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COMMITTEE REPORT

SENATE

FURTHER: Finance

3/16/81

Date: _____

Mr. President:

The Committee on RESOURCES has had SB 292 making a special appropriation to the Dept. of Fish & Game for the purchase of real property.

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)
- replace with CS for _____ same title
 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

[Signature]
Brad Bradley
[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature] No Rec
Don Nelson do not PASS
Bob Mulcahy, No Rec

[Signature]
 CHAIRMAN

SENATE AMENDMENT # 2

By SENATE RESOURCES

To: _____ SENATE BILL No. 294

To: _____ HOUSE BILL No. _____

PAGE: 1 LINE: 11

Delete "33" and replace with "250.5"

SENATE AMENDMENT #1

By SENATE RESOURCES

To: _____ SENATE BILL No. 292 _____

To: _____ HOUSE BILL No. _____

PAGE: 1 LINE: 10

Delete "\$130,000" and replace with "\$750,000"

Alaska State Legislature

DETTYE FAHRENKAMP, CHAIRMAN
VIC FISCHER, VICE-CHAIRMAN
BRAD BRADLEY
DICK ELIASON
DON GILMAN
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

April 15, 1981
1:30 p.m.

Beltz Room
211 - Capitol

MEMBERS PRESENT

Senator Fahrenkamp
Senator Fischer
Senator Bradley
Senator Sturgulewski
Senator Eliason
Senator Mulcahy
Senator Gilman

HEARING:

- SB 291 An Act making a special appropriation to the Department of Fish and Game for shooting and firearm safety.
- SB 292 An Act making a special appropriation to the Department of Fish and Game for the purchase of real property.
- SB 418 An Act relating to agricultural development projects.

Rodger Pegues, Assistant Attorney General, stated that SB 418 eliminates the litigation which has arisen over the Point McKenzie agricultural development project. SB 418 retroactively ratifies the prequalification requirements and classification of tracts used by the Agricultural Action Council and the Department of Natural Resources. Prolonged delay will bankrupt a number of the successful applicants and severely injure others.

Bob Palmer, Coordinator, Special Projects, Office of the Governor, spoke in favor of SB 418. He explained the Point McKenzie project was to increase the state's dairy production, therefore the prequalification requirements were necessary to insure that the lands would indeed go into dairy production.

Senator Sturgulewski put forth the motion to move SB 418 with individual recommendations.

Greg Bos, Division of Game, Department of Fish and Game, stated that the division strongly supports SB 291. The State Range Planning Committee identifies where ranges are needed and then makes recommendations to the Department of Fish and Game. The City of Anderson was deleted until more information is made available by the Planning Committee.

Joe Nava, Chairman, State Range Planning Committee, stated that he supports SB 291. He stated that the program needs some flexibility because the Committee does not always know the actual cost of a facility until the proposals are signed.

Ted Dixon, President, Tanana Valley Sportsmen Association, Fairbanks, stated that TVSA stands ready and willing to operate the range facility in Fairbanks. SB 291 will provide the needed funds for the range facility.

Randy Smith, representing himself and a member of numerous national gun clubs, stated that he favors the passage of SB 291. The program is very important and other states have benefited from similar programs.

Senator Mulcahy put forth the motion to delete "and operation" on page 1, line 12 of SB 291.

Senator Sturgulewski put forth the motion to obtain a fiscal note on SB 291.

Dave Harkness, Area Game Biologist, Department of Fish and Game, stated that he supports the passage of SB 292. He has spoken with the owner of the property and he has indicated a willingness to sell all of his land, 250.5 acres. This land provides a good access point, a viewing area, is adjacent to the rifle range and is close to the most popular wildlife viewing area in Anchorage.

Senator Fischer put forth the motion to move SB 292 with individual recommendations.

INFORMATION RE: SB 292 "AN ACT MAKING A SPECIAL APPROPRIATION TO THE DEPARTMENT OF FISH AND GAME FOR THE PURCHASE OF REAL PROPERTY; AND PROVIDING FOR AN EFFECTIVE DATE"

The proposed amendments would allow the state to purchase 250.5 acres of real property adjacent to the Rabbit Creek Rifle Range and surrounded by the Potter Point Game Refuge.

The amount of acreage is increased because it has become apparent since this legislation was introduced that the owner of the property is not interested in selling any property unless he can sell the total 250.5 acres.

The dollar amount is increased to reflect the additional costs of purchasing the additional acreage. The figure reflects estimated appraised value of the 250.5 acres based on a recent appraisal of the rifle range property.

These 250.5 acres were deemed the top priority of Fish and Game last October when they put together a list of property which they would like to add to the Potter Point Game Refuge. The refuge, incidentally, was established in 1971.

It is estimated at this time, that of the 250.5 acres, 33 would be used to expand the present rifle range. The Rabbit Creek Rifle Range was purchased in July of 1980.

Jack Alexander, Greg Bos and Dave Harkness, all of the Department of Fish and Game are available to provide further information on this bill.

What happens to other land

Funding Information
General Fund \$130,000
Other Funds -0-
\$130,000

Introduced: 3/16/81
Referred: Resources and
Finance

1 IN THE SENATE

BY RODEY

2 SENATE BILL NO. 292

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Fish and Game for the purchase of real
8 property; and providing for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$130,000 is appropriated from the general fund
11 to the Department of Fish and Game for the purchase of 33 acres of real
12 property adjacent to the Rabbit Creek Rifle Range and surrounded by the
13 Potter Point Game Refuge. ~~AS 01.10.070~~

14 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
15 070(c).

16
17
18 amend #1 → change \$130,000 to \$750,000

19
20 amend #2 → change 33 acres to 250.5 acres

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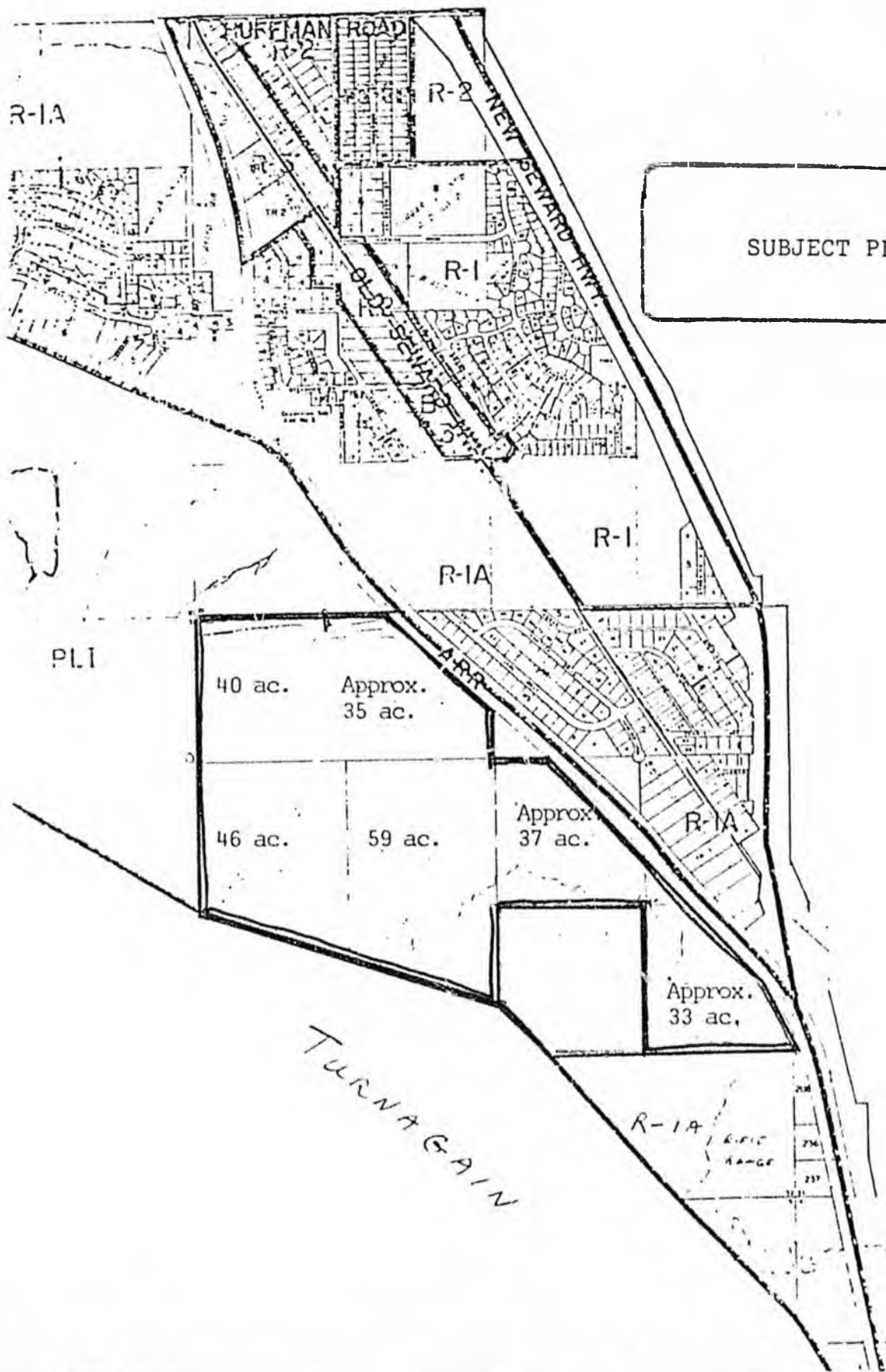
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SUBJECT PLOT PLAN

TURNAGAIN

latter category are included whether either grantor or grantee are under pressure to buy or sell.

For all three sales, a time adjustment was necessary. A study of the market indicates an upward trend of about 25 percent per year. A study of market conditions indicates that Sale No. L-3-35 was below market. An upward adjustment had to be made for this.

Taking into consideration all of the above factors and all factors affecting value, it is your appraiser's opinion that the Fair Market Value of the subject parcel, as of March 4, 1976, is:

Berm:	40 acres @ \$1,200/acre	=	\$ 48,000
Tidelands:	210.5 ac @ \$ 600/acre	=	<u>126,300</u>
TOTAL			<u>\$174,300</u>

As requested, the following allocation was made:

<u>40</u> acres @ \$600/acre	=	\$ 24,000
<u>46</u> acres @ \$600/acre	=	27,600
<u>59</u> acres @ \$600/acre	=	35,400
<u>35</u> acres -		
13 ac. berm @ \$1,200/ac =	\$15,600	
22 ac. tide. @ \$600/ac =	<u>13,200</u>	28,800
<u>37</u> acres -		
13 ac. berm @ \$1,200/ac =	15,600	
24 ac. tide. @ \$600/ac =	<u>14,400</u>	30,000
<u>33.5</u> acres -		
14 ac. berm @ \$1,200/ac =	16,800	
19.5 ac. tide. @ \$600/ac =	<u>11,700</u>	28,500
TOTAL FAIR MARKET VALUE		<u>\$174,300</u>

Analysis and Conclusions as to Lot 4 Market Value

The appraiser was unable to locate any recent sales of comparable waterfront land. There are tideland sales throughout the State of Alaska, however, these sales have potential for industrial and commercial uses. As the Highest and Best Use is different from the subject, they are not useful as indicators of value. Various owners of tidelands in the area were consulted as to their opinions as to land value. These varied from \$1,000 to \$3,000 per acre. However, none of the owners were sure of tideland values nor of the future potential uses of the surrounding tidelands.

The only sales in the area took place in 1972 and 1973. They varied from \$283/acre to \$570/acre for tidelands. Physically, these sales and the subject are similar. The only adjustments required are for time. Since 1972 and 1973, land values have generally averaged about 1.25% compounded per month increase in value in the Rabbit Creek area. This shows an increase in value of about 250%. This would indicate a range of value of about \$991 to \$1995 per acre. Sales No. 7 and No. 8, which are closer to the subject, show a range of value of from \$991 per acre to \$1,054 per acre. As these are the closest to the subject, they are the most comparable. In conclusion, the tidelands are estimated to be worth about \$1,000 per acre.

SUMMARY

Lots 170 and 205 (East side of highway.)	
3.06± acres x \$11,500/acre =	\$35,190
Lots 206, 236, 237 (West side of highway.)	
6.37± acres x \$8,800/acre =	56,056
Lot 4	
48± acres x \$1,000/acre =	<u>48,000</u>
TOTAL INDICATED LAND VALUE:	\$139,246 ✓
	say) \$139,000