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# COMMITTEE REPORT

## HOUSE

FURTHER: FINANCE

<sup>9</sup>  
2/2/81

(11)

Date: MARCH 25, 1981

Mr. Speaker:

The Committee on RESOURCES has had HB 31

"An Act relating to the management and use of state, municipal, and private land; annulling 11 AAC 53.450(c); and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)  same title
- replace with CS for \_\_\_\_\_  new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Tony Gardiner

Frank J. Zboroff Lord

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Frank J. Zboroff

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Tony Gardiner

CHAIRMAN



## THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

LAW DEPARTMENT (907) 586-3300

March 13, 1981

House Resources Committee  
Pouch V  
Juneau, Alaska 99811

File: 1981 Legislature - HB 31  
Subject: Proposed Committee Substitute for SSHB 31

Ladies and Gentlemen:

Some of the provisions which your special subcommittee on SSHB 31 have agreed to and the problems which the subcommittee failed to deal with will leave municipalities with more problems than those which have been solved.

Alaska Statute 29.18.204 provides that the entitlements provided in AS 29.18.201 are "vested property rights which must be fulfilled as provided in AS 29.18.205 or 29.18.208." A reasonable definition of "vested property right" in this context certainly would not include what the subcommittee proposes in relation to withholding patents until the municipality has made available 20% of its entitlement for disposal under the State programs. The State would reduce each municipality's entitlement by 20% and would significantly delay the date upon which the municipality would otherwise be entitled to patent to its selections. The subcommittee's proposal would simply destroy the vested property rights given to municipalities under the Municipal Land Entitlement Act. It is probably a gross understatement to suggest that most municipalities would feel betrayed if this part of the subcommittee proposal becomes law.

The subcommittee proposal is an entirely new program aimed at land disposals. It seems that we have had a enough new land disposal programs over the last four or five years to have learned by now that each time we come up with a new land disposal program we encounter new and substantial problems and conflicts. Rather than back up and re-examine the assumptions upon which the land disposal program was based and attempt to work out solutions in light of more realistic assumptions we establish a new program or make a radical change to an existing program. This approach almost guarantees new problems and conflicts which will send us back to the drawing boards to devise another new program. I urge you not to continue this fruitless and frustrating cycle by creating yet another mandate-based land disposal program. The one which is proposed has all the earmarks of a plan which will destroy the cooperative atmosphere which presently exists between DNR and the municipalities.

Instead of "encouraging" municipalities to dispose of land by threatening them with a big stick, why not encourage land disposal through a land disposal assistance program? If land disposal is a truly high priority of the legislature, is there any reason the legislature should not provide assistance to another public agency, such as a municipality, which can, through such assistance, help the State meet its goals? The legislature seems quite willing to place

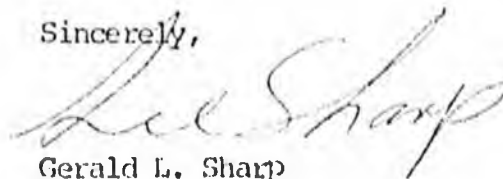
March 13, 1981

millions of dollars into various loan programs which are designed primarily to help citizens buy housing, boats, etc.; it would seem to be equally or more appropriate for the legislature to provide loans or other assistance to municipalities for the purpose of subdividing and disposing of municipal land so that the needs of individuals for land in our communities can be met. I strongly urge you to abandon the municipal disposal mandate approach and adopt instead a program of assistance for accomplishing patent surveys along with a grant or loan program to assist municipalities in meeting the costs of subdivisions. If a loan program is established to assist municipalities in meeting subdivision costs, a condition of that program could be that the municipality would be required to convey to the State a certain number of lots within a State assisted subdivision. The State, in turn, would deduct from the balance due on the loan an amount equal to the market value of these lots. The State could then dispose of such lots under any of its disposal programs.

It is also disappointing to note that the subcommittee did not deal with the problem of the loss of municipal entitlement arising out of a rejection of a selection by the Department of Natural Resources. Also, the subcommittee recommendations do not address the water access easement problem which already has two municipalities in court. Both of these matters are addressed in my letter of February 25, 1981 to the committee on the subject of suggested amendments to SSHB 31.

I urge you to take the course of action which will permit rational, planned, cooperative land disposals designed to meet the actual needs of communities rather than a course of action which will produce coerced and ill conceived land disposals which are not necessarily designed to meet the actual needs of any particular community.

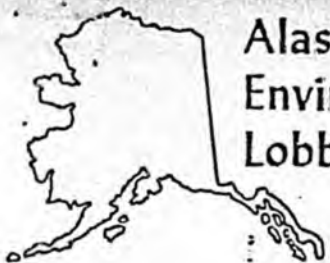
Sincerely,



Gerald L. Sharp  
City-Borough Attorney

GLS: jr

cc: Rep. Fred F. Zharoff, Co-Chairman  
Co-Chairmen  
Rep. Terry Gardner, Co-Chairman  
Rep. Joseph Chuckwuk, Vice-Chairman  
Rep. Ramona L. Barnes  
Rep. Robert H. Bettisworth  
Rep. Ben F. Grussendorf  
Rep. Richard W. Halford  
Rep. Vernon L. Hurlbert  
Rep. Sally Smith  
Rep. Eric G. Sutcliffe  
Rep. Anthony N. Vaska  
Ginny Chitwood, Executive Director, AMI.



TESTIMONY BEFORE THE  
HOUSE RESOURCES COMMITTEE  
ON STATE LAND DISPOSAL REFORM

Thank you Mr. Chairman

I'd like to thank the committee for an opportunity to address this issue today.

I recently distributed a position paper regarding State Land Disposal Reforms. I'd like to recap those points and discuss HB 31 and HB 193 in terms of those points.

First, we felt that the 100,000 AC, statewide quota had to be removed. We felt that this forced disposals that were poorly placed and poorly planned. It has forced the disposal of important wildlife habitats, recreational areas, timber resources and mineral areas.

Secondly, we felt that Public-Use Lands needed to receive more protection. Areas that have been identified as having high wildlife, timber, mineral, recreational and other Public Use values should be protected for the benefit of all the State's residents.

Thirdly, we felt that local residents needed to have input into the decision-making process. We felt that people had a right to have a voice in the future of their areas. A borough had a right to choose if it's economy could support more people.

Fourthly, we felt the disposal decisions had to be made at a more local level. So that disposals will be more responsive to local needs and still meet statewide needs.

When we reviewed both of the proposed bills, HB 31 and HB 193, we found that HB 193 more fully met these points.

I would now like to discuss these points and how they are dealt with by these bills.

Quota

Both bills retain a quota. HB 31 establishes a state-wide 60,000 acre quota. On the other hand HB 193 establishes an annual flexible quota. It will be determined annually based on the demand for land. It will take into consideration private land currently on the market and borough land disposals.

The 60,000 acre quota will retain all the problems associated with the 100,000 acre quota, except we'll have one-third less problems. We'll still have the same problems with areas important for public-use still being put up for disposal. In HB 193 the quota will float not only annually but by regions of the State. The other day Representative Freeman gave us a very eloquent speech on the frustrations of Alaskans not being able to get land to live on. The regional quota in HB 193 would highlight problems such as he discussed in Ketchikan. It would force DNR to attempt to meet that demand. The demand assessment required in Section 5 would bring a spotlight to problems such as this. The statewide 60,000 acre quota of HB 31 would not spotlight a problem of that sort. And if it did come to DNR's attention, there would be no way to force them to meet that need. They could still dispose of vast acreage in the Interior and avoid problems of that sort. The system developed would also give the legislature oversight authority then the budget process.

Protection of Public Use Lands

While neither of the bills include statutory protection of Public Use Lands, we feel that the restructuring of the quota included in HB 193 will help protect these areas. We also feel that the addition to AS 38.04 included in Section 1 will offer these areas some protection. We would also offer an amendment.

Section AS 38.05.305 is amended by adding a new subsection (e) to read:

- <sup>e</sup>
- (3) Before any lands classified under AS 38.05.047 (a) (1)-(4) or AS 38.05.047 (a) (5) (E), (F), (G), (I), (J), (K), (L), (M), (N), and (O) may be reclassified to categories permitting disposal other than by lease or permit, in addition to the notice required by this section public notice as required by AS 38.05.345 shall be given; and, in addition, the House of Representatives and the Senate of the State of Alaska, and the governor or his designated representative, shall be notified of any such proposed reclassification. Such a reclassification

shall not take effect until forty-five days after the notice required by this section has been given.

This amendment will require that the Governor and both house of the legislature will be notified before Public Use Land is moved into a disposal classification. Also the requirement that land be classified within two years of T.A. or patent will help protect these areas.

#### Local Control of Disposals

HB 193 gives the boroughs back some of their platting power. It includes provisions that allow the state to appropriate funds to bring subdivisions up to borough standards. This should allow the state to meet borough standards. We don't feel that the state should be able to ride rough shod over the boroughs, and create subdivisions that will become an economic burden to the borough or the new landowners. We also feel that people in the unorganized borough deserve a means to address these issues. Therefore I'd like to offer an amendment that would establish local advisory boards.

AS 38.05 is amended by adding a new section to read:

Section 38.05.048. STATE LAND ADVISORY COMMITTEES. The commissioner shall adopt regulations which establish advisory committees for the various regions of the state in which he intends to dispose of state lands. With the exception of Southeast Alaska, an advisory committee shall be established within each municipality in which disposals are proposed. In Southeast Alaska, one advisory committee shall be established for the northern and one for the southern portion of the area. In the unorganized borough, an advisory committee shall be established for each AS 14.08.031 regional educational attendance area in which disposals are proposed. The advisory committees shall be appointed by the commissioner and shall consist of persons residing in or using state lands in the appropriate regions who represent a variety of interests and are well informed regarding state lands and resources in the regions. The commissioner shall authorize each advisory committee to hold public hearings and gather information on management of state lands in the region which the committee represents, and shall provide staff support for the committees' activities. The advisory committees may by resolution make recommendations regarding the classification, reclassification, disposal, methods of disposal and management of state lands in the regions which they represent. The commissioner shall make written findings which address the recommendations of the advisory committees.

### De-centralization of Disposal Decisions

We feel that the flexible quota established in HB 193 will help to decentralize the disposal decisions. By establishing regional quotas the disposal decisions will be made at the local level. We feel that putting the disposal decisions at the local levels will make it more responsive to local needs. It would also make it easier for local DNR officials to work out problems with borough officials.

In reviewing HB 31 we also found some other problems that we feel make this bill unacceptable.

#### Section 1

This section seems to mandate borough disposals. We don't feel that it is proper to mandate borough disposals. While the bill conveying land to the boroughs stated that part of the land should be disposed of, we feel that it is the borough's decision as to how and when it's done. In any case the time-frame in the bill doesn't allow the borough any time to do any adequate planning. If we are going to force these disposals we should give them time to plan the disposals. Also HB 31 does not include any funding for borough disposal. This will force the municipalities to come up with the front-end money to develop these disposals. We made the borough pay the survey cost to get the land now we're going to make them pay the development cost to dispose of the land. That sounds like a hell of a deal.

The section titled Determinations Before Disposals of Land for Private Ownership requires that auctions and lotteries be held in the nearest municipality "in which regular sessions of the Superior Court are held. On the face this seems like a good idea. It will give locals an advantage in getting parcels. But will it really? It only will if you live in a city with a Superior Court. But, if you live in Tok, Galena, or McGrath, you may have to travel to Fairbanks, Nome, or Dillingham to buy the land.

In the section amending AS 38.05.057(a) it mandates that the commissioner "shall sell land by lottery for less than the fair market value of the land if he determines that scarcity of Land for private use in the area of the land to be sold has resulted in unrealistic land values." While we can agree with the idea of bringing down land values by dumping cheap land on the market. We feel that it may be unfair to other private land owners in the area. Anybody who currently has land in wilderness subdivisions,

like Wild Lake or Kennitot should be worried about their future land values.

There are also some other provisions in HB 193 that we feel are very important.

Sections 7 & 14 provide loans to municipalities to do the planning, surveying, and construction needed to carry out borough disposals. This will allow the boroughs to make disposals without increasing the tax burden on current landowners. This allows the development costs to be included in the price of the land to be disposed of. We feel this is an equitable way to spread the cost of needed improvements.

Section 10 & 11 establish Lakeshore Development Standards and mandate their inclusion in regional land use plans. We feel that it is very important to protect our lakeshore. However we must ask why weren't river banks included. We feel that both lakeshore and river bank areas should be protected both to protect the habitat for fish, but to insure that those resource remain available for all the people of the state.

HB 193 would also require that only the person who staked a remote parcel could file on it. It also allows the rental fees to go toward the purchase price. It also allows already existing lease to convert to these new terms.

All and all we feel that HB 193 provides a much better answer to the problems associated with the land disposal system. It would remove the 100,000 acre quota and replace it with a quota that is flexible, that will change from year to year and region to region and that will truly meet the demands of Alaskans for land. At the same time it will protect those lands most important to Alaskans. Those lands that have important, wildlife, mineral, timber, recreation and other public use resources. Those lands where Alaskans make their living and where Alaskans ~~recreate~~ RECREATE. - HB 193 will also give local people control over their own communities. It allows local people to be part of the decision making process. And it will bring that process closer to the local people.

So once again I would urge you to support HB 193 and to give serious consideration to the amendments we suggested on Notice and Local Advisory committees.

HB 31 v HB 193

1. a. HB 31 - All municipalities with land entitlements under 29.18.201 must submit to the legislature a five-year municipal land disposal plan by March 15, 1982. (Section 1)
- b. HB 193 - Establishes a program for disposal of municipal entitlement land into private ownership with State assistance. Allows municipalities to submit funding requests through the legislature to cover disposal costs provided the request is accompanied by a five-year disposal schedule and a description of sale terms. Treats appropriations as loans to be repaid to the State under established conditions. (Section 17)
2. a. HB 31 - Provides that public access to navigable and public waters of the State shall be preserved only under 38.05.127. (Section 2) annuls 11 AAC 53.450(c) (Section 35)
- b. HB 193 - No parallel provision.
3. a. HB 31 - Adds agricultural land to the land disposal bank; deletes obsolete reference to July 1, 1979 (Section 3).
- b. HB 193 - Same provision; also requires all State land to be classified by November 1, 1983; clarifies categories of land which are deposited in the land disposal bank - remote cabin sites, recreational, residential, commercial and industrial land (Sections 2, 3 & 4).
4. a. HB 31 - Reduces quota from at least 100,000 acres per year to 60,000 acres per year (excluding agricultural land); amount of municipal land offered for private ownership by municipalities after January 1, 1980, may be credited against the quota. (Section 4)

- b. HB 193 - Repeals quota; department would make a recommendation each year to the legislature based upon an assessment of demand; land bank still must contain at least 500,000 acres of state land available for purposes set out above. (Section 5).
- 5.
- a. HB 31 - Revises financing request language to provide that department submit three alternatives financing requests - a request for 100,000 acres mandated by law; a request for appropriations required to finance disposal of 50% of that amount (Now the law says "one-half"), and an estimate of the appropriations required to finance a disposal of twice the amount (now the law says "50%" more). (Section 5).
  - b. HB 193 - Rewrites financing request section to provide that the request must include (1) an estimate of the appropriations required to finance disposal of lands identified for disposal of lands recommended for disposal during that fiscal year; (2) an estimate of the appropriations required to finance the survey of the amount of land recommended for disposal during the first succeeding fiscal year and (3) an estimate of the appropriations required to finance the identification and classification of the amount of land recommended for disposal during the second succeeding fiscal year; and (4) any required capital improvements for subdivisions scheduled for disposal within municipalities. The State also is required to submit along with its financing request, a map showing the areas in which the disposals are to occur. Any request by municipalities for loans, would also be included in the Department's financing submittal. (Section 7).
- 6.
- a. HB 31 - Technical Amendment which excludes school land as lands which may be made available at fair market value for private school lands use. Designation was repealed during 1978 session. (Section 6).

- b. HB 193 - No parallel provision.
- 7.
- a. HB 31 - Provides that easements and rights-of-way on or across land which is made available for private use may include established trails traditionally used for commerce, recreation or transportation. (Section 7)
  - b. HB 193 - No parallel provision.
- 8.
- a. HB 31 - Contracts with an appraised value of up to 50,000 may be signed by the Director without the Commissioner's concurrence (now it is 1,000); and leases with an annual rental value of up to \$5,000 may be approved by the Director without the consent or approval of the Commissioner. (Now 1,000) Further provides that contracts for negotiated sale authorized by AS 38.05.115, permits issued under 38.05.330, or are exempt from this section. (Section 8)
  - b. HB 193 - No parallel provision.
- 9.
- a. HB 31 - Authorizes conveyance to an adjoining landowner parts of land created by highway right-of-way alignment or realignment or a parcel created by the vacation of a state on right-of-way not to exceed one acre under certain specified circumstances. Parcels conveyed under this section must be sold at fair market value as determined by the Director on the basis of an appraisal. (Sections 9 & 10).
  - b. HB 193 - No parallel provision.
- 10.
- HB 31 - Subdivision parcels may exceed five acres if a municipal ordinance or regulation adopted by the Department of Environmental Conservation requires larger parcels to prevent water pollution. (Now parcels cannot exceed five acres.) The Commissioner is

required to give priority to surveying districts which contain land that "is in the vicinity of existing access roads". (Section 11).

- b. HB 193 - The requirement to establish survey districts has been deleted. However, all lands which are subdivided for residential services or purposes must be sold in accordance with current AS 38.05.047(f) (80% lottery, 10% homesite under 3C.08, 10% homesite lottery). Parcels cannot exceed five acres unless a larger size is necessary for the "full use and enjoyment of the land". The maximum is 40 acres. The Department is also required to include a municipality in its planning for State land located within the boundaries of the municipality by providing each municipality information regarding the amounts and location of State land within that municipality proposed for classification or survey or disposal at least 60 days before submission to the Governor of its financing request. Within 30 days of receipt, the municipality may recommend alternative locations, terms, and subdivision designs. If municipal land is recommended for disposal to satisfy all or part of the accessed need for land within the municipality, the Department's financing request must identify state lands for which disposal is not recommended if loans for the disposal of municipal lands are approved by the legislature. HB 193 also clarifies which lands are available for disposal following the classification process. (Sections 13 through 16).
  
- 11. a. HB 31 - Requires that auction, lotteries, or homesites disposals must be held in a municipality that is "closest to the land to be sold or disposed of and in which regular sessions of the Superior Court are held". (Section 12)
  
- b. HB 193 - No parallel provision.

12. a. HB 31 - Requires bidders to be present at auction sales of recreational and residential land. Bidders may be represented by an Attorney or Agent if the land offered for disposal is commercial, industrial or agricultural land. Changes downpayment from 10% to 5% of the purchase price after deduction of the discount. (Section 13).
- b. HB 193 - No parallel provision.
13. a. HB 31 - Deletes lottery minimums (\$400 per acre general lottery; \$100 per acre if land is limited to use for agricultural purposes); requires the Commissioner to sell land by lottery for less than fair market value if he determines the scarcity of land for private use in the area of the land to be sold has resulted in unrealistic land values. Under current law this authority is discretionary. Also requires applicants to be present at the lottery if the land offered is for residential or recreational purposes. An Agent may represent the applicant if land is offered as commercial, industrial or agricultural land. Clarifies that the downpayment is determined after deduction of the discount. (Section 14).
- b. HB 193 - Repeals minimums; provides that the downpayment is taken off the purchase price after deduction of the discount. (Section 18)
14. a. HB 31 - Provides that all contracts of sale shall be a period of not more than 20 years. Interest on the unpaid principal is calculated in advance. Interest accrues beginning 30 days after the purchaser receives the contract from the Department for its execution. (Section 15).
- b. HB 193 - No parallel provision.

15. a. HB 31 - Changes reference from Director to Commissioner. Provides that contract must be signed by the purchaser and the Commissioner on behalf of the State. The purchaser must sign and return the contract within 30 days after he receives the contract. The Commissioner must sign the contract within 30 days after receiving the contract from the purchaser. If the purchaser fails to sign the contract, the deposit should be retained by the Commissioner as to liquidate damages to repay the State for the cost of selling the land to another purchaser. (Section 16).
- b. HB 193 - No parallel provision.
16. a. HB 31 - Increases appraised value of the lease transaction which may be negotiated by the Director without advertisement from \$250 per year to \$1,000 per year. (Section 18).
- b. HB 193 - No parallel provision.
17. a. HB 31 - Changes the remote parcel program. Under current law, an individual selected by lottery is entitled to stake a remote parcel which may not exceed 40 acres. After staking, the qualified applicant may lease the remote parcel for five years with an option to renew for an additional five years. The rent for this parcel is \$50 an acre for the first five acres, a \$150 for each additional acre. At the end of the lease period, the lessee is entitled to purchase the first five acres on the parcel if he has surveyed the land and built a habitable dwelling on the land. The lessee may purchase additional acreage over five acres in the remote parcel if he surveys that land and constructs permanent improvement. The purchase price of the remote parcel is the appraised value at the time the survey plan is approved by the Commissioner. HB 31 provides that remote parcel areas would simply be open to staking rather than

sold through semi-annually lotteries. The annual rental is reduced to a flat \$10 per acre fee. Requirements for improving land in excess of five acres are eliminated. In order to qualify to purchase up to 40 acres, the lessee must survey the land and build a habitable dwelling on that land. The value of the remote parcel would be determined at the time of entry. Holders of existing remote parcel leases are allowed to convert to the new more liberal terms. (Sections 19 through 24).

- b. HB 193 - Same as HB 31 with two exceptions: (1) eliminates habitable dwelling requirements (2) allows rentals to be credited to purchase price. (Sections 19 through 24).
18. a. HB 31- If a persons selects a remote parcel in good faith that includes land in his parcel which was previously claimed by another parcel lessee, the Commissioner shall approve that part of the selection which does not conflict with the earlier selection and allow the person to select additional land in a remote parcel selection area. If a person selects a remote parcel in good faith but includes land in his parcel which is outside the remote parcel selection area, the Commissioner shall either disapprove the selection outside the area, and allow the person to select additional land, or he may approve the selection of the land outside the remote parcel selection area. (Section 25).
- b. HB 193 - No parallel provision.
19. a. HB 31 - One in a series of technical amendments which rectify an error made several years in a bill which purported to exempt eligible applicants from the payment of annual rent on State land lease for a youth encampment. (Section 26).
- b. HB 193 - No parallel provision.

20. a. HB 31 - Adds wastes disposal site and grazing permits to list of permits that may be issued by the Director without prior approval of the Commissioner. (Section 27).
- b. HB 193 - No parallel provision.
21. a. HB 31 - Amendments to notice laws recommended by the Department last year. (Sections 28 and 29)
- b. HB 193 - No parallel provision. However department has developed a proposed alternative.
22. a. HB 31 - Allows larger than 5 acre homesite parcels if a municipal ordinance or regulation adopted by DEC requires larger parcels to prevent water pollution.
- b. HB 193 - Also authorizes larger parcels to permit the "full use and enjoyment of the land". (Section 25).
23. a. HB 31 - Requires homesite applicants to present a proof of residency to the Department in person at the time and place designated by the Director.
- b. HB 193 - No parallel provision.
24. a. HB 31 - Repealers: (1) AS 38.05.065(a) - Auction sale terms (2) 38.05.077(b)2 - Deletes reference to "residential purposes" land within a remote parcel (3) 38.05.078(b) - deletes reference to "residential purposes" land in a remote parcel (4) 38.05.078(b)(1) - repeals requirement that remote parcel land may not be sold, leased or otherwise conveyed before 10 years after the date the contract of sale is signed by the purchaser (5) 38.05.095(b) and 38.05.097 - (see #19)

- b. HB 193 - Repeals 38.05.077(b)(2), 38.05.078(b), 38.05.078(d)(1), Also repeals 38.05.047(e) - (See #10); and 38.05.078(f)- definition of "habitable dwelling".

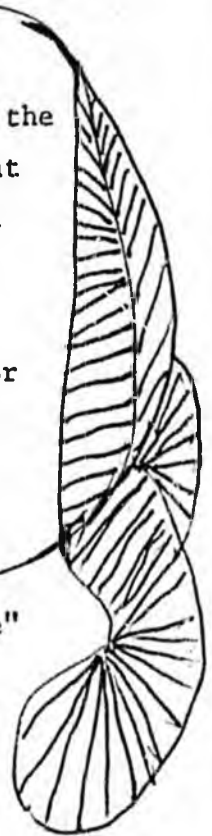
Miscellaneous Amendments Contained In HB 193 Only:

1. When considering the classification of State land for disposal, the Director must taken into account the existing and potential opportunities for other uses of the land which will be lost as of the result of this disposal - Fish and Game Proposal (Section 1).
2. Land withdrawn from the land disposal bank which has not been conveyed within five years may be reclassified for any purpose. Now the land must be reclassified for purposes associated with private use settlement and development - Fish and Game Proposal (Section 6).
3. Allow State agencies to nominate State land for classification or reclassification for other private ownership or State retention - Fish and Game Proposal (Section 8).
4. Estimates of the cost of land disposals must include administrative costs overhead, expenses of providing financing term for land sale contracts and costs from administering the land disposals and maintaining capital improvements - Fish and Game Proposal Plans (Section 9).

5. Provides that the Commissioner must consult with effected State agencies and local governments before disposing of State land for private use in order to establish lakefront development standards. Official regional or area land use plans adopted by the Commissioner must be consistent with the lakeshore development standards established above - Fish and Game Proposals (Sections 10 and 11).

6. The Bill would also modify the requirement in existing law that the local subdivision authority must approve a State subdivision plat before the plat may be recorded and lot sold by the State. Plat approval authority would be retained in this Bill. However, if municipality fails to take action on a plat submitted by the Department of Natural Resources within 60 days after submitted or places conditions on plat approval which are unacceptable to the Department, the Department may deduct the amount of land in that subdivision plat from the total financed for disposal that year.

7. Adds "protection from geophysical hazards" to list of "multi-use" categories listed in A.S. 38.05.047.





# Matanuska-Susitna Borough

BOX B, PALMER, ALASKA 99645 • PHONE 745-4801

DEPARTMENT OF ADMINISTRATION

April 9, 1981

Chairman, House Resources Committee  
State of Alaska  
House of Representatives  
Pouch V  
Juneau, Alaska 99811

Gentlemen:

Re: House Bill 31--An Act relating to management of State land

House Bill 31 contains many desirable features and reflects some very conscientious efforts to correct some problems in the present State land disposal program.

On balance, however, the bill is a very bad bill both for the State of Alaska and the Matanuska-Susitna Borough. In particular, we believe it will damage our future as an agricultural region.

The bill would effectively take away 20% of local government lands in order to provide lands for the State to use in creating State subdivisions. If the Federal government, should, at this time, decide to take back 20% of the lands it committed itself to convey to the State of Alaska or 20% of the lands committed to Native corporations, there would be an outcry. The new Federal administration has promised to convey to the State the remaining State entitlement and has generally been applauded within the State of Alaska for that decision. I wish that there were a similar commitment on the part of the State of Alaska to its local governments.

We recognize that members of your committee and people within the State of Alaska, Department of Natural Resources are probably satisfied that the State will dispose of the 20% of withheld local government lands in a responsible manner and, possibly, in a better manner than would be the case if land decisions were made locally.

We do not believe that this is a correct analysis because over the long-term we do not think the Department of Natural Resources can withstand pressures to put agricultural lands into non agricultural subdivision uses.

Most of the 228,586 acres selected by the Matanuska-Susitna Borough, but not conveyed to the Borough, are not suitable for agricultural use--probably only about 30% of the land is suitable for that use--but, if the laws of land economics which have applied in other states apply in this state, the first lands to be subdivided will be the best agricultural

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APR 13 1981

lands--the lands with Class II and Class III soils. The great bulk of this agricultural land is in the Susitna Valley--part of it is in large acreages between the Susitna River and the Little Susitna River. Prime agriculture lands are subdivided first because these are the lands that are easiest to subdivide, build roads on and provide adequate on-site sewage treatment for. The Borough high graded State owned lands in the late 1960's when the Borough made its land selections and the State would, almost certainly, skim Borough lands in the 1980's, meaning, the taking of the best Borough agricultural lands for State subdivision purposes.

If the Department of Natural Resources takes the easy way out, which is likely to occur given the pressures to get lands on the market, irreparable damage will be done to our local efforts to create a good economic base in the Susitna Valley. We are seeking a certain critical mass of good agricultural lands in the Susitna Valley so that we can benefit from some of the economics of scale. If we forfeit this opportunity the loss will be irretrievable. The Susitna Valley is a potential agricultural region close to Anchorage, where about half of Alaska's population lives, and is a little sunnier and less rainy than other agricultural areas of the Matanuska-Susitna Borough.

The Matanuska-Susitna Borough, because of the commitment of its people, particularly the large number of people who are serving the Borough or who have served the Borough on the Planning Commission, Platting Board, the various soil conservation committies, and the agricultural development committies, has always been able to maintain a steady course on development of an agricultural base in the Valley. With few exceptions, the Borough has retained lands which are predominately characterized by Class II and Class III soils, for agricultural purposes, while placing on the market very large quantities of good subdivision lands. We believe that this balance is sound and can continue to work to the benefit of both people who want subdivision parcels and the people who want to farm. To date, of the 126,623 acres conveyed to the Matanuska-Susitna Borough, approximately 52,000 acres have been conveyed to private persons. Of this 52,000 acres, 3,125 has been conveyed for agricultural uses and 48,875 has been conveyed without such restrictions. By this time we would have conveyed a much larger acreage into private ownership, had not the State called a halt to the transfer of lands approved for conveyance to the Borough. From September 1979, through October 1980, the Borough received 34,074.13 acres. Since this time, the only land that has been patented is 833.06 acres of Borough agricultural land included in the State lottery sale at Point MacKenzie. (AS 29.18.206 provides that these lands will be conveyed promptly to local governments, but this directive has been ignored by the State of Alaska and continues to be ignored by the State.)

Since we believe that the Matanuska-Susitna Borough, which is the location of most of the good subdividable land targeted by House Bill 31, can maintain a good balance of lands, and since we believe that the State cannot, because of land economic pressures, maintain such a balance, we ask

that Section 3 of House Bill 31 not be included in any bill enacted by the Legislature this year, and that any consideration of identification and disposal of municipal entitlement land, be deferred until next year, and after the Department of Natural Resources has conveyed surveyed but unpatented lands to the municipalities.

We believe that if the State holds off on acquiring Borough lands for subdivision purposes, the State Legislature would have an opportunity to review the effectiveness of State and local government efforts to manage and dispose of lands.

The Matanuska-Susitna Borough would use the intervening months for carrying out an ambitious land sale of its own, similar to the land sales carried out by it in previous years, and would work with the State of Alaska in identifying the best land for subdivision development, whether it is within State ownership or Borough ownership, (and would work toward the further identification of lands which should be reserved for agricultural development).

We think that both the State of Alaska and local governments can make very good use of the proposed AS 38.04.020(e)(4) on preliminary feasibility studies, engineering design work, and construction of access roads and capital improvements, which would support and facilitate the subdividing of lands.

During this time, the Borough will probably have adopted a revised subdivision ordinance that would liberalize requirements for subdividing areas that have fly-in or river access and where lot sizes are 10 acres or larger. Presently, it is difficult to subdivide land within the Matanuska-Susitna Borough in remote areas where the lot does not front upon a river or lake and where there is no potential for road access. (For the record, it is possible to subdivide lands around lakes and along rivers, if the water table is not excessively high and there is a means of handling sewage on the site.)

We believe that this is the responsible way to proceed and will yield much better results than an outright raid by the State upon local government lands.

Further comments are:

AS 38.04.020(f) providing for the Commissioner submitting a budget to the Governor based upon an assessment of the current needs and anticipated uses of State land in the different regions of the State and developed in consultation with municipalities - the Borough has no objection to having its lands considered as part of the total land disposal picture. The Matanuska-Susitna Borough considers that it will appear a very positive light in the overall program to get public land into private ownership and would be pleased to be consulted with, and to have its land disposal effort considered as part of the total picture.

AS 38.04.020(h) providing that individual parcels disposed of in subdivisions may exceed five acres if the Commissioner determines that a larger size is necessary to permit the design of a viable subdivision because of topographical features, soil conditions, on-site sewage disposal requirements, or water drainage or supply considerations that are unique to the subdivision--the Matanuska-Susitna Borough considers this to be a very desirable provision. We understand the reference to soils conditions to include, in certain parts of Alaska, the availability of timber, because in muskeggy ground with very little timber, a five acre lot subdivision is a very uneconomic affair, both because of the prominence of visibility of buildings built upon a group of five acre lots clustered together and, because of the lack of any means of providing heat to cabins in a remote area. In many parts of the Matanuska-Susitna Borough, it is simply not feasible to bring in heating oil and you need a wood lot of at least ten or twenty acres to have any source of fuel. Also, if the State should try to simply force a number of five acre subdivisions in areas where soil conditions and on-site sewage disposal situations were unfavorable, the State would simply be involved in the type of consumer fraud that makes news on 60 Minutes and which puts developers into jail if they are trying to sell such properties in interstate land sales. Neither the State nor the Borough should be a party to putting unmarketable and unusable parcels on the market, because this serves no public purpose, does a lot of harm and causes hardship. AS 38.04.020(h) is a very positive step toward consumer protection.

AS 38.04.021 Identification and disposal of municipal entitlement land--commented upon previously--this section should be deferred for consideration in the next session of the Legislature. Meanwhile the State of Alaska should proceed to issue patents to municipalities under existing State law.

AS 38.04.021(d) Making a partial assignment to a municipality of receipts from the land sale contract for lands sold by the State to private persons--if the only concern and interest of the municipality with respect to municipal lands were the amount of revenues it could derive from these lands, this provision would remove some of the sting of House Bill 31. As noted before, the Matanuska-Susitna Borough, at least, has a much greater concern with respect to the future development of lands in the Borough than just the derivation of revenues from lands. In any event, the term partial assignment does not appear to have any particular meaning. I would anticipate that if the State deducts from the cost of sales of Borough selected lands, the costs to survey, administration, etc., the net proceeds to be turned over to the Borough as a "partial assignment" would almost be zero. It is dubious if this partial assignment language accomplishes much of benefit for a local government. If the State simply proposed to dump land on the market as fast as it could, without any concern for getting any

Chairman, House Resources Committee

April 9, 1981

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minimum bids, then the amount of revenues to be derived would almost certainly be zero. House Bill 31 does not provide any guidelines or suggestions of what the State might or might not do.

Sincerely,

A handwritten signature in cursive script that reads "Gary Thurlow". The signature is written in dark ink and is positioned above the printed name and title.

Gary Thurlow  
Borough Manager

er

Attachment



# Matanuska-Susitna Borough

BOX 9, PALMER, ALASKA 99645 • PHONE 745-324

DEPARTMENT OF LAND MANAGEMENT

January 26, 1981

TO: Lee A. Wyatt, Acting Borough Manager  
FROM: Norma Coleman, Land Management Officer  
SUBJ: Status of Borough's Land Selection Program

Total Patents Issued		126,623.97
Left to Patent on TA'd Land:		
Smith Decision	90,660.56	
Mann Decision	104,743.46	
Reaffirming	821.30	
	<u>196,225.32</u>	<u>196,225.32</u>
Total Patents and TA's		322,849.29
Preliminary Decision, 11/21/80		<u>43,181.51</u>
		366,030.80
TOTAL ENTITLEMENT		<u>355,210.00</u>
Over Selection		10,820.80
Acres, Patented, TA'd and Surveyed		228,210
Acres to be Surveyed		<u>127,000</u>
TOTAL ENTITLEMENT		355,210

Please note the amount of acres over selected and the acres to be surveyed. Over one-third of selection entitlement must be surveyed. By the time water is extracted, lakes, streams, extreme peat bogs, a goodly portion of the 10,820 acres will be deleted from the gross acres selected. I recommend that we do not relinquish any land until such time we can complete the surveys and determine our net acreage.

Entitlement	355,210 acres
Patents issued	<u>126,624</u>
Remaining entitlement	228,586
Land to be surveyed	<u>127,000</u>
TA'd, surveyed, not conveyed	101,586 acres



# Matanuska-Susitna Borough

BOX B, PALMER, ALASKA 99645 • PHONE 745-3246

DEPARTMENT OF LAND MANAGEMENT

## MEMORANDUM

DATE: January 19, 1981  
 TO: Norma Coleman, Land Management Officer  
 FROM: Pam Strahan, Land Management Technician  
 RE: Status Report on Borough Lands to date

Total Patents issued before July 1, 1978	84,414.62
Smith Decision - January 22, 1979	142,904.49 acres
Relinquishments	-13,995.87 acres
Error in decision	-300.00 acres
DECISION TOTAL	<u>128,587.62</u> acres
TA'ed amount	Patented amount
37,927.06 acres	32,232.83
Difference between TA'ed acreage and Patented acreage amounts	-5,694.23 acres
LEFT TO PATENT	<u>90,660.56</u> acres
Mann Decision - March 21, 1980	115,210.79 acres
TA'ed amount	Patented amount
10,467.33	9,976.52
Difference between TA'ed acreage and Patented acreage amounts	-490.81 acres
LEFT TO PATENT	<u>104,743.46</u> acres
Reaffirming Decision - December 28, 1979	<u>821.30</u> acres
Total of Patents issued before July 1, 1978	84,414.62
Total of Smith Decision	128,587.62
Total of Mann Decision	115,210.79
Total of Reaffirming Decision	821.30
Total Selections	<u>329,034.33</u> acres
Total Patents July 1, 1978	84,414.62
Total of acres patented on Smith Decision	32,232.83
Total of acres patented on Mann Decision	<u>9,976.52</u>
TOTAL PATENTS ISSUED	126,623.97 acres

ALASKA LAND STATUS

Report by House Resource Committee  
to accompany

Resource Committee Substitute for HB 31

## ALASKA LAND STATUS REPORT

The Alaska Statehood Act, signed into law in January of 1959, marked the beginning of the first dramatic shift in land ownership patterns in Alaska since 1867, when governmental control of Alaska was ceded to the U.S. by treaty from Russia. The effect of Federal policies and actions during the ninety two years of U.S. control prior to Statehood is most clearly demonstrated by the pattern of land ownership that existed when the Statehood Act was passed in 1958. In that year, 99.8 percent of the land was still owned by the Federal government. Only a little over half a million acres had passed into private ownership.

The Statehood Act authorized the State to select a total of 104.5 million of the 367.7 million acres of land and inland waters in Alaska. In passing the Statehood Act, Congress cited economic independence and the need to open Alaska to economic development as the primary purposes for large Alaska land grants.

The State's initial land selections were small and carefully calculated, largely due to the young State's precarious financial position. Land selection was expensive. At a time when the total State budget was less than \$ 100 million, the State simply could not afford to select the entire 104.5 million acres of State land entitlement. By 1968, the State had selected about 26 million acres of its statehood entitlement. Most of these lands were chosen for their immediate development potential and their proximity to existing transportation routes.

Late in the 1960's the long-simmering question of Native Land claims started a process which was again to dramatically affect the patterns of land ownership in Alaska. Native leaders, prompted by the State land selections of Native hunting grounds near Minto in the mid-1960's, asserted Native claims to large areas of the State. Acting to protect Native land rights, the Secretary of the Interior froze all Federal land transactions (including State selections) in 1966.

The issue of the Native claims was cleared with the passage of the Alaska Native Claims Settlement Act ( ANCSA) on December 18, 1971. This Act of Congress provided for creation of Alaska Native village and regional corporations, and gave the Alaska Natives nearly one billion dollars and the right to select 43.7 million acres of land. Section 17 (d) (2) of the Settlement Act directed the Secretary of the Interior to withdraw from public use, land in Alaska for study as possible national parks, wildlife refuges, forests, and wild and scenic rivers. The "d-2" lands issue was finalized in December of last year with the passage of the Alaska Lands Act following years of uncertainty over the future of enormous blocks of land.

Recently Interior Secretary Watt agreed that top priority must be given to conveyance of Federal lands to the State and to the Alaska Native populations. Land conveyance to the State and Natives will be expedited, with sufficient staff and funds requested of Congress so as to transfer 13.5 million acres during fiscal year 1982 - 9 million acres to the State and 4.5 million to the Natives.

As of January 28, 1981, the State had received 48.2 million acres of land from the Federal government, or 46.1% of its total land entitlement. This

included 26.4 million acres of Tentatively Approved (TA) land and 21.8 million acres of Patented Land. The State has selected the rest of the land it is entitled to under the Statehood Act; however, the selected land includes unresolved overlaps with over-selections by Natives under ANCSA and "d-2" proposals. The Alaska Lands Act amends the Statehood Act to facilitate the land selection process, including a 10 year extension of the selection period.

According to the Bureau of Land Management, as of January 31, adjudication of land for conveyance to Native corporations has been completed on 21.3 million acres of land. Of this, about 17.3 million acres have been conveyed. Most of the remainder is on appeal at the Alaska Native Claims Appeals Board. They have also indicated that over the next few years the number of acres conveyed each year will decline because the lands will include complex questions of status and will often be small tracts.

A summary report on State land disposal programs indicates that the State offered a total of 327,671 acres of land for disposal during the period July 1, 1978 - December 31, 1980. The amount of acres sold during this time period was 222,476 acres, or 67.9% of the total offered. This includes acreage offered under the various State lottery programs, Remote Parcel program, Auction, and Over-the-Counter offerings. Lands transferred to municipalities under the Municipal Entitlement Act are not included. As of March 6, 1981, the total acreage of State land surveyed and available for disposal during FY '81 is 149,731 acres. For FY '82 the amount of available land DNR has identified and surveyed for disposal is 92,651 acres.

The Department of Natural Resources indicates, in its State Land Classification Report To The Legislature For Calendar Year 1980, that 2.1 million acres of land were classified by the department during 1980, through Alaska's Land Classification System. This land classification system is a method of identifying what are currently believed to be the most appropriate uses of State owned land and establish some certainty about the future uses of these lands. With some exceptions, land must be classified before it can be made available for disposal, including land sales and leases, timber sales, gravel sales, etc. The only significant exception to this is mining claims. Most classifications for disposal during 1980 were for the purpose of sale by Subdivision lottery, Homesite offering, Remote Parcel entry and Agricultural Auction of Lottery. By the end of 1980 DNR had classified close to 16 million acres of State land into some twenty different use categories.

Under the provisions of Chapter 180 (SLA 1978), more commonly called the Municipal Entitlement Act, the State is required to provide land to qualified municipalities. The provisions of the Municipal Entitlement Act require that before lands can be conveyed to a municipality they must be classified in a disposal classification. Lands totaling 109,702 acres were classified for municipal conveyance during 1980 by DNR.

The February 6, 1981, Municipal Entitlement Summary report ( attached) prepared by DNR indicates qualified municipalities are entitled to 779,486 acres of State land. The municipalities which had to meet the October 1, 1980 land selection deadline to satisfy the Municipal Entitlement Act did so, and, in fact, over-selected by approximately 37% in order to assure themselves of their total entitlement after taking into account other

land conflicts.

The Director of the Division of Lands had, as of February 6, 1981 (the latest available report) given a final decision on 542,771 acres of Municipal Entitlement Land, or 69.6% of the total land available to the municipalities. Of this amount municipalities had been conveyed final patent to 209,117 acres. Another 132,922 acres were still in what the department calls a patent pending classification. The remaining 200,732 acres were approved by the Director for patented, but the land was still unsurveyed by the municipalities. Under the current land laws it is the responsibility of the municipalities to have the land surveyed prior to receiving final patent.

The roadblocks encountered in transfer of State lands to municipalities vary throughout the State. The main roadblock was the unsurety of the Native land selections under ANCSA. Another blockage was that many of the municipalities did not complete their land selection process until close to the Municipal Entitlement selection mandatory deadline of October 1, 1980. In Southeast Alaska much of the acreage the municipalities selected lies within National Forest lands, and until this land is transferred to the State and classified for municipal disposal, land for municipalities in Southeast Alaska will remain low. It should be noted that the percentage of the total entitlement lands that have been patented and approved but unsurveyed, for the State as a whole, was 53% as of February 6, 1981. However, this was not the case in Southeast Alaska. The percentage of patented and approved but unsurveyed land in Southeast was only 15%. This was due mainly to the municipalities selecting lands

within the National Forest. Another roadblock that should be mentioned is that of residents which already live in an area protesting the transfer of the land to municipal ownership because of the fear more people will move into the area and destroy their present solitude, let alone their fear of an increase in their tax burden.

Most of the larger municipalities currently have a land disposal program and once they receive patent to the land they will be able to use to dispose of land in an orderly and quick manner. A problem most have to face is a lack of sufficient funds to complete the required surveys prior to final patent.

STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
MUNICIPAL ENTITLEMENT SUMMARY

February 6, 1981  
Page 2

\* = Changes from prior report

Municipality	Entitlm't	Selection	Net Sel.	Signed by Director		Appvd but Unsurv.	Patented	% Sel. Proc. to Fin. Dec. Stage 6/4	Pat'd & Appvd but Unsur As % of Ent. (7+8)/2	Remarks
				Proposed Decision	Final Decision					
1	2	3	4	5	6	7	8	9	10	
<u>SOUTHCENTRAL Cont'd</u>										
City of Cordova	235	320	213	213	213	213	-0-	100	91	Sel basically complete. Field surveys underway.
City of Dillingham	1	11	---	11	---	-0-	11	100	0	Entitlement fulfilled via .315 program.
City of Homer	16	15	15	15	15	-0-	15	100	94	Being handled under .315 program.
City of Houston	405	873	235	244	235	-0-	235	100	9	Conflict w/capitol site on remainder.
City of Kenai	307	407	307	307	307	-0-	307	100	0	Entitlement fulfilled.
City of Kodiak	32	32	---	---	---	-0-	-0-	---	0	No known land available
City of McGrath	-0-	8	8	8	8	-0-	8	100	N/A	Actually 7.67 Ac (.315 program only.)
City of Ozinkie	240	---	---	---	---	-0-	-0-	---	0	No known lands available.
City of Port Lions	35	---	---	---	---	-0-	-0-	---	0	No known lands available.
City of Seward	562	505	470	470	470	-0-	-0-	100	0	470 Ac only TA'd to State.
City of Soldotna	14	129	---	104	---	-0-	5	---	0	QCD issued under .315 program.
City of Valdez	4,805	6,407	4,882	4,882	4,882	1,055	3,483	100	94	

STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
MUNICIPAL ENTITLEMENT SUMMARY

February 6, 1981  
Page 1

\* = Changes from prior report

Municipality	Entitlm't	Selection	Net Sel.	Signed by Director		Appvd but Unsurv.	Patented	% Sel. Proc. to Fin. Dec. Stage 6/4	Pat'd & Appvd but Unsur As % of Ent. (7+8)/2	Remarks
				FLWM						
				Proposed Decision	Final Decision					
1	2	3	4	5	6	7	8	9	10	
<u>SOUTHCENTRAL</u>										
Bristol Bay Borough	2,898	4,872	1,558	1,558	1,558	-0-	1,592	100	55	Deficiency in available lands due to Native Claims Settlement Act Sel
Kenai Peninsula Borough	155,780	149,433	91,634	106,685	48,274	2,489	38,363	53	26	3415 Ac in patent pending. Zero Ac in patent process. Still need to select some 6,000 acres.
Kodiak Island Borough	56,500	100,199	13,867	13,867	13,867	3,159	2,215	100	9	Adequate Sel have been made but due to Native Allotments & Native Claim Settlement Act Sel there gen'ly no addn'l lands approvable. QCD issued on 8.06 Ac under .315 program. 613 Ac in patent pend.
Mat-Su Borough	355,210	506,186	340,022	348,365	340,022	160,785	129,279	100	82	25,165 Ac in patent pend. Sel genly complete. Survey completed on 33,129 acres.
Municipality of Anchorage	44,893	52,447	17,166	19,429	17,166	1,972	7,964	100	20	Zero Ac in patent process. 2,890 Ac in pat pend. Includes 5374 Ac. of .315 Selections.
City of Bethel	40	5	---	---	---	-0-	-0-	---	0	

STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
MUNICIPAL ENTITLEMENT SUMMARY

February 6, 1981  
Page 3

\* = Change from prior report

Municipality	Entitlm't	Selection	Net Sel.	Signed by Director		Appvd but Unsurv.	Patented	% Sel. Proc. to Fin. Dec. Stage 6/4 9	Pat'd & Appvd but Unsur As % of Ent. (7+8)/2 10	Remarks
				Proposed Decision	Final Decision					
1	2	3	4	5	6	7	8	9	10	
<u>SOUTHEAST</u>										
* City & Borough of Juneau	19,582	15,932	17,325	17,342	2,870	-0-	783	17	4	690 Acres in patent pending.
City & Borough of Sitka	10,500	10,656	9,487	10,988	6,964	-0-	5,982	73	57	Includes 5,705 Ac conveyed under .315 program.
Haines Borough	2,800	4,171	1,434	1,434	1,432	15	135	100	5	
Ketchikan Gateway Borough	11,593	8,169	----	N/A	95	-0-	-0-	N/A	0	95 Ac in patent pending.
City of Hoonah	15	----	----	----	----	-0-	-0-	----	0	State land not available.
City of Ketchikan	0.5	0.5	----	----	----	-0-	-0-	----	0	
City of Skagway	500	675	392	392	392	-0-	-0-	100	0	
City of Yakutat	104	114	95	95	95	-0-	7	-0-	7	7.413 Ac of .315 conveyance.
* SE TOTALS	45,097	43,718	28,733	30,251	11,848	15	6,907	41	15	

STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
MUNICIPAL ENTITLEMENT SUMMARY

February 6, 1981  
Page 4

\* = Changes from prior report

Municipality	Entitlm't	Selection	Net Sel.	Signed by Director		Appvd but Unsurv.	Patented	% Sel. Proc. to Fin. Dec. Stage 6/4 9	Pat'd & Appvd but Unsur As % of Ent. (7+8)/2 10	Remarks
				Proposed Decision	Final Decision					
1	2	3	4	5	6	7	8	9	10	
<u>NORTHCENTRAL</u>										
Fairbanks North Star Borough	112,000	200,005	108,270	105,117	103,611	31,044	18,733	96	44	2,824 Ac in patent process. 47,672 Ac in patent pend.
North Slope Borough	-0-	-0-	----	----	----	-0-	-0-	-0-	0	
City of Delta Junction	400	424	295	295	295	-0-	-0-	100	0	Sel. pending on balance. 256 Ac in patent pending.
City of Fairbanks	15	-1-	----	----	----	-0-	0.47	---	3	Pending .315 sel on the balance.
City of North Pole	0.5	-0-	----	----	----	-0-	-0-	---	0	Pending .315 Sel.
NC TOTALS	112,376	200,429	108,565	105,412	103,906	31,044	18,733	96	2544	
GRAND TOTALS	779,486	1,065,996	607,675	631,821	542,771	200,732	209,117	89	53	

**Testimony on Land Disposal Legislation  
presented to House Resources Committee**

**by**

**Department of Community and Regional Affairs**

**February 24, 1981**

The Department of Community and Regional Affairs has several recommendations for changes in the State land disposal program and existing legislation, particularly HB 66 enacted in 1979. Our major recommendations concern: 1) quotas for land disposal, 2) municipal land disposal programs, and 3) local regulation of State subdivisions for purposes of land disposal.

1. Land Disposal Quota. Many of the criticisms leveled at the State land disposal program can be traced to the rate of disposal, a result of the quota which was instituted by the Legislature in 1979. The 100,000 acre annual quota has, in short, perpetuated a short-term program focused on meeting annual quotas and forced the disposal of areas simply to meet acreage requirements, notwithstanding community impacts, land suitability or demands.

The Department supports revision of the rate of disposal or more precisely, the method of establishing rate of disposal. It may not be sufficient to simply revise the quota level; reducing the quota to 60,000 acres annually, for example, will help alleviate some pressures and problems, but problems related to quota inflexibility and arbitrariness will most likely remain. For best results, the Department believes the rate of disposal should be based on a rational, recurring assessment which includes such factors as need and demand for land, suitability and capability of State land to meet demand, other disposal efforts, and funds available for subdivision and disposal purposes, including funds necessary for capital improvements and roads.

2. Municipal Land Disposal Programs. Municipalities own most of the accessible, developable land in the State. Should the State encourage, participate in or require some type of municipal disposals.

The Department recommends municipalities be encouraged to establish municipal lands disposal programs. Financial assistance is a good form of encouragement. The Department strongly supports the Administration's proposal for a state loan program for municipalities that develop a five year plan for land disposal.

Legislation regarding municipal land disposal should: 1) allow adequate time for municipalities to assess municipal entitlements, plan for disposals and prepare ordinances; 2) encourage disposal of lands in locations where there is demand; 3) discourage disposal of land which is not suitable for development and which has public value and 4) relieve the financial burden of land survey and subdivision costs and demands for public services and facilities.

3. Local Regulation of State Subdivisions. A major issue in the State land disposal program is the extent to which state subdivisions for purposes of land disposals should adhere to municipal subdivision ordinances. Enacted with the quota in HB 66 in 1979 was a provision removing the authority of the local platting board to disapprove a subdivision plat for state land and preventing municipalities from requiring the State to construct access roads and capital improvements in State subdivisions. The reason for instituting this provision was to prevent municipalities from slowing down state disposals.

Recently, there have been suggestions of further extending State authority to "override" local subdivision ordinances by exempting State subdivision plats from approval and signature by platting boards before they can be filed in the recorder's office and offered for sale. Again, the argument is that State adherence to municipal subdivision ordinances requires a great deal of time and effort on the part of the subdivider and prevents the State from squeezing out the maximum acreage from State tracts. It is also argued that local governments have imposed unreasonable and excessive subdivision and capital improvement design requirements on state land disposals.

The Department would like to make two points in response to proposals and arguments for State "override" authority regarding municipal subdivision regulations:

1. Municipal conditions and requirements for State subdivisions are not unreasonable or excessive.
2. Subdivision regulations are a key tool for responsible exercise of local government.

First, municipal conditions and requirements for State subdivisions are not unreasonable or excessive. Although variations exist among municipalities, common, major requirements and conditions concern 1) parcel use and size consistent with local land use plans and zoning; 2) sufficient acreage to insure proper waste disposal or adequate supply of resources for habitation; 3) legal access to each subdivision and to each parcel within a subdivision; 4) verification of the ability of the subdivider to construct roads and capital improvements. The first three conditions are standard and rudimentary subdivision design requirements, and the fourth--verification of the ability of the subdivider to construct roads and capital improvements--is the prime way municipalities have of guarding against paper subdivision plats which have no relation or connection to physical conditions or economic reality.

The second point is that subdivision regulations are a key tool for responsible exercise of local government. These regulations are used by local governments to guide land development and protect the community's quality of life. They have a profound influence on the density and location of structures, environmental quality and development costs. To remove municipal authority to approve, disapprove or condition State subdivision plats for compliance with subdivision regulations seriously erodes local platting authority. Without approval or disapproval authority, municipalities essentially have no way to enforce compliance with municipal regulations.

Testimony on Land Disposal Bills  
February 24, 1981  
Page 3

The Governor's bill accommodates, to some degree, municipal and State concerns with regard to local regulation of state subdivisions. The bill does not reinstate municipal authority to disapprove State subdivisions, but it retains existing municipal authority to approve State subdivisions. The bill also provides that if a municipality fails to take action on a plat within 60 days or place conditions on plat approval which are unacceptable to the Department of Natural Resources, the Department can deduct the amount of land in the subdivision plat from the total amount of disposal.



## THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

February 25, 1981

The Honorable Fred F. Zharoff, Co-Chairman  
The Honorable Terry Gardner, Co-Chairman  
House Resources Committee  
Alaska State Legislature  
Pouch V, State Capitol Building  
Juneau, Alaska 99811

File: 1981 Legislature, HB 31/193

Subject: State and Municipal Lands

Gentlemen and Members of the Committee:

In 1979, the House Resources Committee heard testimony from the Department of Natural Resources that it was having difficulty meeting legislative land disposal mandates because of problems created by ANCSA land selections and by municipal entitlement nominations and by municipal platting requirements. After hearing from the municipalities, the committee conducted a number of hearings/work sessions with DNR. During one of these sessions a representative of DNR leaned back in his chair, put his boots on the hearing table and calmly pronounced something to the effect that "You guys [the legislature] are just going to have to push the municipalities aside." House Bill 66 pretty much implemented that solution to DNR's problems.

At the hearing last Thursday, it sounded to me as though the new group in DNR is singing the same song but a different verse. We are greatly concerned to say the least. However, before escalating the finger pointing which is now begun and, more importantly, to correct some misstatements of policy and fact which occurred during the Thursday hearing, I think it would be helpful to all concerned if we quickly review the history of the Municipal Land Entitlement Act, its sources and legislative history. A review of some of the discussions which preceded the "municipal platting override" may also be helpful.

In 1963 the legislature adopted a comprehensive borough Act which contained a section which permitted an organized borough to select 10% of the vacant, unappropriated, unreserved state lands which were located within its boundaries. AS 07.10.150. This section appeared in the chapter of the borough Act dealing with borough incorporation. Section 150 was followed by a section on land selection procedures. The next section dealt with organizational grants to newly formed boroughs. The purpose of the 10% land grant was never seriously disputed among those of us who were on the borough scene in the mid 60's. It was not only an inducement to borough formation, it was,

more importantly, a promise of certain valuable resources for the borough to help insure its stability and to give it some means of managing its growth.

When Title 7 on boroughs and Title 29, the municipal government code were rewritten and consolidated into a single Title 29 in 1972 the language of 07.10.150 was carried forward into AS 29.18.190 and was expanded to include cities under the 10% entitlement. This new section appeared in Chapter 18 under an article entitled Transitional Assistance. The three sections under the transitional assistance article covered organizational grants, state land entitlement and state land selection procedures. Again, the clear policy was that the land entitlements were to be a resource of the municipality.

Unfortunately, not all was going well in the selection department. The state had not taken the time to make any selections in the national forests so those boroughs which included national forest lands had almost no "state land" from which to gain an entitlement. Municipalities in the interior where the state had made a number of selections were having serious problems with procedures used by DNR to determine which state lands were "vacant, unappropriated and unreserved." In 1976 either one or two communities were in court with DNR over these problems and another community was on the verge of filing suit. In order to effect an amicable solution to the dispute, the interior communities and DNR got together and drafted a bill which purported to settle the entitlement computation question. It did so by providing that the amount of land a municipality would be entitled to would be 10% of the maximum amount of state owned land which was vacant, unappropriated or unreserved at any time prior to the effective date of the proposed bill. While this had the effect of cutting off the communities in Southeast Alaska with a pittance, this oversight was corrected and all the municipalities in the state joined with DNR to seek passage of the bill. The bill addressed almost every problem the municipalities had previously experienced in land selection and conveyance under their 10% entitlement. The new bill also fixed the actual number of acres to which each borough was entitled, thus ending the disputes on how the 10% was computed. For most boroughs the fixed entitlement represented about 10% of the maximum amount of state land which had been vacant, unappropriated and unreserved to that date. For others, it represented what was determined to be a reasonable amount in light of community needs and the present and likely future availability of state land within the borough.

In 1977, the municipal entitlement bill which was going through the house was passed out of the House Community and Regional Affairs Committee as a committee substitute and was sent to House Finance. The bill received hearings before the House Finance Committee in both 1977 and 1978.

Chronologically, it must be noted that somewhere along about this time the Beine Initiative was born. When the legislature returned in 1978 it was faced with the grim prospect of the Beine Initiative going on the ballot in the 1978 general election. The reaction of the legislature was to get DNR moving on land disposals to provide the citizens of Alaska with a land disposal policy which was more rational than the Beine Initiative, but was nevertheless massive. Two major pieces of land legislation came out of the 1978 session in addition to the municipal land entitlement bill.

Returning for a moment to the House Finance Committee, several efforts were made while this committee had the municipal land entitlement bill to amend it to require that municipalities dispose of a certain proportion of the entitlement lands they received under the bill. At that time only three or four boroughs had received any significant conveyances of land from the state under their prior entitlement. Unfounded accusations were made that municipalities were unwilling to dispose of their land, wanted to be landlords, and needed something to force them to get the land out to the people. At that time, as I recall, it was pointed out that the Mat-Su Borough had already placed into private hands more acreage than the State of Alaska and that the Fairbanks North Star Borough had also made significant disposals when compared to the acreages which had been conveyed to it at that time. As I recall, the Kenai Pen Borough had also commenced to dispose of some of the lands it had received or was on the verge of initiating a substantial disposal program. In any event, the mandatory disposal proposals did not become a part of the municipal land entitlement bill. The municipal land entitlement bill passed in the dying days of the 10th Legislature along with the two other major pieces of land legislation. One of these, Ch. 182, SLA 1978, reclassified various trust lands as general grant lands and established a money trust in lieu of the former land trusts. The other major piece of legislation which the 10th Legislature passed, Ch. 181, SLA 1978 established a 50,000 acre disposal mandate for fiscal year 79.

Section 2 of Ch. 181, SLA 1978 provided that the director of the division of lands of DNR was to assess the supply and demand of land under the homesite and open-to-entry programs and to determine what type of land disposal was best suited to various regions of the state. The answers which the division received to some of the questions which they posed during their survey were enlightening. As I recall, a majority of those responding indicated that they wanted land which was accessible by road and had fire protection. (I would certainly stand corrected on this matter, but do not have a copy of the survey results at hand at this writing.) In spite of these findings, and the expressed concerns of the municipalities, the 11th Legislature, through House Bill 66, forced DNR into a disposal program which

essentially ignored the survey results; that is it was not going to spend any money to provide road access to its land disposals.

While the Municipal Land Entitlement Act was adopted at the same time as Ch. 181, SLA 1978, the Municipal Land Entitlement Act did not contain language which indicated that the essential purpose of the land entitlement established in 1963 had changed or been modified. Section 1 of that chapter set forth the Act's purpose as follows:

The purposes of this Act are to remove uncertainties in the existing municipal land selection law of the state; to provide for an immediate, final determination and settlement of municipal land entitlement; to provide for the completion of rational ownership patterns for sound land management; to provide for expeditious patent of land to municipalities to fulfill their respective entitlements; and to provide payment for land within certain municipalities which are unable to receive full entitlement rights in appropriate vacant, unappropriated, unreserved land.

Note that aside from the settlement aspects of the Bill it was also to provide for the completion of "rational ownership patterns for sound land management." I think this is a clear recognition of the necessarily strong land management and land policy making role which the municipality must occupy in land related decisions which affect local communities. The policy statement says nothing about any required disposal of municipal lands nor does it hint that there was any intention on the part of the legislature that municipalities would be required to dispose of their lands. In light of the legislative land disposal mandate which came down in Chapter 181 it is clear that the 10th Legislature did not intend to impose any land disposal mandate upon municipalities.

One of the things which Chapter 180, SLA 1978 (the Municipal Land Entitlement Act) did was to establish a selection procedure and standards. The procedure called for joint consideration between the director of the division of lands and the municipality of which vacant, unappropriated, unreserved land within the municipality was appropriate for municipal selection and approval by the director. The joint consideration was to include a cooperative land planning process which would, among other things, seek to identify both local and state interests in tracts of vacant, unappropriated and unreserved land within the municipality. The Act also established standards for determining local and state interests. The director could approve or disapprove a municipal selection based on his evaluation of the land and the application of the standards thereto.

Municipalities began immediately to gear up for the new selection process. DNR and the municipalities worked cooperatively to establish the detailed procedures for implementing the selection process. After a few rough spots were ironed out, municipalities began working with DNR nominating lands for selection and engaging in joint consideration with DNR. In the fall of that year, the Beine Initiative was approved by the voters. Interestingly, in Southeast Alaska where land is rumored to be so scarce, the Beine Initiative was turned down.

The joint consideration and selection process continued. In January of 1979, the 11th Legislature was seated and soon began to consider state land disposal problems again. The courts put the Beine Initiative on hold and later declared it to be invalid. In the meantime, it became quite apparent that the 11th Legislature was either going to make massive disposals of land via direct legislative grants or was going to see that DNR got the message, loud and clear. As I recall, fairly early during the session, the House Resources Committee held a teleconference hearing with the major boroughs and some cities to determine how things were going under the Municipal Land Entitlement Act. It had been enacted to iron out difficulties between municipalities and DNR and the committee wanted an assessment of the Act from the municipalities. As I recall, every municipality, except one city, testified that the selection process was going very, very well and that they saw no need to tinker with the Act. (That one city complained about a certain clause in the Act but it was later determined that this city was reading from a version of the bill which was not adopted and the language about which it complained did not appear in the Act.) Thus, in early 1979, the municipalities were all quite satisfied with the municipal land entitlement selection process. While large amounts of land had not been conveyed under that Act to most municipalities by that time, things were moving along at a reasonable pace and without serious, unresolved problems.

The House and Senate Resources Committees began holding hearings at which DNR explained where it was with its Chapter 181, SLA 1978 50,000 acre disposal mandate, what it had on tap for the next fiscal year and what the problems were. It was at this point that DNR pointed at ANCSA selections and municipalities as being their big problems. As everyone realized nothing could be done about the ANCSA selections municipalities came in for the brunt of the blame. DNR claimed that the municipalities had all the close in good land tied up in its nominations and that DNR, therefore, did not have access to any of the good state lands for its disposal program. The fact that under the procedures adopted by the division of lands and agreed to by the municipalities the division of lands could require a municipality to select a nominated parcel or give up its nomination (thus forcing the municipality to either take the parcel or give it

up so that the state could dispose of it) seemed to be ignored both by DNR and the legislature. Thus, the municipal land nominations really were something of a red herring. However, both DNR and the municipalities pointed out that the joint consideration process and the decision making process by the director of the division of lands was, of necessity, time consuming. DNR also pointed out that municipalities could continue to select lands until two years after the expiration of the state's right to make its selections under the Alaska Statehood Act. This apparently engendered some concern. Apparently in pursuing the "move the municipalities aside" approach to solving DNR's inability to dispose of sufficient quantities of land, the House Resources Committee proposed several amendments to the Municipal Land Entitlement Act which ultimately became law in House Bill 66 (Ch. 85, SLA 1979). The solution was to speed up municipal selections by requiring that prior to October 1, 1980, municipalities would have to complete their selections to the extent vacant, unappropriated, unreserved lands were available to satisfy their entitlement. In addition, in order to ensure that the process did not get bogged down, the legislature repealed the requirements for joint consideration of municipal selections, repealed the standards by which the appropriateness for conveyance to the municipality was to be determined, repealed the authority of the director to either approve or disapprove a selection and amended another section of the Act to require that the director approve each municipal selection within nine months of its selection by the municipality and issue a patent within three months of the approval by the director of a plat of survey. Clearly, the purpose of these particular amendments was to eliminate the complaint levied by DNR that municipal nominations and selections were cluttering the landscape and impeding DNR disposals because it did not know which lands were being selected by the municipalities. These changes were solely to speed up municipal selections. They worked. Unfortunately, municipalities have commenced to experience other problems in the selection/conveyancing area. Some of these will be addressed later.

The other major problem which DNR claimed municipalities were creating was that DNR was required to comply with local platting regulations when it subdivided land within a borough. In particular, several municipalities required that certain minimal improvements be made to the subdivision before final plat approval could be given. Some of these required improved roads. Others went so far as to require not only an improved (graveled) road but also required the installation of sewer lines if the subdivision could be served by a public sewer system. These requirements were imposed upon all private land owners who proposed to subdivide their property and DNR found that it did not have the money to bear the burdens which were required of everyone else who subdivided land. For that reason, and over the protest of the municipalities, a provision was included in HB 6 reading as follows:

AS 29.33.150(b) The [platting] regulations adopted under (a) of this section apply to subdivision plats of undeveloped state land for disposal under AS 38.05 or AS 38.08 filed with the platting board, except that the platting board may not disapprove the subdivision plat or adopt regulations which require the state to construct access roads or capital improvements on state land included in the subdivision plat.

It is the clear intent of this section that the state would comply with all platting regulations of the municipality except those which require the construction of access roads or other capital improvements. The language in the opening phrases of this section clearly runs contrary to any interpretation that the legislature intended a total override of municipal platting authority.

House Bill 66 also added one other section relating to the platting procedures for state lands within boroughs. Prior to the adoption of House Bill 66, AS 29.33.160, dealing with platting procedures, provided that plats filed with the board which were not approved or disapproved within 60 days were deemed to be approved. The second subsection required the board to submit approved plats to the district recorder. With the adoption of House Bill 66, a new subsection (c) reading as follows was added:

(c) If a municipality has adopted a subdivision ordinance which requires the submission of a preliminary or sketch subdivision plat during the platting procedure, the commissioner of natural resources shall, not later than 60 days before filing a subdivision plat which contains land to be disposed of to individuals under AS 38.05 or AS 38.08, file a preliminary subdivision plat with the platting authority of the municipality.

During the discussion of the various platting procedures used by municipalities, one legislator pointed out that many municipalities require the submission of sketch plats or preliminary plats prior to submission of a final plat and that, from the subdivider or developer's viewpoint, the municipalities could hassle the developer with all sorts of delays and requirements during this preliminary plat procedure. The new subsection (c) appears to somewhat indirectly address this problem by requiring that in those municipalities which have a preliminary plat procedure, DNR give the municipality at least 60 days in which to make its preliminary plat review, thus eliminating any reason for the municipality to engage in a series of disapprovals under the guise of not having had sufficient time to review the plat the first time it was presented.

Clearly, this section does not provide any support for the contention that the platting override was for anything more than access roads and subdivision improvements.

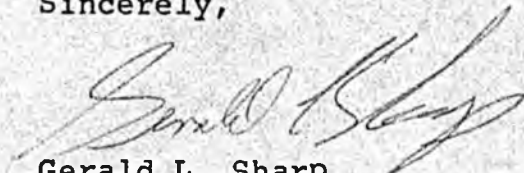
In sum the municipal platting override which the legislature included as a part of House Bill 66 contained very clear language that the state was to comply with all platting regulations of the municipality other than access road and capital improvement requirements. Two state-platting board standoff scenarios are possible. One where the state refuses to accede to platting board requirements (other than capital improvements and access roads) and the state marches off to the recorder's office and manages to have the plat recorded. The other scenario is one where the platting board arbitrarily withholds its approval, levies unreasonable and unusual requirements on state plats or refuses to approve the plat for some other reason which is unreasonable or has no basis in law. In the first case, the municipality would be entitled to a court order vacating the filing of the unapproved plat. In the second case, the state would be entitled to a court order requiring the appropriate platting officer to sign and have the plat recorded. While I haven't any idea what sort of problems DNR is experiencing with other platting boards, I urge you not to take any action to expand the platting override without first having DNR present specific problems it has had with specific municipalities and allowing that municipality to respond to the allegations. In evaluating such disputes I would also urge you to attempt to determine whether the municipality treats private developers in essentially the same manner it is treating the state (except for access roads and capital improvements). Municipalities are merely attempting to provide for a planned and rational community development, one with which they hope its future citizens can live. If the platting override is extended, the state will be able to march in, dispose of land with little or no thought or consideration for rational community development patterns and then go home congratulating itself on a land disposal job well done, that is, having met its disposal mandate. Of course, to the municipality falls the burden of either correcting the problems created by the state disposal or trying to ignore the the pleas of those citizens who bought state land in the ill conceived, inadequately planned and unimproved subdivisions.

I urge you to not permit yourselves to be talked into further eroding the local planning process unless it is clear to you that municipalities generally, and throughout the state, are abusing their local planning prerogatives. If the problem exists in only one or two municipalities, I urge you to consider a system which would deal either with those municipalities or the specific excesses which those municipalities are committing but, let's not propose extensions of the platting override until both sides of the story have been heard and it is clear that an unreasonable number of abuses have occurred.

February 25, 1981

Finally, may I suggest that the problems being experienced by DNR are more reasonably laid at the doorstep of the unreasonably large disposal mandate it is under rather than municipal platting and planning requirements.

Sincerely,



Gerald L. Sharp  
City-Borough Attorney

GLS: jr

- cc: Rep. Joseph Chuckwuk, Vice-Chairman  
Rep. Ben F. Grussendorf  
Rep. Vernon L. Hurlbert  
Rep. Sally Smith  
Rep. Anthony N. Vaska  
Rep. Ramona L. Barnes  
Rep. Robert H. Bettisworth  
Rep. Richard W. Halford  
Rep. Eric G. Sutcliffe  
Ginny Chitwood, Executive Director, AML  
James Wakefield, Assemblyman



## THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801  
LAW DEPARTMENT (907) 586-3300

February 25, 1981

The Honorable Fred F. Zharoff, Co-Chairman  
The Honorable Terry Gardner, Co-Chairman  
House Resources Committee  
Alaska State Legislature  
Pouch V, State Capitol Building  
Juneau, Alaska 99811

File: 1981 Legislature - HB 31/SSHB 31

Subject: Suggested Amendments

Gentlemen and Members of the Committee,

Several of the provisions of House Bill 31, as introduced, deal with problems which are being encountered by municipalities in their land selection process. Unfortunately, Sponsor Substitute for House Bill 31 removes two of these. I request that you give serious consideration to adding to SSHB 31 what is section 2 of HB 31 and what is section 34 (beginning on page 16) of HB 31.

Section 2 of HB 31 corrects what can best be termed an oversight in Ch. 85 SLA 1979 (HB 66). That bill cut off the right of a municipality to make selections after October 1, 1980. However, if the director, after October 1, 1980 rejects a selection of a municipality there is no authority for the municipality to select alternate lands to meet its entitlement as its rights to select all expired on October 1, 1980. Section 2 of HB 31 corrects this oversight.

Section 34 of House Bill 31 deals with problems which have arisen because of the division's approach to the reservation of stream and beach easements and the regulation which it has adopted relating to such easements. The regulations requires the department to reserve a 50 foot easement along all public and navigable waters. This results in a 100 foot swath being reserved for public access along numerous small creeks within municipal selections where the department believes the creek is public or navigable. This reservation of 50 feet on each side of the creek is made even though a 10 foot easement on one side of the creek is not only sufficient but much more reasonable. It has been our impression that many determinations of public use or navigability were made by consulting a map rather than examining the body of water or soliciting public input as to its use. We recognize that the department may not have sufficient personnel to examine the numerous streams and bodies of water which

abut or flow through almost all the selections in Southeast Alaska; however, that seems a poor justification for reserving easements which are not needed or which are clearly excessive in width. Two municipalities are already in court with the State of Alaska over this issue. If the legislature will provide a reasonable solution to this problem it would, at least in our case, clear the way for recording some of the patents which are just now coming to us from the state and getting such lands into our proposed classification and disposal program. The approach to this problem set out in section 34 of House Bill 31 provides a good approach to the solution of this problem. I urge you to place this section in SSHB 31 with two changes. On page 17 of HB 31, beginning in line 20, delete the sentence which begins in this line and goes through line 24 and substitute the following:

If the commissioner, within 30 days of the action taken by a municipality under (d)(1), (2), (e) or (i) of this section, finds in a written decision that the action of a municipality was arbitrary or capricious, he may overrule such action by notifying the municipality within said 30 day period of his decision.

The municipality is required to hold a public hearing before making an easement decision. It seems only reasonable to put the burden on the commissioner to set forth specific reasons for overriding the municipality's decision.

On page 17 in line 14, add the phrase "or (i)" in front of the word "of". On page 17 in lines 17 and 21, change the reference to the subsections to read "(d)(1), (2), (e), or (i)". On page 18, delete lines 7 through 13 and substitute the following:

(i) A municipality may limit, vacate or modify, under the procedure specified in (f) of this section, easements and rights-of-way for public access to or along navigable or public waters reserved by the department in a patent issued under AS 29.18 before the effective date of this section or for which the public notice of the proposed conveyance was given before the effective date of this section if the municipality, after the public hearing, determines that the waters are neither navigable nor public or that the limitation, vacation or modification will not adversely affect the free access to and along the body of water.

The foregoing proposed amendments to subsection (i) would give to municipalities which have already received patent or are about to receive patent to lands in which excessive or unnecessary easements have been withheld the same right to deal with those easements as municipalities which receive patent without the reservation of ease-

ments but which are allowed to determine the necessary easements prior to disposal of the land. Where the state has reserved an easement, the municipality, in modifying the easement, will be faced with a presumption that the easement as reserved is needed and will thus have a much heavier burden of justifying its actions than will a municipality which is permitted to make a determination on a blank slate. Note that the commissioner still retains his veto power as to such modifications.

One item which neither the house bill nor the sponsor substitute for House Bill 31 addresses is the problem created by the requirement that 20% of the land to be disposed of in a survey district be homesites. The state is presently proposing to dispose of land on South Shelter Island which, at best, can be utilized for residential recreational purposes. The area is about a mile and a half by water from the nearest boat launch or tie-up facility and the property itself has relatively poor beach access for boats. Although the state has not submitted percolation tests to determine whether the soils will support on site sewage disposal, indications are that on site sewage disposal might not be possible. Thus, not only is the site not located where the bulk of the citizens of this state could be expected to meet the occupancy requirements of the homesite law (habitable dwelling, occupied 35 months out of five years) but is going to be requiring those who acquire these sites to build a habitable dwelling and live in it where on site sewage disposal does not appear to be practicable. Clearly, there should be some provision in the law to permit DNE to waive the 20% homesite mandate where the land available for disposal cannot reasonably be expected to be developed under the homesite law.

Sincerely,

Gerald L. Sharp  
City-Borough Attorney

GLS: jr

cc: Rep. Joseph Chuckwuk, Vice-Chairman  
Rep. Ben F. Grussendorf  
Rep. Vernon L. Hurlbert  
Rep. Sally Smith  
Rep. Anthony N. Vaska  
Rep. Ramona L. Barnes  
Rep. Robert H. Bettisworth  
Rep. Richard W. Halford  
Rep. Eric G. Sutcliffe  
Ginny Chitwood, Executive Director, AML  
James Wakefield, Assemblyman

**KETCHIKAN GATEWAY**

**BOROUGH**

**LAND PROGRAM:**

*A Summary Prepared  
For The*

**HOUSE RESOURCES**

**COMMITTEE**

**February 24, 1981**

*Prepared  
By*

*Kathryn L. Carsow  
Borough Planning Director*

*And*

*George E. Gee  
Borough Land Consultant*



PHOTOGRAPH BY LINDA LUKKOK 1978



## KETCHIKAN GATEWAY BOROUGH

344 FRONT STREET  
KETCHIKAN, ALASKA 99901

February 22, 1981

Resources Committee  
House of Representatives  
Alaska State Legislature

Ketchikan Gateway Borough welcomes this opportunity to inform the members of the House Resources Committee of the status of the Borough Land Program. We realize the State Department of Natural Resources' "traveling land show" may have left you with several misconceptions about our land program.

*The implication that the State has been left with the worst land for residential development in Ketchikan Gateway Borough due to municipal land selections is false.* In nominating and then selecting land to fulfill the Borough's entitlement, all lands in Ketchikan proposed by the State for future residential sales have been unilaterally excluded. These include the Mud Bight subdivision, offered for sale last year, the Mountain Point subdivision, scheduled for sale this year, and the South Saxman area, planned for future subdivision and sale. These areas, totaling over twelve hundred acres, are located within the settled portion of the Borough, are within one-eighth mile or adjacent to highways, and have development potential comparable to that of Borough land selections. In effect, the State had first choice of residential land in Ketchikan because the Borough adopted the policy of not overriding the planning and scheduling of State land sales in the Ketchikan area.

*The suggestion that borough governments have acted to obstruct state land sales does not apply to Ketchikan.* The most recent evidence of the cooperative and supportive role taken by our borough is its relinquishment of Borough selections in the Mountain Point area enabling the State to prepare a larger, better accessed, and better designed subdivision. In addition, the Borough Assembly and Planning Commission expeditiously rezoned the Mud Bight and Mountain Point subdivision areas for residential use as requested by the State to facilitate these two land sales.

*Perhaps the most untenable conception is that Ketchikan Gateway Borough is "sitting" on its land selections.* The Gateway Borough is committed to and is actively engaged in conducting a borough land sale program. As a continued effort over the past two years since receiving its entitlement under the Municipal Entitlement Act, the Borough has accomplished the following:

- o Ketchikan Gateway Borough has conducted an intensive study of local land markets and settlement patterns;
- o Ketchikan Gateway Borough has undertaken the most thorough survey of local

residents' demands for land conducted in the state;

- o Ketchikan Gateway Borough has created a special land trust fund, receiving federal in-lieu tax payments for the past two years, to finance the borough land program;
- o Ketchikan Gateway Borough has filled a newly created staff position of land manager and has invested in computer equipment to expedite the recording and retrieval of borough land and resource data;
- o Although the Borough has not received patent as yet to any of the over 8,000 acres it has selected, it is actively engaged in developing a comprehensive land disposal ordinance and is planning its first subdivision sale targeted for later this year.

Three key policy objectives set by the Borough Land Advisory Committee guide these actions: (1) the primary rationale for acquiring borough entitlement land is to convey this land to private ownership for residential use; (2) the land is to be offered for sale at prices just covering the costs of putting the land onto the market; and (3) the land program is to be conducted without subsidy from local taxpayers.

The accompanying booklet, illustrating the major work elements of Ketchikan Gateway Borough's land program to date, has been prepared for your information. Included is information on the following:

- o Borough Resident Survey Questionnaire
- o Questions and Answers - Borough Resident Survey Results
- o Summary of Past State Land Sales in Ketchikan
- o Background Information on Land Demand Analysis
- o Existing Settlement Patterns, Land Prices, and Policy Considerations
- o Example: Soils Reconnaissance Survey
- o Example: Land Use Suitability Analysis
- o Example: Preliminary Subdivision Planning
- o Borough Land Trust Fund Ordinance

On the following page is a chronology of the highlights in the development of the Borough's land program.

We appreciate the committee members' interest and time and welcome further inquiries into the Ketchikan Gateway Borough's land program.

Ketchikan Gateway Borough

CHRONOLOGY OF BOROUGH LAND PROGRAM  
HIGHLIGHTS

- 1963 - Mandatory Borough Act creates 10% municipal entitlement
- 1965 - State selects 4,100 acres in Ketchikan's Clover Pass area
- 1968 - B.L.M. grants State tentative approval to 4,100 acres
- 1969 - Borough selects 100 acres between First and Second Waterfall Creeks
- 1977 - State selects 24,500 acres of National Forest land
- 1978 - Municipal Entitlement Act raises Ketchikan's entitlement to 11,593 acres
- State Mental Health Trust Land made available for Borough selection
- Borough Mayor appoints Borough Land Advisory Committee
- 1979 - Borough nominates 17,500 acres for selection consideration
- H.B. 66 mandates borough selection of state-owned land by October 1, 1980
- Assembly adopts Land Trust Fund ordinance
- Land committee analyzes land use suitability of Borough nominations
- Committee reviews past State land sales in Ketchikan
- 1980 - Land committee assesses Ketchikan land development patterns
- Committee develops cost estimates for putting Borough land on the market
- Committee conducts Ketchikan resident land survey
- Committee recommends and Assembly finalizes selection of over 8,500 acres of state-owned land
- Borough receives management authority to 1969 Waterfall Creeks selection
- Committee begins preparing for first subdivision and sale
- Committee reviews first draft of Borough land disposal ordinance
- 1981 - Assembly approves hiring of land manager
- Staff prepares computerized land accounting and resource information systems

1. BOROUGH RESIDENT SURVEY QUESTIONNAIRE

## BOROUGH RESIDENT SURVEY QUESTIONNAIRE

In January of 1980 the borough land program questionnaires, like the one included here, were mailed to 496 borough residents. These persons were randomly selected from the 1980 Ketchikan Telephone Directory. The questionnaires were introduced by a letter from Borough Mayor Fader explaining the borough's land program and the kinds of decisions facing the Land Advisory Committee and the Assembly. The questionnaire asked for residents' views on topics ranging from types of land sales they would like to participate in, to who should be able to purchase land from the borough, to what the overall goals of the program ought to be.

# KETCHIKAN RESIDENT SURVEY BOROUGH LAND PROGRAM

*Ketchikan Gateway Borough is entitled to obtain 11,593 acres of state land for community expansion uses.*

*The borough is in the process of selecting appropriate land and developing programs for meeting our community's private and public land needs.*

*Your views on how borough land can be best made available for*

*residential,*

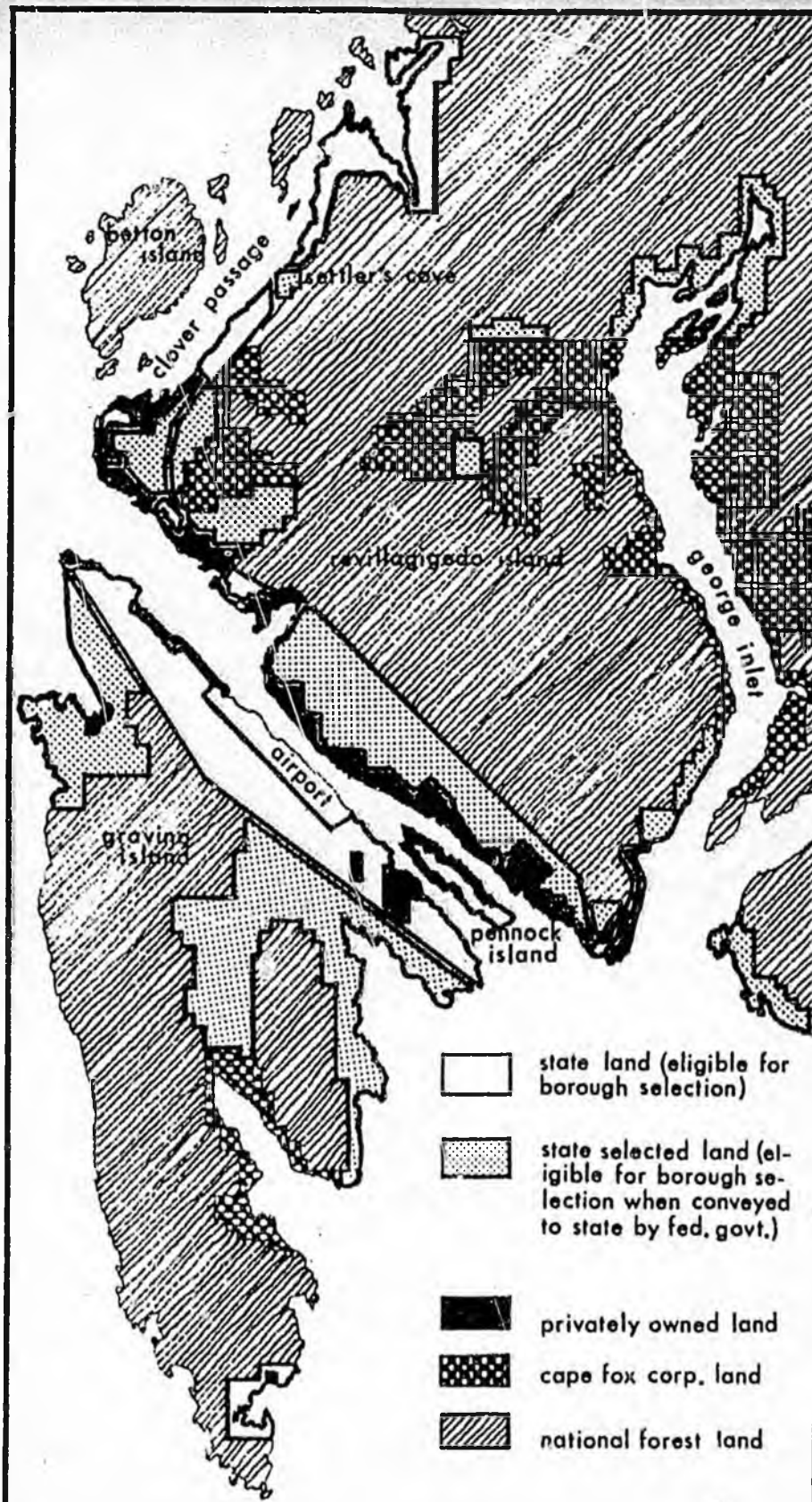
*industrial,*

*commercial,*

*and*

*public uses*

*will provide valuable guidance to local policy makers.*



## CONFIDENTIALITY

The confidentiality of your response is strictly respected. The number assigned to your survey enables staff to check your name off the mailing list; this indicates your survey has been returned and no follow-up is needed. Under no circumstances will information contained in your survey be recorded or reported with your name.

## ketchikan resident survey

THE FIRST SET OF QUESTIONS IS ABOUT WHICH TYPES OF BOROUGH LAND SALES YOU WOULD LIKE TO PARTICIPATE IN

- 1) Are you interested in acquiring land from the borough? YES    NO
- 2) If "YES", which of the following uses best represent why you want to get land from the borough? (check one or more)

- Residential
- Industrial
- Commercial
- Remote Recreation Cabin
- Resource Utilization (such as gravel or timber)
- As an Investment

QUESTIONS 3 THROUGH 10 ARE SPECIFICALLY CONCERNED WITH LAND FOR RESIDENTIAL USES

- 3) If you indicated you want land for residential use, check the response that best describes your intended use.

- A home for you and your family
- Land for your children to build on at a later date
- A retirement home
- Some other purpose (indicate what purpose in the space below)

- 4) Which of the following lot sizes would be best suited for you?

- City lot size (5,000 square feet)
- 1/2 acre (22,000 square feet)
- 1 acre (43,560 square feet)
- 5 acres
- Other (specify desired size) \_\_\_\_\_

- 5) In which general area of the borough would you most like to build a home?

- Revilla Island
- Pennock Island
- Gravina Island

- 6) If "REVILLA", what type of access to the land would you prefer? 
 Road  
 Water  
 Hike-in

- 7) Much of the land will be in undeveloped areas of the borough. How would you like each of the following utilities or services provided: by yourself after purchase of the land; by forming a service area or local improvement district with other buyers; or by the borough prior to offering the land for sale with the cost of improvements included in the purchase price of the land?

	<u>Self</u>	<u>Service Area or LID</u>	<u>Borough Prior To Sale</u>
Electricity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sewer System?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Road?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**Ketchikan Resident Survey**

14) Do you desire waterfront property for recreation use?

YES NO

15) If "YES", do you prefer:  Marine Waterfront  
 Lake Front  
 Either

16) If you do not desire waterfront property, describe in the space below the type of parcel that would be best suited for your recreation use.

\_\_\_\_\_  
\_\_\_\_\_

17) Would you be interested in a lease program whereby remote recreation parcels could be leased for 5 or more years?

YES NO

---

*QUESTIONS 18 THROUGH 20 ARE ABOUT PRIVATE USES OTHER THAN RESIDENTIAL OR RECREATION*

---

18) If you desire to acquire borough land for industrial, commercial, or resource utilization purposes, describe the type of activity you are considering.

Industrial: \_\_\_\_\_

Commercial: \_\_\_\_\_

Resource Utilization: \_\_\_\_\_

19) Are you presently engaged in this type of activity?

YES NO

20) If you indicated you are interested in land because it is a good investment, do you want land:

- to build a rental unit on
- to resale at a later date
- to resubdivide
- for some other investment purpose (indicate type in space provided)

\_\_\_\_\_

---

**what should be the goals  
of the  
borough land program?**

---

*THE NEXT FIVE QUESTIONS PRESENT A WIDE RANGE OF POLICY OBJECTIVES. FOR EACH, CHECK "YES" IF YOU AGREE WITH OR GENERALLY SUPPORT THE POLICY EXPRESSED; MARK "NO" IF YOU DO NOT SUPPORT THE POLICY. THERE IS AN "OTHER" CATEGORY WHERE YOU CAN ADD POLICY CONCERNS NOT COVERED IN THE PREPARED STATEMENTS.*

- 21) The borough should get its land into private ownership as quickly as possible. \_\_\_ \_\_\_
  - 22) Selling land for residential use is an appropriate objective of the land program, but it is also important to provide land suitable for commercial and industrial uses; some land should be retained for public uses such as recreation, future public facilities, and land where people can go to get firewood. \_\_\_ \_\_\_
  - 23) Almost half of all privately owned land in the borough is vacant and undeveloped today. Until most of this land becomes developed, borough land should be principally made available for public uses. It should be sold to private owners only when there is a pressing need that only borough land can satisfy. \_\_\_ \_\_\_
  - 24) Borough land should be used to meet our community's residential, commercial, industrial, and recreation land needs, but the most important consideration ought to be that the borough land program is operated so that it is financially self-sufficient; by this I mean the borough land program shouldn't cost local tax payers one penny. \_\_\_ \_\_\_
  - 25) The borough should not be in the land business; it should not get any land from the state. \_\_\_ \_\_\_
  - 26) Other (specify any policy concerns not expressed above that you consider to be important)
- 
- 
- 
- 

27) Which, if any, of the policy statements you indicated agreement with are more important than the others?

\_\_\_ 21 \_\_\_ 22 \_\_\_ 23 \_\_\_ 24 \_\_\_ 25 \_\_\_ 26

**THE NEXT SET OF QUESTIONS IS ABOUT HOW THE BOROUGH LAND PROGRAM OUGHT TO FUNCTION TO ACHIEVE SPECIFIC OBJECTIVES. QUESTIONS 28 THROUGH 35 ARE CONCERNED WITH RESIDENTIAL LAND SALES**

28) Since Ketchikan became a borough in 1963, the state on average has sold about 35 acres of residential land per year locally. Do you feel borough residential land sales should be:

- \_\_\_ at about the same rate
- \_\_\_ at a much slower rate
- \_\_\_ at a much faster rate
- \_\_\_ don't know

29) Do you think that the number of parcels sold to an individual YES NO  
ought to be limited?

30) If "YES", would you favor:

- one parcel per individual each time the borough has a residential land sale
  - one parcel per individual per lifetime
  - some other limit (specify limit in space provided)
- 

31) Borough sales of residential land ought to be:

- restricted to borough residents
- restricted to Alaska residents
- made available to anyone willing to buy land in Ketchikan

32) Do you believe the borough ought to adopt a price discount program YES NO  
whereby persons who qualify can purchase residential land from the borough at reduced prices?

33) If "YES", what factors ought to be used to determine who qualifies and how much the discount should be?

---

---

34) In the state's homesite program, the state charges the buyer land survey costs, but it requires that a home be constructed in a set period of time. If a home is not built in the required time, ownership of the land reverts back to the state.

Do you think the borough should adopt a similar program for YES NO  
selling residential land?

35) Before private developers can put land up for sale, they are responsible for making any improvements required by the borough subdivision ordinance. When the state sells land, it is exempted by state law from having to build roads or install sewer systems even when it's required by local ordinance.

Do you feel the borough, when it sells residential land, should have:

- to meet the same requirements placed on private developers
- the same exempt status as the State of Alaska

---

*QUESTIONS 36 THROUGH 42 CONCERN TYPES OF LAND USES OTHER THAN RESIDENTIAL*

---

36) As our community continues to grow, some land within the borough YES NO  
will be needed for commercial and industrial uses. Do you believe that the borough should attempt to identify some land that is highly suitable for these types of use and set it aside for future development?

**borough land program**

37) Concerning commercial and industrial uses of land, which of the following best describes how you think the borough ought to make land available for these types of activity?

- Sell land outright for commercial and industrial uses.
- Make commercial and industrial land available through long-term leases.
- As a practice, commercial and industrial land should be sold. When the land has some special feature, for example, a protected cove with deep water access, leasing the land can be used to insure it remains available for specialized use in the future.
- Other (specify preferred type of disposal in space below)

38) Should some borough land having suitable timber and gravel resources be retained in public ownership and made available for lease to small scale local sawmills and contractors? YES NO

39) Should some accessible land with suitable timber be designated as areas where borough residents can go and obtain firewood? YES NO

40) Are there other public uses for which borough land ought to be made available? (if "YES", list below) YES NO

\_\_\_\_\_

\_\_\_\_\_

41) If borough land sales and leases generate revenues in excess of costs, how should these proceeds be used?

- They should comprise a fund to be used to improve land for future sales.
- They should become part of the general fund of the borough.
- They should be used for some other earmarked purposes.

42) If "OTHER", specify kinds in the space provided below.

\_\_\_\_\_

\_\_\_\_\_

**THE FOLLOWING ARE SOME BACKGROUND QUESTIONS ABOUT YOU AND YOUR HOUSEHOLD. THIS INFORMATION WILL HELP US TRANSLATE YOUR RESPONSES INTO THEIR BROADER COMMUNITY REPRESENTATION**

43) How many years have you lived in Alaska? \_\_\_\_\_ year

44) How many years have you lived in Ketchikan? \_\_\_\_\_ year

45) Do you live in a:

- house
- apartment
- mobile home
- other

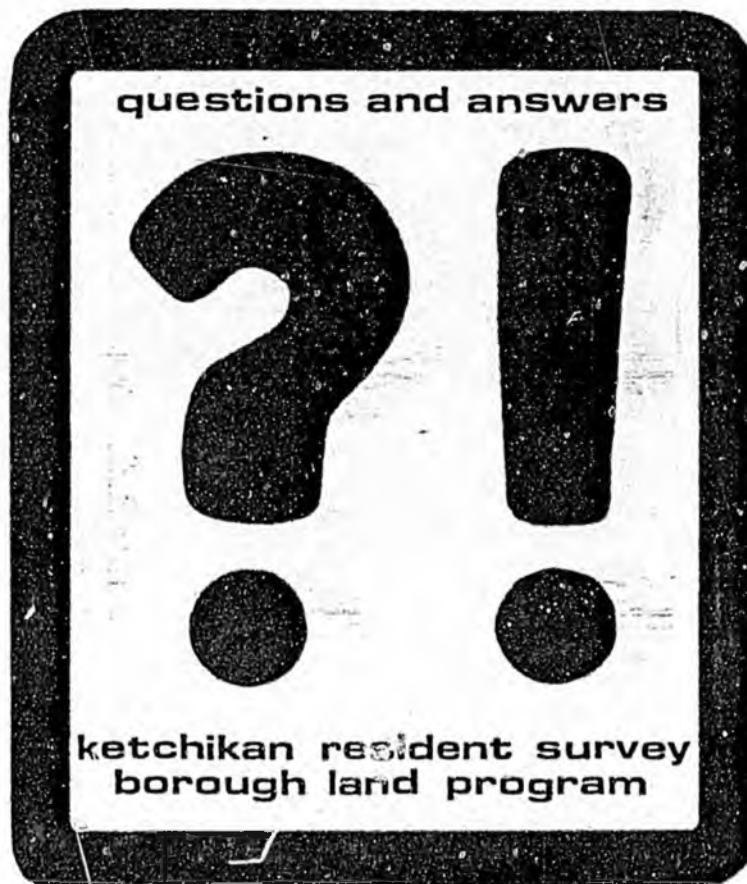


2. QUESTIONS AND ANSWERS - BOROUGH RESIDENT SURVEY RESULTS

QUESTIONS AND ANSWERS  
BOROUGH RESIDENT SURVEY RESULTS

By mid-February of 1980 fifty percent of the questionnaires sent were completed and returned to the borough planning department--an excellent return for a mail survey. This report summarizes the responses received giving an account of what residents of Ketchikan believe the borough land program can and ought to accomplish and of their attitudes about the opportunities, limitations, and problems concerning borough lands and their potential uses.

These survey results were presented to the Land Advisory Committee and the Assembly as one basis for formulating policies and objectives to guide the borough's land selection and land use decisions.



A Summary prepared for the  
Ketchikan Gateway Borough

by

George E. Gee  
Economic and Resource  
Management Consultant

February 21, 1980

## INTRODUCTION

On January 15, 1980, borough land program questionnaires were mailed to 496 borough residents. These persons had been randomly selected from the current Ketchikan Telephone Directory. Of the total mailed, 24 were not deliverable and were returned by the Post Office.

By February 15, two hundred and thirty-seven completed questionnaires had been returned to the borough planning department. This constitutes a fifty percent return -- a very good rate of return for a mail survey. This success derives from the thoughtful efforts of many Ketchikan citizens who were willing to put time and effort into expressing their attitudes about borough lands.

This summary of responses received has been compiled to present a cogent view of what residents of Ketchikan believe the borough land program can and ought to accomplish, of their attitudes about what the opportunities, limitations and problems are concerning borough lands and their uses.

These survey results will be presented to the Borough Land Committee and the Borough Assembly for consideration in the formulation of policies and objectives to guide the land program. The survey information also is being integrated with studies of the physical characteristics of land available for borough acquisition, cost assessments, and an indepth review of local land development patterns into a comprehensive report on borough lands.

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Comments On Surveys.....	8
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## Ketchikan Resident Survey

**THE FIRST SET OF QUESTIONS IS ABOUT WHICH TYPES OF BOROUGH LAND SALES YOU WOULD LIKE TO PARTICIPATE IN**

1) Are you interested in acquiring land from the borough? 205 YES 28 NO

# YES

88%

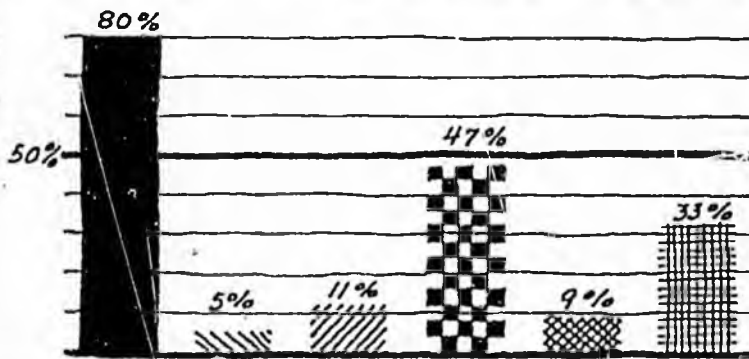
nearly 90% answered that they want to participate in borough land sales

# NO

12%

2) If "YES", which of the following uses best represent why you want to get land from the borough? (check one or more)

	164 Residential
	11 Industrial
	22 Commercial
	97 Remote Recreation Cabin
	18 Resource Utilization (such as gravel or timber)
	67 As an Investment



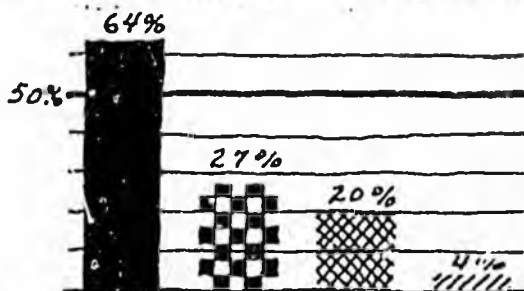
80% want residential land



**QUESTIONS 3 THROUGH 10 ARE SPECIFICALLY CONCERNED WITH LAND FOR RESIDENTIAL USES**






3) If you indicated you want land for residential use, check the response that best describes your intended use.

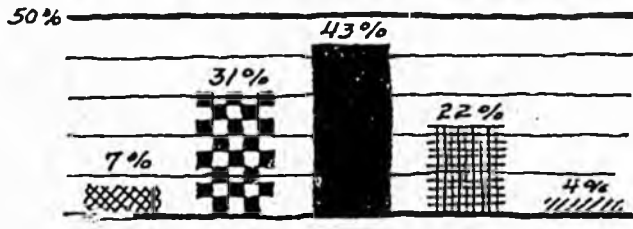
	105 A home for you and your family
	45 Land for your children to build on at a later date
	32 A retirement home
	7 Some other purpose (indicate what purpose in the space below)



64% desiring residential land want to build a house to live in




4) Which of the following lot sizes would be best suited for you?

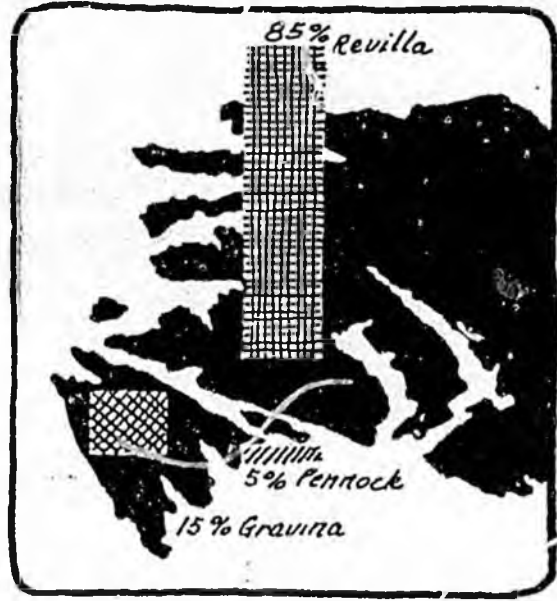
-  12 City lot size (5,000 square feet)
-  50 1/2 acre (22,000 square feet)
-  71 1 acre (43,560 square feet)
-  36 5 acres
-  7 Other (specify desired size) \_\_\_\_\_



*43% prefer to acquire about an acre of land to build on; in total, 81% indicated an acre or less would generally be suited for their uses*

5) In which general area of the borough would you most like to build a home?

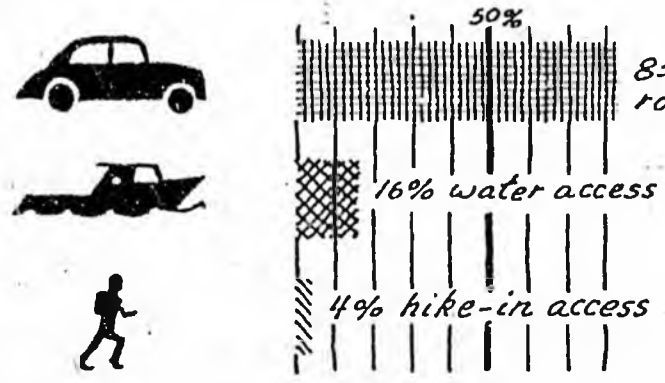
-  139 Revilla Island
-  9 Pennock Island
-  25 Gravina Island



*four of every five persons identified revilla island as where they want residential land*

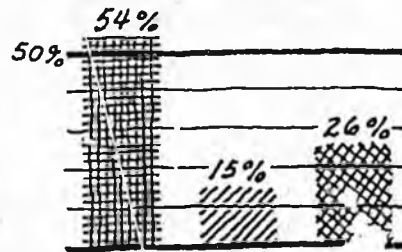
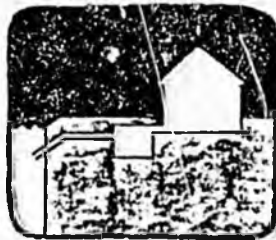
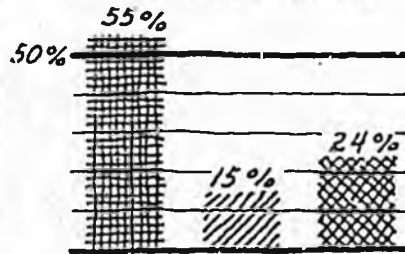
*as shown below, 83% of those picking revilla want to have road access to the land*

6) If "REVILLA", what type of access to the land would you prefer? 115 Road  
22 Water  
6 Hike-in



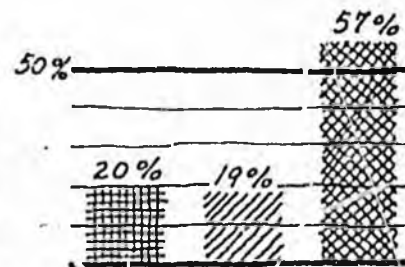
7) Much of the land will be in undeveloped areas of the borough. How would you like each of the following utilities or services provided: by yourself after purchase of the land; by forming a service area or local improvement district with other buyers; or by the borough prior to offering the land for sale with the cost of improvements included in the purchase price of the land?

	Self 	Service Area or LID ////	Borough Prior To Sale XXXX
Electricity?	39	46	76
Water?	90	25	40
Sewer System?	88	24	42
Road?	32	31	94

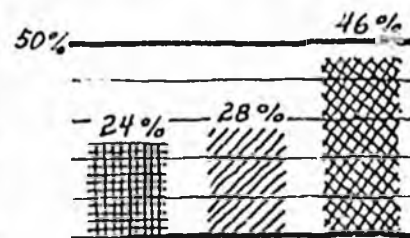


*more than half of the persons desiring residential land want to provide their own water and sewer systems*

*57% indicate they prefer that the borough build roads prior to selling residential land*



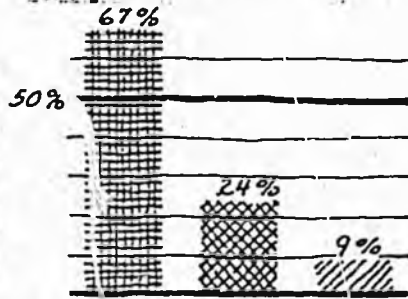
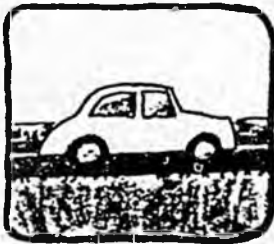
*slightly less than half, 46%, want the borough to provide electrical service prior to sale*



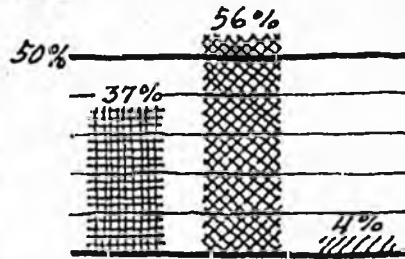
*the "service area or LID" is the least preferred option: its highest ranking is for the provision of electrical service - 28%*

8) How would you rank each of the following factors when you consider purchasing land from the borough: very important, desirable but not necessary, or, don't care?

	Very Important	Desirable But Not Necessary	Don't Care
Road Access	110	39	14
Good View	61	92	6
Waterfrontage	56	85	21
Good Sun Orientation	77	72	14

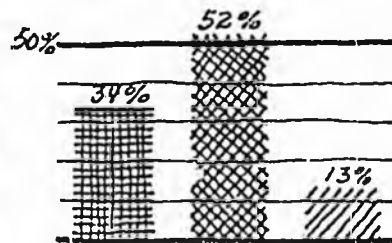


*road access is ranked highest; two-thirds indicate it is "very important"*

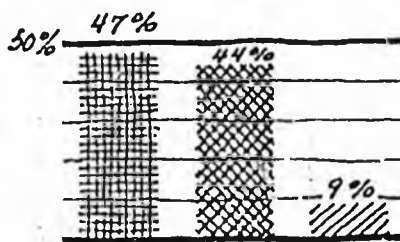


*good view ranks third*

*about 90% of the people who want residential land consider all of these features as "desirable" or "very important"*



*waterfront is fourth*



*sun orientation is the second highest ranked feature; 47% consider it "very important"*

(list other factors you consider very important in the following spaces)

REPRESENTATIVE SUGGESTIONS:

good soils/foundation; good water supply; trees;

good drainage; not too steep; close to town;

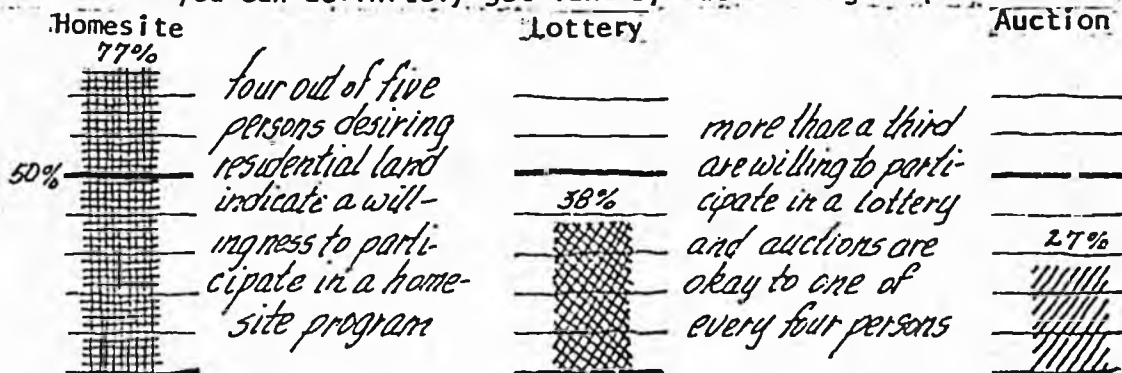
protection from prevailing winds; privacy

9) In which of the following types of land disposal programs would you be willing to participate to acquire residential land? (check one or more)

##### 126 A "homesite" program in which the land is cheap but you are required to build a home before you can receive full title to the land

##### 62 A lottery where land is priced at appraised value and winners are drawn at random

////// 45 An auction where appraised value is the minimum price, but you can definitely get land by out-bidding competitors



10) In which of the three types of programs would you prefer most to participate?

112 Homesite

30 Lottery

20 Auction

**68%**

**18%**

**13%**

QUESTIONS 11 THROUGH 17 ARE ABOUT LAND FOR REMOTE RECREATION USES

11) If you indicated you would be interested in remote land for recreation use, in which general area of the borough would you most like to acquire a parcel for this type use?

##### 60 Revilla Island  
 //// 11 Pennock Island  
 ##### 41 Gravina Island







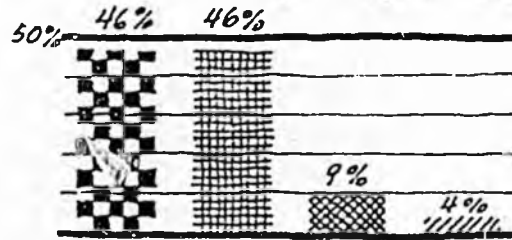
to "QUESTION 2", nearly 50% responded they are interested in land for private recreation use



of these, 62% indicate they prefer to obtain land for recreation use on revilla island and 42% prefer gravina island

32) Which of the following represents the parcel size you would prefer for this type use?

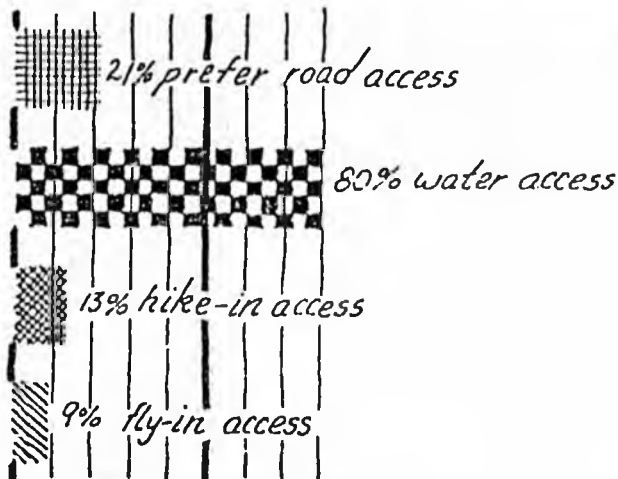
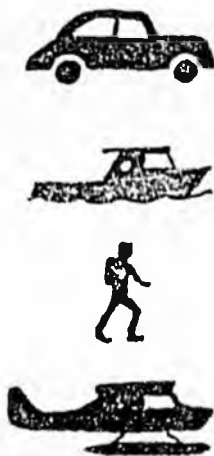
-  45 1 acres
-  45 5 acres
-  9 10 acres
-  4 Other (specify desired size) \_\_\_\_\_



*92% desire 1-5 acres for recreation use*

13) What type of access to the parcel would you prefer?

- 20 Road
- 78 Water
- 13 Hike-in
- 9 Fly-in

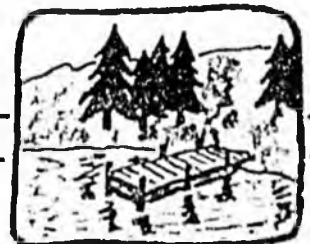


14) Do you desire waterfront property for recreation use?

92 YES 4 NO

**YES**  
95%

**NO**  
4%



15) If "YES", do you prefer:

- 55 Marine Waterfront
- 7 Lake Front
- 32 Either

16) If you do not desire waterfront property, describe in the space below the type of parcel that would be best suited for your recreation use.

*“ peace and quiet; heavily wooded with hills and yearround stream; water access and hike-in; any property with water access ”*

17) Would you be interested in a lease program whereby remote recreation parcels could be leased for 5 or more years?

30 YES 66 NO

**YES**  
31%

**NO**  
67%

QUESTIONS 18 THROUGH 20 ARE ABOUT PRIVATE USES OTHER THAN RESIDENTIAL OR RECREATION

18) If you desire to acquire borough land for industrial, commercial, or resource utilization purposes, describe the type of activity you are considering.

8 Industrial:

“ boat building (3); sawmill; shake shingle products; manufacture and sale of marine electrical products; log storage; warehouse; light manufacturing ”

19 Commercial:

“ stores (10) including grocery, hardware, machine and equipment, carpet, and general store; real estate (2); auto garage (3); service station; marina; instrument repair shop; cabinet making and stained glass sales; logging and fishing; driving range ”

21 Resource Utilization:

“ timber - personal use and sales (10); gravel; crop growing; water power (3); fishing (2) ”

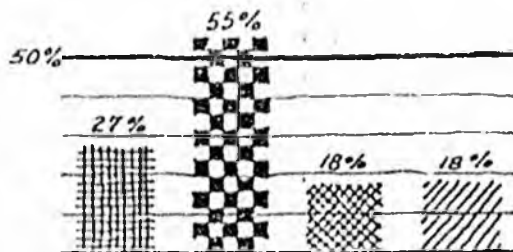
19) Are you presently engaged in this type of activity?

	YES	NO
Industrial:	4	4
Commercial:	9	5
Resource Utilization:	2	7

20) If you indicated you are interested in land because it is a good investment, do you want land:

- ##### 18 to build a rental unit on
  - ■ ■ ■ 37 to resale at a later date
  - ▨ ▨ ▨ ▨ 12 to resubdivide
  - //// 12 for some other investment purpose (indicate type in space provided)
- “ condominium; education facility; campgrounds and park; resort; build commercial facilities for lease; industrial or commercial use; timber and mining ”

*to "QUESTION 2", one-third indicated they are interested in land for investment purposes*



*of these, more than half expect they'd resale the land at a later date*



22% no response

“ RESIDENTS' COMMENTS ON SPECULATION ”

*We already have enough land developers holding onto property. Devise a way to get the land into the hands of people who need it rather than the rich and speculators.*

*I would not like to see any land developers involved with borough land.*

*I am definitely not interested in allowing lands procured through public means to fall prey to private exploitation.*

*Land disposal programs in the past have been an excellent way for realtors, bankers, and other speculators to get richer....A personal use clause of some kind should be included in any land disposal program.*

*Speculative buying by a choice few rich should be discouraged.*

*Keep costs down, speculators out, and borough involvement only to the basic necessities.*

*Large tracts suitable for subdivision should be held to a minimum to avoid large amounts of land being tied up by speculators for long periods.*

*I don't expect recreation or cabin property for nothing, but would like to see it available at respectable prices and not for investment or development reasons that make prices too high for the average person.*

*I don't think that people with two or more pieces of real estate should be eligible for borough land sales.*

*The borough should structure its requirements in any way necessary to insure borough lands do not go to private development companies or real estate firms. Our land must be sold to people who intend to build a home -- now or in the future.*

*The land ought to be held for private individuals who will build homes and not for developers and realtors.*

*It is time that city and borough government acted for the benefit of all the citizens instead of a few privileged elite in the housing, real estate, and business markets.*

*I hope any land sale would not allow anyone to purchase large amounts of land to gain large profits.*

“ ON SURVEYS ”

*I wish the borough would ask the the people of Ketchikan more about the problems they have and maybe things would run better.*

*I think there should be more questionnaires.*

*"500 persons" is too thin. Thousands of people should be heard.*

*Could broader coverage be obtained by putting questions to voters in an election?*

*I am pleased with the effort being made to gain knowledge from the people.*

what should be the goals  
of the  
borough land program?

THE NEXT FIVE QUESTIONS PRESENT A WIDE RANGE OF POLICY OBJECTIVES. FOR EACH, CHECK "YES" IF YOU AGREE WITH OR GENERALLY SUPPORT THE POLICY EXPRESSED; MARK "NO" IF YOU DO NOT SUPPORT THE POLICY. THERE IS AN "OTHER" CATEGORY WHERE YOU CAN ADD POLICY CONCERNS NOT COVERED IN THE PREPARED STATEMENTS.

21) The borough should get its land into private ownership as quickly as possible.

157Y 59N

**YES**

67%

**NO**

25%

*policy to get land into private ownership quickly gets considerable support*

22) Selling land for residential use is an appropriate objective of the land program, but it is also important to provide land suitable for commercial and industrial uses; some land should be retained for public uses such as recreation, future public facilities, and land where people can go to get firewood.

207Y 15N

**YES**

89%

**NO**

6%

*greatest support is for policy advocating multiple private and public use considerations*

23) Almost half of all privately owned land in the borough is vacant and undeveloped today. Until most of this land becomes developed, borough land should be principally made available for public uses. It should be sold to private owners only when there is a pressing need that only borough land can satisfy.

52Y 159N

**YES**

27%

**NO**

68%

*there is strong opposition to restricting public land sales to protect existing property values*

24) Borough land should be used to meet our community's residential, commercial, industrial, and recreation land needs, but the most important consideration ought to be that the borough land program is operated so that it is financially self-sufficient; by this I mean the borough land program shouldn't cost local tax payers one penny. 176Y 43N

**YES**  
75%

**NO**  
18%

*second ranked in support is the policy to have a financially self-sufficient land program*

25) The borough should not be in the land business; it should not get any land from the state. 16Y 188N

**YES**  
7%

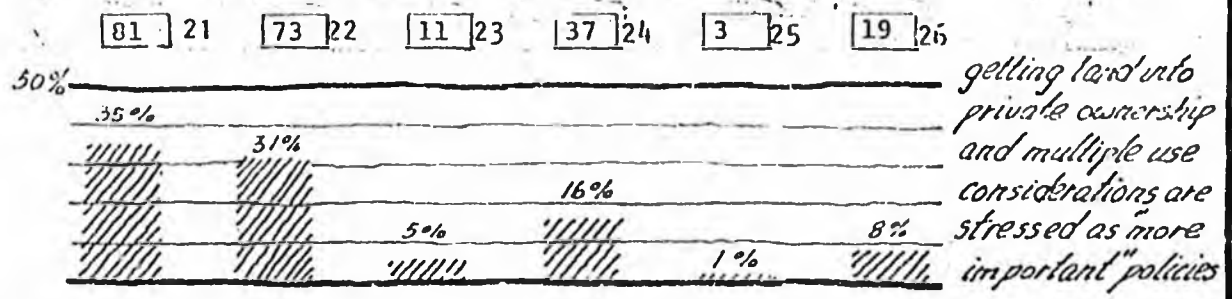
**NO**  
80%

*most opposition is to the borough not getting any land from the state*

26) Other (specify any policy concerns not expressed above that you consider to be important) 72

Policies offered by residents are reflected in the residents' comment section addressed to the goals of the borough land program.





27) Which, if any, of the policy statements you indicated agreement with are more important than the others? 199

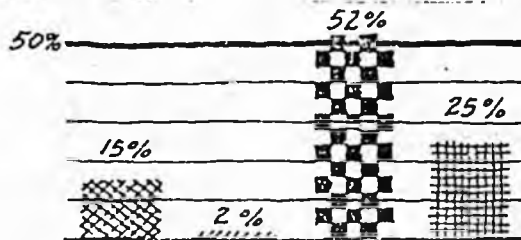


THE NEXT SET OF QUESTIONS IS ABOUT HOW THE BOROUGH LAND PROGRAM OUGHT TO FUNCTION TO ACHIEVE SPECIFIC OBJECTIVES. QUESTIONS 28 THROUGH 35 ARE CONCERNED WITH RESIDENTIAL LAND SALES

28) Since Ketchikan became a borough in 1963, the state on average has sold about 35 acres of residential land per year locally. Do you feel borough residential land sales should be: 226

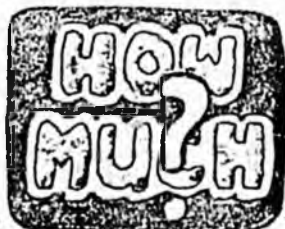


 35 at about the same rate  
 4 at a much slower rate  
 121 at a much faster rate  
 58 don't know



*more than fifty percent favor getting land into private ownership faster than the state has in the Ketchikan area*




29) Do you think that the number of parcels sold to an individual ought to be limited? 207 YES 15NO

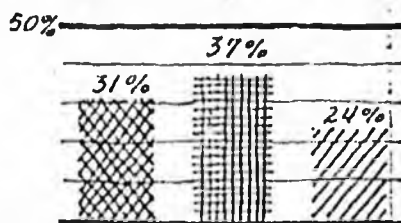


**YES**  
89%

**NO**  
6%




30) If "YES", would you favor:

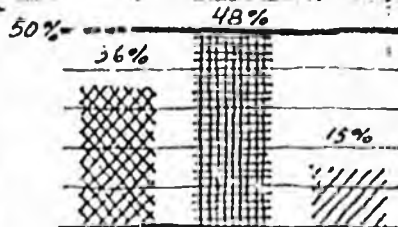
 72 one parcel per individual each time the borough has a residential land sale  
 86 one parcel per individual per lifetime  
 55 some other limit (specify limit in space provided)



*one parcel per lifetime is favored but nearly as many people prefer one parcel per residential land sale*

31) Borough sales of residential land ought to be:

 85 restricted to borough residents  
 112 restricted to Alaska residents  
 36 made available to anyone willing to buy land in Ketchikan



*nearly one-half support limiting borough land sales to Alaska residents*

32) Do you believe the borough ought to adopt a price discount program whereby persons who qualify can purchase residential land from the borough at reduced prices? YES NO  
 160 58



**YES**  
68%

**NO**  
25%

33) If "YES", what factors ought to be used to determine who qualifies and how much the discount should be?

residency (129)

other factors listed: veteran, use plan,

income (31)

age, family size; amount of land owned

34) In the state's homesite program, the state charges the buyer only land survey costs, but it requires that a home be constructed in a set period of time. If a home is not built in the required time, ownership of the land reverts back to the state. 160

Do you think the borough should adopt a similar program for selling residential land? 142 YES 81 NO

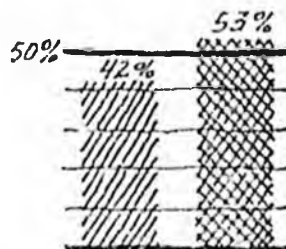
**YES**  
61%

**NO**  
35%

35) Before private developers can put land up for sale, they are responsible for making any improvements required by the borough subdivision ordinance. When the state sells land, it is exempted by state law from having to build roads or install sewer systems even when it's required by local ordinance.

Do you feel the borough, when it sells residential land, should have:

//// 99 to meet the same requirements placed on private developers  
 xxx 125 the same exempt status as the State of Alaska



*slightly more than half feel that the borough subdivision ordinance need not apply when the borough sells residential land*

“ COMMENTS ”

*I would like to see an advisory board comprised of citizens not directly involved in land sales or speculation set up to administer the distribution of these lands.*

*In a day and age such as we have we do not need this much government. Perhaps we should use any funds we have to pay off anything we owe and get out of borough government.*

QUESTIONS 36 THROUGH 42 CONCERN TYPES OF LAND USES OTHER THAN RESIDENTIAL





36) As our community continues to grow, some land within the borough 189 YES 27 NO will be needed for commercial and industrial uses. Do you believe that the borough should attempt to identify some land that is highly suitable for these types of use and set it aside for future development?

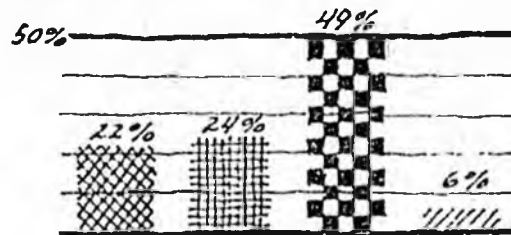


**YES**  
81%

**NO**  
12%

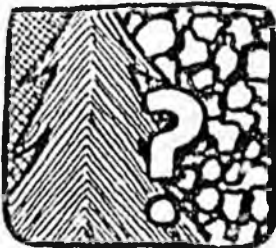
37) Concerning commercial and industrial uses of land, which of the following best describes how you think the borough ought to make land available for these types of activity?

-  52 Sell land outright for commercial and industrial uses.
-  55 Make commercial and industrial land available through long-term leases.
-  114 As a practice, commercial and industrial land should be sold. When the land has some special feature, for example, a protected cove with deep water access, leasing the land can be used to insure it remains available for specialized use in the future.
-  14 Other (specify preferred type of disposal in space below)



*one-half feel land for commercial or industrial uses ought to be sold except in special circumstances*

38) Should some borough land having suitable timber and gravel re- 162 YES 57 NO sources be retained in public ownership and made available for lease to small scale local sawmills and contractors?



**YES**  
69%

**NO**  
24%

39) Should some accessible land with suitable timber be designated as areas where borough residents can go and obtain firewood? 196 YES 29 NO



**YES**  
84%

**NO**  
12%

40) Are there other public uses for which borough land ought to be made available? (if "YES", list below) 111 YES 35 NO

**YES**  
47%

**NO**  
15%

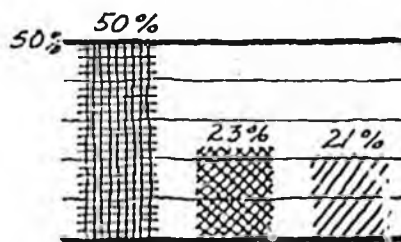
recreation (98);

other uses listed: landfill sites;

sites for future public facilities (8) habitat protection; public access;

41) If borough land sales and leases generate revenues in excess of costs, how should these proceeds be used?

- #### 117 They should comprise a fund to be used to improve land for future sales.
- #### 53 They should become part of the general fund of the borough.
- //// 50 They should be used for some other earmarked purposes.



*fifty percent favor using proceeds from land sales to make improvements for future sales*

42) If "OTHER", specify kinds in the space provided below.

develop facilities for public use (12);

other uses listed: schools;

finance access and/or utilities to land sold (10)

reduce property taxes; upgrade existing road

“ COMMENTS ”

*If excess funds are generated they should be set aside in a special fund and not used to create a larger bureaucratic monster.*

*It doesn't seem realistic to think all private land in borough will be 100% utilized. As the supply shrinks the price asked by owners becomes prohibitive. The cost of building lots inside Ketchikan city limits is an example. Making all classifications of land available would stimulate growth and possibly provide locations for services such as the animal shelter and other activities and businesses necessary to any community but not always welcomed by adjacent property owners.*

*The borough's involvement should be an initial one time shot with no long term plans for bureaucratic structure increases or functions. The purpose should be to expand the residential land available. Land is selling for more than it is worth simply because very little is available.*

*I think the land should be for residential use mainly. Commercial and industrial property could help subsidize the program. The object should be to get young people a chance to buy land at a price they can afford.*

*Get the program on the road and don't stop with the initial 11,000 acres. With a well oriented and proper planning on forestry practices and land development in general the overall economy of Ketchikan would be boosted considerably. However, a firm set of guidelines must be laid down to protect the future aesthetics of the land, with good road planning, good lot lay out, etc. Leave areas for parks. This could be accomplished but above all, get some good guidelines to protect the Public.*

*I think the borough land program must be conducted in the most fair and impartial manner possible. This would be difficult to administer. I'm concerned about the borough's ability to develop and enforce zoning regulations. I look forward to the gradual, orderly development of this island, enhancing the beauty of the country and strengthening the community.*

*Unless the borough can dispose of at least 5000 acres to residents and do it efficiently and at no appreciable cost to the taxpayer, then it should not get involved. Any scheme which would not make land available to many residents should be avoided. To have to add even one full-time person for this venture would be excessive.*

*Basically I think a great deal of planning ought to go into the disposal program. Zoning should be well conceived and strictly enforced. Suitable areas should be retained in public ownership for recreation and firewood uses.*

*I would like to see the land developed to enhance the economic future of Ketchikan and also Alaska in general. Land use, water and fishing programs. With lakes being used for recreational use as well as for trout fishing. Alaska is a beautiful land -- let us keep it as such but also use it to the fullest.*

*Many people -- especially young families -- are having difficulty finding land to put a home on. I would like to see land available soon particularly for those who don't own property or another residence, rather than for speculation or investment purposes, or for those who already have property.*

*I would like to see residents receive land as cheaply as possible and restrict industrial development except logging and fishing which are traditionally associated with Alaska.*

*The borough should get land on water and get mineral land.*

*Borough land generates nothing but administration. Private land pumps out taxes year after year. Borough land should be distributed to the people in a cheap and fast manner in order to make a producer out of a liability.*

*I think this land should be used for people who don't own property or homes other than mobile homes. You should consider the fact that many people who have mobile homes don't wish to live under a landlord.*

*It's hard to figure a best way to handle a land sale so the longtime resident who was making peanuts and fighting elements for so long gets a good shake on a sale. Seems like money men get the good stuff on a bid -- hippies get the lotteries -- and on a homesite sale it takes too long to get a house built after paying for the property.*

*Reduced or lowered prices in the market place result when more land is available. Therefore, borough sells all land received from the state.*

*If possible, sell to people who need it -- like young couples.*

*I think this is a good opportunity for us to get our young people set up in life with a start and an investment in our community.*

*I would like to see a good land program with rigid building codes incorporated, good access to all homesites, and reasonable prices.*

*You seem to make no reference to recreation lands. Is the only purpose of the land selection to make it available for resale?*

*Let's get more recreation facilities.*

*I would like to see wooded and/or beach lots for sale by the borough. I think the area needs opening up. Owners should be allowed to do what they want with their land.*

*Make land available so that people have room to enjoy living in Alaska.*

*The borough does not have the knowledge or personnel to get into the land sale business. Land should be independently appraised and offered for sale at fair market value through a licensed broker.*

*There are an excess of "public parks" in Southeast Alaska. People need reasonably priced land for homes.*

*The borough should obtain a block financing program (necessitates disposing of large blocks at one time and all the land over a year or so); then amortize it out to each lot so that people can get good land for low prices with low monthly payments arranged. The same method could be used for large site preparation projects, i.e., access roads, trunk line electricity feeders, but limit it to things necessary. Water and sewage can be handled by the owners.*

*I think if all 11,593 acres were sold at a fair price and the money was carefully invested it could help a great deal in financing borough expenses -- I know this sounds like the State's permanent fund. The only problem would be having capable and responsible handling of the investment. Also careful spending of the interest money.*

“ COMMENTS ON GOALS OF THE BOROUGH LAND PROGRAM ”

Future land use should be the result of careful long range planning. Areas suitable for recreation and commercial use should remain so and not eventually become residential. Zoning and its enforcement should be such that all development becomes a benefit to the area and not a blight on it.

Septic tanks -- with costs to purchaser and not the borough -- are suitable in the country.

Borough should not be in a hurry to sell the land. Use it as you would money in the bank. Sell only when the borough needs funds.

“ COMMENTS ON PRICING ”

After living in Ketchikan for eleven years I feel we're too cramped and land prices are way off base. With all the land we have in Alaska it's really disheartening that we all can't have at least 1/2 acre without draining our bank accounts. After all, it's our land!

It is a shame that in a state with so much land that the average family can't afford to buy even a small lot to build a home. If the borough does offer lands for purchase it would seem that the public and borough would benefit if the lands were offered at a reasonable price.

Make sure land auctions don't jack up prices of land in the borough, making it unavailable to many low-income families just getting started.

Land should not be made available on a socialist basis. Contracts to sell land should be let only to buyers fully prepared to perform.

Land should not devalue current private land for sale unless it is considerable distance from the city center -- or prices should start at equivalent or average land for sale within the borough.

Prices should be dictated by supply and demand.

Would like to see property at a reasonable price -- with a set time limit put upon buyers in building their homes -- no shacks.

Land should be kept to a price that the average person can afford.

I believe borough land should be made available to the public at the minimum cost possible.

Type of employment or occupations of respondents:

LPK and timber related (38); government (33); education (21); retired (10); Transportation (20); construction (15); fishing (13); medical (10); clerical/office (23); professional (10); business services (9); managers (10); personal services (7); mechanics (6); maintenance (5); other (12)

## Profile of Respondents

Average Alaska Residency = 21 years

Average Ketchikan Residency = 17 years

Type of Dwelling:

house - 64%

apartment - 23%

mobile home - 7%

other - 4%

71% own their home; 26% are renters.

Average Household Size = 3 persons

63% have children living at home.

Of children living at home:

average age = 10 years

under 5: 23%

between 5 and 10: 25%

between 10 and 15: 25%

between 15 and 20: 22%

over 20: 5%

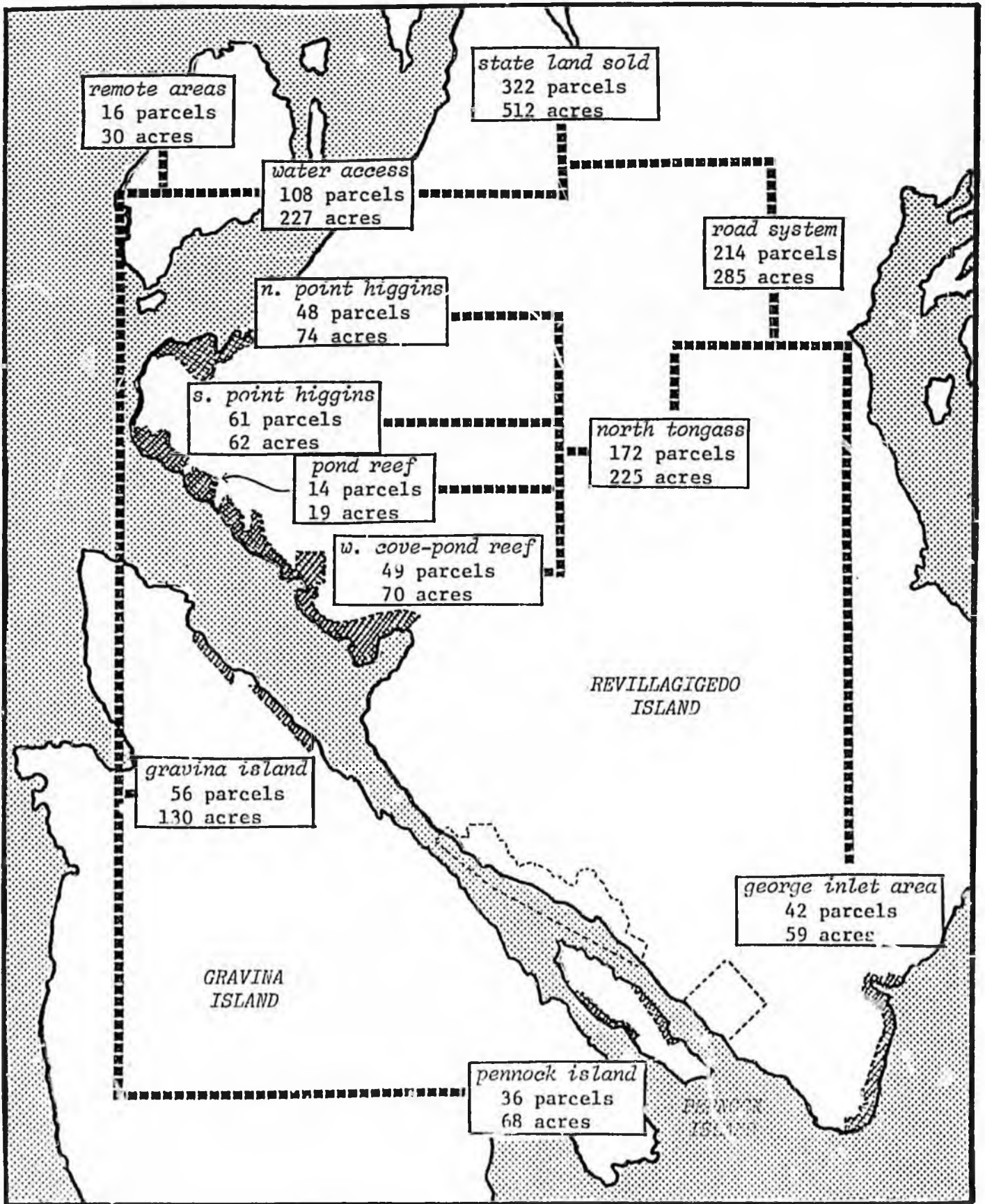
3. SUMMARY OF PAST STATE LAND SALES IN KETCHIKAN

### SUMMARY OF PAST STATE LAND SALES IN KETCHIKAN

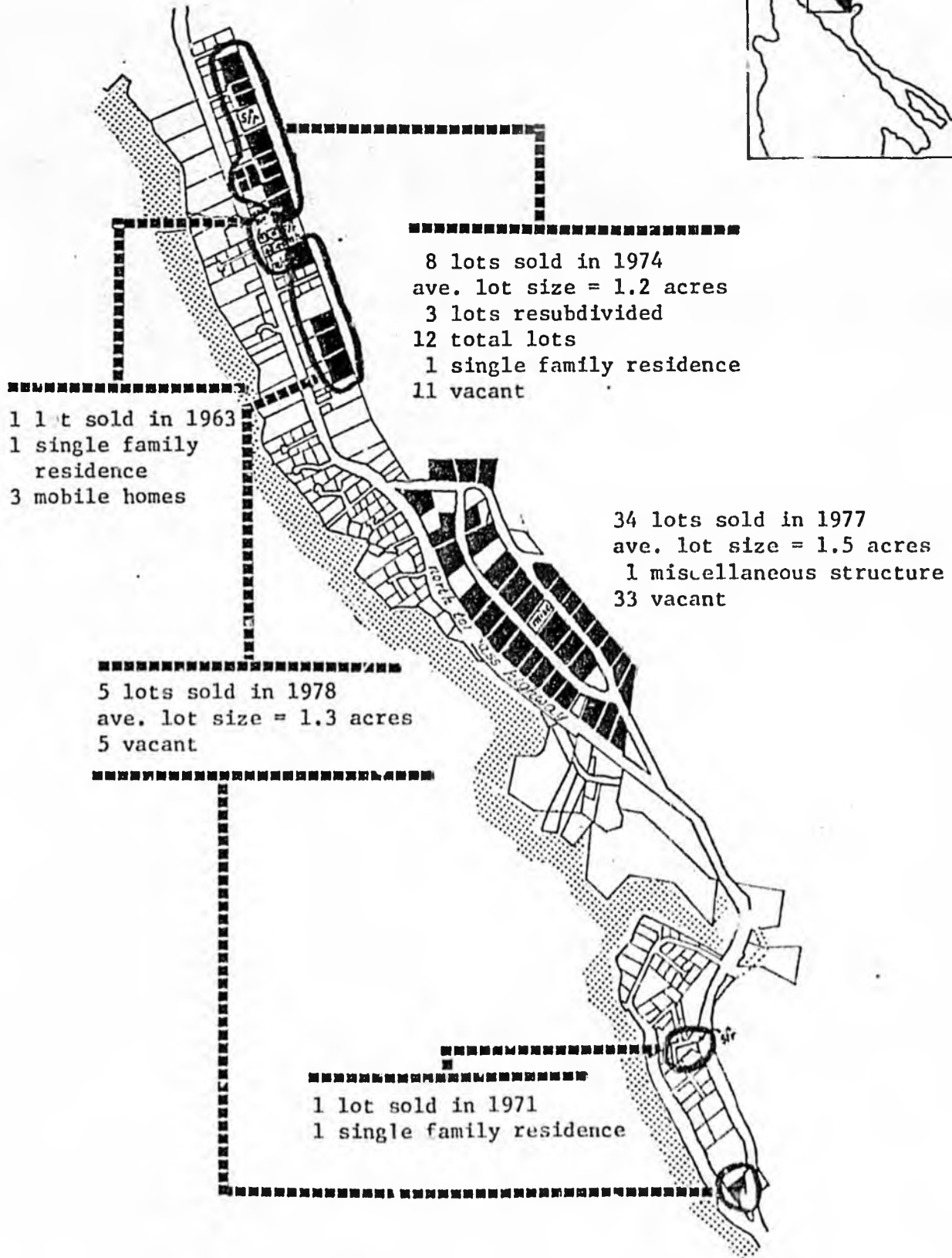
Over 75 percent of the lots from land sold by the state in Ketchikan from 1963 to 1979 remain vacant and undeveloped. If the base is realistically reduced to include only lots on the road system, the rate of vacancy is over 70 percent, 215 of 305 lots; 28 percent have single family residences or mobile homes. If the base is further reduced to land in established neighborhoods on the road system sold prior to 1970, about 140 of 224 lots, 62 percent, are vacant.

However cut, the vacancy piece of the pie is large, developed use is small. But this slowness of development doesn't reflect a failure of the state's past land disposal program.

The land sold by the state constitutes perhaps 20 percent of the total local stock of privately owned, undeveloped land. Approximately 10 percent of the housing in Ketchikan that was built between 1963 and 1979 is on state sold land. Although it appears that the rate of converting undeveloped land into residential use is slower for land that has been sold by the state than for other private land, the state sold parcels were added to the private land base in increments over the 16 year period. Adjusting for the time factor, the rates of conversion for state sold parcels and other private land are about equivalent. The reason this result is highly likely if not inevitable is obvious once the factors that are important determinants of the land conversion process and of the interworkings of competitive land markets are understood.



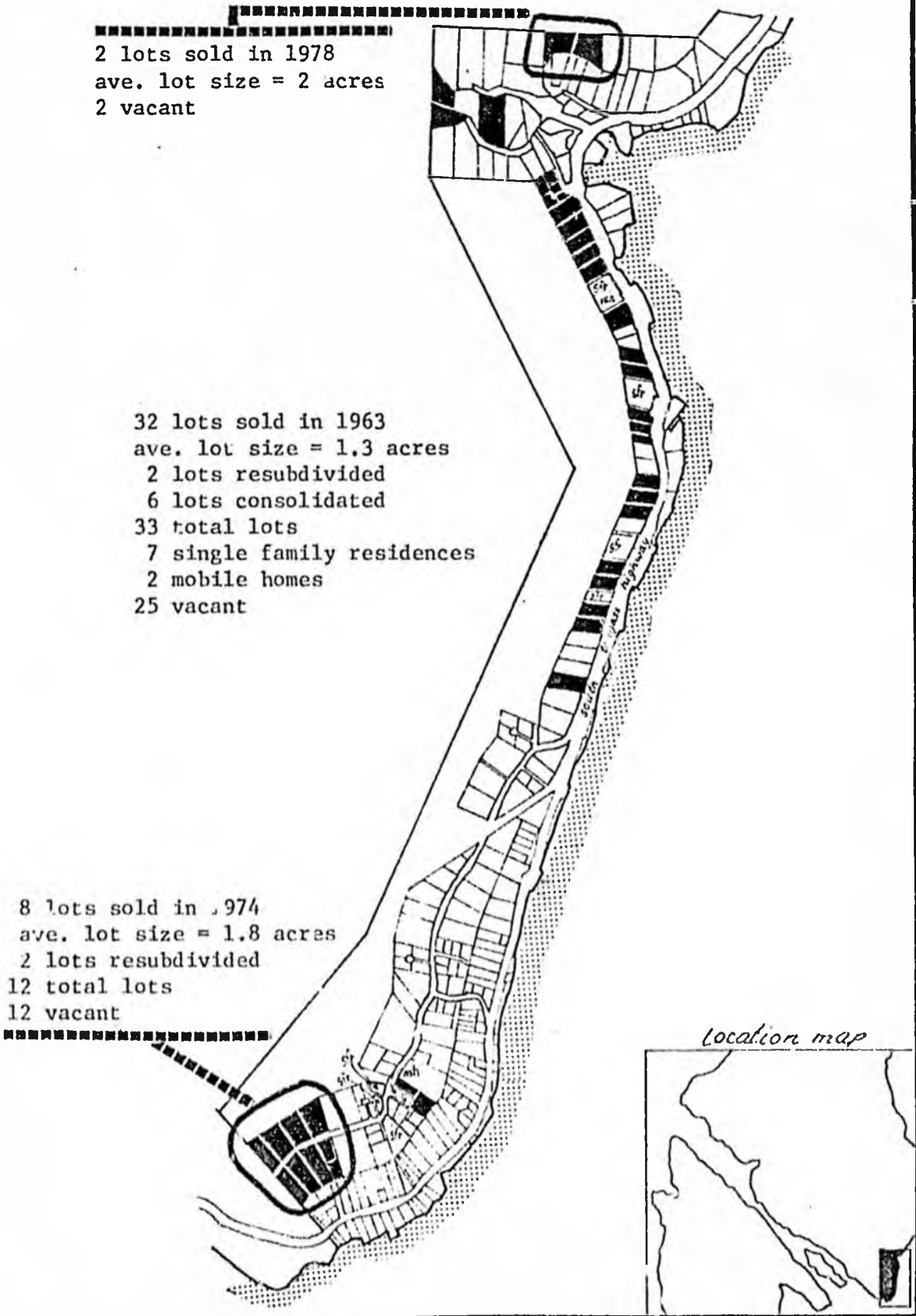
Location map



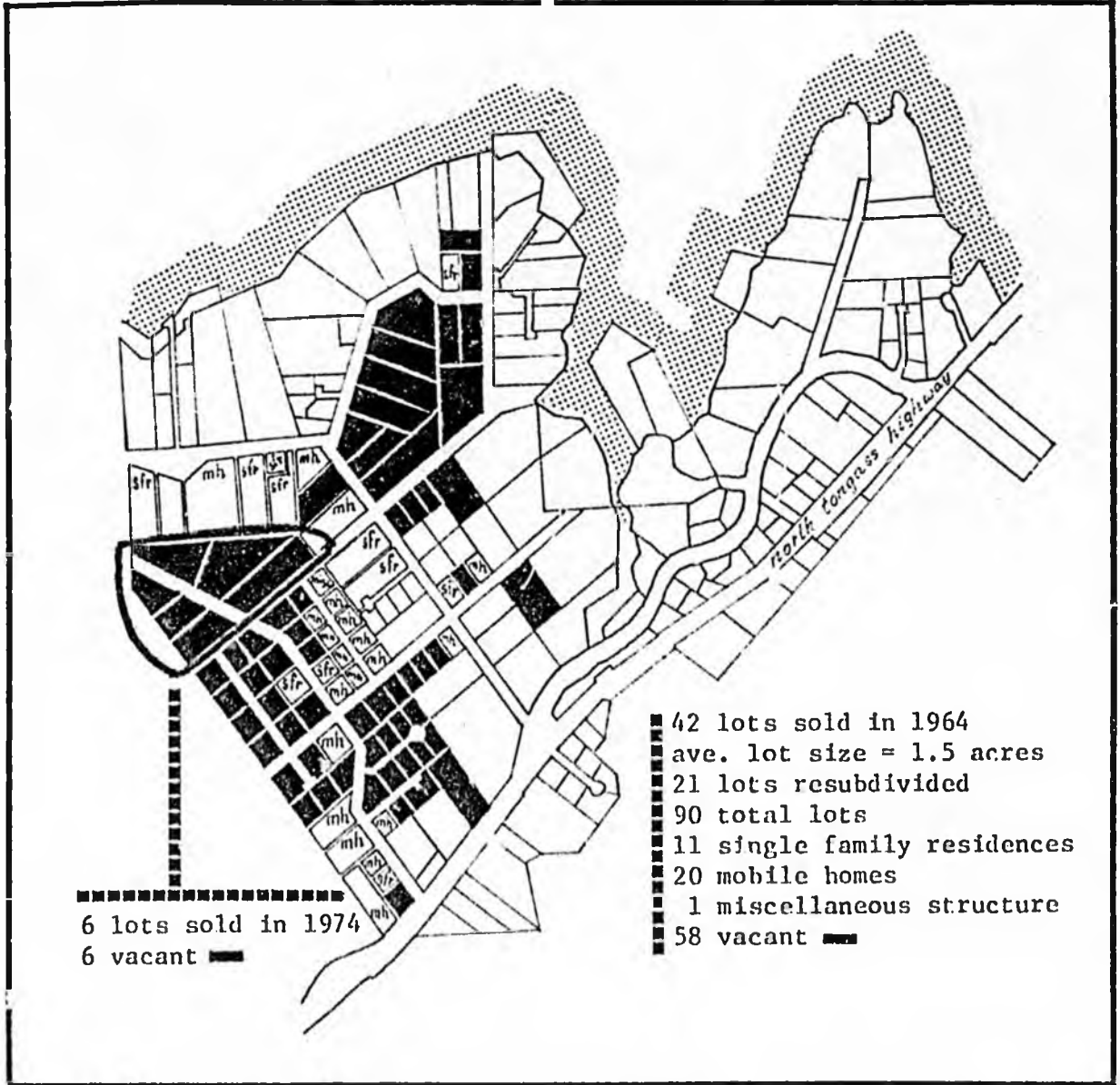
2 lots sold in 1978  
ave. lot size = 2 acres  
2 vacant

32 lots sold in 1963  
ave. lot size = 1.3 acres  
2 lots resubdivided  
6 lots consolidated  
33 total lots  
7 single family residences  
2 mobile homes  
25 vacant

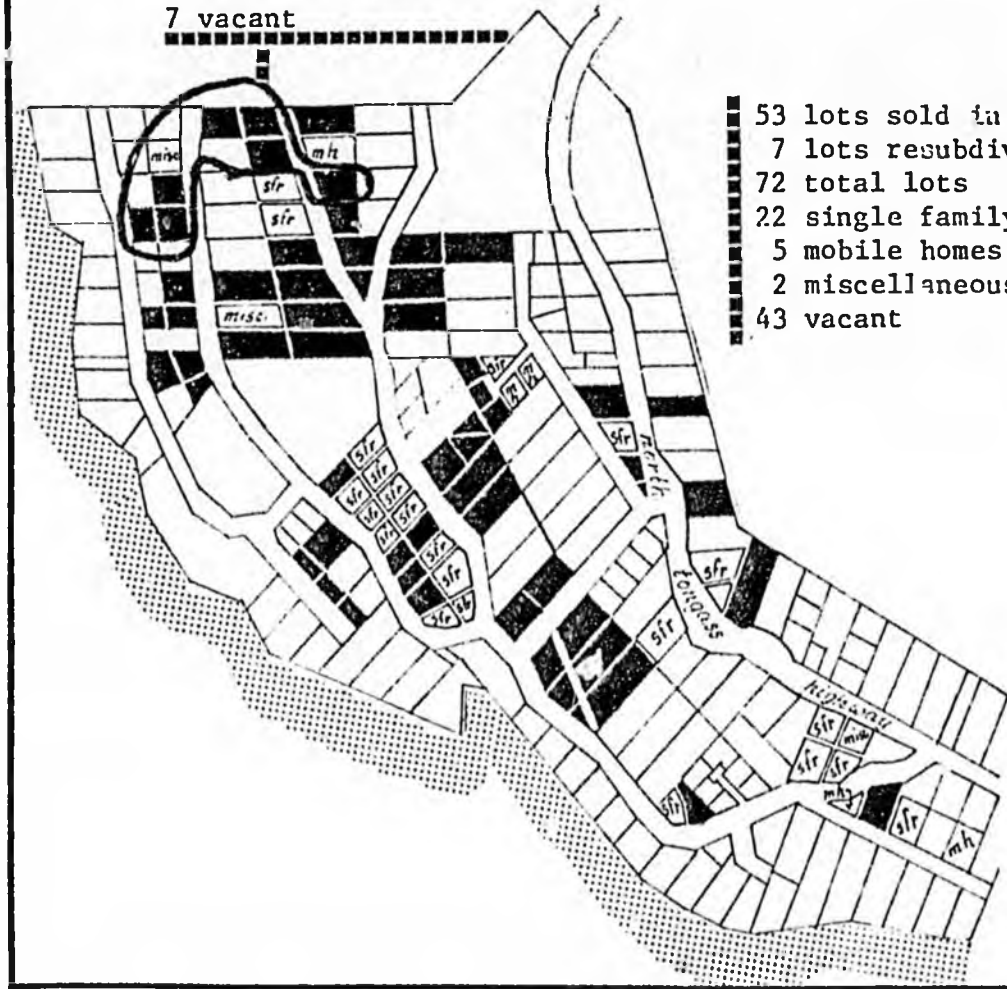
8 lots sold in 1974  
ave. lot size = 1.8 acres  
2 lots resubdivided  
12 total lots  
12 vacant



location map

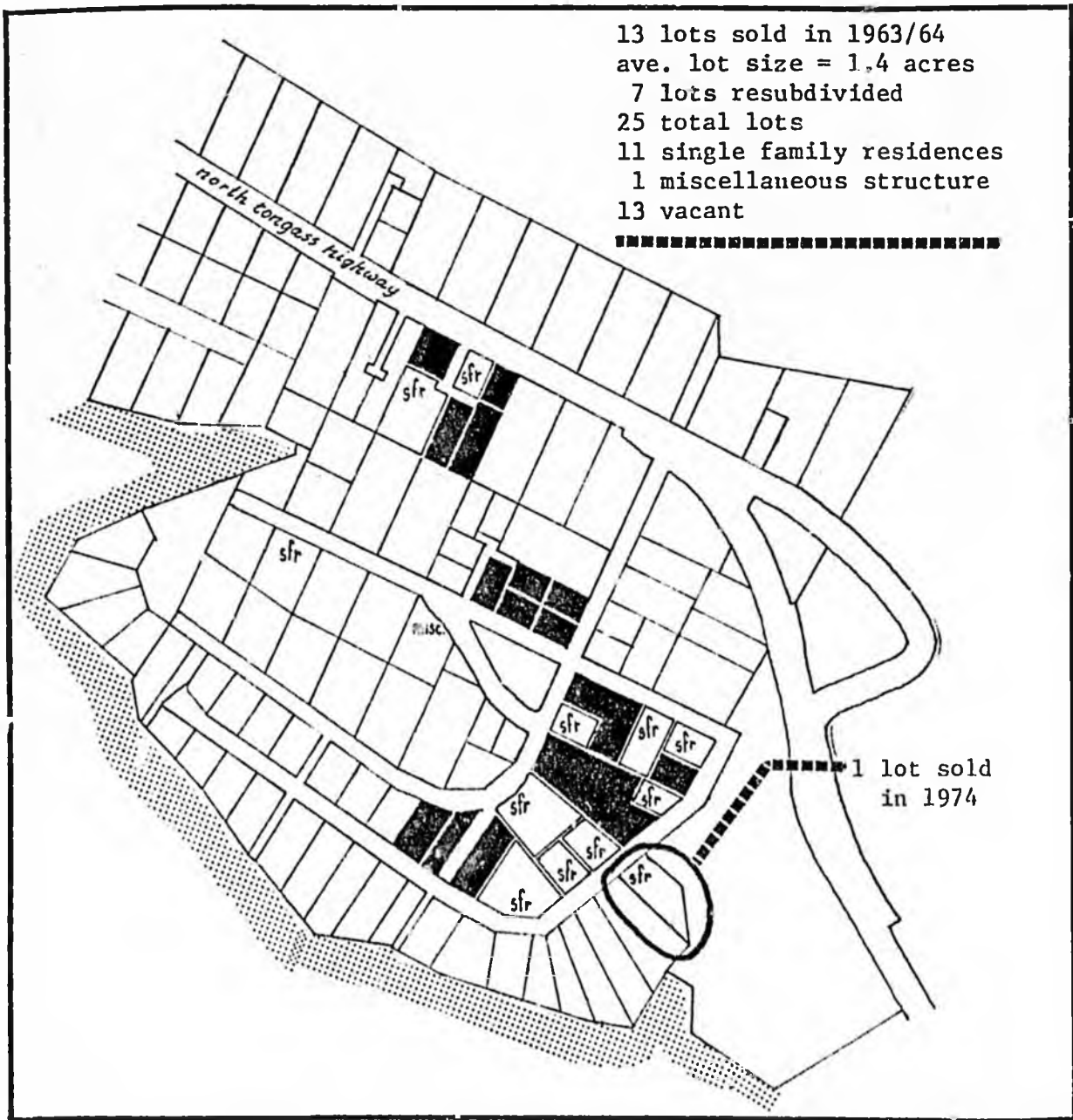


8 lots sold in 1974  
 ave. lot size = 0.7 acres  
 1 miscellaneous structure  
 7 vacant



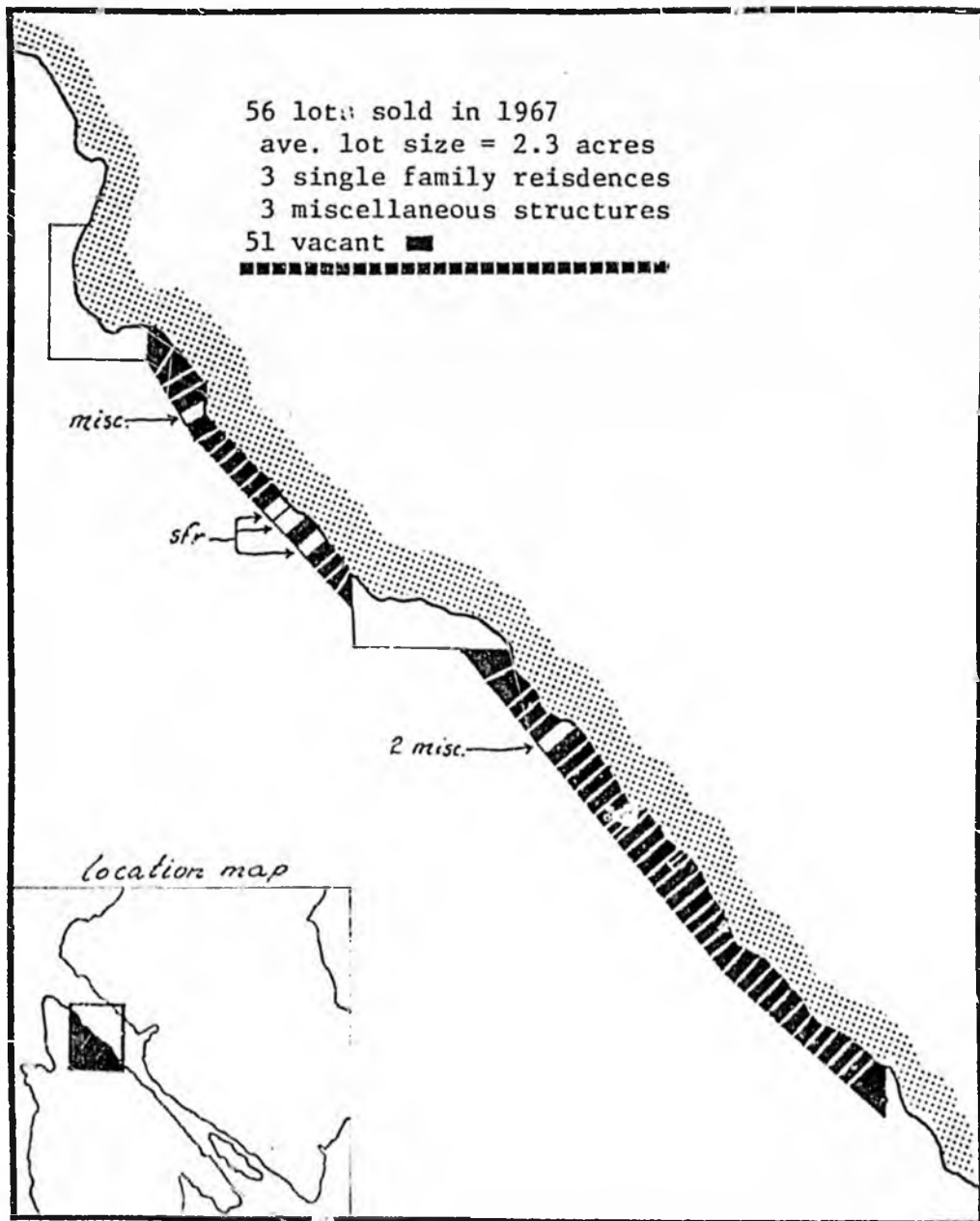
53 lots sold in 1963/64  
 7 lots resubdivided  
 72 total lots  
 22 single family residences  
 5 mobile homes  
 2 miscellaneous structures  
 43 vacant

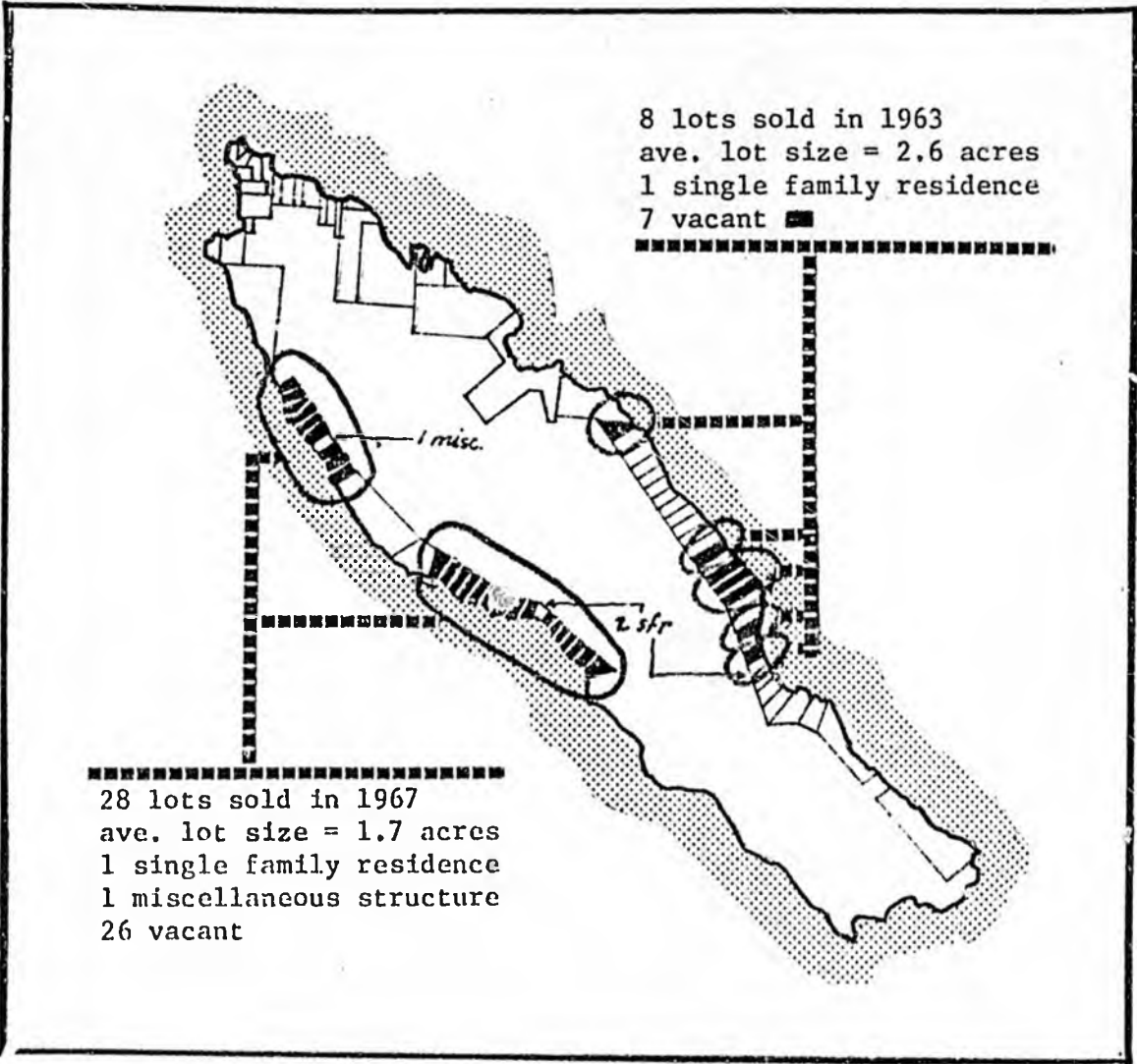
13 lots sold in 1963/64  
ave. lot size = 1.4 acres  
7 lots resubdivided  
25 total lots  
11 single family residences  
1 miscellaneous structure  
13 vacant



1 lot sold  
in 1974

56 lots sold in 1967  
ave. lot size = 2.3 acres  
3 single family residences  
3 miscellaneous structures  
51 vacant





4. BACKGROUND INFORMATION ON LAND DEMAND ANALYSIS



## KETCHIKAN GATEWAY BOROUGH

344 FRONT STREET  
KETCHIKAN, ALASKA 99901

TO: Borough Land Advisory Committee Members  
FROM: *JK* Kathryn L. Carsow, Planning Director  
RE: Considerations for Upcoming Committee Meeting  
DATE: December 5, 1979

Enclosed is a brief compilation of background information about land and housing activity in Ketchikan and implications for the borough's land program, prepared by George Gee, Borough land consultant. In summary, there will be public pressures to get land onto the private market quickly, as well as pressure to exercise restraints in land sales. There will be pressure on the borough to sell land cheaply; but, to get useful land onto the market will require costly investments in front-end improvements. There also will be concerns that the land program be financially self-supporting. These conflicting pressures will emanate from the same public: the citizens of Ketchikan. They cannot be all fully satisfied; a course of action needs to be formulated that is responsible to these different shifts in public perspective and opinion.

The best source of information to aid us in selecting and designing a desirable course of action is the experience the borough will gain from owning and selling land. However, to make best use of this experience we need to establish procedures that will enable us to compile and meaningfully interpret information as land sales occur. In the interim, and in preparation for initial borough land sales, program success depends on our ability to ascertain the different types of land demands in Ketchikan and people's attitudes about how the borough land program ought to function. To establish an information base that will aid us in initiating a borough land program and in evaluating its success over time, we propose to conduct a mail survey of approximately 500 households. Enclosed is a revised draft of the questionnaire presented at your last meeting. Wednesday night, we would like to go over the attached report and finalize the questionnaire with you.

BACKGROUND INFORMATION

FOR

LAND DEMAND ANALYSIS

TOPICS:

- \* Primary groups potentially affected by borough land sales
- \* Key land demand characteristics
- \* Apparent demand profile derived from current uses of past state land sales
- \* Age characteristics of Ketchikan housing stock
- \* Recent housing construction patterns, location of privately owned parcels, percent developed, and number of vacant properties

Prepared  
by

George E. Gee

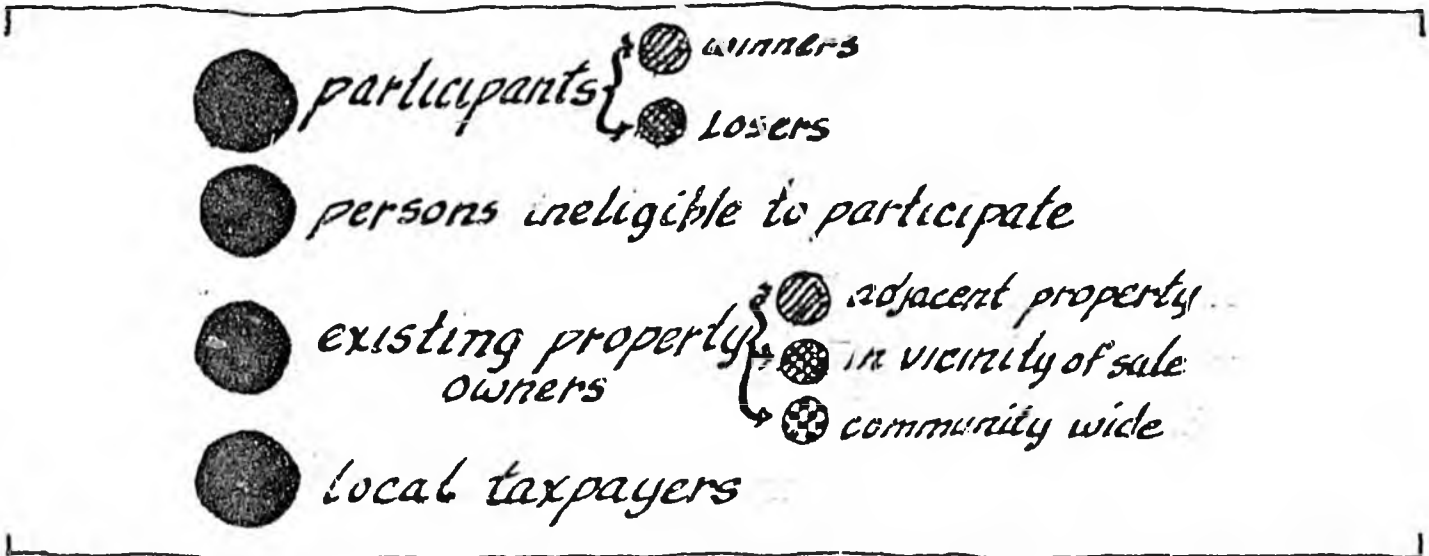
December 3, 1979

Public support for the Borough Land Program is critical if the program is to be successful and cost effective. The importance of ascertaining:

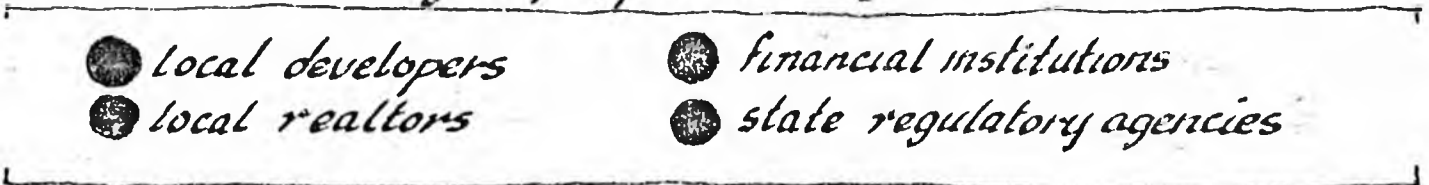
- ✿ the types of local land demand,
- ✿ citizens' expectations concerning how the Borough Land Program ought to operate, and,
- ✿ expectations about what the program should accomplish,

can be illustrated by a review of some of the groups that are likely to be affected by borough land sales.

### PRIMARY GROUPS POTENTIALLY AFFECTED BY BOROUGH LAND SALES



### other groups potentially affected

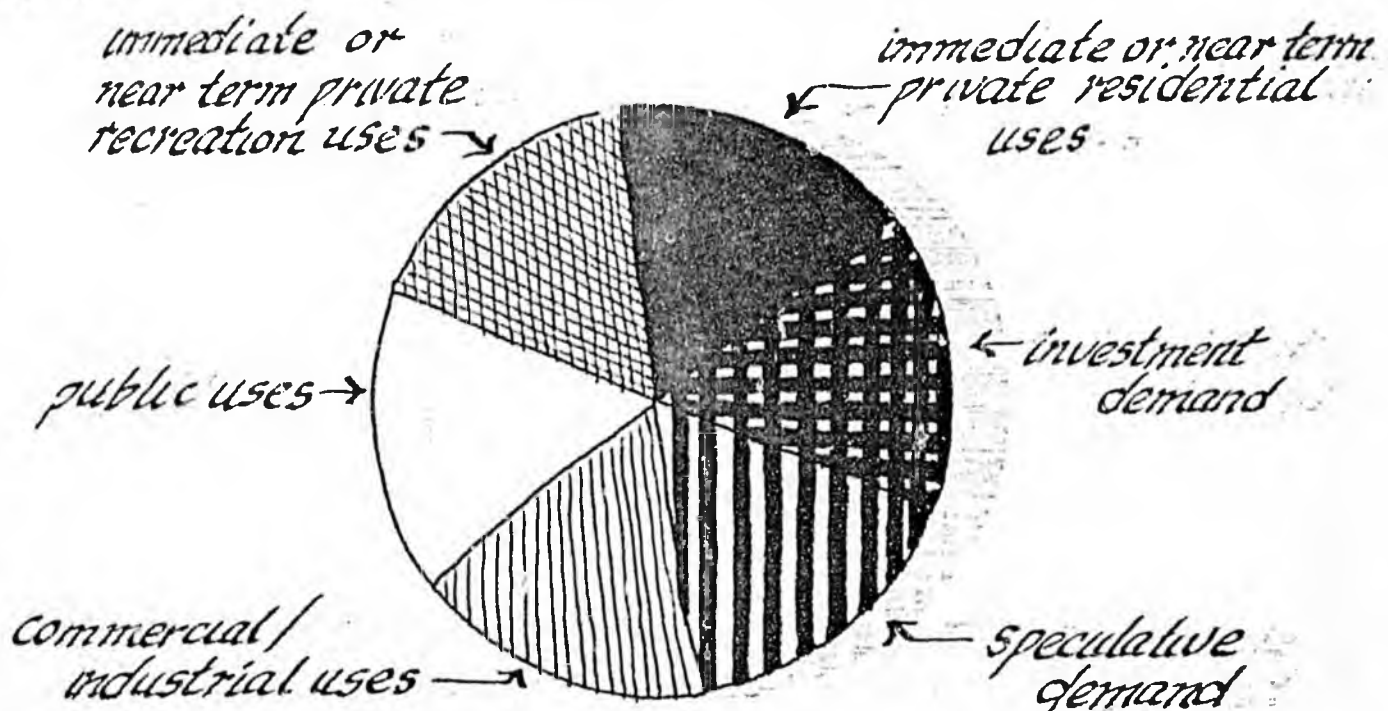


An initial observation that can be made from this review is that *the number of people who will benefit directly from any borough land sale will be a small percentage of Ketchikan's population.* For instance, in the most recent state land sale, there were more than 500 applicants for the 12 parcels offered for sale in Ketchikan. Approximately half of the applicants were local residents and upon the draw of names in the land lottery, six residents won land. The ratio of losers to winners in this example was nearly 50-to-1.

This relationship is not markedly altered when all state land sales since Ketchikan became an organized borough are considered. Since 1963, the state has sold about 350 parcels of land in Ketchikan, about 90 percent to local residents. Even when family members are factored into the winners' column, less than 10 percent of Ketchikan's current population have succeeded at acquiring land from the state.

This highlights the important difference between a *land sale* and a *land program*. Community support for the borough land program is not likely to be predicated on any one land sale or on land sales alone. In general, borough residents will share the concern: what is the likelihood that borough land is going to be available for uses that are important to my family and me? There will be different types of private land demand; some people will envision public as well as private uses as appropriate for borough land. Public and different types of private land demands are depicted in Figure 1.

Figure 1: KEY LAND DEMAND CHARACTERISTICS

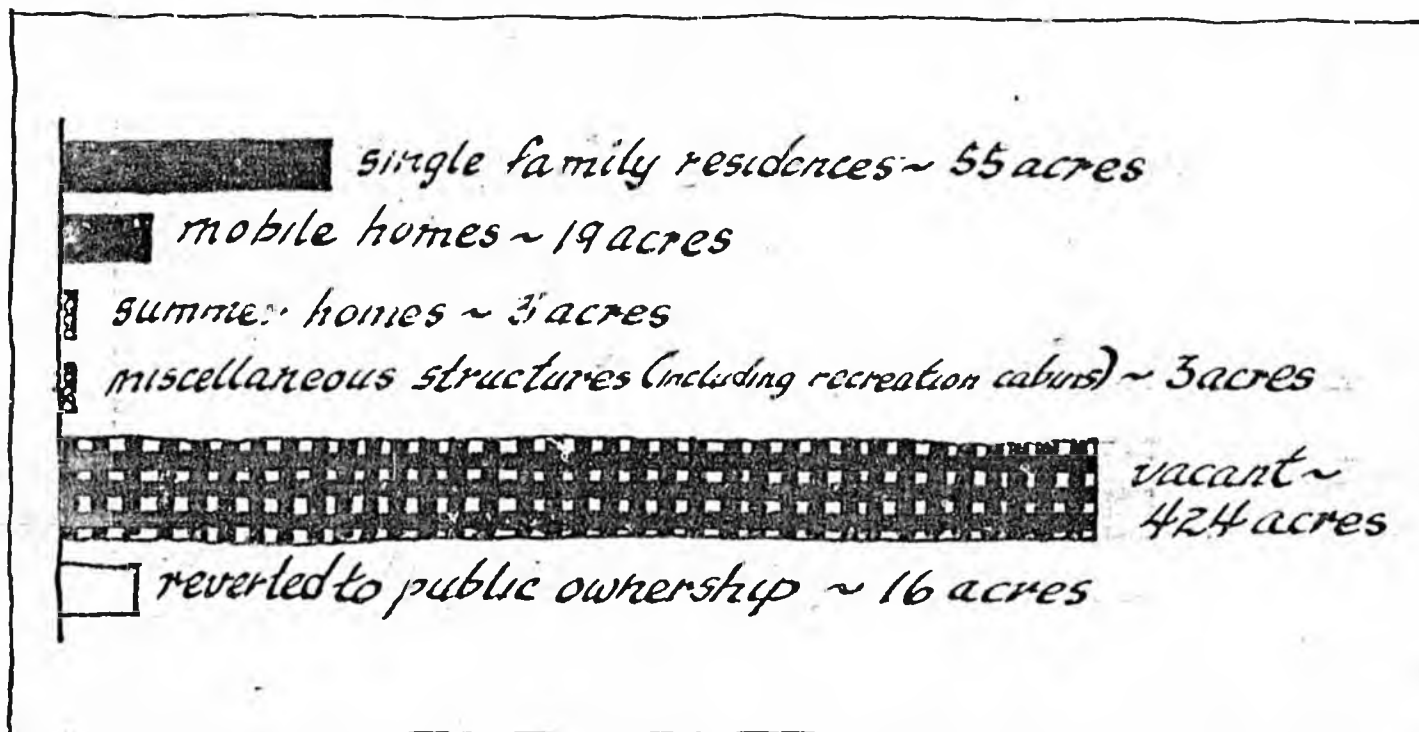


To what extent do different types of land demand prevail among residents of Ketchikan?

Since passage of Proposition 4 (the Beirne Homestead Initiative) on November 7, 1978, it has become almost an article of faith that there is a massive demand in Alaska for cheap land on which people want to build homes. Although the initiative was passed by 56 percent of the voters state wide, only 52.7 percent of Ketchikan's voters supported it. Of 5169 voters, 2447 were opposed to this free land program. While this doesn't negate the majority side of the vote, it does suggest there are a considerable number of people who have a different perspective on how public land ought to be used including how it should be conveyed into private ownership.

Considering the affirmative vote, is it realistic to conclude that there are 2700 local residents who would build homes if cheap land were available? Historically, home building in Ketchikan correlates with population growth rather than state land sales. Throughout the 1960s and 70s, there was one home built for every addition of three-to-four persons to Ketchikan's population. That is roughly a home per family over the past two decades. In contrast, more than 80 percent of the 519 acres of state land sold in the borough remains vacant and undeveloped today. Current uses of this land is shown in Figure 2.

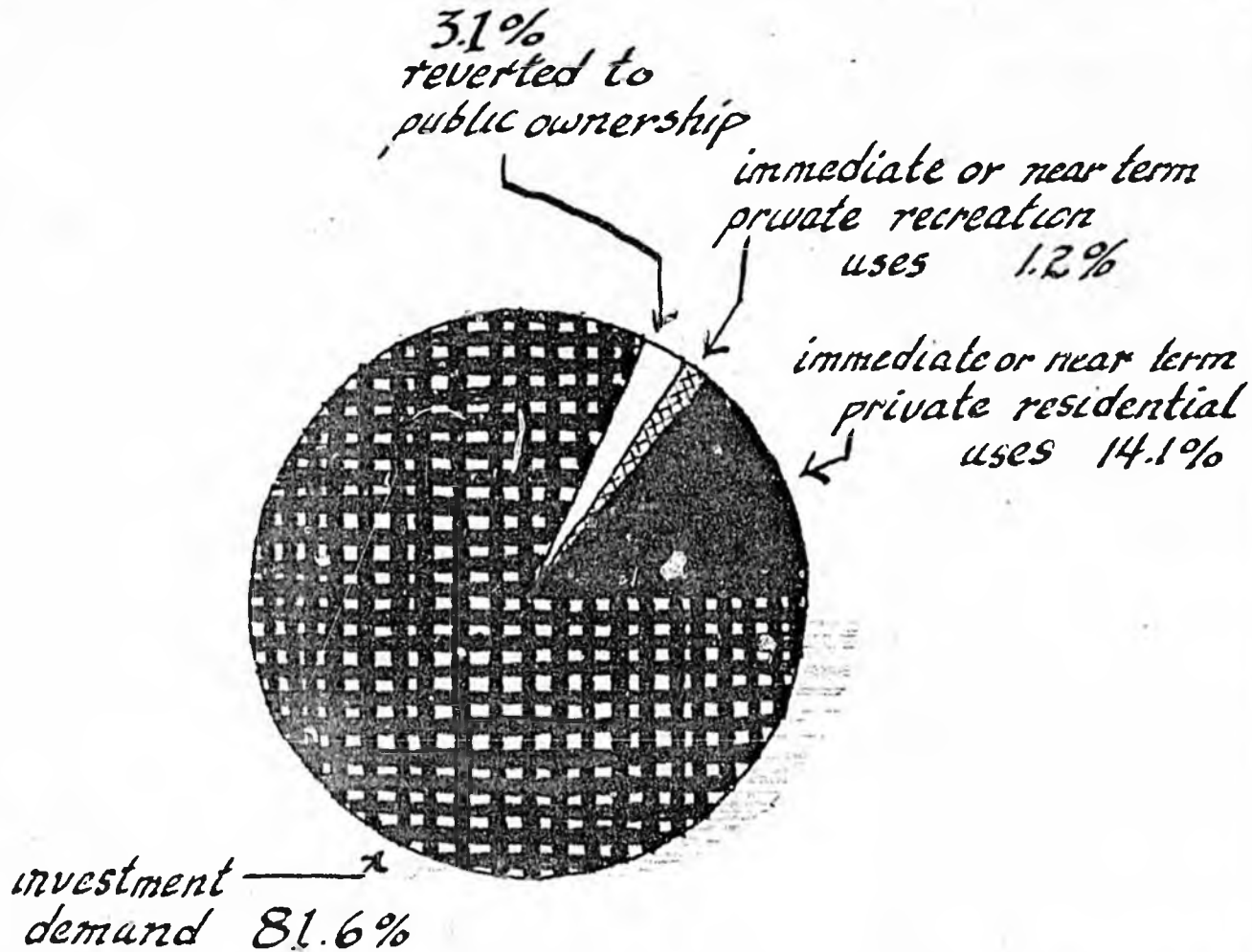
Figure 2:  
CURRENT USES OF 519 ACRES SOLD BY THE STATE  
BETWEEN 1963 AND 1979



When these figures are translated into the apparent types of demand for which the parcels were purchased (Figure 3), investment demand dominates other types by a wide margin.

*APPARENT DEMAND PROFILE DERIVED FROM  
CURRENT USES OF PAST STATE  
LAND SALES*

*Figure 3:*



Only 14 percent of the total acreage is currently in residential use: 61 single family residences and 21 mobile homes. This accounts for about 10 percent of the increase in the borough's housing stock during the same period.

The investment opportunity provided by past state land sales is demonstrated by the comparison of initial sale prices (in current dollars) and current assessed valuation.

<u>YEAR OF AUCTION</u>	<u>NUMBER OF ACRES</u>	<u>CURRENT VALUE OF SALE PRICES</u>	<u>CURRENT ASSESSED VALUE</u>	<u>ANNUAL AVERAGE INCREASE SINCE PURCHASE</u>
1963	120	\$ 56,464	\$836,400	20%
1964	93	82,685	843,950	18%
1967	176	123,030	716,250	17%

It can be noted that the increases in land values shown here basically match increases in the value of land already in private ownership. Consequently, existing property owners, as well as purchasers of state land, were beneficially affected by the state's slow rate of land disposals.

This recalls a second observation that can be made about the grouping of people potentially affected by borough land sales (on Page 1). Two groups could end up subsidizing in part borough land sales: local taxpayers, if the program operates at a deficit or if the base of municipal services must be expensively expanded; and, existing property owners, if the value of their land holdings decline due to the quantity and rate of borough land sales.

Borough population is tending to increase by about 300 people a year. This has yielded a new housing rate of about 100 per year. Although there are many motives that can guide people to purchase land and many factors that must be entered into the equation of specific land values, housing construction is a prime determinant of the value of residential land. *As a crude rule-of-thumb, so long as more parcels per year are being absorbed into actual residential use than are being added to the base of privately owned land, the values of undeveloped land will continue to rise. If new land comes onto the private market at rates greatly in excess of the rate of land absorbed by housing, when the market has adjusted to this situation, the value of undeveloped land will be lower than before.*

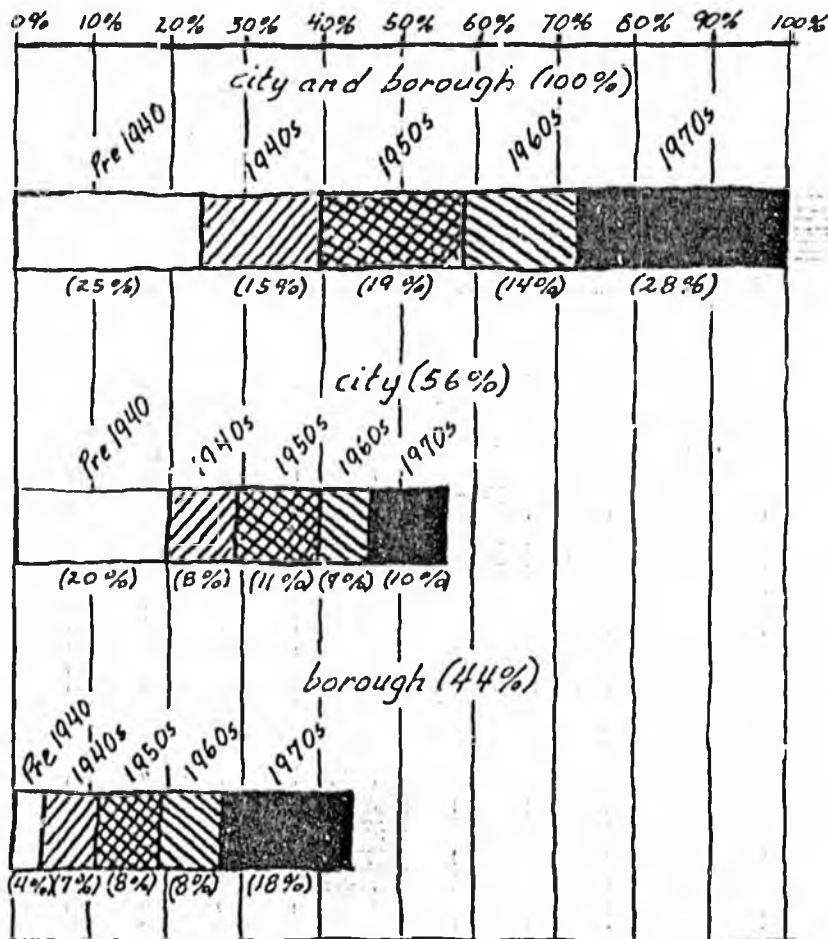
Even winners of borough land may not remain content with the borough land program. The decision to purchase land, and what one is willing to pay for it, at any time reflects both a weighing of alternative land purchase opportunities and expectations about the future availability of land. Just as a losing participant in a borough land sale can be expected to want to know that additional land will be made available in the future, a winning participant will be concerned that it is not put onto the market much faster than expected at the time of purchase. Having become a winner, the person enters the ranks of existing property owners with comparable concerns about future sales. This stresses again the need to define and advertise every land sale within the context of a longer range program of sales and other use objectives.

*Can the borough land program be oriented to supplying land for housing construction?*

This is perhaps the fundamental policy question that confronts the development of the borough land program. Not only is providing land for residential development a primary justification of municipal land entitlements, it is probably the paramount expectation of our citizens. Merely putting land onto the private market, particularly if it is held for speculative or investment purposes, is not likely to meet actual private land needs in a satisfactory manner. Housing construction on land sold by the borough could well prove to be a critical test in the mind of the public of the entire program.

Insight into the local pattern of housing development can be derived from a review of the rate and location of recent residential construction and an inspection of where vacant properties currently exist. Figure 4 depicts housing construction activity through looking at when existing structures were built.

*Figure 4:  
Housing Stock: when built*



*sample of 1950 structures from Ketchikan Land Use Survey  
\* Single and multi-family dwellings are not differentiated in source data.*


The decade of the 1970s marks a period of strong growth in Ketchikan's housing stock, whereas the 60s were relatively slow. These patterns correspond with the respective rates of population growth for the two periods: 1.4 percent yearly for the 1960s and 3.3 percent annually between 1970 and 1979. As has been noted, on a decade-to-decade basis, approximately one residential unit is built for each family added to Ketchikan's population. The gradual shift of construction activity from the city to suburban areas can also be observed in Figure 4. Housing construction within the city continued as a strong trend during the 1970s despite this proportional shift to borough areas. As shown in the following table, housing growth within the city increased by more than 50 percent between the 1960s and 1970s. Areas immediately south of the city experienced considerable housing construction during the 1970s. One new subdivision, Forest Park, accounted for 51 new units and a public housing program in Saxman accounted for 30 more. *Road access and electrical power are practical prerequisites for housing construction; during both the 1960s and 1970s, about 52 percent of all new homes were built in areas that also have water and sewer services provided.*

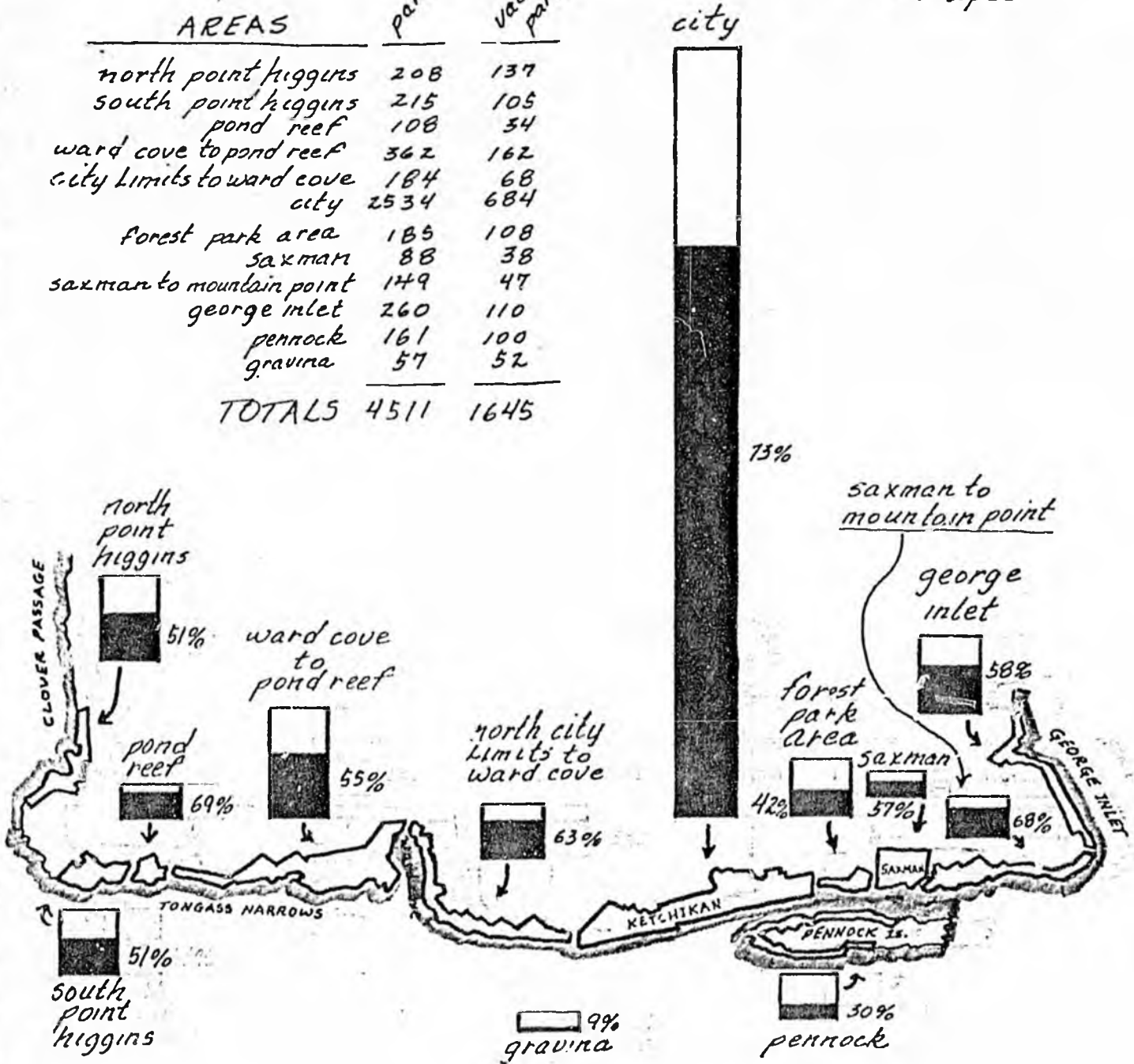
	Number of <u>Residences</u>	Houses Built in <u>1960s</u>	Houses Built in <u>1970s</u>
North Point Higgins	134	26	51
South Point Higgins	106	19	56
Pond Reef	71	15	22
Ward Cove to Pond Reef	171	27	53
City Limits to Ward Cove	97	26	21
City	1850	128	193
Forest Park Area	71	2	57
Saxman	42	15	30
Saxman to Mountain Point	93	19	34
George Inlet	144	39	24

Figure 5 depicts the number of parcels, percent developed, and vacant properties for the areas listed above and for Pennock and Gravina Islands. There is clearly a considerable quantity of undeveloped land capable of absorbing additional housing. With much of the Forest Park area yet to be developed and with several planned subdivisions within the city underway, it is likely that much future housing construction will continue to be concentrated in these areas. If borough land is to attract significant housing development, roads, electricity and some type of DEC approved sewage system will have to be provided.

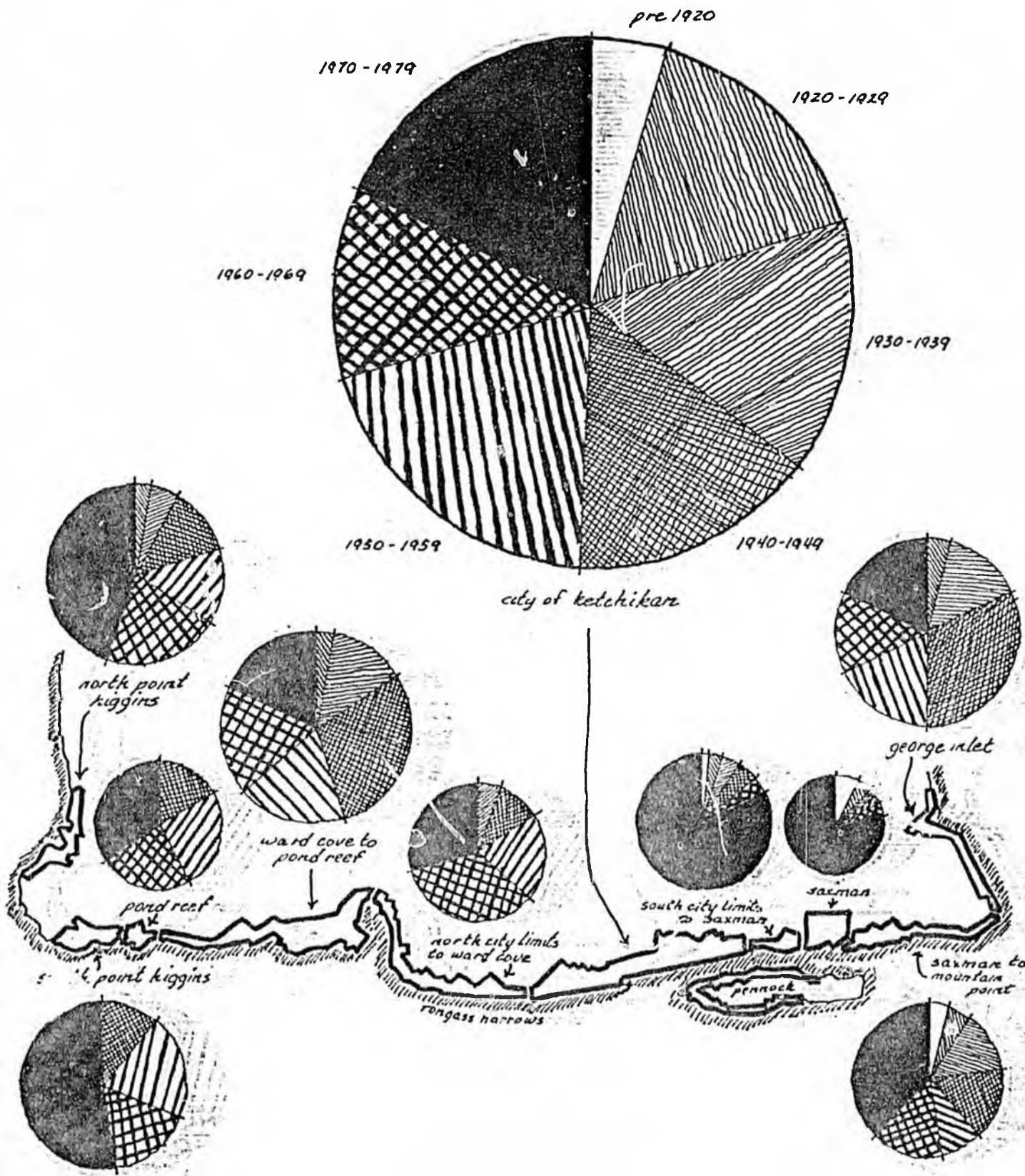
Figure 5:  
LOCATIONS OF PRIVATE PARCELS, PERCENT DEVELOPED,  
AND VACANT PROPERTIES

AREAS	parcels	vacant parcels
north point higgins	208	137
south point higgins	215	105
pond reef	108	34
ward cove to pond reef	362	162
city limits to ward cove	184	68
city	2534	684
forest park area	185	108
saxman	88	38
saxman to mountain point	149	47
george inlet	260	110
penrock	161	100
gravina	57	52
<b>TOTALS</b>	<b>4511</b>	<b>1645</b>

 percent developed



# Existing Housing Stock: decade built by location in Ketchikan Gateway Borough



5. EXISTING SETTLEMENT PATTERNS, LAND PRICES  
AND POLICY CONSIDERATIONS

EXISTING SETTLEMENT PATTERNS, LAND PRICES,  
AND POLICY CONSIDERATIONS

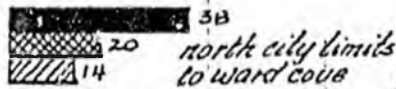
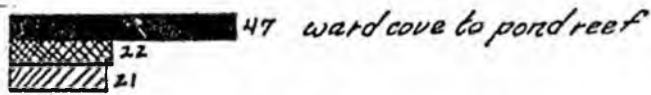
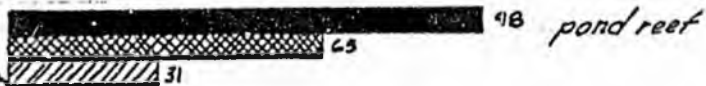
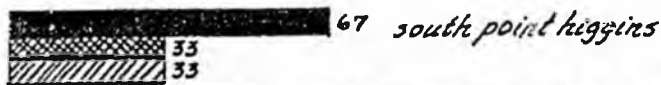
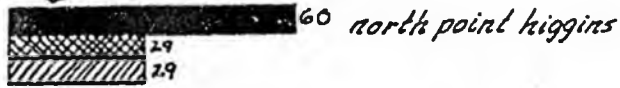
Existing private development patterns in Ketchikan were investigated using data available in a 1978 comprehensive land use inventory compiled by the borough planning department. First, discernible "neighborhoods" were defined encompassing all developed areas in the borough. Second, the total number of lots, the number of lots in residential use, and the number of vacant parcels were computed for each neighborhood.

These neighborhoods differ not only in terms of relative location (proximity to places of work, schools, retail centers, and other community facilities and services), the number of lots and the amount of built roads (versus platted access) vary greatly from one neighborhood to another. To standardize the differing neighborhoods to compare their respective extent of development, the total number of lots, of residences, and of vacant lots per mile of roads were calculated for each. The City of Ketchikan and nonroaded areas were excluded.

These comparisons shown on the accompanying illustration strongly indicate relatively even levels of residential development throughout all areas located on the road system. The results are strikingly similar when the areas north and south of the City of Ketchikan are aggregated: 53 total lots, 27 residences, and 23 vacant lots per mile of road north of the city compared to 58 lots, 30 residences, and 26 vacant lots per mile of road south of the city.

This is followed by a brief report entitled "Background Information: Land Prices and Policy Considerations" prepared for the Borough Land Advisory Committee.

EXISTING PRIVATE DEVELOPMENT PATTERNS:  
parcels, residences, and vacant lots  
per mile of road in suburban areas

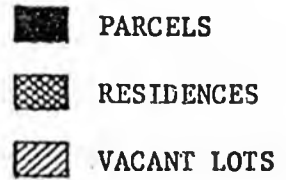


averages north of city

53 parcels per mile of road

27 residences

23 vacant lots



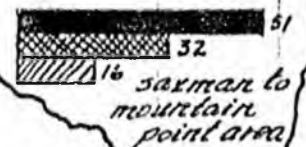
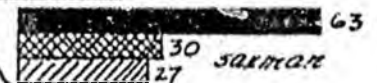
averages south of city

58 parcels per mile of road

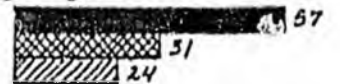
30 residences

26 vacant lots

*south city limits to saxman*



*george inlet area*



BACKGROUND INFORMATION:

LAND PRICES  
AND  
POLICY CONSIDERATIONS

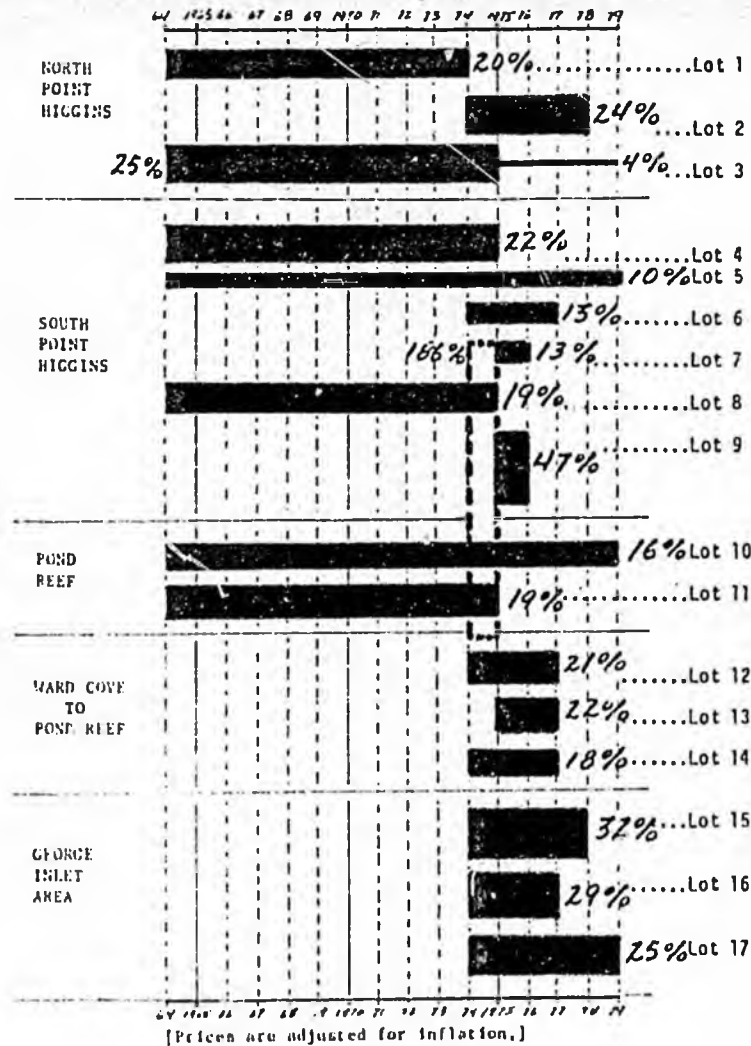
Prepared For The  
KETCHIKAN GATEWAY BOROUGH LAND COMMITTEE

by  
George E. Gee

CONTENTS

- Page 1: Annual Rates of Change In Land Prices  
Prices
- Page 2: Examples of Undeveloped land Prices
- Page 3: Summary of Factors That Determine Land  
Prices
- Page 4: Land Disposal Policy Considerations
- Page 5: Statutory Guidelines For State Land  
Disposal Programs

ANNUAL RATES OF CHANGE IN UNDEVELOPED LAND PRICES  
1964 to 1980



Each bar on the chart presents the annual rate of increase in the real price of an undeveloped lot in Ketchikan. Each bar begins at the year when the first price observation is available and terminates at the year for which there is a second or final price observation; note that Lot 3 and Lot 7 each have had three reported sales. The width of each bar is scaled to communicate visually the magnitude of that lot's annual rate of increase in value after adjusting for inflation.

For example, the real price of Lot 1 increased at a rate of 20 percent a year between 1964 and 1974. The price of Lot 3 rose at a rate of 25 percent annually between 1964 and 1975 and then at 4 percent a year from 1975 to 1979. The price data for Lot 7 are included to illustrate how disparate some price observations can be: its price skyrocketed by 186 percent between 1974 and 1975 and then recorded a mild 13 percent rise the following year.

The prices of lots presented are representative of more than 150 price observations that have been compiled for undeveloped lots in Ketchikan. In general, the trends suggest that the real prices of property in Ketchikan have been increasing in the neighborhood of 20 percent annually during the past 15 years.

EXAMPLES OF UNDEVELOPED LAND PRICES

	1975	1976	1977	1978	1979	1980
NORTH POINT HIGGINS				\$9000/.42a \$5500/.53	\$10,000/.36a \$12,000/1.9 \$35,500/2.8* \$10,500/.53	
SCUTE POINT HIGGINS		\$10,500/.85a		\$12,000/.51 \$14,000/.48 \$14,500/1.5	\$5,000/.47	
POND REEF			\$15,000/1.8	\$18,000 to \$20,000/1.3* \$16,000/.90	\$8,900 to \$12,500/.81	
WARD COVE TO POND REEF	\$10,000/.39		\$5,000/.82* \$18,500/.65	\$12,500/.35 \$8,000/1.6		
CITY TO WARD COVE			\$4,000/.19**		\$21,000/.42	

CITY TO SAXMAN			\$10,000/.35	\$10,000/.51	\$11,000/.36 \$9,800/.39 \$17,500/.36	
SAXMAN				\$6,200/.14* \$5,000/.10* \$6,000/.20	\$6,200/.14* \$5,000/.10* \$6,000/.20	\$21,000/.15*
SAXMAN TO MT. POINT			\$7,500/.34 \$15,000/.25* \$15,000/.24*	\$19,500/.24*		
GEORGE INLET AREA			\$9,200/.67 \$12,000/.47*		\$5,500/2.7 \$9,200/1.6	

\* Tide land lot

\*\* No road access

SUMMARY OF FACTORS THAT DETERMINE LAND PRICES

- 1) SPECIFIC LOT CHARACTERISTICS: *location, accessibility, site conditions affecting development costs, waterfrontage, view, terms of sale*
- 2) GENERAL MARKET CONDITIONS: *inflation, population changes, availability of developable lands, governmental regulations (DEC requirements and local ordinances)*

Finding of land prices analysis: *Adjusted for inflation, prices of undeveloped parcels have tended to rise at a rate of 20% yearly.*

PROPOSITION 1: *Population changes and the rate that the state has made land available to the private market are the major factors that have caused spiraling land prices in Ketchikan.*

PROPOSITION 2: *When the borough receives its land entitlement, in effect, it will have a "corner" on the local supply of undeveloped land. That is, the borough will own a sufficient amount of land that it will be able to deliberately or accidentally change both the market price of land and the rates of increase in prices for land. This will not be accomplished through dictating prices to the market; it will occur through the market's reactions to the prices the borough sets for its land and to the amounts of land the borough makes available over time for purchase.*

PROPOSITION 3: *A decision that is key to the success of the borough land sale program is how many parcels to offer annually.*

LAND DISPOSAL POLICY CONSIDERATIONS

1) WHAT TYPES OF LAND SALES?

residential  
recreation  
commercial  
industrial

2) TO WHOM?

restrictions on who can buy land from the borough

3) HOW MUCH LAND TO OFFER FOR SALE?

at one sale  
over time

4) LOCATED WHERE?

future costs of community services

5) IN WHAT LOT SIZES?

6) AT WHAT PRICES?

method of disposal: auction  
lottery  
development requirements  
lease  
  
basis for price: appraised value  
improvement costs  
  
price preference programs

7) WHAT KINDS OF IMPROVEMENTS PRIOR TO SALE?

8) IN ADDITION TO THE BOROUGH ASSEMBLY, WHO IS EMPOWERED TO MAKE THESE DECISIONS?

(NOTE: FIDUCIARY CONSIDERATIONS: In this context, "fiduciary" refers to the fact that borough lands are valuable assets owned corporately by all Ketchikan residents. In effect, borough lands comprise a land trust and the borough assembly members are its administrators.

When setting land policies, formulating disposal programs, and conducting sales, what responsibilities are recognized to:

- existing and future borough residents?
- potential purchasers of borough land?
- people wanting to build homes?
- existing and future borough taxpayers?
- existing property owners?
- local realtors?
- local land developers?

An Example:

If the borough sells land at less than fair market value, assets are "taken from Paul to give to Peter". The sellers, borough residents, receive a payment having less value than what was given up and the buyer receives a value greater than what was paid.

STATUTORY GUIDELINES FOR STATE DISPOSAL PROGRAMS: This is an extract from the report: Agenda For State Lands, prepared by the Federal-State Land Use Commission and published in 1975. It is included here as an example of types of issues that might be dealt with in borough ordinances. There have been many statutory changes in the state's program since 1975. In addition to radical changes made in lease procedures, the legislature has since mandated the number of acres to be offered for sale annually, the types of disposal programs to be use, price discount programs, and other policy objectives. Prior to 1978, practically all policy direction for the state land program was provided by the Director of the Division of Lands and the Commissioner of Natural Resources (see Guideline 10).

1. Land is generally sold or leased at public auction to the highest qualified bidder.
2. Lands must generally be sold or leased for no less than current appraised value.
3. Lands which are not sold or leased at public auction may be offered "over the counter" for private sale or lease for not less than appraised value.
4. Purchasers of State land are required to deposit 10 percent of the purchase price at the time of purchase and to pay the remainder in installments of not less than 10 percent per year with an interest rate of not less than 5 percent per year. By regulation, the minimum interest rate is currently 6 percent per year.
5. The purchaser or lessee of State lands may, with the approval of the Director, assign all or part of his property to another purchaser or lessee while he is still under contract with the State. By regulation, subleasing is limited to improved properties.
6. Leases are generally for a maximum term of 55 years and the annual rental payment is subject to adjustment at 5-year intervals based on a current appraisal of rental value.
7. When a lease expires, the lessee is "entitled to have his lease renewed for another term of equal length if he applies in writing for a renewal at least 30 days before expiration of the lease."
8. If the appraised annual rent of a lease is \$250 a year or less, the Director may negotiate a private lease for a period not to exceed 5 years.
9. State tidelands and lands classified as timber and grazing may be leased, but may not be sold.<sup>14</sup>
10. The Director, with the Commissioner's approval, decides which lands will be made available for sale and the limitations, conditions, and terms of the sale.
11. Surface and subsurface rights to land are handled under separate disposal programs. The mineral estate may be leased out, but may not be sold or otherwise permanently alienated from State ownership.

6. EXAMPLE: SOILS RECONNAISSANCE SURVEY

## SOILS RECONNAISSANCE SURVEY

The soil reconnaissance survey covered over 60,000 acres of existing and potential state lands within Ketchikan Gateway Borough. Soil mapping was accomplished on 1:15,840 scale aerial photographs. Soil types were identified by stereo interpretation backed by ground checks.

The first page of this section is an excerpt from the Borough's land nomination package explaining how the soils information was interpreted as a basis for identifying state lands suitable for consideration by the Borough for selection. Following this is an example soil mapping area and a legend to the soil classifications.

Ketchikan Gateway Borough contracted Richard Billings, soils and watershed specialist, to conduct a reconnaissance soil survey for the majority of state selected and state owned lands from which the borough formed its land nomination pool. Based on this soils information, the borough compiled overlays for a base map of the Ketchikan area at a scale of 1" to ½ mile showing the following information:

- Homesite Suitability - Based on factors including drainage, slope, hazards potential, bearing capacity, depth of soil layer, and organic content, land areas fall into one of six homesite suitability categories, ranging from "very good" to "unsuitable." Lands shown as "very good" in light of the above considerations are also most likely to meet on-lot sewage disposal and drainage requirements under State Department of Environmental Conservation subdivision regulations. Lands falling into the "fair", "poor" and "unsuitable" categories are likely to require off-lot sewage disposal systems for subdivisions of six or more lots.

- Road Suitability - Billings used soil composition, bearing strength, soil depth, slope, watertable depth, and hazard potential to determine the suitability of land areas for road construction. Land areas fall within one of six road suitability categories, ranging from "good" to "poor." In general, most soils in Ketchikan are best suited to overlay road construction. Shallow to moderately deep muskegs are usually favored locations for roads because they require little or no clearing, while a "variable" to "poor" rating indicates higher construction costs. Billings points out that strategic location and engineering may overcome many building limitations.

- Quarry Sites and Mining Claims - This overlay combines quarry site location information from Billings' survey with mining data provided by the U.S. Forest Service. The likelihood of finding suitable quarry sites throughout the borough was rated from "poor" to "very good" for each soils unit. In general, adequate quarry sites can be found throughout most of the state lands.

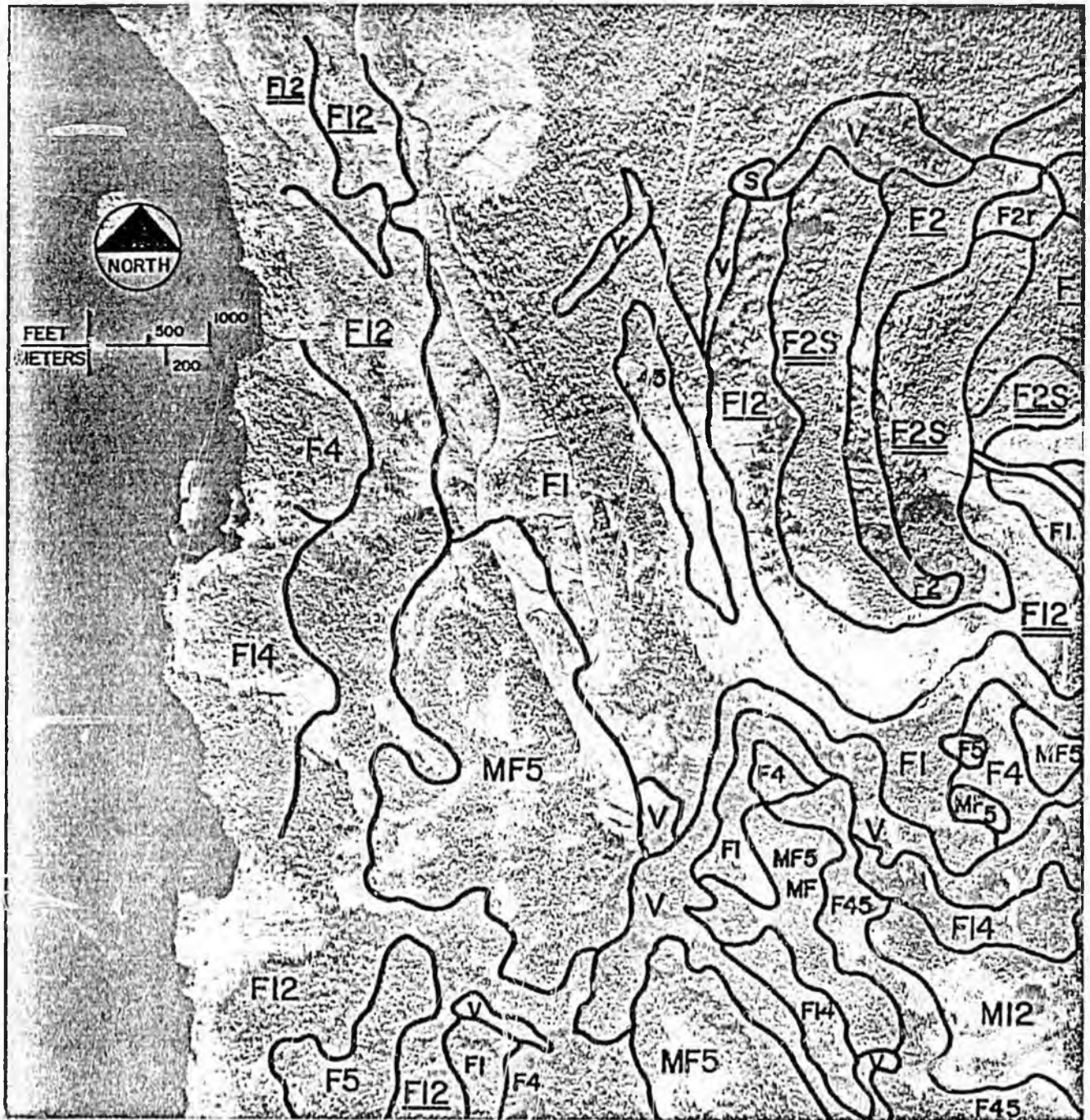
- Hazards - Areas with significant landslide, flood, snowpack, and avalanche potential are indicated along with major muskeg areas. Although such hazards may not ultimately restrict land use, they are likely to figure into construction costs.

- Hydrologic Characteristics - The susceptibility of land areas to induced sediment production is rated in three categories: "high", "moderate", and "low." This overlay shows potential land use constraints within identifiable watersheds.

- Timber Production - Billings judged timber productivity on the basis of the quality and density of existing timber stands, feasibility of harvesting, and the potential of the land to produce a second growth. His analysis has been condensed into six timber production evaluation categories, ranging from "very good" to "poor."

- Wildlife - Based on year-round survival needs, but stressing key winter ranges, Billings identified important deer and big game habitat by soil types. These are shown on the final map overlay along with valuable estuarine habitat.

ILLUSTRATION OF SOILS ANALYSIS INFORMATION -  
 ONE BASIS FOR BOROUGH LAND NOMINATION AND SELECTION DECISIONS



Soils

F1	Freely drained forested soils, gently sloping	F2r	Well drained timbered organic soils, steep	F5	Poorly drained timbered organic soils
F12	Freely drained forested soils, steep	F2S	Freely drained forested soils less than 20" deep, extreme landslide potential	M12	Muskeg (open bog soils)
F12	Freely drained forested soils, extreme landslide potential	F4	Somewhat poorly drained forested soils, gently sloping	MF5	Complex of Muskeg and poorly drained timbered soils
F14	Freely drained and somewhat poorly drained forested soils, gently sloping	F45	Complex of somewhat poor and poorly drained forested soils, gently to steeply sloping	S	Landslides
F2	Freely drained forested soils less than 20" deep, steep			V	V-notch stream drainages



7. EXAMPLE: LAND USE SUITABILITY ANALYSIS

## LAND SUITABILITY ANALYSIS

Following submittal of Borough nominations to the state, land suitability analyses were developed from aerial photography for 32 nominated tracts. The analysis of physical features of land was one type of information upon which final selection decisions were based.

The first two pages of this section briefly summarize the physical indicators incorporated into the land suitability analysis. The final three pages present an example of findings for one tract selected by the Borough.

## Procedures for Determining Land Suitability

An important work task prior to the selection of State Land by the Ketchikan Gateway Borough is to determine land suitability. What is land suitability? It can be defined as "the ability of areas of ground within a political unit to support a variety of uses for specific purposes in an economic manner with minimal disturbance to the natural environment."

How does a person go about determining the suitability of a parcel of ground? The first thing is that the person have a specific activity in mind, i.e., a house, store, marina, airport etc. The second thing is to locate a piece of ground that will support the activity at the most economic cost. There are many other factors involved once the specific activity is decided upon. There may be many parcels of ground that will support the activity. What will be addressed by this task are procedures for determining land suitability. Not addressed are the numerous, non-physical indicators that limit land development.

Certain visual and physical signs point out the suitability of land either for or against a specific activity. These "indicators" can be measured and these measurements can be used to determine the suitability of a parcel of land.

The Physical Indicators of Land Suitability are:

1. Average Slope
2. Ground Cover Type
3. Surface Soil Type
4. Elevation
5. Hazards
6. Hydrologic
7. Orientation

Before the advent of the airplane and photography, the only way a person could determine whether a parcel of ground was suitable for the activity in mind was to visit and walk over the specific land parcel. If the activity was small in scale, i.e. a house, the task was relatively simple. If the activity was larger, i.e. a railroad, the task was much harder. Now, the physical indicators can be determined in a general manner by aerial photography, thus narrowing down the choices available for the specific activity.

1. Average Slope - Slope is the degree of incline that a parcel of land is set at. It is expressed in percent i.e. the amount of rise in 100 feet horizontal distance. If the rise is 0' the land is perfectly flat. If it is 10' then the land has a 10% slope. A 100% slope is a 45° angle. An infinite slope is a vertical cliff. A parcel of ground may contain an infinite number of slopes. However an average slope can be determined by observation.

2. Ground Cover Type - This refers to the vegetation or lack of it on the land. This indicator has been broken down into five divisions: Forested, Muskeg, Swamp, Tidal, Open.
3. Surface Soil Type - This refers to the type of surface soil in the particular area. This is broken down into six divisions: Organic, Clay, Sand, Gravel, Rock, Water.
4. Elevation - This refers to the vertical distance a parcel of ground is above sea level. There may be many elevations on a specific land parcel.
5. Hazards - Refers to physical displacement of natural objects on a parcel of ground by natural methods. These have been broken into: Landslides, Floods, Avalanche, and Wind Damage.
6. Hydrologic - Refers to the susceptibility of land areas to induced sediment production.
7. Orientation - Refers to the direction that a parcel of ground faces. This has been broken down to Solar, View, and Wind.

These physical indicators can be measured by surveying instruments, on-site inspection, contour maps obtained from aerial photos and soil and vegetative expertise. Any of these manners will cost money since it takes someone to record the data and to interpret the data. In order to interpret data, the person needs a base document to interpret. A contour map fulfills the requirement. It will show levels of equal elevations, sea level, lake levels, drainage patterns, high ridges, flat areas, cliffs and steep areas, and other items as required by the person asking for the map. On-site surveying is the most economical for small parcels up to 10 acres (600' x 720'). The cost of on-site surveying increases as the size of the area increases. The expense of obtaining elevation data to produce a contour map for 1000 acres could be out of reach for a small community. A contour map drawn from aerial photos is the least expensive for large areas. The types of information that can be interpreted from the photos and the contour map are many. The eight physical indicators are but a few. Forest and timber analysis, geologic analysis, watershed and drainage analysis, urban and rural analysis, shoreline analysis, soils analysis, wildlife management analysis, engineering analysis are but some of the areas where aerial photos are invaluable.

# LAND SUITABILITY ANALYSIS

Name Rosa Reef South

Survey USS 3840, Portion 2

For Ketchikan Gateway Borough

## General Description:

Rosa Reef South, legally known as a portion of lot 2, USS 3840, is located on the northeast side of Gravine Island from a point south of Rosa Reef light where a creek enters a small bay to a point about 2 miles further south. (See USGS quad map B-6 Ketchikan). It encloses land from the beach to the 500 feet elevation. The area is land locked as all of the beach frontage is private ownership. There are three 50 foot utility and access easements that cross the private parcels. The northerly boundary of the parcel has been changed from the creek that flows into a small bay in USS 1748 to the drainage divide between this creek and the next one due south.

## Topography:

The area's elevation ranges from sea level to 1500 feet and higher. This analysis will deal with the area up to elevation 500 feet. The land slopes upward from the beach to a relatively flat grade to around elevation 200' where it begins to rise steeply. There are areas above 200 feet where the ground is flat, but these are in pockets.

## Streams & Lakes:

There are two major streams and two lakes on the parcel, however the lakes are very close to the 500 feet elevation. The streams flow in a northeast direction and then break abruptly at 90 degrees and flow in the opposite direction.

## Orientation:

The parcel is oriented in a northwest-southeast direction with an azimuth of 315 degrees. Solar orientation is poor due to the 1800 feet hills directly to the southwest. This means that the area goes into the shadow in the early afternoon around 1:00 P.M.. The parcel is exposed to winds from the northwest and southeast. There are views of the southwest side of Revilla Island from Point Higgins to Ketchikan including Ward Cove.

## Hazards:

There are no hazards within the parcel except that caused by high winds.

## Ground Cover:

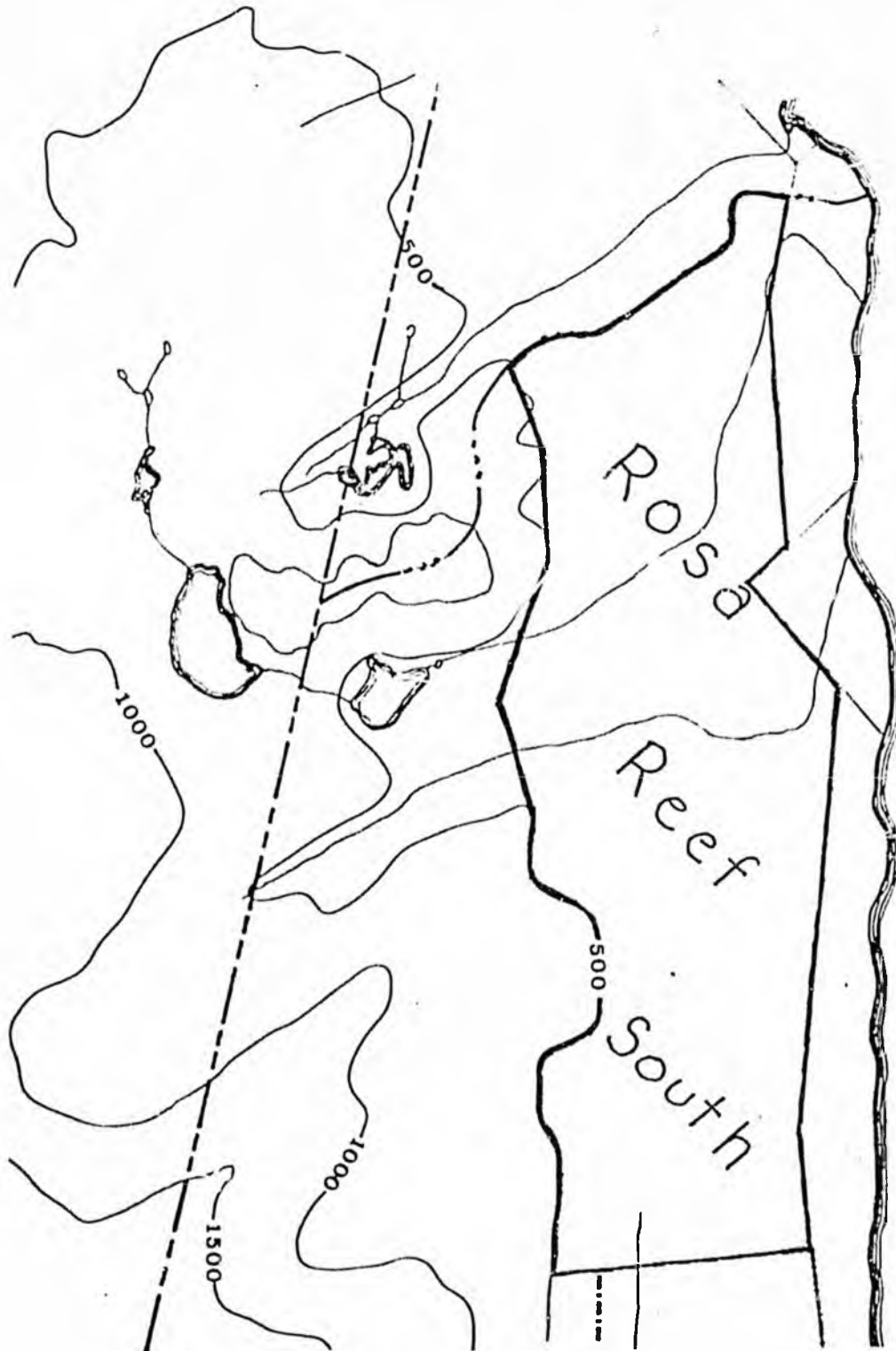
About 70% of the area is tree covered with a mixture of spruce and hemlock of doubtful economic value. The remainder of the area is open or very sparsely tree covered muskeg or exposed bedrock.

## Soil Cover:

Shallow rocky soils overlain with various depths of organic material with many bedrock outcroppings.

## RECOMMENDATIONS

The Lands Committee has recommended that this area be for dispersed residential and recreational parcels. A preliminary review of the area reveals that there are "pockets" of developable land below the 500 foot contour and between the streams and other obviously undevelopable lands. The development process can be made somewhat easier if a highway corridor is identified along the entire northeastern side of Gravina Island. This corridor would have to be surveyed and platted. Subsequent development would then have to tie into this corridor.



Rosa Reef Light



Represents an estimated position for survey boundary. Approx elev. 500' on nearest slope break.

USS 1748

Rocky Beach (TYP)

Drainage Divide

USS 3840 Lot 2  
BLK 1

USS 1749

Proposed Location for Road

Sandy Beach (TYP)

50' Access Easement (TYP) 3

USS 3840  
LOT 2 BLK 2

Lake Elev 480'

Lake Elev 480'

STEEP SIDED STREAM VALLEY

TOE OF SLOPE  
EL 500'

Airport Parcel

MUSKEG (TYP)

ROSA REEF SOUTH  
Portion Lot 2, USS 3840

8. EXAMPLE: PRELIMINARY SUBDIVISION PLANNING

## PRELIMINARY SUBDIVISION PLANNING

One of the first steps in planning Ketchikan Gateway Borough land disposals was to "design" representative subdivisions for several areas the borough is considering for residential development. Lots, roads, and sewer systems were layed-out using aerial photography information. This provided the basis for estimating the direct and indirect costs per lot for surveying and improving the example subdivisions under consideration.

Not all of the improvements included would be made prior to sale by the borough. The perspective of the ultimate land owner, building a house to live in, was used in order to weigh the competitiveness of land offered for sale by the borough with land available on the private market.

Representative subdivisions and cost estimates were developed for the Waterfall Creek tract, the portion of USS 3761 selected by the borough, beach and lake front areas, and several inland parcels typical of land Ketchikan will be receiving.

The preliminary layout and breakdown of cost estimates for a representative subdivision located in USS 3761 are presented in this section. Total estimated costs are summarized in the following table.

Representative Subdivision	Total Cost	Number of Lots	Lot Size	Cost Per Lot	Cost Per Square Foot
USS 3761	\$1,278,389	154	26,617 sq. ft.	\$8,301	\$.31

REPRESENTATIVE SUBDIVISION

Portion USS 3761, Lot 1  
near Pt. Higgins Coast  
Guard Radio Station

for analysis only

DEVELOPMENT COSTS

The following is a listing of development costs associated with the representative subdivisions.

ELECTRICAL: (1979 data)

KPU costs per pole installed.....\$1600.00  
 Design spacing is every 200 feet minimum  
 Hookup to a dwelling.....\$ 22.00

SEWER:

Excavation in roadway prism.....\$ 4.00CY  
 Excavation in rock.....\$ 16.00CY  
 Bedding material.....\$ 8.00CY  
 Borrow material for backfill.....\$ 4.00CY  
 8 inch, ductile iron pipe.....\$ 26.50Lf  
 48 inch PCC manholes (complete).....\$1550.00Ea  
 Stubs for house connection.....\$ 10.00Ea  
 Septic Tanks.....\$1600.00Ea

ROADS:

USFS, March 1979 data  
 Clearing and Grubbing.....\$2865/Ac  
 Common Excavation.....\$ 1.81CY  
 Rock Excavation.....\$ 5.09CY  
 Rock Borrow.....\$ 6.87CY  
 Crushed Aggregate Base Material.....\$ 9.15CY  
 " " " " \$ 5.32Tn  
 18" Metal Culvert.....\$ 23.27Lf  
 24" .....\$ 29.50Lf  
 36" .....\$ 46.27Lf  
 48" .....\$ 77.51Lf

Average road costs per mile: 16' wide, 25-30MPH, ditches.....\$227795.00  
 24' wide .....\$341693.00 high  
 24' wide .....\$262858.00 low

SURVEYING:

\$ 250/Ac  
 \$ 500/Lot

ENGINEERING & DESIGN

8 Per Cent

WATER:

Roof Collector System.....\$4000.00

PROJECT DATA SUMMARY

LOCATION: Approx. 14 miles North Tongass

SURVEY: USS 3761, Lot 1

AREA: 200.4, subdivided area, 94.1 acres

NO. OF LOTS: 154

AVE. SIZE: 26617sf

ROAD LENGTH: 146001f

WIDTH: 24 ft.

RIGHT-OF-WAY: 30001f @ 66"  
28001f @ 50'  
88001f @ 40'

OPEN SPACE: 65.4 acres

CREEK R.O.W.: 25.06 acres

DENSITY PER ACRE: 1.64 lots

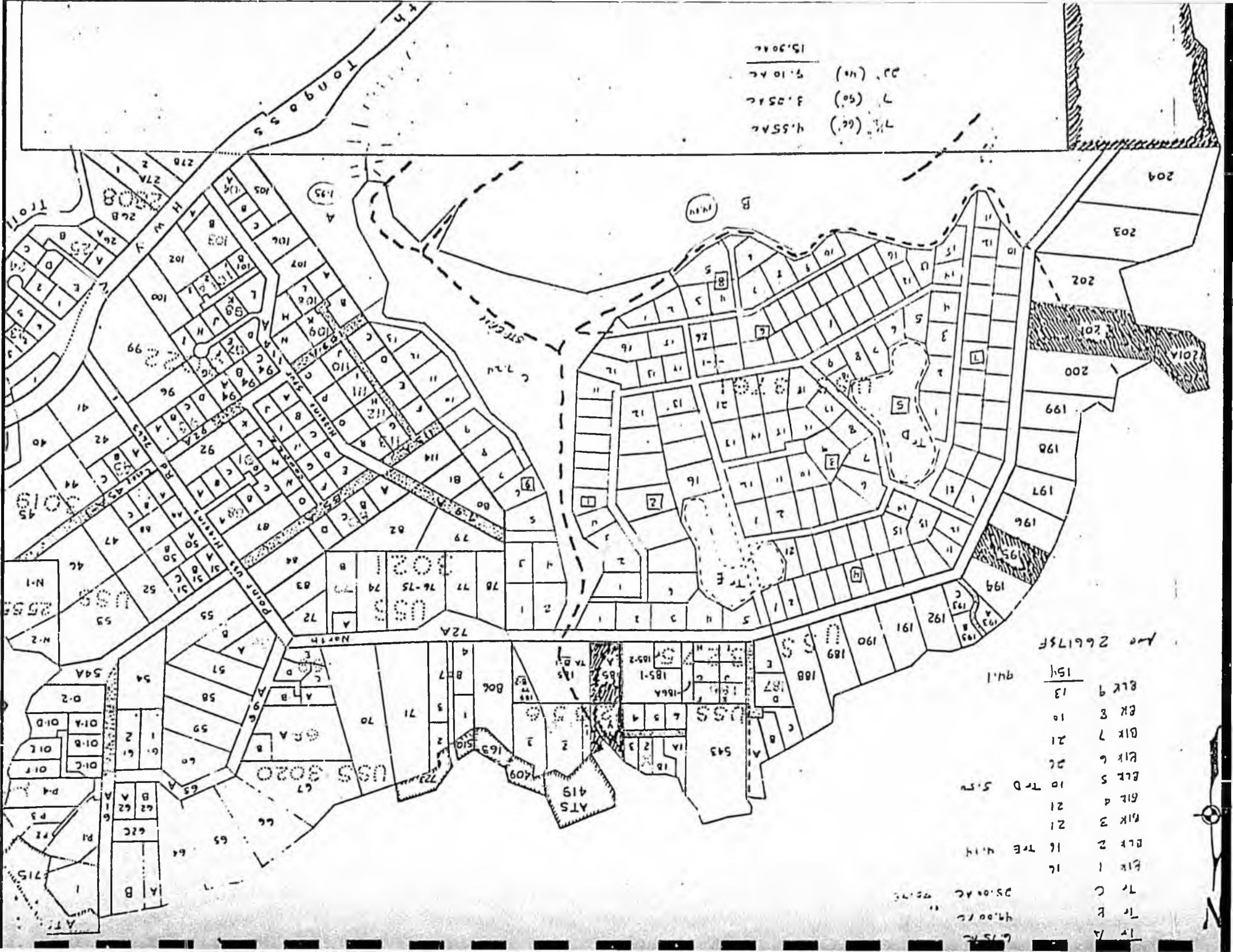
TRAVEL TIME(city P.O.): About 17 minutes by auto.

REMARKS: Approximately 55½ acre are unsubdivided due to the close proximity to the Coast Guard Base at Pt. Higgins; USS 3541.

DEVELOPMENT FEASIBILITY ANALYSIS

COSTS BREAKDOWN SUMMATION

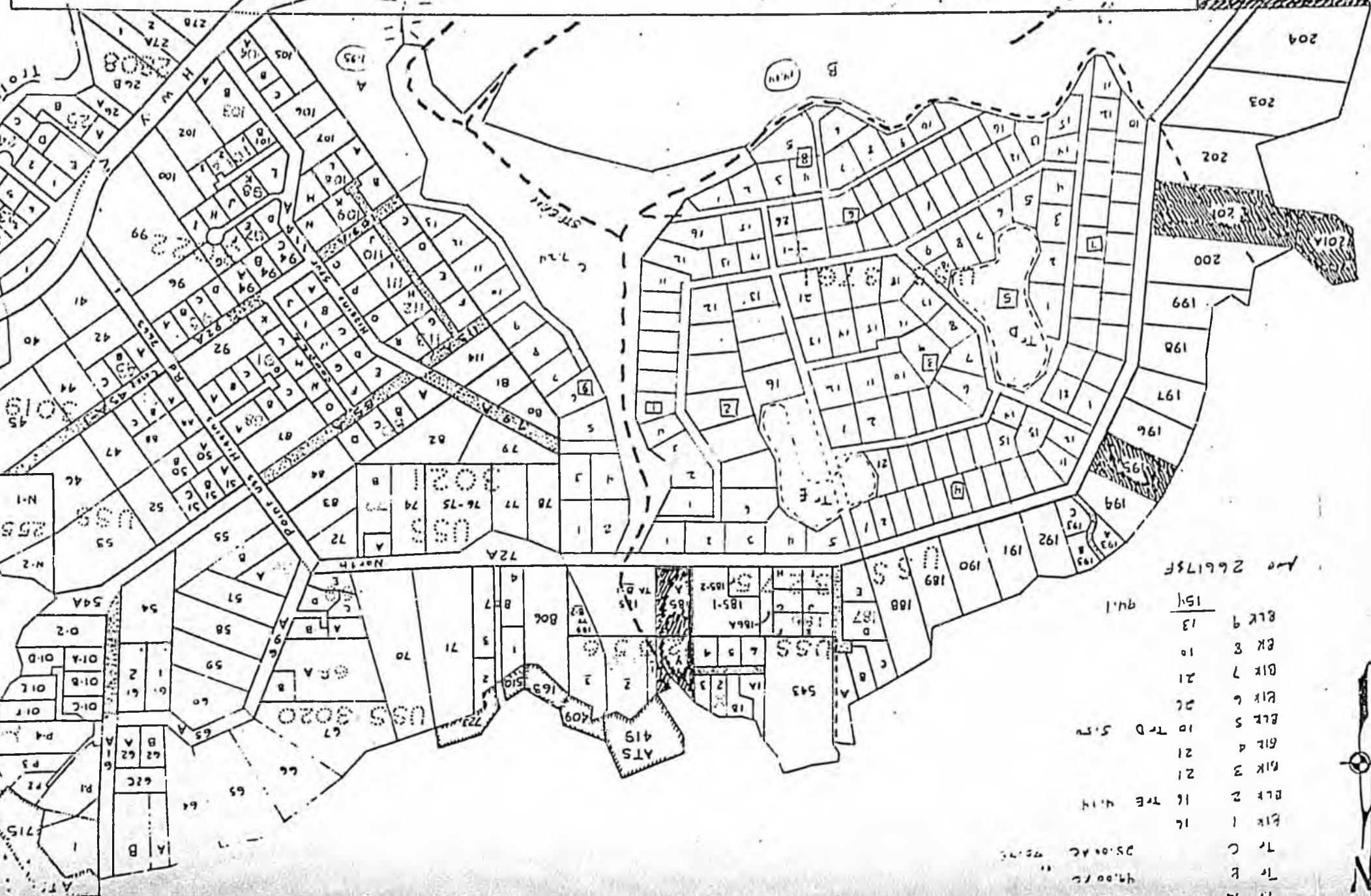
100	Land Acquisition	\$\$ _____	200	Planning & Engineering	\$\$110094.00 _____
110	Index		210	Index	
120	Location	\$ _____	220	Planning	\$ 2000.00 _____
130	Title	\$ _____	230	Surveying	\$ 22900.00 _____
140	Purchase	\$ _____	240	Engineering	\$ 83194.00 _____
150		\$ _____	250	Administrative	\$ 2000.00 _____
160		\$ _____	260	Approvals	\$ _____
170		\$ _____	270		\$ _____
180		\$ _____	280		\$ _____
190		\$ _____	290		\$ _____
300	Site Improvements	\$\$1168295.00	400	House Construction	\$\$ _____
310	Index		410	Index	
320	Roads	\$ 358067.00 _____	420	Planning	\$ _____
330	Sewer	\$ 681861.00 _____	430	Plans	\$ _____
340	Water	\$ _____	440	Site work	\$ _____
350	Grading	\$ _____	450	Construction	\$ _____
360	Electrical	\$ 116800.00 _____	460	Fees	\$ _____
370	Open Spaces	\$ _____	470		\$ _____
380	Miscellaneous	\$ _____	480		\$ _____
390	Fees	\$ 11567.00 _____	490		\$ _____



4.55 AC (66)  
 7 (50)  
 9.10 AC (44)  
 15.20 AC

Lot 266173F

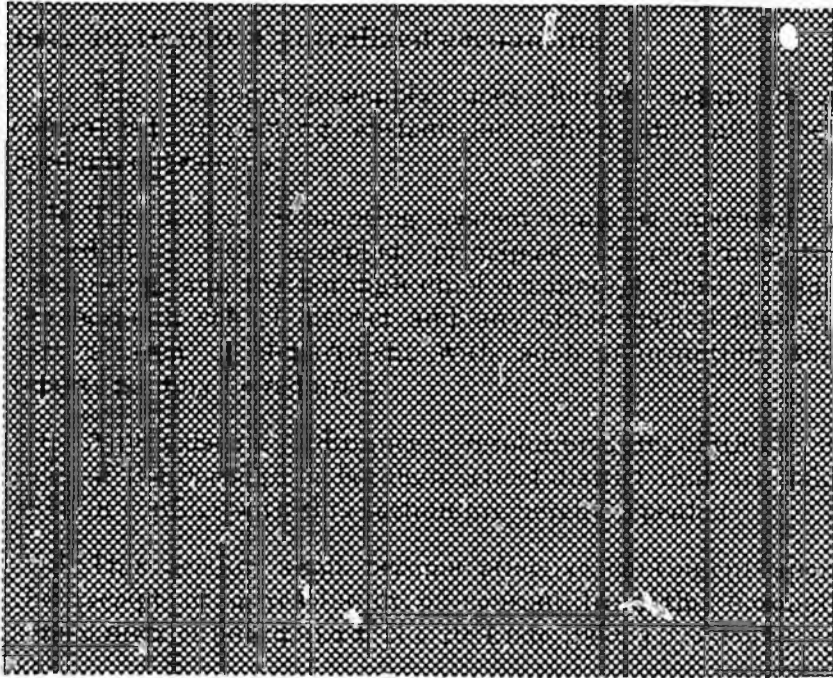
151	151
13	BLK 9
10	BLK 8
21	BLK 7
26	BLK 6
10 T-D 5.5W	BLK 5
21	BLK 4
21	BLK 3
16 T-E 4.14	BLK 2
16	BLK 1
70 C	T-1
49.00 AC	T-2
25.00 AC	T-3



9. BOROUGH LAND TRUST FUND ORDINANCE

### BOROUGH LAND TRUST FUND

The Ketchikan Gateway Borough Assembly adopted the land trust fund ordinance in 1979. Federal in-lieu tax payments were earmarked for the Borough's new land entitlement program. To date the fund has accumulated over one million dollars. Expenditures, ranging from staff research to subdivision design and surveys, are allocated from this fund through a special account supporting the land entitlement program. Revenues from future land sales, leases, and permits will in turn be fed back into the fund. The land trust fund will provide front-end monies to finance initial land sales leading to the land entitlement program's eventual self-sufficiency.

**CHAPTER 40.15. LAND TRUST FUND\*****Sec. 40.15.005. Purpose.**

The land trust fund of the Ketchikan Gateway Borough is established to support the management and utilization of borough-owned entitlement land, and is intended to provide in whole the necessary resources for operation of the borough land program. (Ord. No. 338, § 1, 8-20-79)

**Sec. 40.15.010. Definitions.**

For the purposes of this chapter the following words and phrases have the meaning respectively ascribed to them:

- (a) *Borough entitlement land*: Land acquired by the borough under the provisions of Alaska Statutes, Title 29, Chapter 18, Article 3A, commencing at A.S. 29.18.201, or any amendments thereto, and other lands

\*Editor's note—Ord. No. 338, § 1, adopted Aug. 20, 1979, specifically amended the Code by adding Ch. 40.15, §§ 40.15.005—40.15.060, as herein set out.  
Supp. No. 23

acquired as a result of an exchange of such lands, or purchased by use of the proceeds of the sale, lease or other disposition of such lands.

- (b) *Borough land program*: All activities undertaken by the borough to acquire, own, manage, improve, sell, trade, or lease or otherwise dispose of or use borough entitlement land, or land acquired by the borough as a result of tax foreclosure proceedings.
- (c) *Direct cost expenditure*: All wage and salary payments, expenditures for equipment and supplies, charges for communication, transportation and reproduction services, fees for professional services or other cost items directly attributable to the formulation and implementation of the borough land program or fiscal management of the land trust fund.
- (d) *Indirect cost expenditures*: The proportional share of costs incurred by the land trust fund for payments of general, administrative and overhead costs of the borough in implementing the borough land program.
- (e) *Payments to general fund*: Appropriations duly authorized and made by the borough assembly to the borough general fund to offset the local tax burden. (Ord. No. 338, § 1, 8-20-79)

#### Sec. 40.15.020. Responsibility.

Management of the land trust fund and of activities comprising the borough land program shall be the responsibility of the borough manager or other person designated by the borough manager. (Ord. No. 338, § 1, 8-20-79)

#### Sec. 40.15.030. Conformity.

(a) All expenditures for services, supplies and equipment related to the management of the land trust fund and activities of the borough land program shall be in compliance with all applicable ordinances of the borough.

(b) All activities related to the disposal, development, retention, or management of borough entitlement lands shall be in conformance with local, state, and federal laws, rules and regulations, including but not limited to:

- (1) All applicable ordinances of the borough, including the subdivision and zoning ordinances.
- (2) The comprehensive plan policies and coastal management policies.
- (3) All applicable rules and regulations of the State of Alaska's Department of Natural Resources, Department of Health and Welfare, and the Department of Environmental Conservation. (Ord. No. 338, § 1, 8-20-79)

**Sec. 40.15.040. Annual program.**

A program budget for the land trust fund shall be established annually by ordinance of the assembly, and may be amended by ordinance. The budget shall detail anticipated costs and revenue of the borough land program, and the fiscal management of the program for the ensuing year. (Ord. No 338, § 1, 8-20-79)

**Sec. 40.15.050. Revenues.**

The following revenues shall be credited to the land trust fund:

- (a) Federal in-lieu tax payments made to the Ketchikan Gateway Borough, authorized by P.L. 94-565, or amendments thereto.
- (b) Receipts from the sale, lease, or other use or disposition of borough entitlement land.
- (c) Receipts from the sale of land acquired by the borough as a result of tax foreclosure proceedings, less taxes, penalties, interest, collection costs, or other amounts due the borough general fund, and/or any applicable service area fund.

- (d) Revenues from bonds secured by borough entitlement land for improvements to be constructed on such lands.
- (e) Interest payments made to the borough resulting from the fiscal management of the land trust fund. (Ord. No. 338, § 1, 8-20-79)

**Sec. 40.15.060. Expenditures.**

The following expenditures shall be debited to the land trust fund:

- (a) Direct and indirect costs incurred by the borough to acquire, own, manage, sell, trade, or lease borough entitlement land.
- (b) Direct and indirect costs incurred by the borough to accomplish the fiscal management of the land trust fund.
- (c) Repayment of bonded indebtedness for bonds secured by borough entitlement land for improvements to be constructed on such lands, pursuant to the borough land program.
- (d) Payments to borough general fund. (Ord. No. 338, § 1, 8-20-79)

**CHAPTER 40.20. PURCHASING OF SUPPLIES AND SERVICES\*****Sec. 40.20.005. Made by whom.**

All purchases of supplies, materials, equipment and contractual services for the offices, departments and agencies of the borough government shall be made by the

\*Editor's note—Ord. No. 164, § 1, enacted Jan. 6, 1975, repealed §§ 40.20.010, 40.20.015 and 40.20.020 derived from Code 1969, § 57.05.050 and Ord. No. 134, § 2, adopted Aug. 6, 1973. Said sections pertained to assembly approval of contracts for or purchase of supplies, materials, etc., and competitive bidding. Section 2 of said Ord. No. 164 enacted new §§ 40.20.010, 40.20.020, 40.20.030, 40.20.040, 40.20.050, 40.20.060, 40.20.070, 40.20.080, 40.20.090, 40.20.100, 40.20.110 and 40.20.120 as herein set out.

O.B.A.—Bidding requirements for used equipment, 73-21.

State law reference—Centralized purchasing, AS 29.48.250.



## THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801  
LAW DEPARTMENT (907) 586-3300

February 25, 1981

The Honorable Fred F. Zharoff, Co-Chairman  
The Honorable Terry Gardner, Co-Chairman  
House Resources Committee  
Alaska State Legislature  
Pouch V, State Capitol Building  
Juneau, Alaska 99811

File: 1981 Legislature - HB 31/SSHB 31

Subject: Suggested Amendments

Gentlemen and Members of the Committee,

Several of the provisions of House Bill 31, as introduced, deal with problems which are being encountered by municipalities in their land selection process. Unfortunately, Sponsor Substitute for House Bill 31 removes two of these. I request that you give serious consideration to adding to SSHB 31 what is section 2 of HB 31 and what is section 34 (beginning on page 16) of HB 31.

Section 2 of HB 31 corrects what can best be termed an oversight in Ch. 85 SLA 1979 (HB 66). That bill cut off the right of a municipality to make selections after October 1, 1980. However, if the director, after October 1, 1980 rejects a selection of a municipality there is no authority for the municipality to select alternate lands to meet its entitlement as its rights to select all expired on October 1, 1980. Section 2 of HB 31 corrects this oversight.

Section 34 of House Bill 31 deals with problems which have arisen because of the division's approach to the reservation of stream and beach easements and the regulation which it has adopted relating to such easements. The regulations requires the department to reserve a 50 foot easement along all public and navigable waters. This results in a 100 foot swath being reserved for public access along numerous small creeks within municipal selections where the department believes the creek is public or navigable. This reservation of 50 feet on each side of the creek is made even though a 10 foot easement on one side of the creek is not only sufficient but much more reasonable. It has been our impression that many determinations of public use or navigability were made by consulting a map rather than examining the body of water or soliciting public input as to its use. We recognize that the department may not have sufficient personnel to examine the numerous streams and bodies of water which

abut or flow through almost all the selections in Southeast Alaska; however, that seems a poor justification for reserving easements which are not needed or which are clearly excessive in width. Two municipalities are already in court with the State of Alaska over this issue. If the legislature will provide a reasonable solution to this problem it would, at least in our case, clear the way for recording some of the patents which are just now coming to us from the state and getting such lands into our proposed classification and disposal program. The approach to this problem set out in section 34 of House Bill 31 provides a good approach to the solution of this problem. I urge you to place this section in SSHB 31 with two changes. On page 17 of HB 31, beginning in line 20, delete the sentence which begins in this line and goes through line 24 and substitute the following:

If the commissioner, within 30 days of the action taken by a municipality under (d)(1), (2), (e) or (i) of this section, finds in a written decision that the action of a municipality was arbitrary or capricious, he may overrule such action by affirming the municipality within said 30 day period of his decision.

The municipality is required to hold a public hearing before making an easement decision. It seems only reasonable to put the burden on the commissioner to set forth specific reasons for overriding the municipality's decision.

On page 17 in line 14, add the phrase "or (i)" in front of the word "of". On page 17 in lines 17 and 21, change the reference to the subsections to read "(d)(1), (2), (e), or (i)". On page 18, delete lines 7 through 13 and substitute the following:

(i) A municipality may limit, vacate or modify, under the procedure specified in (f) of this section, easements and rights-of-way for public access to or along navigable or public waters reserved by the department in a patent issued under AS 29.18 before the effective date of this section or for which the public notice of the proposed conveyance was given before the effective date of this section if the municipality, after the public hearing, determines that the waters are neither navigable nor public or that the limitation, vacation or modification will not adversely affect the free access to and along the body of water.

The foregoing proposed amendments to subsection (i) would give to municipalities which have already received patent or are about to receive patent to lands in which excessive or unnecessary easements have been withheld the same right to deal with those easements as municipalities which receive patent without the reservation of ease-

ments but which are allowed to determine the necessary easements prior to disposal of the land. Where the state has reserved an easement, the municipality, in modifying the easement, will be faced with a presumption that the easement as reserved is needed and will thus have a much heavier burden of justifying its actions than will a municipality which is permitted to make a determination on a blank slate. Note that the commissioner still retains his veto power as to such modifications.

One item which neither the house bill nor the sponsor substitute for House Bill 31 addresses is the problem created by the requirement that 20% of the land to be disposed of in a survey district be homesites. The state is presently proposing to dispose of land on South Shelter Island which, at best, can be utilized for residential recreational purposes. The area is about a mile and a half by water from the nearest boat launch or tie-up facility and the property itself has relatively poor beach access for boats. Although the state has not submitted percolation tests to determine whether the soils will support on site sewage disposal, indications are that on site sewage disposal might not be possible. Thus, not only is the site not located where the bulk of the citizens of this state could be expected to meet the occupancy requirements of the homesite law (habitable dwelling, occupied 35 months out of five years) but is going to be requiring those who acquire these sites to build a habitable dwelling and live in it where on site sewage disposal does not appear to be practicable. Clearly, there should be some provision in the law to permit DNR to waive the 20% homesite mandate where the land available for disposal cannot reasonably be expected to be developed under the homesite law.

Sincerely,

Gerald L. Sharp  
City-Borough Attorney

GLS: jr

cc: Rep. Joseph Chuckwuk, Vice-Chairman  
Rep. Ben F. Grussendorf  
Rep. Vernon L. Hurlbert  
Rep. Sally Smith  
Rep. Anthony N. Vaska  
Rep. Ramona L. Barnes  
Rep. Robert H. Bettisworth  
Rep. Richard W. Halford  
Rep. Eric G. Sutcliffe  
Ginny Chitwood, Executive Director, AML  
James Wakefield, Assemblyman



## THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

February 25, 1981

The Honorable Fred F. Zharoff, Co-Chairman  
The Honorable Terry Gardner, Co-Chairman  
House Resources Committee  
Alaska State Legislature  
Pouch V, State Capitol Building  
Juneau, Alaska 99811

File: 1981 Legislature, HB 31/193

Subject: State and Municipal Lands

Gentlemen and Members of the Committee:

In 1979, the House Resources Committee heard testimony from the Department of Natural Resources that it was having difficulty meeting legislative land disposal mandates because of problems created by ANCSA land selections and by municipal entitlement nominations and by municipal platting requirements. After hearing from the municipalities, the committee conducted a number of hearings/work sessions with DNR. During one of these sessions a representative of DNR leaned back in his chair, put his boots on the hearing table and calmly pronounced something to the effect that "You guys [the legislature] are just going to have to push the municipalities aside." House Bill 66 pretty much implemented that solution to DNR's problems.

At the hearing last Thursday, it sounded to me as though the new group in DNR is singing the same song but a different verse. We are greatly concerned to say the least. However, before escalating the finger pointing which is now begun and, more importantly, to correct some misstatements of policy and fact which occurred during the Thursday hearing, I think it would be helpful to all concerned if we quickly review the history of the Municipal Land Entitlement Act, its sources and legislative history. A review of some of the discussions which preceded the "municipal platting override" may also be helpful.

In 1963 the legislature adopted a comprehensive borough Act which contained a section which permitted an organized borough to select 10% of the vacant, unappropriated, unreserved state lands which were located within its boundaries. AS 07.10.150. This section appeared in the chapter of the borough Act dealing with borough incorporation. Section 150 was followed by a section on land selection procedures. The next section dealt with organizational grants to newly formed boroughs. The purpose of the 10% land grant was never seriously disputed among those of us who were on the borough scene in the mid 60's. It was not only an inducement to borough formation, it was,

more importantly, a promise of certain valuable resources for the borough to help insure its stability and to give it some means of managing its growth.

When Title 7 on boroughs and Title 29, the municipal government code were rewritten and consolidated into a single Title 29 in 1972 the language of 07.10.150 was carried forward into AS 29.18.190 and was expanded to include cities under the 10% entitlement. This new section appeared in Chapter 18 under an article entitled Transitional Assistance. The three sections under the transitional assistance article covered organizational grants, state land entitlement and state land selection procedures. Again, the clear policy was that the land entitlements were to be a resource of the municipality.

Unfortunately, not all was going well in the selection department. The state had not taken the time to make any selections in the national forests so those boroughs which included national forest lands had almost no "state land" from which to gain an entitlement. Municipalities in the interior where the state had made a number of selections were having serious problems with procedures used by DNR to determine which state lands were "vacant, unappropriated and unreserved." In 1976 either one or two communities were in court with DNR over these problems and another community was on the verge of filing suit. In order to effect an amicable solution to the dispute, the interior communities and DNR got together and drafted a bill which purported to settle the entitlement computation question. It did so by providing that the amount of land a municipality would be entitled to would be 10% of the maximum amount of state owned land which was vacant, unappropriated or unreserved at any time prior to the effective date of the proposed bill. While this had the effect of cutting off the communities in Southeast Alaska with a pittance, this oversight was corrected and all the municipalities in the state joined with DNR to seek passage of the bill. The bill addressed almost every problem the municipalities had previously experienced in land selection and conveyance under their 10% entitlement. The new bill also fixed the actual number of acres to which each borough was entitled, thus ending the disputes on how the 10% was computed. For most boroughs the fixed entitlement represented about 10% of the maximum amount of state land which had been vacant, unappropriated and unreserved to that date. For others, it represented what was determined to be a reasonable amount in light of community needs and the present and likely future availability of state land within the borough.

In 1977, the municipal entitlement bill which was going through the house was passed out of the House Community and Regional Affairs Committee as a committee substitute and was sent to House Finance. The bill received hearings before the House Finance Committee in both 1977 and 1978.

Chronologically, it must be noted that somewhere along about this time the Beine Initiative was born. When the legislature returned in 1978 it was faced with the grim prospect of the Beine Initiative going on the ballot in the 1978 general election. The reaction of the legislature was to get DNR moving on land disposals to provide the citizens of Alaska with a land disposal policy which was more rational than the Beine Initiative, but was nevertheless massive. Two major pieces of land legislation came out of the 1978 session in addition to the municipal land entitlement bill.

Returning for a moment to the House Finance Committee, several efforts were made while this committee had the municipal land entitlement bill to amend it to require that municipalities dispose of a certain proportion of the entitlement lands they received under the bill. At that time only three or four boroughs had received any significant conveyances of land from the state under their prior entitlement. Unfounded accusations were made that municipalities were unwilling to dispose of their land and to be landlords, and needed something to force them to get the land out to the people. At that time, as I recall, it was pointed out that the Mat-Su Borough had already placed into private hands more acreage than the State of Alaska and that the Fairbanks North Star Borough had also made significant disposals when compared to the acreages which had been conveyed to it at that time. As I recall, the Kenai Pen Borough had also commenced to dispose of some of the lands it had received or was on the verge of initiating a substantial disposal program. In any event, the mandatory disposal proposals did not become a part of the municipal land entitlement bill. The municipal land entitlement bill passed in the dying days of the 10th Legislature along with the two other major pieces of land legislation. One of these, Ch. 182, SLA 1978, reclassified various trust lands as general grant lands and established a money trust in lieu of the former land trusts. The other major piece of legislation which the 10th Legislature passed, Ch. 181, SLA 1978 established a 50,000 acre disposal mandate for fiscal year 79.

Section 2 of Ch. 181, SLA 1978 provided that the director of the division of lands of DNR was to assess the supply and demand of land under the homesite and open-to-entry programs and to determine what type of land disposal was best suited to various regions of the state. The answers which the division received to some of the questions which they posed during their survey were enlightening. As I recall, a majority of those responding indicated that they wanted land which was accessible by road and had fire protection. (I would certainly stand corrected on this matter, but do not have a copy of the survey results at hand at this writing.) In spite of these findings, and the expressed concerns of the municipalities, the 11th Legislature, through House Bill 66, forced DNR into a disposal program which

essentially ignored the survey results; that is it was not going to spend any money to provide road access to its land disposals.

While the Municipal Land Entitlement Act was adopted at the same time as Ch. 181, SLA 1978, the Municipal Land Entitlement Act did not contain language which indicated that the essential purpose of the land entitlement established in 1963 had changed or been modified. Section 1 of that chapter set forth the Act's purpose as follows:

The purposes of this Act are to remove uncertainties in the existing municipal land selection law of the state; to provide for an immediate, final determination and settlement of municipal land entitlement; to provide for the completion of rational ownership patterns for sound land management; to provide for expeditious patent of land to municipalities to fulfill their respective entitlements; and to provide payment for land within certain municipalities which are unable to receive full entitlement rights in appropriate vacant, unappropriated, unreserved land.

Note that aside from the settlement aspects of the Bill it was also to provide for the completion of "rational ownership patterns for sound land management." I think this is a clear recognition of the necessarily strong land management and land policy making role which the municipality must occupy in land related decisions which affect local communities. The policy statement says nothing about any required disposal of municipal lands nor does it hint that there was any intention on the part of the legislature that municipalities would be required to dispose of their lands. In light of the legislative land disposal mandate which came down in Chapter 181 it is clear that the 10th Legislature did not intend to impose any land disposal mandate upon municipalities.

One of the things which Chapter 180, SLA 1978 (the Municipal Land Entitlement Act) did was to establish a selection procedure and standards. The procedure called for joint consideration between the director of the division of lands and the municipality of which vacant, unappropriated, unreserved land within the municipality was appropriate for municipal selection and approval by the director. The joint consideration was to include a cooperative land planning process which would, among other things, seek to identify both local and state interests in tracts of vacant, unappropriated and unreserved land within the municipality. The Act also established standards for determining local and state interests. The director could approve or disapprove a municipal selection based on his evaluation of the land and the application of the standards thereto.

Municipalities began immediately to gear up for the new selection process. DNR and the municipalities worked cooperatively to establish the detailed procedures for implementing the selection process. After a few rough spots were ironed out, municipalities began working with DNR nominating lands for selection and engaging in joint consideration with DNR. In the fall of that year, the Beine Initiative was approved by the voters. Interestingly, in Southeast Alaska where land is rumored to be so scarce, the Beine Initiative was turned down.

The joint consideration and selection process continued. In January of 1979, the 11th Legislature was seated and soon began to consider state land disposal problems again. The courts put the Beine Initiative on hold and later declared it to be invalid. In the meantime, it became quite apparent that the 11th Legislature was either going to make massive disposals of land via direct legislative grants or was going to see that DNR got the message, loud and clear. As I recall, fairly early during the session, the House Resources Committee held a teleconference hearing with the major boroughs and some cities to determine how things were going under the Municipal Land Entitlement Act. It had been enacted to iron out difficulties between municipalities and DNR and the committee wanted an assessment of the Act from the municipalities. As I recall, every municipality, except one city, testified that the selection process was going very, very well and that they saw no need to tinker with the Act. (That one city complained about a certain clause in the Act but it was later determined that this city was reading from a version of the bill which was not adopted and the language about which it complained did not appear in the Act.) Thus, in early 1979, the municipalities were all quite satisfied with the municipal land entitlement selection process. While large amounts of land had not been conveyed under that Act to most municipalities by that time, things were moving along at a reasonable pace and without serious, unresolved problems.

The House and Senate Resources Committees began holding hearings at which DNR explained where it was with its Chapter 181, SLA 1978 50,000 acre disposal mandate, what it had on tap for the next fiscal year and what the problems were. It was at this point that DNR pointed at ANCSA selections and municipalities as being their big problems. As everyone realized nothing could be done about the ANCSA selections, municipalities came in for the brunt of the blame. DNR claimed that the municipalities had all the close in good land tied up in its nominations and that DNR, therefore, did not have access to any of the good state lands for its disposal program. The fact that under the procedures adopted by the division of lands and agreed to by the municipalities the division of lands could require a municipality to select a nominated parcel or give up its nomination (thus forcing the municipality to either take the parcel or give it

up so that the state could dispose of it) seemed to be ignored both by DNR and the legislature. Thus, the municipal land nominations really were something of a red herring. However, both DNR and the municipalities pointed out that the joint consideration process and the decision making process by the director of the division of lands was, of necessity, time consuming. DNR also pointed out that municipalities could continue to select lands until two years after the expiration of the state's right to make its selections under the Alaska Statehood Act. This apparently engendered some concern. Apparently in pursuing the "move the municipalities aside" approach to solving DNR's inability to dispose of sufficient quantities of land, the House Resources Committee proposed several amendments to the Municipal Land Entitlement Act which ultimately became law in House Bill 66 (Ch. 85, SLA 1979). The solution was to speed up municipal selections by requiring that prior to October 1, 1980, municipalities would have to complete their selections to the extent vacant, unappropriated, unreserved lands were available to satisfy their entitlement. In addition, in order to ensure that the process did not get bogged down, the legislature repealed the requirements for joint consideration of municipal selections, repealed the standards by which the appropriateness for conveyance to the municipality was to be determined, repealed the authority of the director to either approve or disapprove a selection and amended another section of the Act to require that the director approve each municipal selection within nine months of its selection by the municipality and issue a patent within three months of the approval by the director of a plat of survey. Clearly, the purpose of these particular amendments was to eliminate the complaint levied by DNR that municipal nominations and selections were cluttering the landscape and impeding DNR disposals because it did not know which lands were being selected by the municipalities. These changes were solely to speed up municipal selections. They worked. Unfortunately, municipalities have commenced to experience other problems in the selection/conveyancing area. Some of these will be addressed later.

The other major problem which DNR claimed municipalities were creating was that DNR was required to comply with local platting regulations when it subdivided land within a borough. In particular, several municipalities required that certain minimal improvements be made to the subdivision before final plat approval could be given. Some of these required improved roads. Others went so far as to require not only an improved (graveled) road but also required the installation of sewer lines if the subdivision could be served by a public sewer system. These requirements were imposed upon all private land owners who proposed to subdivide their property and DNR found that it did not have the money to bear the burdens which were required of everyone else who subdivided land. For that reason, and over the protest of the municipalities, a provision was included in HB 66 reading as follows:

AS 29.33.150(b) The [platting] regulations adopted under (a) of this section apply to subdivision plats of undeveloped state land for disposal under AS 38.05 or AS 38.08 filed with the platting board, except that the platting board may not disapprove the subdivision plat or adopt regulations which require the state to construct access roads or capital improvements on state land included in the subdivision plat.

It is the clear intent of this section that the state would comply with all platting regulations of the municipality except those which require the construction of access roads or other capital improvements. The language in the opening phrases of this section clearly runs contrary to any interpretation that the legislature intended a total override of municipal platting authority.

House Bill 66 also added one other section relating to the platting procedures for state lands within boroughs. Prior to the adoption of House Bill 66, AS 29.33.160, dealing with platting procedures, provided that plats filed with the board which were not approved or disapproved within 60 days were deemed to be approved. The second subsection required the board to submit approved plats to the district recorder. With the adoption of House Bill 66, a new subsection (c) reading as follows was added:

(c) If a municipality has adopted a subdivision ordinance which requires the submission of a preliminary or sketch subdivision plat during the platting procedure, the commissioner of natural resources shall, not later than 60 days before filing a subdivision plat which contains land to be disposed of to individuals under AS 38.05 or AS 38.08, file a preliminary subdivision plat with the platting authority of the municipality.

During the discussion of the various platting procedures used by municipalities, one legislator pointed out that many municipalities require the submission of sketch plats or preliminary plats prior to submission of a final plat and that, from the subdivider or developer's viewpoint, the municipalities could hassle the developer with all sorts of delays and requirements during this preliminary plat procedure. The new subsection (c) appears to somewhat indirectly address this problem by requiring that in those municipalities which have a preliminary plat procedure, DNR give the municipality at least 60 days in which to make its preliminary plat review, thus eliminating any reason for the municipality to engage in a series of disapprovals under the guise of not having had sufficient time to review the plat the first time it was presented.

Clearly, this section does not provide any support for the contention that the platting override was for anything more than access roads and subdivision improvements.

In sum the municipal platting override which the legislature included as a part of House Bill 66 contained very clear language that the state was to comply with all platting regulations of the municipality other than access road and capital improvement requirements. Two state-platting board standoff scenarios are possible. One where the state refuses to accede to platting board requirements (other than capital improvements and access roads) and the state marches off to the recorder's office and manages to have the plat recorded. The other scenario is one where the platting board arbitrarily withholds its approval, levies unreasonable and unusual requirements on state plats or refuses to approve the plat for some other reason which is unreasonable or has no basis in law. In the first case, the municipality would be entitled to a court order vacating the filing of the unapproved plat. In the second case, the state would be entitled to a court order requiring the appropriate platting officer to sign and have the plat recorded. While I haven't any idea what sort of problems DNR is experiencing with other platting boards, I urge you not to take any action to expand the platting override without first having DNR present specific problems it has had with specific municipalities and allowing that municipality to respond to the allegations. In evaluating such disputes I would also urge you to attempt to determine whether the municipality treats private developers in essentially the same manner it is treating the state (except for access roads and capital improvements). Municipalities are merely attempting to provide for a planned and rational community development, one with which they hope its future citizens can live. If the platting override is extended, the state will be able to march in, dispose of land with little or no thought or consideration for rational community development patterns and then go home congratulating itself on a land disposal job well done, that is, having met its disposal mandate. Of course, to the municipality falls the burden of either correcting the problems created by the state disposal or trying to ignore the the pleas of those citizens who bought state land in the ill conceived, inadequately planned and unimproved subdivisions.

I urge you to not permit yourselves to be talked into further eroding the local planning process unless it is clear to you that municipalities generally, and throughout the state, are abusing their local planning prerogatives. If the problem exists in only one or two municipalities, I urge you to consider a system which would deal either with those municipalities or the specific excesses which those municipalities are committing but, let's not propose extensions of the platting override until both sides of the story have been heard and it is clear that an unreasonable number of abuses have occurred.

Finally, may I suggest that the problems being experienced by DNR are more reasonably laid at the doorstep of the unreasonably large disposal mandate it is under rather than municipal platving and planning requirements.

Sincerely,

Gerald L. Sharp  
City-Borough Attorney

GLS: jr

cc: Rep. Joseph Chuckwuk, Vice-Chairman  
Rep. Ben F. Grussendorf  
Rep. Vernon L. Hurlbert  
Rep. Sally Smith  
Rep. Anthony N. Vaska  
Rep. Ramona L. Barnes  
Rep. Robert H. Bettisworth  
Rep. Richard W. Halford  
Rep. Eric G. Sutcliffe  
Ginny Chitwood, Executive Director, AML  
James Wakefield, Assemblyman



## THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

LAW DEPARTMENT (907) 586-3300

March 13, 1981

House Resources Committee  
Pouch V  
Juneau, Alaska 99811

File: 1981 Legislature - HB 31  
Subject: Proposed Committee Substitute for SSHB 31

Ladies and Gentlemen:

Some of the provisions which your special subcommittee on SSHB 31 have agreed to and the problems which the subcommittee failed to deal with will leave municipalities with more problems than those which have been solved.

Alaska Statute 29.18.204 provides that the entitlements provided in AS 29.18.201 are "vested property rights which must be fulfilled as provided in AS 29.18.205 or 29.18...08." A reasonable definition of "vested property right" in this context certainly would not include what the subcommittee proposes in relation to withholding patents until the municipality has made available 20% of its entitlement for disposal under the State programs. The State would reduce each municipality's entitlement by 20% and would significantly delay the date upon which the municipality would otherwise be entitled to patent to its selections. The subcommittee's proposal would simply destroy the vested property rights given to municipalities under the Municipal Land Entitlement Act. It is probably a gross understatement to suggest that most municipalities would feel betrayed if this part of the subcommittee proposal becomes law.

The subcommittee proposal is an entirely new program aimed at land disposals. It seems that we have had a enough new land disposal programs over the last four or five years to have learned by now that each time we come up with a new land disposal program we encounter new and substantial problems and conflicts. Rather than back up and re-examine the assumptions upon which the land disposal program was based and attempt to work out solutions in light of more realistic assumptions we establish a new program or make a radical change to an existing program. This approach almost guarantees new problems and conflicts which will send us back to the drawing boards to devise another new program. I urge you not to continue this fruitless and frustrating cycle by creating yet another mandate-based land disposal program. The one which is proposed has all the earmarks of a plan which will destroy the cooperative atmosphere which presently exists between DNR and the municipalities.

Instead of "encouraging" municipalities to dispose of land by threatening them with a big stick, why not encourage land disposal through a land disposal assistance program? If land disposal is a truly high priority of the legislature, is there any reason the legislature should not provide assistance to another public agency, such as a municipality, which can, through such assistance, help the State meet its goals? The legislature seems quite willing to place

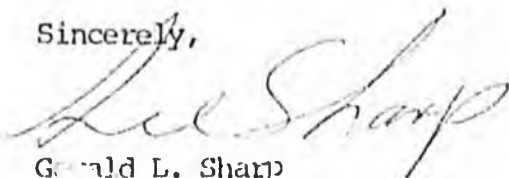
March 13, 1981

millions of dollars into various loan programs which are designed primarily to help citizens buy housing, boats, etc.; it would seem to be equally or more appropriate for the legislature to provide loans or other assistance to municipalities for the purpose of subdividing and disposing of municipal land so that the needs of individuals for land in our communities can be met. I strongly urge you to abandon the municipal disposal mandate approach and adopt instead a program of assistance for accomplishing patent surveys along with a grant or loan program to assist municipalities in meeting the costs of subdivisions. If a loan program is established to assist municipalities in meeting subdivision costs, a condition of that program could be that the municipality would be required to convey to the State a certain number of lots within a State assisted subdivision. The State, in turn, would deduct from the balance due on the loan an amount equal to the market value of these lots. The State could then dispose of such lots under any of its disposal programs.

It is also disappointing to note that the subcommittee did not deal with the problem of the loss of municipal entitlement arising out of a rejection of a selection by the Department of Natural Resources. Also, the subcommittee recommendations do not address the water access easement problem which already has two municipalities in court. Both of these matters are addressed in my letter of February 25, 1981 to the committee on the subject of suggested amendments to SSHB 31.

I urge you to take the course of action which will permit rational, planned, cooperative land disposals designed to meet the actual needs of communities rather than a course of action which will produce coerced and ill conceived land disposals which are not necessarily designed to meet the actual needs of any particular community.

Sincerely,



Gerald L. Sharp  
City-Borough Attorney

GLS: jr

cc: Rep. Fred F. Zharoff, Co-Chairman  
Co-Chairmen  
Rep. Perry Gardner, Co-Chairman  
Rep. Joseph Chuckwuk, Vice-Chairman  
Rep. Ramona L. Barnes  
Rep. Robert H. Bettisworth  
Rep. Ben F. Grussendorf  
Rep. Richard W. Halford  
Rep. Vernon L. Hurlbert  
Rep. Sally Smith  
Rep. Eric G. Sutcliffe  
Rep. Anthony N. Vaska  
Ginny Chitwood, Executive Director, AMI.

# League of Women Voters of Alaska

February 28, 1981

Dear Chairpersons Gardner and Zarhoff  
Members of the Resources Committee:

The League of Women Voters would like for you to have a copy of our Land Use position. The League has two immediate concerns. 1) the repeal of the mandated disposal of 100,000 acres of state land yearly and 2) repeal of the exemption from municipal or local sub-division requirements for state land disposed of within municipalities.

In general we believe that the purpose of the State land disposal program should be to:

- regulate patterns of growth and development
- regulate certain land for public uses
- consider the requirements of future generations
- provide a mixed balance between public and private uses
- get land into private ownership
- encourage the use of land by sale, permit, or lease
- develop land for homesites.

Should you have any specific question on the League's Land Use Position please feel free to contact Jeanne Sande, Natural Resources Chair in Ketchikan 225-5233 or me at 465-4070.

Sincerely,

*Margaret E. Holland*

Margaret E. Holland  
Action Chair  
8926 Birch Lane  
Juneau, Alaska 99801

# Land Use

STATEMENT OF POSITION: The League of Women Voters of Alaska supports the concept of a State Land Use Board with authority to carry out good land use planning; the formulation, implementation, and enforcement of a comprehensive plan for the use of all lands in the State of Alaska; the ensuring of coordination and cooperation among state, federal, and private land owners; and the establishment of geographical regional planning.

The League of Women Voters of Alaska believes the essential elements of comprehensive land planning should be to:

- include citizen participation, education, communication and on-going evaluation
- provide the public with alternatives and with possible consequences of their choices
- compile and catalog resource inventories to aid in land use decisions and to be available to all citizens when preparing impact statements, appeals, and testimonies
- identify and plan for areas of critical concern to the State and for areas where land use decisions have statewide impact
- research and establish innovative resource management systems and cooperative uses of the land
- evaluate social, environmental and economic impact prior to any major public or private development or disposal
- formulate land policy to ensure optimum use of the land after considering environmental, social, and economic interests as well as all available information concerning each area
- put responsibility for making and enforcing land use decisions on the lowest level of government immediately concerned with the land question.

AMPLIFICATION: The composition of the Land Use Board should include:

- representatives of each major geographical region
- people who are knowledgeable and representative of the social, economic, environmental and political factors involved
- ex-officio members from federal agencies to ensure communication among concerned agencies.

The League of Women Voters further recommends that an appeals or arbitration procedure be established.

Established 1975  
League of Women Voters of Alaska  
Rewritten/Concurrence 1979

STATEMENT OF POSITION - LAND DISPOSAL: The League of Women Voters of Alaska feels the purpose of the State land disposal program should be to dispose of land within specific parameters. Disposal programs should allow for a variety of land uses maintaining program continuity from year to year including adequate administration and enforcement costs in land price. Continued emphasis should be placed upon requiring land inventories, comprehensive land use plans, and public involvement. League members believe that a fair exchange value is an important aspect of State land pricing policy with investment returns from State lands going primarily to State or municipal governments.

AMPLIFICATION: The purpose of the State land disposal program should be to:

- regulate patterns of growth and development
- retain certain land for public uses
- consider the requirements of future generations
- provide a mixed balance between public and private uses
- consider the integrity of the land itself and reserve the unique features for appropriate uses and use appropriate disposal methods
- encourage the use of land by sale, permit, or lease
- get land into private ownership
- develop land for homesites.

All land disposal programs must require a land inventory and a comprehensive land use plan which includes coordination and compliance with State and local land use plans, subdivision requirements, and where necessary, protection of the right to access. Public involvement is essential in the selection of land to be disposed of, types of uses to be allowed on the land, and methods of disposal. It is essential that some program continuity be maintained from year to year, allowing for revision when necessary, and enabling people to know in advance when and what land will be offered for sale.

Methods of disposal favored by the League of Women Voters of Alaska include:

- varied lot sizes
- agricultural sales
- favorable State financing
- comprehensive leasing program
- permit process
- sale by auction and lottery
- remote parcel
- land discounts
- State low interest loan fund for land development.



# Alaska State Legislature

## House of Representatives

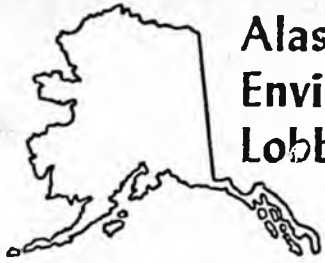
February 27, 1981

Pouch V  
State Capitol  
Juneau, Alaska 99811

Official Business

TO: All Members House Resources  
FROM: Representative Mike Beirn *MB*  
REGARDING: House Bill 2

Attached is a copy of House Bill 2 relating to the disposal of state land in the Land Bank. This bill is currently in your committee and I would appreciate its consideration since you are presently discussing other land related bills.



**Alaska  
Environmental  
Lobby**

419 6th St., Suite 321  
Juneau, Alaska 99801

586-2345

To: All House Members

May 6, 1981

From: Roland Shanks

Subject: HB 31

We have supported the reform of the land disposal system during this session. We have sought the removal of the quota, the restructuring of the classification system to provide more protection for public use areas, and to provide more local input into the disposal process. We would urge you to support any amendments that help reach these ends. We would ask your support in the passage of a land disposal reform bill during this session. We have participated in the committee work on HB 31 and to the extent that it addresses our concerns we support it. We would appreciate your support in the passage of HB 31.

Sincerely

Roland Shanks

# Alaska MUNICIPAL League

TELEPHONES  
(907) 586-1325  
586-6526

204 N. FRANKLIN ST.  
JUNEAU, ALASKA 99801

March 12, 1981

to: House Resources Committee  
from: Ginny Chitwood, AML Executive Director  
re: Proposed amendments to HB 31

Alaska municipalities are in favor of disposing of a large portion of their entitlements for residential purposes, but they object to mandated percentages and terms. Rather than mandating disposal this session in HB 31, with its inherent two year delay of getting land out, why not simply require that municipalities submit plans for disposal as described by Section 1 of HB 31? At this time next year you can evaluate whether or not further legislative action needs to be taken. Up to this point in time, most of the municipalities have received very little of their entitlements. Before changing the ground rules again, please give them an opportunity to respond voluntarily.

Copied below is a telegram on this subject from the Haines Borough.

TO HOUSE RESOURCES COMMITTEE

REGARDING HB31 MUNICIPAL LAND SELECTION

THE HAINES BOROUGH BALKS AT THE RESTRICTIONS THAT WOULD BE PLACED ON THEM IF HB31 PASSES. WE REJECT THE IDEA THAT THE STATE DICTATE HOW WHEN AND WHERE TO DISPOSE OF LANDS. WE DO NOT WANT TO INHERIT THE PROBLEMS OF THE STATE DISPOSAL SYSTEM. WE NEED TO DEVELOP OUR OWN DISPOSAL POLICY. IF HB31 PASSES, YOU WILL IN EFFECT BE NEGATING THE MUNICIPAL LANDS ENTITLEMENT ACT. LEAVING THE STATE WITH OVERALL CONTROL OF LAND DISPOSAL. WE WHOLEHEARTEDLY REQUEST OPPOSITION TO HB31.

R E HENDERSON, MAYOR

HAINES BOROUGH

For an Act entitled: "An Act relating to the sale of State lands, and providing for an effective date."

Section 1. AS 38.04.020 is repealed and re-enacted to read:

Sec. 38.04.020. LAND DISPOSAL BANK. (a) The Commissioner shall establish a land disposal bank containing State land suitable for disposal of fee simple title (including special limitations or conditions subsequent thereon) into private ownership.

(b) The land disposal bank includes all State land except

(1) lands nominated for selection or selected by a municipality to satisfy a general grant land entitlement under AS 29.18.201 - 29.18.213;

(2) lands retained in State ownership for multiple use management (including conveyance of interests less than fee simple title); and

(3) lands retained in State ownership through a designation for an express purpose by the Legislature, the Governor or a State agency, under authority of law.

(c) Lands to be retained in State ownership shall be identified through classification by the commissioner into one or more multiple use management categories under the procedures in AS 38.05.300. Lands within municipalities retained in State ownership consist of those so classified as of December 31, 1980. Lands outside municipalities to be retained in State ownership consist of those so classified by the commissioner by July 1, 1983. Lands conveyed to the State by the federal government which are to be retained in State ownership consist of those so classified by the commissioner within two years of receipt of tentative approval or patent, whichever comes first. All State lands not classified for retention in State ownership pursuant to this section in accordance with the applicable deadline shall be classified and included in the land disposal bank, except that the commissioner shall insure that the bank includes at least 500,000 acres.

(d) Annually on January 15, the commissioner shall submit a report to the Legislature dividing lands in the land disposal bank into the following categories:

- (1) lands suitable for remote parcel disposal;
- (2) lands suitable for subdivision disposal; and
- (3) lands suitable for agricultural, commercial, or industrial disposal.

(e) Disposal of land in the land disposal bank during each fiscal year must be based upon an assessment by the commissioner of the current needs and anticipated uses of state land in the different regions of the state. The assessment must be completed each year, in writing. It must identify areas where land values are artificially inflated and include a survey of the supply of land in private ownership currently on the market, plans for the disposal of municipal land which have been submitted under AS 38.05.048, and the amount of federal land available for disposal through sales, leases, or permits for specific activities. The assessment of ~~demand~~<sup>needs</sup> for State land shall be based on an analysis of demand for land offered for a variety of purposes under terms equivalent to

those available under comparable State land disposal programs. The assessment must include findings regarding the amount of state land which is necessary to meet the statewide demand for three fiscal years immediately after the year in which the assessment is made. The assessment must also include the general location of land to be disposed of and recommendations for the methods of disposal and terms under which the land will be offered to the public.

(f) The commissioner shall annually submit to the governor a request for the disposal of state land in the land disposal bank together with the estimated costs thereof, which shall be included in the budget submitted to the legislature by

the governor. The request shall include the following:

(1) An estimate of the amounts necessary for identification, survey, and disposal of lands proposed to be made available for remote parcel staking for the succeeding fiscal year, together with the general location of said lands.

(2) An estimate of the amount necessary for survey, and disposal of lands to be offered as agricultural, commercial, or industrial land under AS 38.05.055 or AS 38.05.057 during the succeeding fiscal year, together with the general location of said lands.

(3) An estimate of the amounts necessary for the survey, and disposal of lands proposed to be offered as subdivisions, together with the location thereof. In addition, there shall be included separate estimates of the amounts necessary for preliminary feasibility studies, engineering design work, and construction of access roads and capital improvements required by municipal subdivision ordinance or regulation of the platting board under AS 29.33.150. If an accurate determination of the amounts necessary for said access roads or capital improvements cannot be made at the time the estimate is submitted, a schedule for obtaining the estimates, constructing the access roads or capital improvements, and disposing of the land shall be submitted.

(4) An estimate of the amounts necessary for identification of lands which will be proposed for disposal under this subsection in future fiscal years.

(g) After July 1, of each year, the commissioner shall direct the expenditure of such funds as are appropriated for the disposal of lands in accordance with the instructions attached to the budget, including those relating to scheduling of disposals.

(1) Lands designated remote parcel shall be classified surveyed in accordance with 38.04, 38.05, and, after procedures required by law, made available for staking and lease under AS 38.05.077.

(2) Lands designated subdivision shall be surveyed, subdivided, and classified and, after procedures required by law, disposed of as follows:

(A) up to 80 per cent of the parcels shall be sold under the procedures for lottery sale specified in AS 38.05.057 and 38.05.065;

(B) at least 10 per cent of the parcels shall be disposed of as homesites under AS 38.08; and

(C) at least an additional 10 per cent of the parcels shall be disposed of as homesites under AS 38.08, except that notwithstanding AS 38.08.040(b),

parcels offered under this paragraph shall be offered by lottery under AS 38.05.057.

(3) Lands designated agricultural, commercial or industrial shall, after procedures required by law, be sold under AS 38.05.055 or 38.05.057.

(h) Individual parcels disposed of in subdivisions may not exceed 5 acres unless the commissioner finds that a larger size is necessary to permit the design of a viable subdivision because of site-specific topographical features, soil conditions, on-site sewage disposal requirements, or water drainage or supply considerations.

(i) Nothing in this section prevents the sale of other lands not in the land bank by the commissioner in accordance with AS 38.05.055, 38.05.057, or other laws, or the issuance of remote cabin permits under AS 05.079 or homesites under 38.08 or a lease pursuant to 38.05.070.

(j) A person or a government agency may nominate lands retained in State ownership for inclusion in the land disposal bank, or lands in the bank for retention in State ownership. The commissioner shall hold public hearings semi-annually to take nominations of State land under this subsection. Any transfer of land from retention in State ownership to the

land disposal bank, or vice versa, shall be accomplished through a classification order under the procedures in AS 38.05.300 and 38.05.345. The commissioner shall make a written finding within six months following a nomination if he determines that land nominated will not be classified or reclassified as requested.

(1) The commissioner may withdraw from the land disposal bank state land that has been offered for disposal but not conveyed within five years after inclusion in the land disposal bank. State land withdrawn from the land disposal bank under this section must be reclassified in compliance with AS 38.04.065.

Section 2. AS 38.04 is amended by adding a new subsection to read:

Sec. 38.04.021. IDENTIFICATION AND DISPOSAL OF MUNICIPAL ENTITLEMENT LANDS. (a) Notwithstanding AS 29.18, the commissioner shall refrain from issuing patents to municipalities for approved selections under AS 29.18 except in accordance with the procedures set forth in this section.

*May to amendment*

(b) The commissioner shall initiate, with each municipality entitled to receive lands under AS 29.18, a review of selections for which patent has not been issued as of the effective date of this Act. By July 1, 1982, the commissioner and each municipality shall jointly designate 20% of said lands which are most suitable for disposal into private ownership. A municipality may substitute land patented as of the effective date of the Act with the concurrence of the commissioner. If, by July 1, 1982, the commissioner and a municipality cannot agree on the lands to be designated, the commissioner shall make the designation. By September 1, 1982, the commissioner shall certify the legal descriptions of the lands designated and include them as a special category of lands in the land bank. Said lands shall be made available for disposal in accordance with AS 38.04.020(d)-(h), except that none shall be proposed for remote parcel disposal. Said lands are not subject to AS 38.04.020(j).

(c) On January 15, 1983 and annually thereafter, the commissioner shall submit to the governor an appropriations request sufficient

to survey all approved selections not patented, not designated under (b) of this section, and in need of survey under AS 29.18.207, which request shall be submitted by the governor to the legislature along with the budget. Upon receipt of an appropriation for this purpose, the commissioner shall survey the lands and issue the patents as expeditiously as possible. For approved selections not designated under (b) of this section and not in need of survey under AS 29.18.207, the commissioner shall issue patents by September 1, 1982.

(d) Upon disposal of land designated under (b) of this section, the commissioner shall make a partial assignment to the municipality in which the land resides of any receipts from the land sale contract relating to the value of the land without improvements.

(e) Notwithstanding (a) - (d) of this section, the commissioner may issue patents for approved selections otherwise in conformity with AS 29.18 if:

(1) the land to be patented is for an essential public facility or purpose for which there is an immediate need, as determined by the commissioner;

(2) the land has been scheduled and formally advertised for disposal by a municipality pursuant to its own land disposal program; or

(3) if the amount of land patented to a municipality is less than 10% of its entitlement as of the effective date of this act, and the municipality requests an amount of patented land sufficient to bring it to the 10% level.

Section 3. AS 38.04.055 is amended to read:

Sec. 38.04.055. ACCESS THROUGH PRIVATE USE AREAS. The director shall reserve easements and rights-of-way on and across land which is made available for private use as necessary to reach or use public water and public and private land. An easement or right-of-way reserved under this section may include established trails traditionally used for commerce, recreation, or transportation.

Section 4. AS 38.05.035(a)(14) is amended to read:

(14) when he makes a written finding that the interests of the state will be best served, he may, with the consent of the commissioner, approve contracts for the sale, lease, or other disposal of available lands, resources, property or interests in them, and, in addition to the conditions and limitations in the contracts as he, with the consent of the commissioner, determines will best serve the interests of the state; and no contract for the sale, lease, or other disposal of available lands or interests in them, is legally binding on the state until the commissioner formally records his consent to the contract; but if the appraised value is not greater than \$50,000 (\$10,000) in the case of the sale of land or an interest in land, or \$5,000 (\$1,000) in the case of the annual rental of land or interest in land, the director may approve and issue

the contract without the consent or approval of the commissioner; the (. THE) written finding shall be available to the public upon request; before (. BEFORE) a public hearing, if held, or in any case no less than 21 days before the sale, lease, or other disposal of available land, property, resources, or interests in them, the director shall make available to the public a written decision in which he sets out the facts and applicable law upon which he based his determination that the sale, lease, or other disposal will best serve the interests of the state; a written finding is not required before the approval of (A) a contract for a negotiated sale authorized by AS 38.05.115, (B) issuance of a permit under AS 38.05.330, or (C) the lease of land for a shore fishery site under AS 38.05.082.

Section 5. AS 38.05.035(b) is amended by adding new paragraphs to read:

(7) convey to an adjoining land owner a parcel of land created by a highway right-of-way alignment or realignment or a parcel created by the vacation of a state-owned right-of-way if

(A) he determines that it is in the interest of the state;

(B) the parcel does not exceed one acre; and

(C) the director and the platting authority having land use planning jurisdiction agree that conveyance of the parcel to the adjoining land owner will result in boundaries which are convenient for the use of the land by the landowner and compatible with municipal land use plans.

(8) for good cause extend the time for rental or installment payments by a lessee or purchaser of state land under this chapter if reasonable penalties and interest set by the director are paid.

Section 6. AS 38.05.035 is amended by adding a new subsection to read:

(c) a parcel of land may be conveyed under (b)(7) of this section without classification or reclassification under AS 38.05.300 but the parcel must be sold at its fair market value as determined by the director on the basis of an appraisal completed under AS 38.05.310.

Section 8. AS 38.05.050 is repealed and reenacted to read:

Sec. 38.05.050. DETERMINATIONS BEFORE DISPOSAL OF LAND FOR PRIVATE OWNERSHIP. The commissioner, upon recommendation of the director, shall determine the land to be disposed of for private use. The director shall determine the time and place of disposal. An auction sale, a lottery sale, or a

disposal of land for homesites under AS 38.08 must be held in the municipality that is closest to the land to be sold or disposed of and in which regular sessions of the superior court are held.

Section 9. AS 38.05.055 is amended to read:

Sec. 38.05.055. AUCTION SALE PROCEDURES. Unless another method of sale is authorized under this chapter, under AS 38.07, or under (EXCEPT AS PROVIDED IN AS 38.05.057, 38.05.315(d), AND) AS 38.08, the sale of state land shall be made at public auction to the highest qualified bidder as determined by the director. A bidder must appear in person at the auction unless medical reasons prevent attendance. However, a bidder may be represented by an attorney or agent at the auction if the land offered for disposal is classified as commercial, industrial, or agricultural land. An aggrieved bidder may appeal to the commissioner within five days after the sale for a review of the director's determination. The sale shall be conducted by the director or his representative, and at the time of sale the successful bidder shall deposit an amount equal to five percent (ONE-TENTH) of the purchase price, or if the purchaser elects to use land discounts granted under AS 38.05.058, five percent of the amount bid after deduction of the discount. The director or his representative shall immediately issue a receipt containing a description of the land or property purchased, the price bid, the amount

deposited, and the amount of any discount allowed (TERMS OF SALE), which receipt shall be acknowledged in writing by the bidder. (A CONTRACT OF SALE ON A FORM APPROVED BY THE ATTORNEY GENERAL SHALL BE SIGNED BY THE PURCHASER AND, AFTER APPROVAL OF THE COMMISSIONER, THE CONTRACT SHALL ALSO BE SIGNED BY THE PURCHASER AND, AFTER APPROVAL OF THE COMMISSIONER, THE CONTRACT SHALL ALSO BE SIGNED BY THE DIRECTOR ON BEHALF OF THE STATE.)

Section 10. AS 38.05.057(a) is amended to read:

(a) The commissioner may dispose of land, including land limited to use for agricultural purposes, by lottery. The purchase price of land sold by lottery shall be the fair market value of the land as determined by the commissioner (BUT MAY NOT BE LESS THAN \$400 PER ACRE, OR, IF THE LAND IS LIMITED TO USE FOR AGRICULTURAL PURPOSES, THE PURCHASE PRICE MAY NOT BE LESS THAN \$100 PER ACRE). The commissioner shall (MAY) sell land by lottery for less than the fair market value of the land if he determines that scarcity of land for private use in the area of the land to be sold has resulted in unrealistic land values. Before the commissioner determines the purchase price for land which is located in a municipality and which is to be sold under this section, he shall consult with the assessor of the municipality. The lottery shall be conducted in public by the commissioner or his representative and an applicant may not be selected to purchase land unless he is present on the date and at the place that the lottery is conducted unless medical reasons prevent attendance.

However, an applicant may be represented by an agent on the day of the lottery if the land offered for sale is classified as commercial, industrial, or agricultural land. On (,AND AT) the day of the lottery (TIME OF SIGNING A CONTRACT OF SALE) a purchaser selected by lot shall deposit an amount equal to five percent of the purchase price, or if the purchaser elects to use land discounts granted under AS 38.05.058, five percent of the (DISCOUNT) purchase price after deduction of the discount.

Section 11. AS 38.05.077(a) is amended to read: .

(a) The commissioner shall, under the procedures required by AS 38.04.020, 38.05.300, (AND) 38.05.305, and 38.05.345, classify state land which is suitable for disposal as remote parcels. The commissioner shall designate remote parcel selection areas consisting of land classified under this section. The commissioner (shall) may set the number of remote parcels that may be selected in each remote parcel selection area. A remote parcel may not exceed 40 acres. (THE COMMISSIONER SHALL DETERMINE FOR EACH REMOTE PARCEL SELECTION AREA, THE AMOUNT OF LAND IN EACH REMOTE PARCEL THAT MAY BE USED FOR RESIDENTIAL PURPOSES. LAND WHICH MAY BE USED FOR RESIDENTIAL PURPOSES IN A REMOTE PARCEL MAY NOT BE LESS FOR RESIDENTIAL PURPOSES IN A REMOTE PARCEL MAY NOT BE LESS THAN TWO ACRES AND MAY NOT EXCEED FIVE ACRES.)

Section 12. AS 38.05.077(c) is amended to read:

(c) A person who qualifies under (g) of this section may apply (UNDER THE PROCEDURES SET OUT IN AS 38.05.057) to lease a remote parcel in a parcel selection area designated by the commissioner under (a) of this section if he has staked the exterior boundaries of the remote parcel in accordance with the parcel selection procedures established under (b) of this section during an entry period established by the commissioner. A (EACH) person (WHO IS ENTITLED TO SELECT A REMOTE PARCEL) may enter a remote parcel selection (THE) area (FOR WHICH HE APPLIED) to stake the boundaries of a remote parcel. A person shall select a remote parcel in person and may not be represented by an attorney or agent.

Section 13. AS 38.05.077(d) is amended to read:

(d) Not later than 15 days after (SELECTION AND) staking the exterior boundaries of a remote parcel, the person who staked (SELECTED) the parcel shall file a sketch plat with the department which shows the location of the remote parcel (AND THE LOCATION OF THE LAND IN THE PARCEL THAT HE INTENDS TO USE FOR RESIDENTIAL PURPOSES). At the time of filing the sketch plat, the person who staked (SELECTED) the parcel shall apply to lease the land. An application to lease the land shall be on a standard form prepared by the department.

The annual rental payment for the first year of the lease shall be submitted to the department with the application. After the application to lease a remote parcel is approved, the commissioner shall offer to lease the land to the person who staked (SELECTED) the remote parcel. A lease granted under this section shall contain the following terms:

- (1) a remote parcel may be leased for five years;
- (2) a remote parcel lease may be renewed at the option of the lessee for a second five-period period under the same terms as provided for the first five-year period of the remote parcel lease and
- (3) a rental payment shall be paid annually and shall be \$10 an acre (\$150 A YEAR FOR FIVE ACRES OR LESS PLUS \$50 FOR EACH ACRE BY WHICH THE REMOTE PARCEL EXCEEDS FIVE ACRES).
- (4) Unless the land is surveyed, the lessee shall, within one year of approval of the lease application and continuously for the lease period, physically delineate the boundaries of the parcel so that they are readily visible from the ground and from the air unless obscured by vegetation overstory or canopy.

Section 14. AS 38.05.077 is amended by adding a new subsection to read:

(g) To qualify to lease a remote parcel under this section, a person shall

- (1) at the time of application be 18 years of age or older;
- (2) submit proof, as required by regulation, that he has been a resident of the state for not less than one year immediately preceding the date his application was submitted; and
- (3) certify that he has not previously leased a remote parcel from the state within eight years immediately preceding the date of selection of a remote parcel.

Section 15. AS 38.05.078(a) is amended to read:

(a) A lessee of a remote parcel may purchase the land leased (USED FOR RESIDENTIAL PURPOSES IN A REMOTE PARCEL) if, before the expiration of the lease or (A RENEWAL OF THE) lease renewal, he

- (1) pays a deposit to the department equal to five percent of the fair market value of the land under (c) of this section;
- (2) surveys the (RESIDENTIAL) land; and
- (3) erects a habitable dwelling on the land

Section 16. AS 38.05.078(c) is amended to read:

(c) A lessee of a remote parcel may purchase land in the

(A) remote parcel under the terms specified in AS 38.05.065(b). The purchase price of land sold under this section shall be its fair market value as determined by the commissioner, less the total amount paid to the department in annual rental fees under AS 38.05.077(d) (3). The valuation date for determining the fair market value of land sold under this section is the date that the remote parcel, <sup>was first</sup> leased to the purchaser of the land (PLAT OF SURVEY) is approved by the commissioner.

Section 17. AS 38.08.010(b) is amended to read:

(b) Land classified as homesite entry land shall be divided into parcels not exceeding five acres in reasonably compact form, with boundaries conforming as nearly as practicable to natural geologic and topographic features. However, a parcel may exceed five acres if necessary to permit the design of a viable subdivision because of site-specific topographical features, soil conditions, on-site sewage disposal requirements, or water drainage or supply considerations.

Section 18. AS 38.08.040(b) is amended to read:

(b) If the number of applicants qualified for homesite entry exceeds the number of available homesites offered, or if several applicants apply and qualify for the same homesite, priority in award of an entry permit shall be accorded to that applicant showing proof of the longest residency in the

state. An applicant shall present his proof of residency to the department in person at the time and place designated by the director.

AS 40.15.190(2) is amended to read:

(2) "subdivision" means the division of a tract or parcel of land into two or more lots, sites, or other divisions for the purpose, whether immediate or future, of sale or building development, and includes resubdivision and, when appropriate to the context, relates to the process of subdividing or to the land or areas subdivided; however, it may not include cadastral plats, cadastral control plats, open-to-entry plats, or remote parcel plats created by or on behalf of the state regardless of whether such plats include easements or other public dedications.

20

Section ~~19~~. A person who selected a remote parcel or acquired a right to select a remote parcel before July 1, 1981, is entitled to convert his remote parcel lease agreement to a new lease agreement which contains terms and conditions consistent with AS 38.05.077(d) and 38.05.078(a) and (c) enacted in secs 13, 15 and 16 of this Act. The commissioner shall prepare and distribute new lease forms to persons described in this section.

Section 21. Land disposals conducted by the commissioner

for fiscal year 1982 shall be in accordance with appropriations to the department for that purpose together with any instructions attached to said appropriations.

Section 22. AS 38.05.047, 38.05.065(a), 38.05.077(b)(2), and AS 38.05.078(b) are repealed.

Section 23. This Act takes effect July 1, 1981.

*Kristine*

MSG 81-00007781 PRTY 1 03/11/84 13:42:05 ORIG: LM00 IN= 0003 OUT= 0073 13  
FROM: MARY/MATSU TO: JUNEAU INFORMATION  
TARGET: LJH2 SUBJ: P.O.M. PAGE 0001

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TO: SENATOR KERTTULA  
REP. CARNEY  
HOUSE RESOURCES COMMITTEE:  
REP. ZHAROFF, REP. GARDINER, REP. CHUCKWUK, REP. GRUSSENDORF,  
REP. HURLBERT, REP. SMITH, REP. VASKA, REP. BARNES, REP. BETTISWORTH,  
REP. HALFORD, REP. SUTCLIFFE  
FR: ELSIE O'BRYAN, PRECINCT CHAIRMAN, PREC. 3 & 8, DIST. 6, SR BOX 2727  
WASILLA 99687

RE: 100,000 ACRE MANDATORY DISPOSAL OF LAND  
DIVISION OF LANDS SEEMS TO BE PUT IN THE POSITION OF BEING PRESSURED TO  
DISPOSE OF UNSUITABLE LAND. ANY LEGISLATION TO BE ENACTED THIS YEAR SHOULD  
HAVE IMMEDIATE EFFECTIVE DATE OR BE MADE RETROACTIVE TO STOP UNSUITABLE LAND  
DISPOSAL IN THE MAT-SU BOROUGH. IT IS AMAZING TO ME THE SAME PEOPLE THAT  
WENT TO WASHINGTON, D.C. TO OBJECT TO FEDERAL INTERVENTION IN THE USE OF  
STATE LAND ARE NOW INVOLVED IN TELLING THE BOROUGHES THAT THEIR CODES ARE  
NOT VALID BY DISPOSING OF LAND AS THEY ARE PRESENTLY. IN THE FUTURE, THE  
DIVISION OF LANDS SHOULD BE INSTRUCTED TO TAKE BOTH SOCIAL AND ECONOMIC

3

MSG 81-00014804 PRY 1 04/30/81 10:54:12 ORIG: LM00 IN= 0004 OUT= 0023  
FROM: MARY/MATSU TO: JUNEAU INFORMATION  
TARGET: LJH2 SUBJ: P.O.M. PAGE 0001

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TO: REP. CARNEY  
REP. ZHAROFF, REP. GARDINER, REP. CHUCKWUK, REP. GRUSSENDOR, REP. HURLBERT  
REP. SMITH, REP. VASKA, REP. BARNES, REP. BETTISWORTH, REP. HALFORD,  
REP. SUTCLIFFE

FR: ENID VENTGEN, SR BOX 2673, WASILLA 99607

STRONGLY URGE YOU TO OPPOSE SEC. 3, PB 31, WHICH WITHHOLDS PATENT ON  
MUNICIPAL LANDS UNTIL TWENTY PERCENT (20%) IS IDENTIFIED FOR DISPOSAL,  
AND ALSO GIVES THE COMMISSIONER POWER FOR FINAL DECISION ABOUT WHICH  
TWENTY PERCENT (20%) WILL BE DISPOSED. ENCOURAGE YOU TO WORK TO  
DELETE THIS DICTATORIAL SECTION.

*Handwritten initials/signature*

MSG 81-00008108 PRTY 1 03/12/81 18:58:21 ORIG: LA00 IN= 0029 OUT= 0093  
FROM: ROBERTA TO: JUNO INFO  
TARGET: LJH2 SUBJ: POM  
PAGE 0001

*Handwritten number 2*

TO: REPRESENTATIVES TERRY GARDINER AND FRED ZHAROFF  
RE: REMOTE AREA D IN HOMER.  
FROM: MRS. THOMAS, 4954 KNIGHT WAY 99504; 333-674L

IF I CAN AFFORD IT I'D LIKE TO PAY FOR MY 5 ACRE TRACT NOW. IT'S  
GOOD BUSINESS TO KNOW THE STATE APPRAISAL OF THIS TRACT BEFORE I PAY \$2000  
TO A SURVEYOR TO SURVEY IT. I'VE ALREADY SPENT \$1600 INCLUDING \$150 ANNUAL  
LEASE FEE TO MAKE TWO ROUND TRIPS IN TO STAKE IT OUT. IT'S POSSIBLE THAT  
THIS LAND COULD BE APPRAISED SO HIGH THAT I COULDN'T AFFORD IT.

*Handwritten mark*

(c) After July 1, the commissioner shall direct the expenditure of such funds as are appropriated for the disposal of lands in accordance with ~~any~~ <sup>the</sup> instructions ~~attached~~ attached to the budget, including those relating to scheduling of disposals.

(1) Lands designated remote parcel shall be surveyed and classified and, after procedures required by law, disposed of as follows:

(A) 80 per cent of the parcels shall be sold under the procedures for lottery sale specified in AS 38.05.057 and 38.05.065;

(B) 10 per cent of the parcels shall be disposed of as homesites under AS 38.08; and

(C) an additional 10 per cent of the parcels shall be disposed of as homesites under AS 38.08, except that notwithstanding AS 38.08.040(b), parcels offered under this paragraph shall be offered by lottery under AS 38.05.057.

(3) Lands designated agricultural, commercial or industrial shall, after procedures required by law, be sold under AS 38.05.055 or 38.05.057.

(5)

MSG 81-00005396 PRTY 1 02/20/81 10:07:46 ORIG: LM00 IN= 0002 OUT= 0008  
FROM: MARY/MATSU TO: JUNEAU INFORMATION  
TARGET: LJH2 SUBJ: P.O.M. PAGE 0001

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TO: SENATOR KERTTULA, SENATOR PARR, SENATOR FAHRENKAMP  
REF. GARDINER, REP. ZHAROFF  
FR: NOREEN MERCER, BOX 92, TALKEETNA, 99676

WE ARE OPPOSED TO THE 100,000 ACRE LAND DISPOSAL MANDATE BECAUSE RURAL  
AREAS, CHASE FOR EXAMPLE, CANNOT PROVIDE RESOURCES FOR ANY GROWTH  
IN POPULATION, ESPECIALLY SUBDIVISIONS. IF IT DOES, THE LIFESTYLE  
WILL BE OVER FOR ALL.

TO: SENATOR KERTTULA, SENATOR PARR, SENATOR FAHRENKAMP  
REP. ZHAROFF, REP. GARDINER  
FR: DAN MAWHINNEY, BOX 22, TALKEETNA 99676

I AM OPPOSED TO THE 100,000 ACRE LAND MANDATE AND SUBDIVISION DISPOSAL  
PROGRAM BECAUSE IN MY CHASE ARE THE ENVIRONMENT IS TAXED TO THE LIMIT AND  
ANY ADDITIONAL DRAIN WOULD DESTROY THE LIFE STYLE. IN EFFECT, IT WOULD  
CREATE A "WOODS GHETTO".

*Kris*

ican Institute of Real Estate Appraisers, the Society of Real Estate Appraisers, a person meeting the requirements for certification as an Appraiser II by the division of personnel, Department of Administration, or a person qualified according to regulations adopted by the commissioner under the Administrative Procedure Act.

DRAFT  
Law

*Helford  
Amendment  
#1*

~~*[Handwritten signature]*~~  
*[Handwritten signature]*

\* Sec. 32. AS 40.15.010 is amended by adding a new subsection to read:

(b) Notwithstanding (a) of this section, AS 29.33.190, 38.04.-045(b), 40.15.070, and 40.15.200, subdivisions of state land classified for disposal under AS 38.05 and AS 38.08 need not show the approval of the platting board or other subdivision authority having jurisdiction in order to file the plat for record in the office of the recorder. However, state subdivision plats must be submitted to the platting authority for review in compliance with this subsection and AS 29.33.-160(c) and recorded before the sale of any lots or tracts in the subdivision.

\* ~~Sec. 37~~. AS 40.15.190(2) is amended to read:

*#2*

(2) "subdivision" means the division of a tract or parcel of land into two or more lots, sites, or other divisions for the purpose, whether immediate or future, of sale or building development, and includes resubdivision and, when appropriate to the context, relates to the process of subdividing or to the land or areas subdivided; however, it may not include cadastral plats, control plats, open-to-entry plats, or remote parcel plats created by or on behalf of the state regardless of whether such plats include easements or other public dedications.

\* Sec. 28. AS 14.40.350, 14.40.360; AS 19.05.110, 19.05.120; AS 19.30.-

*Remote Parcel Survey* ↑

12 (e) Disposal of land in the land disposal bank during each fiscal  
13 year must be based upon an assessment by the commissioner of the cur-  
14 rent needs and anticipated uses of state land in the different regions  
15 of the state. The assessment must be completed each year, in writing,  
16 and must include a survey of the supply of land in private ownership  
17 currently on the market, plans for the disposal of municipal land which  
18 have been submitted under AS 38.05.048, and the amount of federal land  
19 available for disposal through sales, leases, or permits for specific  
20 activities. The demand for state land must be evaluated in the assess-  
21 ment on the basis of a purchase price equivalent to that of comparable  
22 lands in private ownership. The assessment must include findings  
23 regarding the amount of state land which is necessary to meet the  
24 statewide demand for three fiscal years immediately after the year in  
25 which the assessment is made. The assessment must also include the  
26 location of land to be disposed of and recommendations for the methods  
27 of disposal and terms under which the land will be offered to the  
28 public. ~~The assessment must also include a survey of the supply of land in private ownership~~

29 ~~and the amount of federal land available for disposal through sales, leases, or permits for specific activities.~~

3 (f) The commissioner shall annually submit to the governor ~~three~~  
4 ~~alternatives~~ <sup>an</sup> ~~alternatives~~ financing requests for the disposal of state land in the  
5 land disposal bank. The ~~alternate~~ requests for ~~each~~ <sup>that</sup> fiscal year shall  
6 be submitted with the budget submitted to the legislature by the gover-  
7 nor. The ~~alternate~~ requests must specify the amount of land to be  
8 offered for private ownership ~~with each alternative~~, the location of  
9 the land, and the disposal program under which the land will be offered  
10 The alternatives submitted shall include

11 (e) an estimate of the appropriation required to finance  
12 the disposal of the land identified for disposal during the fiscal  
13 year.

April 29, 1981

Citizens Committee for  
Land Disposal Reform  
835 D St. Suite 204  
Anchorage, Alaska 99501

Pouch V  
State Capital  
Juneau, Alaska 99811

Dear Representative:

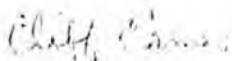
We wrote you earlier to urge you to pass legislation this year reforming the state land disposal program, and we enclosed a fact sheet which summarized our most serious concerns. We were pleased to see the Resources Committee report legislation which would have repealed the 100,000 acre quota and replaced it with a flexible quota based on an annual assessment of supply and demand. We are afraid now, however, that land disposal reform is not receiving the attention it deserves and that once again the session might end before a bill can be passed.

We understand that one potential stumbling block is the provision in H.B. 31 that 20% of unpatented municipal selections be designated for disposal. Although we questioned the wisdom of adding another fixed quota to the program, we generally supported H.B. 31 since our primary concern was the repeal of the 100,000 acre figure, which we saw as the cause of a host of problems.

We believe, however, that the passage of reform legislation is critical, and that the 20% provision should be deleted if doing so is necessary to obtain passage of a bill. We suggest substituting for that provision the Enterprise Fund proposed by the administration in its bill, H.B. 193. The availability of a revolving loan fund to finance the construction of roads and other capital improvements would serve as an incentive to municipalities to dispose of their land. In any case, if the figures in the April 16 Anchorage Daily News are accurate, the boroughs primarily affected, such as the Matanuska-Susitna Borough, are not in fact resisting the disposal of reasonable quantities of borough land.

Once again, we urge you to give state land disposal reform the highest priority and to pass and send to the Senate as soon as possible a bill which repeals the quota, substitutes a flexible quota based on an annual assessment of supply and demand, and reasonably addresses the concerns of local governments.

Sincerely,



Cliff Eames  
Chairman  
Citizens Committee for Land Disposal Reform

CE/rhm

Alaska State Legislature



POUCH V  
JUNEAU, ALASKA 99811

Kristina  
Lind

March 12, 1981

Mr. Cliff Eames, Chairman  
Citizen's Committee for Land Disposal Reform  
835 D Street, Suite 204  
Anchorage, Alaska 99501

Dear Mr. Eames:

Thank you very much for your letter of March 4.

As you may have noted from my voting record this past year, I am in favor of revising substantially the land disposal program of the State of Alaska.

As you may recall, a substantial revision of that program passed the House of Representatives in the last session of the 11th Legislature, but failed to pass the Senate.

This year, many of us in the House majority and in the House leadership are making it a priority to pass comprehensive legislation addressing this issue. We have some reason to believe that we may be more successful in the current Senate than we were in the last.

I am sure you are quite familiar with the recent hearings held on the subject by the House Resources Committee, and I intend to follow the lead of the co-chairman of that committee, Representatives Gardiner and Zharoff on this subject. I am not giving them an irrevocable proxy or anything, but I suspect that I will be able to support the legislation that their committee will produce.

Thanks again for your letter.

Very truly yours,

  
Rep. Fred Brown

cc: Rep. Gardiner  
Rep. Zharoff

March 2, 1981

Dear Legislator,

I would like to voice my objections to the 100,000 acre annual quota of land disposal mandated by the Legislature in the Burn's Initiative, HB66. This generous distribution of State lands into the hands of the voters sounds good superficially but, in reality, has serious drawbacks. It has generated an enormous dilemma for the Department of Natural Resources and the General Public!

With the present manning, budget and workload within the DNR, they have not been able to focus sufficient time, effort and money to select enough land that is compatible with natural terrain, soil features, ecosystems, local residents' desires, and the needs of potential buyers.

My specific complaint is that the DNR, in trying to meet this quota, has resorted to creating subdivisions in attempts to dispose of large blocks of land, divided into small five acre parcels. These subdivisions, when located in remote areas not readily accessible by existing roads, create an incongruous contamination of the land. Surveyors, working for the Department, have used all-terrain vehicles in the Spring and Summer months over the fragile tundra, swamps and fields and, by their incessant roaming, have left a permanent ugly web of destruction that scars the land. Potential buyers of these small parcels generally are seeking for a resemblance of a wilderness experience and not a devil club, mosquito swarming version of the subdivision they already live in. It is certainly not fair and equitable to existing property owners and residents, to artificially create a congestion of development on a remote area with its attendant disruption of the surrounding area. Land development is inevitable, but it should follow a natural, orderly and intelligent progression and not resemble a cancerous blight like a subdivision.

The needs of the people, you are pledged to serve, could be much better fulfilled, if distribution of lands were spread out more, allowing it to fit into natural land features. This would minimize the environmental impact on an area, and if coordinated with local interest groups would assure a homogenous blending of the new with the old. Lower densities of people provides each one with privacy, elbow room, firewood, natural building supplies, and desirable land features. Subdivisions artificially create crowding, shortage of natural supplies of water and wood, drainage and sewage problems. These conditions will prematurely call for demands for public services such as roads and maintenance, police and fire protection, power, water and sewage services with the resulting tax burdens.

Public hearings in the Susitna Valley have overwhelmingly produced vehement objections to the subdivision concept, especially in remote areas. Sales of these parcels offered in South Central Alaska have been little more than 50% on first offering which indicates a lack of buyer interest.

My argument is not with the Department of Natural Resources. They are faced with a nearly impossible task of selecting quality, useable land that is not subject to other claims and interests such as Native groups, Local Governments, private ownerships, leases, Fish and Wildlife, mining, timber, public use areas, etc. 100,000 acres represents 156% of the Anchorage Bowl which is 64,000 acres!! This area supports over 400,000 people now. Disposal of 100,000 acres of State land on an annual basis would have a disastrous effect on the land market both private and local governments. Because the State actually owns very little of the developable and available land that is desirable because of its accessibility, the thrust of this quota is an extreme drain on land in the Susitna valley with little or no regard for the wishes of local government or residents.

In conclusion, I urgently implore you to do everything in your power to repeal the 100,000 acre quota this session!! An alternative plan would

(2)

would be a flexible figure to be set each year, based upon an analysis of all the economic and environmental facts. This action must be completed NOW to avoid irreversable damage. I urge you to place this high on your priority list and ask your contemporaries to do the same.

Sincerely

Stuart and Virginia Silver  
3152 Donnington Dr.  
Anchorage, Ak. 99504