property aligns approximately 167 feet of frontage on College Drive on its northern property boundary across from the grounds of the Sitka Fine Arts Campus. The property aligns on its northeast side with the Sheldon Jackson Museum, owned by the State of Alaska. The property's southeast boundary aligns with a privately owned lot.

### **Third Party Interests**

The property has a 12-foot utility easement along the southern portion of the subject's frontage on Lincoln Street. This easement is within the 14-foot street setback required by the subject's zoning. The property has a 30-foot-wide easement for a penstock, which serves the fish hatchery in the Sitka Sound Science Center across the street. This easement runs diagonally from the property's northeast corner in a southwesterly direction, emerging approximately halfway through the site's frontage on Lincoln Street. The exact location of the penstock is unknown but appears to cross under the front of the building according to a topographic survey.

There are no other known third-party interests that would prevent the issuance of this land transfer.

## **Hazardous Materials and Potential Contaminants**

A 2013 site inspection and sample testing by NORTECH, indicated no friable Category 1 Asbestos Containing Materials (ACM) or lead based paint were observed. However, the following materials of concern were identified:

1. Non-Friable Asbestos (Category 2)
  - a. All 12"x12" Tan floor tiles
  - b. All sheet vinyl
  - c. Gypsum wallboard with ACM joint compound
2. Ceramic sinks with lead-based glazing
3. Other hazardous materials associated with the structure that were identified include:
  - a. polychlorinated biphenyls (PCB) containing light fixture ballasts,
  - b. presumed mercury containing florescent bulbs,
  - c. mercury thermostats,
  - d. smoke detectors with radioactive component,
  - e. HID mercury vapor lights,
  - f. lead-acid batteries in emergency lighting,
  - g. refrigerators with Freon canister, and
  - h. fire extinguishers.

Mold is likely to be present throughout the building.

## **Background**

The Stratton Library was built in 1974 down the hill from the Sheldon Jackson Museum in Sitka, Alaska. The State of Alaska purchased the Stratton Library property from the Sheldon Jackson College for \$2M in 2010.

The property is an irregular shaped, 35,277 SF parcel at the corner of Lincoln Street and College Drive on the former Sheldon Jackson College campus in Sitka, Alaska. According to the plat, the subject has approximately 226 feet of frontage on Lincoln Street on its western boundary and approximately 167 feet of frontage on College Drive on its northern property boundary. This width narrows to 125.89 feet on its southern boundary where it abuts a private residence at 833 Lincoln Street. To the rear of the subject is Sheldon Jackson Museum and a cluster of single-family homes which are part of the Sitka Fine Arts Camp campus.

The State of Alaska purchased the Stratton Library to address pressing facility needs at the Sheldon Jackson Museum, including inadequate storage space for the growing museum collection and a dedicated area for educational programming. Responsibilities of the Sheldon Jackson Museum are outlined under Alaska Statute 14.57.010(b).

The Stratton Library is managed by the Division of Alaska State Libraries, Archives and Museums within the Alaska Department of Education and Early Development.

### **Alternatives and Discussion**

DEED and LAM are considering the following alternatives:

**Alternative 1:** (Preferred). Sale of the Stratton to help meet the original intent of its acquisition to provide critical museum-quality space for the Sheldon Jackson Museum.

**Alternative 2:** (No Action) Do not offer the Stratton building for sale. Retain the property within DEED under management of LAM.

The Stratton Library has suffered a series of ongoing facility issues since its acquisition in 2010. Some of these challenges include:

- Water intrusion
- Structural instability
- Mold and rot
- Plumbing and electrical issues
- Exterior damage

The maintenance issues identified above have substantially reduced both the condition and value of the Stratton. An appraisal of the Stratton Library building was completed in November 2023 with a fair market value of \$1.8M.

There are approximately \$14.5M in identified rehabilitation costs for the Stratton. Critical maintenance needs include: a pre-action fire suppression system, HVAC, plumbing, electrical, security, and hazmat abatement. Additional renovations needed before any storage of museum collections would include finalization of the building envelope of siding, windows, and wall insulation, renovation of collections storage and workspace on the second floor and connecting corridor and utilities from Sheldon Jackson Museum to the Stratton Library.

Due to persistent building problems and the high cost of renovation, the Stratton has not been adequate for its intended purpose of safeguarding and sharing the historical collections of the Sheldon Jackson Museum. Instead, the Stratton is used primarily as a storage unit for surplus museum supplies and gift store merchandise.

Continued management of the Stratton does not make best use of department resources and staff time and does not address the pressing needs of the Sheldon Jackson Museum. Further, costs to rehabilitate the 50-year-old structure to meet modern museum facility standards greatly outweigh the property's current value.

**For the aforementioned reasons, Alternative 1 is the preferred alternative.**

Specifically, the Division requests that proceeds from sale of the Stratton be used to launch design and construction of a renovation at the Sheldon Jackson Museum to better care for, share, and increase access to the museum's prominent collection of historical and cultural materials. The fiscal year 2023 operating budget bill, House Bill 268, sec. 19(d), page 60, lines 16-20,

provides that “the proceeds from the sale of the Stratton Building in Sitka by the Department of Education and Early Development or the Department of Natural Resources are appropriated from the general fund to the Department of Education and Early Development, Alaska State Libraries, Archives and Museums, for maintenance and operations for the fiscal year ending June 30, 2025.” This bill is currently pending before the Legislature.

Supplemental documents along with a presentation on the condition of the Stratton Library and the Sheldon Jackson Museum were provided during the Alaska State Board of Education & Early Development meeting on June 8, 2023, along with a request for how to proceed from the board at the next regular meeting.

During the Board of Education meeting on July 26, 2023, the board approved a motion to “authorize and approve the acting commissioner to pursue sale of the Stratton Library, with the Governor’s approval, and with the following conditions: Proceeds from the sale of the Stratton Library shall be directed towards the Sheldon Jackson Museum; and The Department of Education and Early Development shall retain oversight of the Sheldon Jackson Museum including its facilities, operations, and grounds.” (Attachment C).

### **Performance Guaranty and Insurance**

Following the sale of this property, DEED will no longer have any ownership rights to the site. All rights and responsibilities will be transferred to the property owner. No transfer, sale, or construction is authorized prior to the final conveyance.

### **Compensation**

Any compensation for the Stratton Library property sold by DEED in fiscal year 2025 will be appropriated to DEED for LAM, under the operating budget bill, House Bill 268, which is currently pending before the Legislature:

The proceeds from the sale of the Stratton Building in Sitka by the Department of Education and Early Development or the Department of Natural Resources are appropriated from the general fund to the Department of Education and Early Development, Alaska State Libraries, Archives and Museums, for maintenance and operations for the fiscal year ending June 30, 2025.

Compensation received by DEED beyond fiscal year 2025 may be subject to similar appropriation language.

### **Public Notice**

This decision will be advertised for a 30-day public comment period, starting on April 16, 2024. The notice will be posted on the State of Alaska Online Public Notice website located at: [aws.state.ak.us/OnlinePublicNotices/Default.aspx](https://aws.state.ak.us/OnlinePublicNotices/Default.aspx).

Public notice will also be provided to all agencies of the State of Alaska.

The public is invited to comment on this Preliminary Best Interest Decision. All comments received during the public comment period will be considered by the Alaska State Board of Education & Early Development at its meeting from June 4-6, 2024. In addition, the SBOE will

be listening to public comment during their meeting on June 6.

Information on how to provide comment that day will be posted at the following link:

[https://education.alaska.gov/State\\_Board](https://education.alaska.gov/State_Board)

A copy of the Final Decision, along with instructions on filing a request for reconsideration and appeal, will be sent to all persons who comment on this Preliminary Best Interest Decision. If public comments result in significant changes to this Preliminary Best Interest Decision, additional public notice may be given.

To be eligible to appeal, a person affected by the Final Decision must provide written comments during the public comment period.

**Written comments about this decision must be received by DEED no later than 4:00 PM on Thursday, May 16, 2024, to be considered.**

To submit comments please choose one of the following methods:

Mail: Department of Education and Early Development

Facilities Section

P.O. Box 110500

Juneau AK 99811-0500

Email: [deed.commissioner@alaska.gov](mailto:deed.commissioner@alaska.gov)

Fax: (907) 465-2806

Persons with disabilities who need accommodations to participate should contact Kathijo Jolin at 907-269-1092 e-mail [kathijo.jolin@alaska.gov](mailto:kathijo.jolin@alaska.gov) at least five days before the accommodation is needed. For more information, call 907-269-1092.

Questions about the property sale can be directed to DEED at (907) 465-2800.

### **Recommendation**

This preliminary best interest decision of land conveyance for the Stratton Library described throughout this document and its attachments are consistent with the overall management intent for State-owned property. Alternative 1 is the preferred alternative because it provides the maximum benefit to the State and helps meet the educational mission of the Alaska Department of Education and Early Development and the Alaska State Libraries, Archives and Museums.

The Preliminary Best Interest Decision above, as represented by the preferred alternative, has been reviewed and considered. I find that the recommended action may be in the best interest of the State and that it is hereby approved to proceed to public notice.

/signature on file /

04/15/2024

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Joel Isaak, Deputy Commissioner, DEED

Date

/signature on file/

04/15/2024

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Deena Bishop, Ed.D., Commissioner, DEED

Date

**Attachments**

Attachment A – Photograph of Property

Attachment B – Plat 2009-8

Attachment C - State Board of Education Approved Motion

## Attachment A

Photograph looking NE towards the Stratton Library Building at 831 Lincoln Street, Sitka, AK.





USGS QUADRANGLE SITKA (A-4) SW  
SCALE: 1:25000

1. THE BASIS OF BEARING OF BEARING FOR THIS SURVEY WAS BETWEEN PRIMARY MONUMENTS CP-108 AND CP-109 OF CPET CRESENT HARBOR SEAWALK PART C (CBS PROJECT NO. 80244-2010) HAVING A RECORD BEARING OF N31°41'21.51"W.

2. BASIS OF VERTICAL CONTROL FOR THIS SURVEY WAS TBM FH-1, NORTH BOLT FIRE HYDRANT TOP FLANGE, WITH A PUBLISHED ELEVATION OF 22.58' PER CPET CRESCENT HARBOR SEAWALK (CBS PROJECT NO. 80244-2010)

3. INFORMATION UTILIZED TO PRODUCE THIS PLAT IS SHELTON JACKSON CAMPUS SUBDIVISION PLAT NO. 2008-6 RECORD OF SURVEY PLAT NO. 96-13, SJC-LINCOLN SUBDIVISION PLAT NO. 2005-20, A.T.S. 649, U.S.S. NO. 1258 SITKA NATIONAL MONUMENT, U.S.S. NO 407 TRACT B, SJC-LINCOLN SUBDIVISION PLAT NO. 2005-20, A.T.S. 15, SITKA RECORDING DISTRICT AND CPET CRESCENT HARBOR SEAWALK (CBS PROJECT NO. 80244-2010).

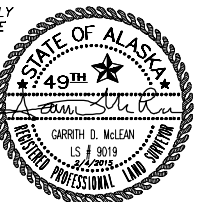
4. THIS SURVEY WAS CONDUCTED UTILIZING A TOPCON GTS-3000 SERIES TOTAL STATION AND STANDARD PRISM RANGING METHODS.

5. WHERE RECORD SURVEY COURSES (BEARINGS AND/OR DISTANCES) DIFFER FROM THAT OF FIELD MEASURED AND/OR COMPUTED SURVEY COURSES THE RECORD COURSE IS SHOWN WITHIN PARENTHESIS WHILE THE FIELD MEASURED AND/OR COMPUTED COURSE IS SHOWN WITHOUT PARENTHESIS.

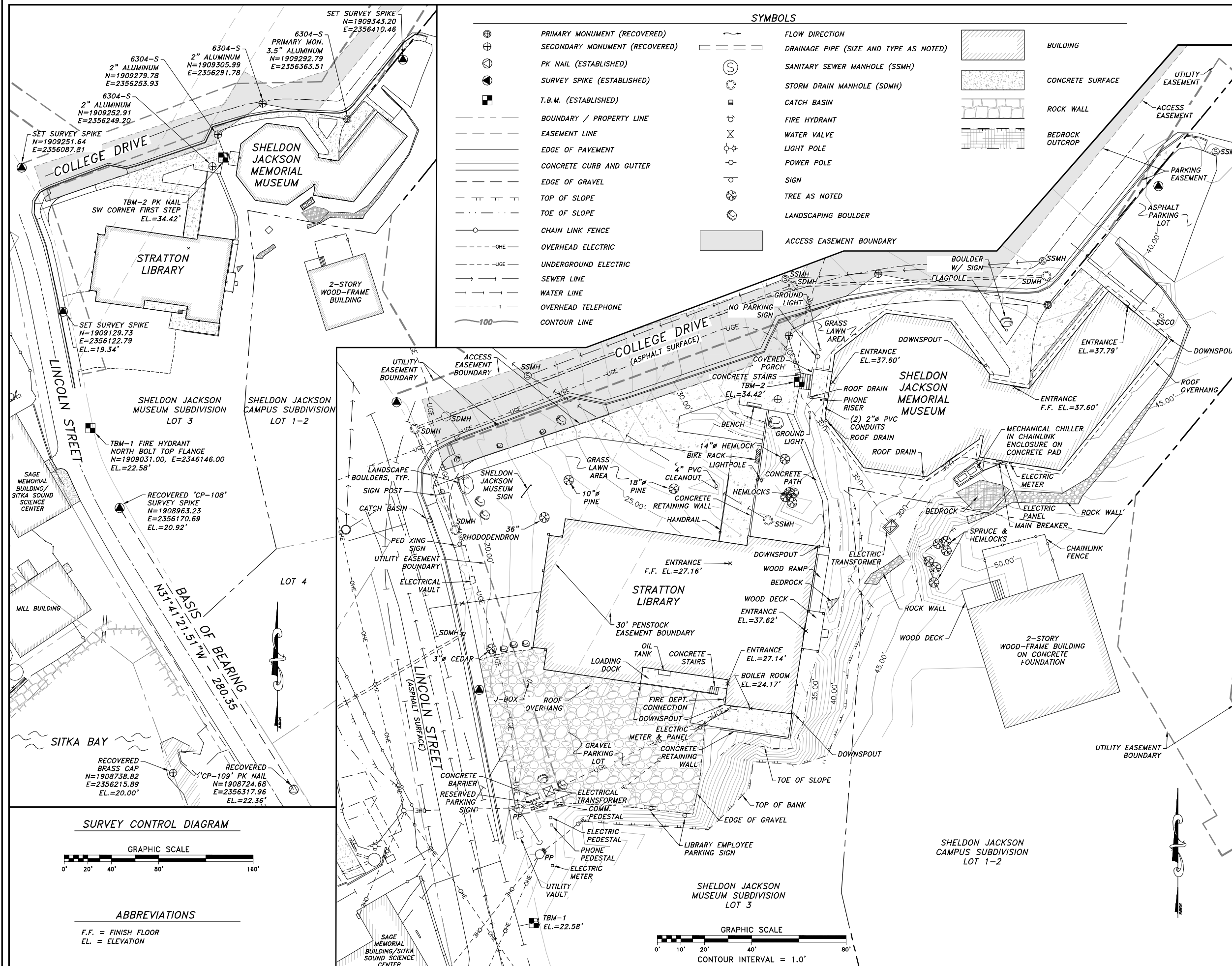
6. THIS PROPERTY IS SUBJECT TO ALL EASEMENTS OR OTHER ENCUMBRANCES OF RECORD DENOTED BY THIS SURVEY OR NOT.

7. UNDERGROUND UTILITIES AS SHOWN PER AS-BUILT SURVEYS PROVIDED BY THE CITY AND BOROUGH OF SITKA AND FIELD UTILITY LOCATES BY CITY AND BOROUGH OF SITKA ELECTRICAL DEPARTMENT.

I HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE LAND SURVEYING IN THE STATE OF ALASKA, AND THAT THIS PLAT REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, AND THE MONUMENTS SHOWN THEREON ACTUALLY EXIST AS DESCRIBED, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT.



<u>CLIENT:</u> NORTHWIND ARCHITECTS 126 SEWARD STREET JUNEAU, ALASKA 99801  DATE: FEBRUARY 4, 2015	<u>SURVEYOR:</u> R&M ENGINEERING, INC. 6205 GLACIER HIGHWAY JUNEAU, ALASKA 99801  R&M PROJ. NO. 151701
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## **Attachment C**

**State Board of Education & Early Development  
Approved Minutes  
July 26, 2023  
Virtual Meeting Platform  
Department of Education & Early Development  
333 Willoughby Avenue  
Juneau, AK 99801**

### **Business Meeting**

#### **Agenda Item 8 - Approve Library, Archives and Museum's Stratton Library & Sheldon Jackson Museum**

First Vice Chair Van Diest motioned, and Member Erickson seconded the following motion: I move that the State Board of Education and Early Development authorize and approve the acting commissioner to pursue sale of the Stratton Library, with the Governor's approval, and with the following conditions: (1) Proceeds from the sale of the Stratton Library shall be directed towards the Sheldon Jackson Museum; and, (2) the Department of Education and Early Development shall retain oversight of the Sheldon Jackson Museum including its facilities, operations, and grounds. There was no discussion. The motion passed unanimously in a roll call vote.