

**COMMITTEE REPORT**  
**HOUSE**

(11)

FURTHER:

4/14/83

Date: 4-23-84

Mr. Speaker:

The Committee on FINANCE has had HB 148

"An Act relating to the preservation of agricultural land; and providing for an effective date."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HR 148 (FIN)  same title  
 new title
- and recommends with amendments
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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\_\_\_\_\_

Chairman  
CHAIRMAN

Original sponsors: Lacher, Larson,  
and Zharoff

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 148 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the preservation of agricultural  
7 land."

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

9 \* Section 1. AS 03 is amended by adding a new chapter to read:

10 CHAPTER 07. PRESERVATION OF AGRICULTURAL LAND.

11 Sec. 03.07.010. ACQUISITION OF AGRICULTURAL PRESERVATION EASE-  
12 MENTS. (a) The director may acquire by purchase an agricultural  
13 preservation easement in privately owned agricultural land that meets  
14 the requirements of AS 03.07.020.

15 (b) The director, with the concurrence of the commissioner, may  
16 dispose of state land or an interest in state land by exchanging it  
17 for privately owned agricultural land or for an agricultural preserva-  
18 tion easement in privately owned agricultural land

19 (1) if the privately owned agricultural land meets the  
20 requirements of AS 03.07.020; and

21 (2) if the state land or the interest in state land to be  
22 exchanged is classified under AS 38.05.300 for a purpose consistent  
23 with the disposal.

24 (c) The value of an agricultural preservation easement received  
25 by the state in an exchange made under this chapter must be equal to  
26 the fair market value of the state land or the interest in state land  
27 exchanged. If the value of the state land or the interest in state  
28 land is not equal to the value of the agricultural preservation ease-  
29 ment, the director may accept money from or pay money to an owner of

1 land. The money accepted or paid must equal the difference between  
2 the fair market value of the agricultural preservation easement and  
3 the fair market value of state land or the interest in state land  
4 exchanged under this chapter.

5 (d) The director may not purchase an agricultural preservation  
6 easement or exchange state land for privately owned agricultural land  
7 or for an agricultural preservation easement except to preserve the  
8 agricultural use of land.

9 (e) The director shall follow the procedures established in  
10 AS 38.05.345 before disposing of state land or an interest in state  
11 land or agreeing to the acquisition of privately owned agricultural  
12 land or an agricultural preservation easement in privately owned  
13 agricultural land. In addition to compliance with the requirements of  
14 AS 38.05.345, the director shall at the same time make available for  
15 public inspection

16 (1) information regarding the valuations of the interest or  
17 interests in the various properties affected by the disposal or acqui-  
18 sition; and

19 (2) a copy of the offer required in AS 03.07.060.

20 (f) A sale, exchange or donation of an agricultural preservation  
21 easement is voluntary. A parcel of land may be considered for ex-  
22 change under this chapter only on application of the owner of the  
23 land. After sale, exchange, or donation of agricultural preservation  
24 rights, an owner may not be required to carry out specific agricul-  
25 tural activities as long as the owner of the land does not use or  
26 subdivide the land for residential, commercial, or industrial purposes  
27 or activities which are not related to agricultural uses.

28 (g) The director may not purchase land or an interest in land  
29 under AS 03.07 with funds appropriated from the general fund of the

1 state unless the appropriation is specifically stated to be for that  
2 purpose. Nothing in this subsection prevents the use by the director  
3 of funds available to the director from sources other than the general  
4 fund of the state.

5 Sec. 03.07.020. LAND ELIGIBLE FOR AGRICULTURAL PRESERVATION. A  
6 parcel of land is eligible for protection under this chapter if

7 (1) it is privately owned;

8 (2) the soil under no less than 40 percent of the surface  
9 of the parcel is classified as classes II - IV by the United States  
10 Soil Conservation Service; and

11 (3) it is

12 (A) a parcel with no less than 40 acres in cultivation  
13 or farm use; or

14 (B) a parcel with no less than 20 acres in cultivation  
15 or farm use adjacent to an established farm or farms totalling no  
16 less than 40 acres in size that has been in operation as a farm  
17 or farms for no less than 10 years.

18 Sec. 03.07.030. PRIORITY DISTRICTS. If the director does not  
19 have money to purchase agricultural preservation easements in all  
20 eligible land, the director may establish a system of farmland preser-  
21 vation priority districts by regulation and allocate money for agri-  
22 cultural preservation easements within the districts according to the  
23 following priority:

24 (1) farmland that is threatened by early conversion to  
25 subdivisions, commercial or industrial uses;

26 (2) farmland that is of recognized value for tourism be-  
27 cause of historic associations, natural setting, closeness to tourism  
28 routes, or other reasons;

29 (3) farmland that has a history of high productivity

1 because of soils, temperatures and other reasons;

2 (4) farmland that is close to market; and

3 (5) farmland that is within an established agricultural  
4 area.

5 Sec. 03.07.040. CRITERIA FOR SELECTION WITHIN A PRIORITY DIS-  
6 TRICT. If funds are not available within a priority district to  
7 purchase all eligible land of equal priority for which valid offers  
8 have been received by the director, the director shall consider the  
9 following criteria in accepting offers:

10 (1) an offer of land that is more threatened by urban  
11 development is favored over an offer of land that is less threatened;

12 (2) an offer that is below appraisal is favored over an  
13 offer that is at or above appraisal;

14 (3) an offer of land used for farming in the 12 months  
15 before the offer is favored over an offer of land that has been fallow  
16 for the preceding 12 months;

17 (4) an offer of land that will form a contiguous farming  
18 area with other offered or acquired eligible land is favored over an  
19 offer of land that is separated from other farms;

20 (5) an offer of land that will achieve both urban separa-  
21 tion and agricultural production or that will separate commercial and  
22 industrial uses from residential or recreational uses is favored over  
23 an offer of land that will serve only one of the purposes.

24 Sec. 03.07.050. AGRICULTURAL LAND WITHIN A MUNICIPALITY. The  
25 director shall, before making an allocation of agricultural preserva-  
26 tion easement money to a farmland preservation priority district  
27 within a municipality, consider any comprehensive plan or ordinances  
28 of the municipality on municipal farmland preservation priorities  
29 adopted by the municipality and shall, before making an allocation,

1 consider recommendations from the municipality regarding priorities  
2 for farmland preservation within the municipality.

3 Sec. 03.07.060. DETERMINATION OF ELIGIBILITY FOR EXCHANGE OR  
4 SALE OF EASEMENT. (a) An owner of land that meets the requirements  
5 of AS 03.07.020 may offer in writing to sell or exchange the agricul-  
6 tural preservation easement to the state on all or a portion of the  
7 agricultural land.

8 (b) An offer to sell or exchange must

9 (1) include a price at which the owner is willing to sell  
10 an agricultural preservation easement to the state;

11 (2) include a complete legal description of the land of-  
12 fered;

13 (3) include an appraisal in support of the price.

14 (c) Within 30 days after the receipt of an offer, the director  
15 shall notify the owner of the land of the sufficiency of the offer.  
16 If the offer is insufficient, the director shall specify the reason  
17 and permit the owner of the land 30 days to correct the insufficiency.  
18 If a corrected, sufficient offer is made within 30 days of the noti-  
19 fication by the director, the land is determined to qualify as land  
20 that meets the requirements of AS 03.07.020.

21 (d) If any part of the land determined to qualify under (c) of  
22 this section is in a municipality, the director shall notify the  
23 governing body of the municipality within 30 days of the determination  
24 under (c) of this section. Within 30 days after the notification by  
25 the director, the municipal governing body may request the director to  
26 reconsider the determination. If a municipality requests reconsidera-  
27 tion, the director shall hold a public hearing in the municipality  
28 before an offer to sell or exchange is tendered to the owner of the  
29 land. If, after a public hearing in the municipality, the decision of

1 the director remains unchanged, the municipality may appeal to the  
2 commissioner within five days for a review of the decision of the  
3 director.

4 Sec. 03.07.070. OFFER TO BUY OR EXCHANGE. The director may  
5 accept the offer to buy or exchange land at a price and upon terms  
6 offered by the owner of the land or may make a counter offer to buy or  
7 exchange and may specify terms and conditions not contained in the  
8 landowner's application within 90 days after approval of the land-  
9 owner's offer to sell or exchange an agricultural preservation ease-  
10 ment. An owner of land has 30 days from the receipt of the counter  
11 offer to buy or exchange in which to accept or reject the offer.

12 Sec. 03.07.080. VALUATION OF AGRICULTURAL PRESERVATION EASEMENT.

13 (a) The maximum valuation of an agricultural preservation easement  
14 acquired under this chapter is either the asking price or the differ-  
15 ence between the fair market value of the land and the agricultural  
16 value of the land, whichever is less.

17 (b) The valuation of an agricultural preservation easement shall  
18 be determined by the director based on one or more appraisals by  
19 qualified appraisers.

20 Sec. 03.07.090. USES OF LAND ACQUIRED. (a) An agricultural  
21 preservation easement acquired under this chapter permits

22 (1) agricultural use of the land by the owner of the land  
23 or by a lessee of the owner of the land;

24 (2) the owner of the land to remove minerals or materials  
25 from the subsurface of the land after acquisition of the agricultural  
26 preservation easement if the land is immediately returned to a condi-  
27 tion at least as favorable for agricultural use as existed before the  
28 removal of minerals or materials began;

29 (3) operation of machinery used in agricultural production

1 or the primary processing of agricultural products;

2 (4) sale of agricultural products produced on the land;

3 (5) construction of buildings for farming operations but  
4 land used for farm residences may not exceed one acre per 40 acres of  
5 land under an agricultural preservation easement.

6 (b) The acquisition of an agricultural preservation easement by  
7 the state does not grant the public a right of access or right of use  
8 of the property subject to the easement nor does it affect any exist-  
9 ing easements, rights of way, or rights of access. Residential sub-  
10 division and the removal from the land of minerals or materials for  
11 commercial purposes are not permitted.

12 Sec. 03.07.100. DEFINITIONS. In this chapter

13 (1) "agricultural operations" means activities related to  
14 the production of domesticated plants and animals or fowl useful to  
15 humans;

16 (2) "agricultural preservation easement" means an interest  
17 in land under which all development rights are owned by the state and  
18 an owner of the property subject to the agricultural preservation  
19 easement retains an interest in and the right to use and possess land  
20 for purposes and activities related to the production of domesticated  
21 plants and animals or fowl useful to humans;

22 (3) "agricultural use" means the use of land for the pro-  
23 duction of domesticated plants and animals or fowl useful to humans;

24 (4) "agricultural value" means the amount on a valuation  
25 date which an owner of land, willing but not obligated to sell, would  
26 accept for property subject to an agricultural preservation easement,  
27 and which a purchaser, willing but not obligated to buy, would pay for  
28 property subject to an agricultural preservation easement;

29 (5) "commissioner" means the commissioner of natural

1 subject to an agricultural preservation easement shall be assessed on  
2 the basis of full and true value for farm use, and shall not be asses-  
3 sed as if subdivided or used for some other nonfarm purpose. The  
4 assessor shall maintain records valuing the farm use land for both  
5 full and true value and farm use value. Should the farm use land be  
6 sold, leased, or otherwise disposed of for uses incompatible with farm  
7 use or be converted to a use incompatible with farm use by the owner,  
8 the owner is liable to pay an amount equal to the additional tax at  
9 the current mill levy together with eight percent interest for the  
10 preceding seven years, as though the land had not been assessed for  
11 farm use purposes. Payment by the owner shall be made to the state to  
12 the extent of its reimbursement for revenue loss under (e) of this  
13 section for the preceding seven years. The balance of the payment  
14 shall be made to the city or borough. The owner of farm land subject  
15 to this subsection who grants an agricultural preservation easement to  
16 the state under AS 03.07 may not be required to reimburse the state  
17 under this subsection for revenue loss.

18 \* Sec. 3. AS 29.53 is amended by adding a new section to read:

19       Sec. 29.53.036. AGRICULTURAL PRESERVATION EASEMENT. Farm land  
20 subject to an agricultural preservation easement shall be assessed on  
21 the basis of full and true value for farm use. The owner of farm land  
22 subject to an agricultural preservation easement is not subject to  
23 AS 29.53.035.

24 \* Sec. 4. AS 38.05.345(a) is amended by adding a new paragraph to read:

- 25       (5) preservation of agricultural land under AS 03.07;  
26 including  
27               (A) the disposal of state land or an interest in state  
28 land; and  
29               (B) the acquisition of privately owned agricultural

1 land or an agricultural preservation easement in privately owned  
2 agricultural land.

3 \* Sec. 5. The commissioner of natural resources shall report to the  
4 First Session of the Fourteenth Legislature within the first 10 days of the  
5 session on the following:

6 (1) an estimate by the commissioner of natural resources of the  
7 cost to the state for the next five fiscal years of the program enacted in  
8 this Act if the provisions of this Act were fully implemented;

9 (2) an estimate by the commissioner of natural resources of the  
10 interest in the program enacted in this Act;

11 (3) an identification of the priority districts to be estab-  
12 lished under AS 03.07.030 as enacted in sec. 1 of this Act, if any;

13 (4) the implications of the program enacted in this Act for  
14 comprehensive plans or other ordinances of municipalities of the state;

15 (5) the implications of the program enacted in this Act for tax  
16 revenues of municipalities of the state as a result of the acquisition of  
17 agricultural land and agricultural land preservation easements;

18 (6) other information considered by the commissioner of natural  
19 resources to be of interest to the legislature.  
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STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: CSHB 148 (F)  
 Title: Preservation of agricultural lands

**FISCAL DETAIL**

Agency Affected: Natural Resources  
 Program Category Affected: \_\_\_\_\_

Sponsor: Lacher, Larson, Zharoff  
 Requestor: \_\_\_\_\_  
 Date of Request: 2-22-84

BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>		-0-	-0-	-0-	-0-	-0-
<b>REVENUE</b>		-0-	-0-	-0-	-0-	-0-

**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

**SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:**

The zero fiscal note assumes that an appropriation would be made to cover both administrative and easement purchase costs specific to any implementation of the program.

**ANALYSIS: Attach a separate page for analysis**

Prepared By: Sharon Barton Phone: 465-2400  
 Division: Commissioner's Office Date: 2-22-84

*HH* Approved by Commissioner: Thomas D Arnold, Deputy Date: 2-22-84  
 Agency: Department of Natural Resources

**Distribution (by Agency preparing fiscal note):**

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

My name is Peg Kehrer and I am testifying today in favor of your passage of HB 148. I followed the progress of this bill closely all of last session out of a personal concern for the wise development of Alaska's farmland.

Of all that I would like to say in support of this bill, there is one point I would like the committee to fully understand before you consider the bill. It is that if only the first steps toward protecting some of Alaska's existing and best farmland can be taken at this point - the creation of a small staff to develop the necessary data on land availability and cost - then that is a crucial step in the right direction.

I base this on personal research on agland, but also on the testimony last year of the director of the House Research Agency. At the conclusion of a background report on the need for and costs of preserving existing farmland, House Research said:

"Unfortunately, no data is currently available on the amount of existing and potential farmland in private ownership. In addition, a more thorough research effort would be required to develop good data on the average market and farm use value of farmland in various areas of the state."

This is obviously after they have examined the best data the Division of Agriculture could provide. The need for a small staff to focus just on these questions seems great.

Two events help convince me that this lack of knowledge is both unpopular and is even foolish business on the state's part at this time. The first is that just this week the Mat-Su Assembly with great public support imposed strict guidelines on development of potential borough agland for any other than ag use.

The second are the continuing overtures between Alaska and foreign companies around foreign use of agland in the state. To pursue this when the long term value of these lands to Alaska's agricultural business is unknown seems very bad business.

Thank you for your time.

Minutes from last year's hearing on  
the bill,

hf0530831330

HOUSE FINANCE COMMITTEE

May 30, 1983

1:30 p.m.

(Tape HFC 83-74, Side 2, #48.)

CALL TO ORDER

Chairman Adams called the meeting to order at 1:30 P.M. and informed members they would be considering the Confirmation of Bob Heath as Commissioner of Revenue, SB 92 and HB 148. HB 301, he stated, would be heard at a later date.

PRESENT

All members of the committee were present except Representative Abood. ALSO PRESENT: Representative Lacher, Bob Heath - Commissioner, Department of Revenue and Representative Fritz.

Chairman Adams stated as Representative Lacher was present at the onset of the meeting HB 148 would be considered by the Committee as the first order of business.

HB 148

HB 148 - Preservation of agricultural land.

REPRESENTATIVE LACHER, Prime Sponsor of HB 148. Representative Lacher stated when she first introduced HB 148, it did not have too many supporters, and it did sit in Community and Regional Affairs Committee for several weeks while working on the bill. When it did leave that committee, she stated, everyone was in support of the bill. Representative Lacher stated she was from a community where 1000 acres of prime farm land was in jeopardy every year. It has been considered for sub-dividing purposes for homes. She stated that the same community has many acres of land that could be utilized for subdividing as it is not suitable for farm land. Representative Lacher stated the bill was accompanied with a low fiscal note as there was no money appropriated to purchase the farms. She stated it would be her choice in the future, if it would be the only way to provide some funding, that possibly capital funding could be used to retain these farm lands. She stated that the legislation was requested by the Borough and that it was one of their top priorities. She stated they recently formed a task force, which was appointed by the Governor, come in with a report that it was necessary to encourage agriculture. Representative Lacher stated that it was part of the Mat-su Borough's plan and stated they were hoping to see it part of the Administrations plan.

Chairman Adams stated that the latest fiscal note accompanying the bill dated 5/30/83, had an error in it amounting to approximately \$12 thousand. The original fiscal note he stated, and the one that would accompany the bill would be in the amount of \$77.3 thousand. He stated that the Department of Natural Resources would be sending the new fiscal note over.

Representative Bettisworth asked Representative Lacher if the 1000 acres was currently under Agricultural production. Representative Lacher stated that it was, and that was part of the legislation, that the land must be currently under production and it must also be in jeopardy prior to being subdivided.

(Representative Pestinger arrived at this time.)

Representative Martin said the state does need residential expanding room in central Alaska. He asked Representative Lacher what the true value of the 1000 acres, and what it would cost the state if they were to purchase the land. Representative Lacher stated that until funds are appropriated there would be no funds to actually purchase the land. She stated what they would be doing would be to set up within the Department, the ability to do it, but that millions of dollars would be required to purchase all the agricultural land that would be in jeopardy. She stated the request for the state to look at the land would always come from the farmer. Representative Martin stated that the state may take the legislation and use it as a vehicle to prohibit or delay the individual from selling as they may wish, and then always be offering the higher price. Representative Lacher stated that was not how the legislation was written, that as a farmer they could say they intend to sell their land, and could sell it to a developer, but that they would prefer that it be continued to be farmed. At that point she stated they would contact the State for an appraisal to be done stating the full value of the land, and the value of the agricultural rights. The state would then pay the farmer the difference between the agricultural value and the land value, purchasing the actual land and paying the agricultural rights on an annual basis. She stated there was no bidding process involved.

Representative Bettisworth asked if they had done an analysis of the theoretical difference between development rights and agricultural rights. Representative Lacher stated they did ask DNR to do it and they were not able to. She said so much of the money that is invested at this time is in loans that are paid back. She stated someone would need to work out the subsidy and lending money at 3% or 4%, when 12% could be obtained on the open market. She stated they started out knowing that the farm land was in jeopardy. She stated that it was her belief that whether the state saves money in this area or not, saving the farm land would be the most important consideration. Representative Lacher stated at this time the Borough, as part of their code, has all class 2, 3, and some 4 soil retained for

agricultural land, and they only sell the agricultural rights. She stated that the farmers would get at least half the monies back in what they pay for the land if they develop according to schedule and they are required to file a farm plan.

Representative Ward asked if the agricultural preservation easement is defaulted on and an % penalty goes in the clause, who is involved with the penalty and where does it go. Representative Lacher stated what he was referring to was non-farm use. She stated that that section only dealt with assessing and if the person was to sell the land for anything other than farm use, it would give the state an opportunity to come back and collect the taxes that had been paid on behalf of the farmer in order to help retain the land as farm land. Representative Ward asked if it was the intention of the bill regarding the appraisal and the rejection period. Representative Lacher stated that there was no requirement that the farmer sell the land and that it is his right to refuse sale. Representative Ward asked if it was the intent of the bill for the state to pay the full appraised value for the farm. Representative Lacher stated that the state would pay the difference between the full appraisal and the farm land, which would be the development rights. She stated that only the agricultural rights would be retained by the farmer. Representative Martin asked if Point MacKenzie was included in the farm land in question. Representative Lacher stated it was not. She stated the Point MacKenzie land would never qualify under the bill, as it would never be in jeopardy. Representative Ward stated he did not know what the bill was trying to accomplish.

Representative Lindauer asked where the bill came from. Representative Lacher stated it was drafted by the Mat-Su Borough Agricultural Commission that is a public body consisting of private people involved in agricultural, ie; state conservation, farmers and loggers. Representative Lindauer referenced a chicken farm. Representative Lacher stated chickens would not be included, that the farm has to be under production. Representative Lindauer asked what the difference between zoning and the state paying for the farmland to be continued as farm land. Representative Lacher stated that zoning doesn't pay the farmer anything.

Representative Grussendorf referenced agricultural operations and definitions stated in the bill regarding "animals useful to humans". He asked in the definition of animals, if it would include chicken, turkey, geese, ducks, etc, and asked of the possibility of fowl being included. Representative Lacher stated that the person could have any kind of ranch they pleased, but a percentage of the land itself must be under farm production. Representative Grussendorf stated after looking at the statutes he would like to make an amendment so that fowl would be included in the bill and asked if that particular subject had arisen in testimony. Representative Lacher stated there was no testimony

to that affect, but that such an amendment would be fine with her, but that they would want to retain the percentage of land that was required to be under production.

Representative Ward asked if trouble could arise from the zoning commission if a person wished to subdivide his land. Representative Lacher said no, that the farmer himself has the responsibility of going to the state informing them his land is in jeopardy of becoming subdivided.

Representative Ward asked why the state should get involved in controlling growth in a populated area, whether it be bad or good. Representative Lacher stated that it is the proper roll of the state, as the state is involved in agriculture and it's development.

Representative Martin asked how many farmers were taking advantage of the federal program in the Mat-Su area, not to grow various crops. Representative Lacher stated she didn't know, but thought possibly none. Representative Bettisworth stated that Alaska farmers were not eligible for the farm bank program. Representative Martin asked why the Mat-Su area should be the only area affected by this particular piece of legislation. Representative Lacher stated they were a very large borough with many thousands of acres and stated that if they really wanted to lock it up as an agricultural producing land that what they would do was not approve sub-division plats.

Representative Pestinger asked Representative Lacher to consider whether HB 148 was in the state's best financial interest, and if the state could afford it. He stated that if they look at some of the southern farming states that you would find a recession or depression. He said that the price of the grain is so low that international harvester had to go through a corporate reorganization almost forcing them into bankruptcy. He stated the grain elevators are full down there, with no market and a bad grain price. Representative Pestinger stated that the fiscal note called for \$77 thousand to administer the program, but to implement the program it would cost billions. Representative Lacher stated she did think it was in the state's best interest. She stated that she did not believe that it would ever cost billions to buy the rights. Representative Pestinger stated that it would seem like the logical conclusion of the bill would be that they are asking the state of Alaska to join the recession. Representative Lacher stated she did not understand his logic. Representative Pestinger answered, by the price of grain and grain marketing. Representative Lacher stated that there are laws in place to protect agriculture in other states, and this is one that she felt the state of Alaska needs.

Representative Ward referenced page 4, last paragraph - removal of sub-surface rights for five years and asked why that was included in the bill. Representative Lacher stated that the

farmer would more than likely be needing the gravel off his own land to build his roads etc., but they did not want them to have their own gravel pits. Representative Ward referenced gold nuggets being found on the sub-surface of the land being cleared and gravel being utilized for the purpose of roads and other gravel requirements of a farm. Representative Lacher stated they had not even discussed gold nuggets. Representative Ward stated that they should have, as the state of Alaska owns too much sub-surface and they shouldn't own it, and now that chance is taken away again from anyone owning their own sub-surface. Representative Lacher stated that you don't normally mine those areas but quite often there are gravel pits on them. Representative Ward asked if there was anything within the charter of the Mat-Su Borough that would stop the Mat-Su Borough from exchanging property and/or money for one of the farms at this point. Representative Lacher stated that the Borough could do that. Representative Ward stated then to that effect, in case this legislation should run into a problem, there would be nothing that would prohibit the Mat-Su from taking the position of the state's and accomplishing the same effect. Representative Lacher stated that could be done, but they do not have the money. She said they would have to sell bonds, but that other communities had utilized that procedure in the lower 48. Representative Ward continued saying that the Mat-Su does own property that is not farm land, but is able to be developed, and asked if they had approached any of their priority farmers and asked them to exchange their land for un-developed land. Representative Lacher stated they had not.

(Tape change, 83-75, Side 1, #000)

Representative Lacher stated they were making a large effort without taxing or bonding in order to purchase. Representative Ward asked why should they use the state's money instead of a land exchange process. Representative Ward said that area should be considered.

REPRESENTATIVE FRITZ, District 5 gave testimony in favor of HB 148. He said this bill would avoid the mistakes already made in Washington, Oregon and California. He gave reference to Orange County in California stating it once used to be groves of fruit land. It was bought up and sub-divided and now is all residential with no agricultural production possible. That state now is realizing and trying to preserve what is left of the agricultural lands. Representative Fritz stated that Oregon and Washington are at this time going through that preservation process. He said that if the space is available for building housing developments, but agriculture requires a different class of land to farm. Representative Ward asked if it was a proper position for the state of Alaska to hold interest on the mineral rights. Representative Fritz stated he would prefer that the mineral rights stay with the individual.

Representative Grussendorf MOVED TO AMEND HB 148 page 7, lines 15, 21, and 23 within the phrase "animals useful to humans" to insert the word "or fowl" in between 'animals and useful' AND ASKED UNANIMOUS CONSENT. There being NO OBJECTION, it was so ordered.

Amendment #1 HB 148 PASSED UNANIMOUSLY.

Representative Ward MOVED TO AMEND HB 148 page 6, line 25, to delete the words "for personal use for 5 years", and ASKED UNANIMOUS CONSENT. Chairman Adams OBJECTED to review the amendment.

Representative Ward stated that under borough regulations and state law, whenever there is a dredging of coal or gravel, the ground has to be replaced back to a suitable condition.

Chairman Adams WITHDREW HIS OBJECTION. There being NO OBJECTION, it was so ordered.

Amendment #2 HB 148 PASSED UNANIMOUSLY.

Representative Lindauer MOVED TO AMEND HB 148 page 7, lines 15, 21, 23, after the word "fowl" add the word "fish", and ASKED UNANIMOUS CONSENT. Chairman Adams OBJECTED, stating he felt it did not belong under the title of the bill.

The QUESTION was called for and a ROLL CALL VOTE was taken.

IN FAVOR: Representative Bettisworth and Representative Lindauer.

OPPOSED: Representatives' Adams, Grussendorf, Martin, Pestinger, Ward Zharoff.

The MOTION FAILED (6 - 2.)

Representative Grussendorf MOVED to Report Out of Committee CSHB 148 (Fin) with the Fiscal Note dated 3/1/83. Representative Martin OBJECTED.

Representative Martin stated this legislation has been pushed by the Mat-Su valley previously and stated that the entire concept involved is of such nature that the local government could handle it. Representative Pestinger stated he did concur with Representative Martin's views on HB 148.

The QUESTION was called for and a ROLL CALL Vote was taken.

IN FAVOR: Representatives' Adams, Bettisworth, Grussendorf, Ward and Zharoff.

OPPOSED: Representatives Lindauer, Martin and Pestinger.

The MOTION FAILED (5-3).

HB 148 Chairman Adams stated HB 148 was HELD in committee as it requires 6 votes to report it out of Committee.

Chairman Adams stated the next item before the Committee was Consideration of Confirmation of Bob Heath as Commissioner of Revenue.

Chairman Adams stated he would like suggestions and questions from Committee members and it was his plan to move out individual recommendations to the Speaker from House Finance.

Representative Pestinger asked Bob Heath to state his professional and educational credentials which would pertain to the job.

BOB HEATH stated he graduated from the University of Houston with a BA in accounting and finance, has a CPA in Alaska and Texas, has worked approximately 25 years, including 5 years with a gas company in Houston, 7 years with a gas company in Anchorage, 2 years with Surges Construciton Company in Fairbanks, 10 years with Alaska International Air in Fairbanks and Anchorage, 1 year of gold mining, and 1 year with Western Airlines in Administration.

Representative Ward referenced a situation regarding the oil pipe line, that if something were to drastically happen to it at this time and 90% of the state's revenue was obviously jeopardized, it would require every man woman and child in the state of Alaska to pay \$9,538 thousand in taxes to maintain the state government, and asked Mr. Heath, in his new capacity, how would he handle that situation so that the people would not have to pay that amount to keep state government going.

Bob Heath stated they would have to require some form of new taxes, re-instate old taxes, income or sales, and carve down the ability of the State to perform many of the services that it is now performing. Representative Ward asked what his philosophy would be for replacing some of the oil dollars if that necessity should arise. Mr. Heath stated his first step would probably be to call a special session of the legislature.

Representative Grussendorf referenced the projected revenues of the State of Alaska, and asked Mr. Heath if he would anticipate, in a number of years, recommending to the Governor that a state income tax be instituted. Mr. Bob Heath stated he saw it as a high probability, be it himself or the legislature, whomever might recommend it.

Representative Lindauer referenced the regional development areas which allow regions of the state to have bonding authority for local, borough or regional bonds, and asked if Mr. Heath favored

This version includes the amendments made last session before the motion to move the bill out failed. See pp. 6 and 7.

Bradley  
6/1/83

Original sponsors: Lacher, Larson,  
and Zharoff

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 148 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the preservation of agricultural  
7 land."

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

9 \* Section 1. AS 03 is amended by adding a new chapter to read:

10 CHAPTER 07. PRESERVATION OF AGRICULTURAL LAND.

11 Sec. 03.07.010. ACQUISITION OF AGRICULTURAL PRESERVATION EASE-  
12 MENTS. (a) The director may acquire by purchase an agricultural  
13 preservation easement in privately owned agricultural land that meets  
14 the requirements of AS 03.07.020.

15 (b) The director, with the concurrence of the commissioner, may  
16 dispose of state land or an interest in state land by exchanging it  
17 for privately owned agricultural land or for an agricultural preserva-  
18 tion easement in privately owned agricultural land

19 (1) if the privately owned agricultural land meets the  
20 requirements of AS 03.07.020; and

21 (2) if the state land or the interest in state land to be  
22 exchanged is classified under AS 38.05.300 for a purpose consistent  
23 with the disposal.

24 (c) The value of an agricultural preservation easement received  
25 by the state in an exchange made under this chapter must be equal to  
26 the fair market value of the state land or the interest in state land  
27 exchanged. If the value of the state land or the interest in state  
28 land is not equal to the value of the agricultural preservation ease-  
29 ment, the director may accept money from or pay money to an owner of

1 land. The money accepted or paid must equal the difference between  
2 the fair market value of the agricultural preservation easement and  
3 the fair market value of state land or the interest in state land  
4 exchanged under this chapter.

5 (d) The director may not purchase an agricultural preservation  
6 easement or exchange state land for privately owned agricultural land  
7 or for an agricultural preservation easement except to preserve the  
8 agricultural use of land.

9 (e) The director shall follow the procedures established in  
10 AS 38.05.345 before disposing of state land or an interest in state  
11 land or agreeing to the acquisition of privately owned agricultural  
12 land or an agricultural preservation easement in privately owned  
13 agricultural land. In addition to compliance with the requirements of  
14 AS 38.05.345, the director shall at the same time make available for  
15 public inspection

16 (1) information regarding the valuations of the interest or  
17 interests in the various properties affected by the disposal or acqui-  
18 sition; and

19 (2) a copy of the offer required in AS 03.07.060.

20 (f) A sale, exchange or donation of an agricultural preservation  
21 easement is voluntary. A parcel of land may be considered for ex-  
22 change under this chapter only on application of the owner of the  
23 land. After sale, exchange, or donation of agricultural preservation  
24 rights, an owner may not be required to carry out specific agricul-  
25 tural activities as long as the owner of the land does not use or  
26 subdivide the land for residential, commercial, or industrial purposes  
27 or activities which are not related to agricultural uses.

28 (g) The director may not purchase land or an interest in land  
29 under AS 03.07 with funds appropriated from the general fund of the

1 state unless the appropriation is specifically stated to be for that  
2 purpose. Nothing in this subsection prevents the use by the director  
3 of funds available to the director from sources other than the general  
4 fund of the state.

5 Sec. 03.07.020. LAND ELIGIBLE FOR AGRICULTURAL PRESERVATION. A  
6 parcel of land is eligible for protection under this chapter if

7 (1) it is privately owned;

8 (2) the soil under no less than 40 percent of the surface  
9 of the parcel is classified as classes II - IV by the United States  
10 Soil Conservation Service; and

11 (3) it is

12 (A) a parcel with no less than 40 acres in cultivation  
13 or farm use; or

14 (B) a parcel with no less than 20 acres in cultivation  
15 or farm use adjacent to an established farm or farms totalling no  
16 less than 40 acres in size that has been in operation as a farm  
17 or farms for no less than 10 years.

18 Sec. 03.07.030. PRIORITY DISTRICTS. If the director does not  
19 have money to purchase agricultural preservation easements in all  
20 eligible land, the director may establish a system of farmland preser-  
21 vation priority districts by regulation and allocate money for agri-  
22 cultural preservation easements within the districts according to the  
23 following priority:

24 (1) farmland that is threatened by early conversion to  
25 subdivisions, commercial or industrial uses;

26 (2) farmland that is of recognized value for tourism be-  
27 cause of historic associations, natural setting, closeness to tourism  
28 routes, or other reasons;

29 (3) farmland that has a history of high productivity

1 because of soils, temperatures and other reasons;

2 (4) farmland that is close to market; and

3 (5) farmland that is within an established agricultural  
4 area.

5 Sec. 03.07.040. CRITERIA FOR SELECTION WITHIN A PRIORITY DIS-  
6 TRICT. If funds are not available within a priority district to  
7 purchase all eligible land of equal priority for which valid offers  
8 have been received by the director, the director shall consider the  
9 following criteria in accepting offers:

10 (1) an offer of land that is more threatened by urban  
11 development is favored over an offer of land that is less threatened;

12 (2) an offer that is below appraisal is favored over an  
13 offer that is at or above appraisal;

14 (3) an offer of land used for farming in the 12 months  
15 before the offer is favored over an offer of land that has been fallow  
16 for the preceding 12 months;

17 (4) an offer of land that will form a contiguous farming  
18 area with other offered or acquired eligible land is favored over an  
19 offer of land that is separated from other farms;

20 (5) an offer of land that will achieve both urban separa-  
21 tion and agricultural production or that will separate commercial and  
22 industrial uses from residential or recreational uses is favored over  
23 an offer of land that will serve only one of the purposes.

24 Sec. 03.07.050. AGRICULTURAL LAND WITHIN A MUNICIPALITY. The  
25 director shall, before making an allocation of agricultural preserva-  
26 tion easement money to a farmland preservation priority district  
27 within a municipality, consider any comprehensive plan or ordinances  
28 of the municipality on municipal farmland preservation priorities  
29 adopted by the municipality and shall, before making an allocation,

1 consider recommendations from the municipality regarding priorities  
2 for farmland preservation within the municipality.

3 Sec. 03.07.060. DETERMINATION OF ELIGIBILITY FOR EXCHANGE OR  
4 SALE OF EASEMENT. (a) An owner of land that meets the requirements  
5 of AS 03.07.020 may offer in writing to sell or exchange the agricul-  
6 tural preservation easement to the state on all or a portion of the  
7 agricultural land.

8 (b) An offer to sell or exchange must

9 (1) include a price at which the owner is willing to sell  
10 an agricultural preservation easement to the state;

11 (2) include a complete legal description of the land of-  
12 fered;

13 (3) include an appraisal in support of the price.

14 (c) Within 30 days after the receipt of an offer, the director  
15 shall notify the owner of the land of the sufficiency of the offer.  
16 If the offer is insufficient, the director shall specify the reason  
17 and permit the owner of the land 30 days to correct the insufficiency.  
18 If a corrected, sufficient offer is made within 30 days of the noti-  
19 fication by the director, the land is determined to qualify as land  
20 that meets the requirements of AS 03.07.020.

21 (d) If any part of the land determined to qualify under (c) of  
22 this section is in a municipality, the director shall notify the  
23 governing body of the municipality within 30 days of the determination  
24 under (c) of this section. Within 30 days after the notification by  
25 the director, the municipal governing body may request the director to  
26 reconsider the determination. If a municipality requests reconsidera-  
27 tion, the director shall hold a public hearing in the municipality  
28 before an offer to sell or exchange is tendered to the owner of the  
29 land. If, after a public hearing in the municipality, the decision of

1 the director remains unchanged, the municipality may appeal to the  
2 commissioner within five days for a review of the decision of the  
3 director.

4 Sec. 03.07.070. OFFER TO BUY OR EXCHANGE. The director may  
5 accept the offer to buy or exchange land at a price and upon terms  
6 offered by the owner of the land or may make a counter offer to buy or  
7 exchange and may specify terms and conditions not contained in the  
8 landowner's application within 90 days after approval of the land-  
9 owner's offer to sell or exchange an agricultural preservation ease-  
10 ment. An owner of land has 30 days from the receipt of the counter  
11 offer to buy or exchange in which to accept or reject the offer.

12 Sec. 03.07.080. VALUATION OF AGRICULTURAL PRESERVATION EASEMENT.

13 (a) The maximum valuation of an agricultural preservation easement  
14 acquired under this chapter is either the asking price or the differ-  
15 ence between the fair market value of the land and the agricultural  
16 value of the land, whichever is less.

17 (b) The valuation of an agricultural preservation easement shall  
18 be determined by the director based on one or more appraisals by  
19 qualified appraisers.

20 Sec. 03.07.090. USES OF LAND ACQUIRED. (a) An agricultural  
21 preservation easement acquired under this chapter permits

22 (1) agricultural use of the land by the owner of the land  
23 or by a lessee of the owner of the land;

24 *ward* (2) the owner of the land to remove minerals or materials  
25 from the subsurface of the land *[for personal use for 5 years]* after acquisition of the agricultural  
26 preservation easement if the land is immediately returned to a condi-  
27 tion at least as favorable for agricultural use as existed before the  
28 removal of minerals or materials began;

29 (3) operation of machinery used in agricultural production

1 or the primary processing of agricultural products;

2 (4) sale of agricultural products produced on the land;

3 (5) construction of buildings for farming operations but  
4 land used for farm residences may not exceed one acre per 40 acres of  
5 land under an agricultural preservation easement.

6 (b) The acquisition of an agricultural preservation easement by  
7 the state does not grant the public a right of access or right of use  
8 of the property subject to the easement nor does it affect any exist-  
9 ing easements, rights of way, or rights of access. Residential sub-  
10 division and the removal from the land of minerals or materials for  
11 commercial purposes are not permitted.

12 Sec. 03.07.100. DEFINITIONS. In this chapter

13 (1) "agricultural operations" means activities related to  
14 the production of domesticated plants and animals or fowl useful to  
15 humans;

16 (2) "agricultural preservation easement" means an interest  
17 in land under which all development rights are owned by the state and  
18 an owner of the property subject to the agricultural preservation  
19 easement retains an interest in and the right to use and possess land  
20 for purposes and activities related to the production of domesticated  
21 plants and animals or fowl useful to humans;

22 (3) "agricultural use" means the use of land for the pro-  
23 duction of domesticated plants and animals or fowl useful to humans;

24 (4) "agricultural value" means the amount on a valuation  
25 date which an owner of land, willing but not obligated to sell, would  
26 accept for property subject to an agricultural preservation easement,  
27 and which a purchaser, willing but not obligated to buy, would pay for  
28 property subject to an agricultural preservation easement;

29 (5) "commissioner" means the commissioner of natural

1 resources;

2 (6) "development rights" means an interest in and the right  
3 to use and subdivide land for any and all residential, commercial and  
4 industrial purposes and activities which are not incident to agricul-  
5 tural uses;

6 (7) "director" means the director of agriculture in the  
7 Department of Natural Resources;

8 (8) "fair market value" means the price on the valuation  
9 date for the highest and best use of the property which a vendor,  
10 willing but not obligated to sell, would accept for the property, and  
11 which a purchaser, willing but not obligated to buy, would pay for the  
12 property if the property was not subject to any restriction imposed  
13 under this chapter;

14 (9) "municipality" means a political subdivision incorpo-  
15 rated under the laws of the state that is a home rule or general law  
16 city, a home rule or general law borough, or a unified municipality;

17 (10) "qualified appraiser" means a senior member of the  
18 American Institute of Real Estate Appraisers, the Society of Real  
19 Estate Appraisers, a person meeting the requirements for certification  
20 as an appraiser II by the division of personnel, Department of Admin-  
21 istration, or a person qualified according to regulations adopted by  
22 the commissioner under the Administrative Procedure Act (AS 44.62);

23 (11) "residential subdivision" means the division of a tract  
24 or parcel of land into two or more lots, sites or other divisions for  
25 the purpose, whether immediate or future, of sale or building develop-  
26 ment, and includes a resubdivision.

27 \* Sec. 2. AS 29.53.035(a) is amended to read:

28 (a) Farm use land that is [LANDS] included in a farm unit,  
29 [AND] not dedicated or being used for nonfarm purposes, and not

1 subject to an agricultural preservation easement shall be assessed on  
2 the basis of full and true value for farm use, and shall not be asses-  
3 sed as if subdivided or used for some other nonfarm purpose. The  
4 assessor shall maintain records valuing the farm use land for both  
5 full and true value and farm use value. Should the farm use land be  
6 sold, leased, or otherwise disposed of for uses incompatible with farm  
7 use or be converted to a use incompatible with farm use by the owner,  
8 the owner is liable to pay an amount equal to the additional tax at  
9 the current mill levy together with eight percent interest for the  
10 preceding seven years, as though the land had not been assessed for  
11 farm use purposes. Payment by the owner shall be made to the state to  
12 the extent of its reimbursement for revenue loss under (e) of this  
13 section for the preceding seven years. The balance of the payment  
14 shall be made to the city or borough. The owner of farm land subject  
15 to this subsection who grants an agricultural preservation easement to  
16 the state under AS 03.07 may not be required to reimburse the state  
17 under this subsection for revenue loss.

18 \* Sec. 3. AS 29.53 is amended by adding a new section to read:

19       Sec. 29.53.036. AGRICULTURAL PRESERVATION EASEMENT. Farm land  
20 subject to an agricultural preservation easement shall be assessed on  
21 the basis of full and true value for farm use. The owner of farm land  
22 subject to an agricultural preservation easement is not subject to  
23 AS 29.53.035.

24 \* Sec. 4. AS 38.05.345(a) is amended by adding a new paragraph to read:

25       (5) preservation of agricultural land under AS 03.07;  
26 including

27               (A) the disposal of state land or an interest in state  
28 land; and

29               (B) the acquisition of privately owned agricultural

1 land or an agricultural preservation easement in privately owned  
2 agricultural land.

3 \* Sec. 5. The commissioner of natural resources shall report to the  
4 <sup>FIRST</sup> Second Session of the <sup>FOURTEENTH</sup> Thirteenth Legislature <sup>WITHIN THE 1ST 10 DAYS</sup> no later than January 23, 1984  
5 on the following:

6 (1) an estimate by the commissioner of natural resources of the  
7 cost to the state for the next five fiscal years of the program enacted in  
8 this Act if the provisions of this Act were fully implemented;

9 (2) an estimate by the commissioner of natural resources of the  
10 interest in the program enacted in this Act;

11 (3) an identification of the priority districts to be estab-  
12 lished under AS 03.07.030 as enacted in sec. 1 of this Act, if any;

13 (4) the implications of the program enacted in this Act for  
14 comprehensive plans or other ordinances of municipalities of the state;

15 (5) the implications of the program enacted in this Act for tax  
16 revenues of municipalities of the state as a result of the acquisition of  
17 agricultural land and agricultural land preservation easements;

18 (6) other information considered by the commissioner of natural  
19 resources to be of interest to the legislature.  
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HB 148

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: CSHB 148 (C&RA) Date on Bill: 3/18/83  
 Title: Preservation of agricultural lands  
 Sponsor: Lacher, Larson and Zharoff  
 Requestor: \_\_\_\_\_

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating		77.3	82.5	88.0
Total				

b. Revenues:

Revenue				
---------	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

Fiscal impact of this proposal is entirely dependent on level of implementation. We estimate the program would require a minimum of one professional and one clerical to administer the activities required to prepare documents, arrange appraisals, handle public meetings and follow up on verification of compliance with land use requirements. These position can be located at the Wasilla office of the Division of Agriculture.

No funding is requested in this note for actual purchase of easements.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Ed Kern Phone: 376-3276  
 Division: Agriculture Date: 3-1-83  
 Approved by Commissioner: *S. Mary Halloran* Date: 3/30/83  
 Department: Natural Resources

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 148 Date on Bill: 1/28/83  
 Title: An Act relating to the preservation of agricultural land; and providing for an . . .  
 Sponsor: Lacher and Larson  
 Requestor: \_\_\_\_\_

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

			FY 83	FY 84	FY 85	FY 86		
Capital								
Operating								
Total			0	0	0	0		

b. Revenues:

Revenue								
---------	--	--	--	--	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Willie J. Sykes, Director Phone: 465-2018  
 Division: Office of Special Industrial Projects Date: \_\_\_\_\_

Approved by Commissioner: Richard A. Lyon  Date: \_\_\_\_\_  
 Department: Commerce and Economic Development

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 148 Date on Bill: 1-28-83  
Title: Preservation of agricultural lands  
Sponsor: Lecher and Larson  
Requestor: \_\_\_\_\_

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating		77.3	82.5	88.0
Total				

b. Revenues:

Revenue				
---------	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

Implementation of this type of program would require one professional and one clerical to administer the activities required to prepare documents, arrange appraisals, handle public meetings and follow up on verification of compliance with land use requirements. These positions can be located at the Wasilla office of the Division of Agriculture.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Ed Kern Phone: 376-3276  
Division: Agriculture Date: 3-1-83  
Approved by Commissioner: *Thomas D. Amick* Date: 3-1-83  
Department: Natural Resources

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

MAR 2 - 1983

BILL ANALYSIS

Department <b>Natural Resources</b>	Sponsor (Principal) <b>Lacher and Larson</b>	Bill Number <b>HB 148</b>
Department Position <b>DNR supports the concept embodied in this legislation.</b>		
Division Director <b>Bill Heim</b>	Date <b>3-1-83</b>	Commissioner's Signature <i>M. J. Amund</i> Deputy Date <b>3-1-83</b>

GOVERNOR'S OFFICE USE

Comments:

Position Noted      By \_\_\_\_\_      Date \_\_\_\_\_

SUMMARY

1. a) Related Bills (Similar or Conflicting) <b>SJR 3</b>	1. b) Other Agencies Affected by Bill
2. a) Organizational Support for Bill <b>not researched by DNR</b>	2. b) Organizational Opposition to Bill <b>not researched by DNR</b>

3. Program Effects of Bill

Implementation of this program would require the Division of Agriculture to prepare documents, arrange appraisals, handle public meetings and follow up on verification of compliance with land use requirements. Benefit to the State would be preservation of present privately owned agricultural lands from further non-agricultural development. Could be implemented on a very select basis.

4. Fiscal Impact:       None       Fiscal Note Attached

5. Amendments Proposed:

6. Comments:

# Alaska State Legislature

Barbara Lacher, Chairman  
Mae Tischer, Vice-Chairman  
Randy Phillips  
Milo Fritz  
Don Clocksin  
Jack McBride  
Mike Szymanski



Room 104  
State Capitol  
Juneau, Alaska 99811

Pouch V  
Juneau, Alaska 99811

## House of Representatives Committee on Community & Regional Affairs

### MEMORANDUM

TO: Representative Al Adams  
House Finance Committee Chairperson

FROM: Representative Barbara Lacher *[Signature]*  
House Community and Regional Affairs Committee Chairperson

DATE: May 29, 1983

RE: CS HB 148, "An Act relating to the preservation of agricultural land."

The intent of this legislation is to provide a mechanism to preserve and protect existing, productive agricultural lands in Alaska. Several other states in the Union have enacted legislation similar to this with effective and economically beneficial results. This particular legislation is patterned from one of the most successful: King County, Washington State.

It has been the policy of the Legislature and the Administration to encourage the development of agriculture in Alaska, but little attention has been given to the protection of existing agricultural lands from the pressures of subdivision and development. Our existing farm land is a nonrenewable resource; once the land is converted to subdivisions, this important resource is lost permanently to the people of Alaska.

In the Matanuska-Susitna Valley, for example, glacial geologic history has resulted in two main types of lands that run parallel to each other the entire length of the valley. Extremely rich agricultural soils, over a foot thick, lie next to glacial gravels. Existing agricultural lands on this rich soil can not be developed on glacial gravels. Subdivisions and industrial development, on the other hand, can be built on either sedimentological deposit. Furthermore, development on a gravel deposit is, in the long run, more economically prudent due to the drainage that is more effective for sewage in a predominantly gravel deposit. The long range merits of this legislation outweigh the short term profits of development on lands with existing access roads and utilities. Sufficient lands are available in the Matanuska-Susitna Valley and in other regions of the state to permit subdivision and development along with agricultural land preservation.

The fact that the state is investing millions of dollars every year for the development of new agricultural lands, makes it difficult for some legislators and administrators to imagine the need for protection of existing agricultural lands. The land use patterns in this state, unfortunately, have resulted in urban settlement on some of the best agricultural lands in the state. Once shopping malls and subdivisions are in place, these rich agricultural lands will never be recovered. It is only through intelligent planning now that we can invest in the future economic stability of this vital industry.

The intent of CS HB 148 is to permit the Director of the Department of Natural Resources to very selectively purchase the agricultural rights of only those lands which are of high quality farm value and are being threatened by urban sprawl such as we are presently experiencing in some parts of the state. The protection of these productive farm lands will result in developing the necessary security to encourage the growth of a healthy private sector infrastructure for the agricultural industry.

I urge your support of this important legislation.

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

*File  
W/Bill*

MEMORANDUM

April 12, 1983

SUBJECT: Preservation of agricultural land  
(CSHB 148 (C&RA))

TO: Representative Barbara Lacher

FROM: Richard A. Bradley *B*  
Legislative Counsel

You have requested a sectional analysis of the above described bill. You have also asked that I comment on a particular set of circumstances.

As a preliminary matter, I must advise you that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill; the bill itself is the best statement of its contents. For a full explanation of any point, please consult the bill itself.

I. Sectional Analysis.

Sec. 1 of the bill establishes a new chapter at AS 03.07 relating to "preservation of agricultural land.

Sec. 10(a) provides that the director [of agriculture] may acquire an "agricultural preservation easement" in certain privately owned agricultural land.

Sec. 10(b) requires the privately owned agricultural land to meet the requirements of AS 03.07.020. It also requires the state land to be exchanged to be classified for a purpose consistent with the exchange.

Sec. 10(c) requires the land offered to have the same monetary value as the land to be exchanged; an exchange with the transfer of money to equal the difference in value is permitted.

April 12, 1983

Sec. 10(d) provides that the director may not acquire an easement or exchange state land "except to preserve the agricultural use of the land."

Sec. 10(e) establishes public notice requirements for the acquisition of an easement or exchange. It also provides that the basic documents involved in the acquisition of the easement or the exchange remain public documents.

Sec. 10(f) provides that the operation of the chapter is "voluntary." A parcel may be considered for exchange only on the application of the owner of the land. And after the exchange or acquisition, the owner may not be required to carry out affirmative "agricultural activities" so long as the land is not subdivided or used for "residential, commercial, or industrial purposes or activities which are not related to agricultural uses."

Sec. 10(g) provides that the director may not use funds appropriated from the general fund of the state for the purpose of implementing AS 03.07 unless the appropriation is "specifically stated to be for that purpose." Funds from other sources may be used.

Sec. 20 describes the land eligible for agricultural preservation. It must be privately owned. The soil under no less than 40 percent of the surface of the parcel must meet stated standards established by the U. S. Soil Conservation Service. It is also required to be either (1) a parcel not less than 40 acres in cultivation or farm use; or (2) a parcel not less than 20 acres in cultivation or farm use which is adjacent to an established farm or farms totalling no less than 40 acres that has been in operation as a farm for no less than 10 years.

Sec. 30 establishes priority districts for the situation where the director does not have adequate funds to purchase easements in all offered land. Five levels of priority are established.

Sec. 40 establishes criteria for the selection of land within a single priority district. Five levels of criteria are offered.

Sec. 50 relates to agricultural land within a municipality. It requires the director to consider "any comprehensive plan or ordinances of the municipality on municipal farmland

preservation priorities adopted by the municipality" before making an allocation of "easement money" to a farmland preservation priority district within the municipality. Before making the allocation, the director shall also consider recommendations from the municipality regarding priorities.

Sec. 60 relates to the acquisition of the easement or the exchange. Sec. 60(a) requires that an offer from a private land owner for participation under this chapter be in writing.

Sec. 60(b) requires the owner to specify the price at which the owner will agree to the sale. Also required is a complete description of land and an appraisal in support of the price.

Sec. 60(c) requires the director to respond within 30 days on the "sufficiency of the offer." This apparently relates to the extent to which an offerer has fully complied with the specific requirements of sec. 60(b). If insufficient, the director must specify the area of the insufficiency and give 30 days for compliance. If the compliance is made within the 30 days after notification by the director, the land is determined to qualify as land that meets the requirements of AS 03.07.020." Note an unstated requirement: that the land also meets acreage requirements.

Sec. 60(d) requires notification to a municipality of the determination made under (c). The municipality may request reconsideration. If reconsideration is requested, the director shall hold a public hearing in the municipality before an offer to sell or exchange is given to the owner. The municipality may appeal an adverse decision to the commissioner.

Sec. 70 provides that the director may accept the offer to buy or exchange land or make a counter-offer. The section appears to contain some awkward language; it provides that "The director may accept the offer . . . or may make a counter offer . . . within 90 days after approval of the landowner's offer to sell or exchange an agricultural preservation easement." I suspect that the emphasized phrase should rather read: "a determination of eligibility for exchange or sale of an easement under AS 03.07.060." Another unstated requirement is likely to be that the priority districts have been established; an eager owner may

April 12, 1983

move too fast for the time threshold established in the bill.

The section gives an owner of land 30 days for a response to the offer or counter offer of the director.

Sec. 80(a) provides that the maximum valuation of an easement acquired under this chapter is either (1) the asking price or (2) the difference between the fair market value of the land and the agricultural value of the land, -- whichever is less.

Sec. 80(b) requires the director to use appraisals by qualified appraisers, a defined term.

Sec. 90(a) outlines uses of the land under an agricultural preservation easement. Five broad uses are permitted.

Sec. 90(b) provides that the establishment of an agricultural preservation easement does not grant a member of the public access to the property or affect existing easements, rights-of-way, or rights of access that did not exist before. And "residential subdivision and the removal from the land of minerals or materials [which usually means gravel] for commercial purposes are not permitted."

Sec. 100 establishes definitions. While they are somewhat technical, they do not require review in this analysis. Among the terms defined are "agricultural operations", "agricultural preservation easement", "agricultural use", "agricultural value", "development rights", "fair market value", "qualified appraiser", and "residential subdivision". As suggested at the beginning of this memorandum, "director" means the director of agriculture in the Department of Natural Resources.

Sec. 2 amends AS 29.53.035(a); the amendment specifically provides that

The owner of farm land subject to this subsection who grants an agricultural preservation easement under AS 03.07 may not be required to reimburse the state under this subsection for revenue loss.

The section amended generally permits land not subject to an agricultural preservation easement to receive tax protection so long as it is used for farm purposes. The section

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requires a certain reimbursement to the state for its payments of municipal taxes if it is subdivided.

Sec. 3 amends AS 29.53 to provide that land receiving protection under AS 03.07 shall be assessed on the basis of value as farm land.

Sec. 4 conforms AS 38.05.345 to the amendments to the amendments made in this section; sec. 345 relates to notice to the public on the disposition of state land.

Sec. 5 requires a report by the commissioner of natural resources on six aspects of the implementation of AS 03.07.

STATE OF ALASKA  
THE LEGISLATURE

POUCHY STATE CAPITOL  
JUNEAU ALASKA 99811  
907-465-3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 8, 1983

SUBJECT: Agricultural land amendments  
(CSHB 148 (C&RA))

TO: Representative Don Clocksin

FROM: Richard A. Bradley  
Legislative Counsel 

You have requested an analysis of the amendments incorporated into the committee substitute for HB 148. If this memorandum is late, as it seems it may be at this time, I regret that.

An analysis of the changes to HB 148 follows:

As you requested, the "Legislative Findings and Declaration of Purpose" have been eliminated.

The first amendment to bill language is in Sec. 03.07.010(b). The last "if" phrase on lines 23 - 24 of page 2 of the bill is turned into subsec. (b)(1) and the concept you suggested becomes (b)(2). Your request was that concepts of (1) prior classification and (2) disposal consistent with the classification be utilized. I believe that the short phrase added as (b)(2) contains these ideas.

But note that the "director" described in the bill is not the director of the division of lands. See sec. 100(7). Rather, the director is the director of agriculture. As a result, the director carrying out these programs is not going to have supervision of the division of lands programs and the access to the state land. I believe it was for this reason that the early part of sec. 10(b) requires the permission of the commissioner for these disposals. Some coordination between divisions is required.

Your second concept dealt with notice. Rather than developing new concepts of notice, I plugged your request into existing law at AS 38.05.345, with some embellishments. In that connection, see also bill sec. 2.

Representative Don Cocks  
Page 2  
March 8, 1983

Since you wished sec. 10(e) to be eliminated for other reasons, I have put the notice requirements in at sec. 10(e).

Your third request, an amendment to AS 03.07.010(d), is accomplished.

Sec. 03.07.010 is deleted, as noted earlier, and replaced with new material you requested.

Your fifth request was concerned with specific appropriations for this program. See the new sec. 10(g).

The report that you wish from the commissioner of natural resources is requested under bill section 3.

For the moment, I will pass over the request concerned with the municipal tax implications of this bill, particularly as a conforming amendment to AS 29.53.035 is concerned.

Sec. 60(b) is amended to accomplish your request.

Sec. 90(a)(2) is deleted.

The effective date clause is eliminated.

Returning to the tax implications.

I was in the process of drafting an amendment to AS 29.53.035 for addition to the bill when the computer went down. Because I had substantial problems fitting your request into sec. 35 and because I anticipated problems meeting your deadline request, I decided to omit that request, advise you why and send the bill on its way.

The portion of sec. 35 that I would amend is sec. 35(a); that subsection provides:

(a) Farm use lands included in a farm unit and not dedicated or being used for nonfarm purposes shall be assessed on the basis of full and true value for farm use, and shall not be assessed as if subdivided or used for some other nonfarm purpose. The assessor shall maintain records valuing the farm use land for both full and true value and farm use value. Should the farm use land be sold, leased, or otherwise disposed of for uses incompatible with farm use or be converted to a use incompatible with farm use by the owner, the owner

is liable to pay an amount equal to the additional tax at the current mill levy together with eight per cent interest for the preceding seven years, as though the land had not been assessed for farm use purposes. Payment by the owner shall be made to the state to the extent of its reimbursement for revenue loss under (e) of this section for the preceding seven years. The balance of the payment shall be made to the city or borough.

As you can see, the third sentence of sec. 35(a) contemplates that it is a transaction turning the land to a use "incompatible with farm use by the owner" that triggers the repayment. As I suggested to you yesterday, if that use is consistent with agricultural use, then the argument for repayment is vitiated -- or so it seems to me.

But if you believe that such a provision is required, then I suggest the following:.

(a) Farm use land that is [LANDS] included in a farm unit, [AND] not dedicated or being used for nonfarm purposes, and not subject to an agricultural preservation easement shall be assessed on the basis of full and true value for farm use, and shall not be assessed as if subdivided or used for some other nonfarm purpose. The assessor shall maintain records valuing the farm use land for both full and true value and farm use value. Should the farm use land be sold, leased, or otherwise disposed of for uses incompatible with farm use or be converted to a use incompatible with farm use by the owner, the owner is liable to pay an amount equal to the additional tax at the current mill levy together with eight per cent interest for the preceding seven years, as though the land had not been assessed for farm use purposes. Payment by the owner shall be made to the state to the extent of its reimbursement for revenue loss under (e) of this section for the preceding seven years. The balance of the payment shall be made to the city or borough.

I would then also add a new subsection to read:

(f) Farm land subject to an agricultural preservation easement shall be assessed on the basis of full and true value for farm use. The owner of the farm land subject to an agricultural preservation easement is not entitled to benefits under (a) of this section.

Representative Don ( ocksin  
Page 4  
March 8, 1983

If I may be of further assistance, please advise.

RAB:ljb

1/016



# Matanuska-Susitna Borough

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

DEPARTMENT OF ADMINISTRATION

January 10, 1983

Billy G. Berrier, Director  
Division of Legal Services  
Legislative Affairs Agency  
Pouch Y  
Juneau, Alaska 99811

Dear Billie:

Subject: FARM LAND PRESERVATION BILL

I understand Representative Barbara Lacher will be making arrangements with you on drafting a farm land preservation bill and that she may have already been in contact with you on this.

Attached are

1. Section by section analysis of a draft bill.
2. Draft bill reviewed and approved by Borough Agricultural Advisory Committee.

The Matanuska-Susitna Borough Assembly has seen the bill and had the bill before it when it included farm land preservation as a Borough FY 83-84 legislative priority. They did not want to make recommendations as to specific wording of a bill.

You may have received an earlier draft. You should be aware of the following changes recommended by the Borough Agricultural Advisory Committee in its testimony before the Assembly in support of a State farm land preservation program on January 4, 1983.

Sec. 38.60.030 LAND ELIGIBLE FOR AGRICULTURAL PRESERVATION. Land eligible for agricultural preservation under this chapter must

...

(3) contain over at least 40 percent of the surface area soils which are classified as classes II, III and IV [CLASSES II, AND III] by the United States Soil Conservation Service; and

(4) be a parcel of at least 40 [20] acres in cultivation or farm use or be a parcel of at least 20 acres in cultivation or

farm use [IN SIZE] adjacent to established  
farms [FARMS OR FARMS] of at least 40 acres  
in size which have been in operation as farms  
for at least ten (10 years).

I am also attaching a copy of the King County (Washington) farm preservation ordinance from which we borrowed and a list of farms in this Borough that are presently under the State property tax deferral program. Some of the farms listed are representative of the type of farms in which agricultural easements would be sought.

Representative Lacher is out of the state at this time so I wanted you to get this material now in case you are in the middle of work on a farm land preservation bill at this time.

I recognize that you draft bills only at the request of a legislator and word them to meet the specific objectives of the legislator. So, if I have jumped the gun, would you wait for Representative Lacher's call.

Representative Lacher was a member of the Borough Agricultural Action Council until she resigned from the Assembly to take her seat in the Legislature so she is familiar with the wording of the attached bill.

Sincerely,



Gary Thurlow  
Borough Manager

er

cc: Representative Barbara Lacher  
Tracy Moffitt, Chairman  
Agricultural Committee

SECTION BY SECTION ANALYSIS OF AN ACT  
RELATING TO THE PRESERVATION OF AGRICULTURAL LAND

Section 38.60.010 Findings and Declaration of Purpose. This section is probably not necessary. Ordinarily findings and declaration of purpose simply add to the bulk of the statute books. This section is adapted from Section 2, of King County Ordinance No. 4341 which is the King County ordinance relating to the acquisition of voluntarily offered interest in farm and open space in King County, which ordinance was funded through a bond issue approved by a vote of King County voters and which obtained in excess of the 60% vote required by State of Washington law. The county commissioners of King County used the findings and declaration of purpose presumably for one or two purposes including:

(1) to help explain the proposition to the voters of King County, and

(2) upon advice of King County bond counsel to the end that buyers of agricultural preservation bonds would have a better idea of the uses of the general obligation bond monies.

In this case, the findings and declaration of purpose may better explain the purposes of the bill to Alaska legislators.

Section 33.60.020. Acquisition of Agricultural Preservation Easements. This section sets up the mechanism for the director of agriculture to purchase or otherwise acquire a agricultural preservation easement in property.

State land is made available as an alternate means of exchange.

In the Matanuska-Susitna Borough, available state land would probably be limited to tracts in the state agricultural project, such as the Fish Creek Agricultural Project, or lots and parcels generated through the establishment of state subdivisions within the borough. Parcels in the agricultural projects would give the owner an opportunity to obtain additional agricultural land; lots in parcels within a state subdivision would almost always be non-agricultural in character.

There is an almost total absence of state owned lands in the Matanuska-Susitna Borough which are agricultural in character and which now have access.

Subsection (e) giving the director the right to acquire future interests in farm land was added in the event a owner is in a particular tax situation where he can get an attractive tax deduction for dedicating a future interest, such as a remainder interest upon the expiration of the grantor's life, the life of the grantor's spouse, or the life of one or more other individuals. Very often, an owner of agricultural land is willing to accept less than full value for the agricultural preservation easement and donate the balance for a federal income tax deduction. Subsection (e) is another tool to be used in negotiations with a owner who is seeking further tax deductions.

Subsection (f) includes provisions requested by the Borough Agricultural Advisory Committee including:

(1) the decision to convey an agricultural preservation easement is strictly voluntary and relates only to lands nominated by a particular owner or owners;

(2) the owner is free to farm as he sees fit or to refrain from farming, so long as the owner does not develop his property. The proviso at the end beginning with "so long as" is taken from the King County ordinance.

Section 38.60.030. Land Eligible for Agricultural Preservation. The purpose this section is to limit the application of the act to those lands which have agricultural value. Under a borough land disposal ordinance of 1975, the borough will only dispose of agricultural rights in borough lands in parcels of 40 acres or larger which have 40% or more Class II and III soils. Item (3) of this section refers to classes I through III. There are no Class I soils in the State of Alaska because of climatic constraints; however, with a re-evaluation of these constraints it is possible that some Class II soils might be reclassified as Class I soils.

Section 38.60.040. Priorities for Acquisition. This section gives the director of agriculture criteria to follow when insufficient monies are appropriated for all the demands that would be made upon an agricultural preservation easement fund. It is a virtual certainty that the amount of appropriations for farm land preservation will be substantially lower than the funds which could be used; accordingly, there has to be a means of rationing available monies other than first come first served.

Subsection (b) is adapted from the King County ordinance.

Subsection (c) has been added to require the director of agriculture to refer to any municipal comprehensive plan. Lands which the municipality consider to be high priority agricultural lands may be described in the comprehensive plan.

Section 38.60.050. Application to Exchange or Sell Easement in Agricultural Land. This sets forth what appears to be a rather stiff procedure. If the person administering the program on behalf of the state is dedicated to preserving farm land, he will be able to review a number of different tax saving approaches with the property owner so that the property owner would have a range of options to consider. Successful farm land preservation programs require the time and effort of someone who is dedicated and knowledgeable in land uses and conveyances.

Sections 38.60.060--090--These are technical provisions which are self-explanatory.



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department <b>Natural Resources</b>	Sponsor (Principal) <b>Lacher and Larson</b>	Bill Number <b>HB 148</b>
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Department Position:  
While the Department favors the concept of preserving agricultural land for agricultural use, we do not endorse this program.

Commission Director <b>Bill Heim</b>	Date <b>2/22/83</b>	Commissioner's Signature <i>William D. Arnold, Deputy</i>	Date <b>2/22/83</b>
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GOVERNOR'S OFFICE USE

Comments:

<input type="checkbox"/> Position Noted	By	Date
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SUMMARY

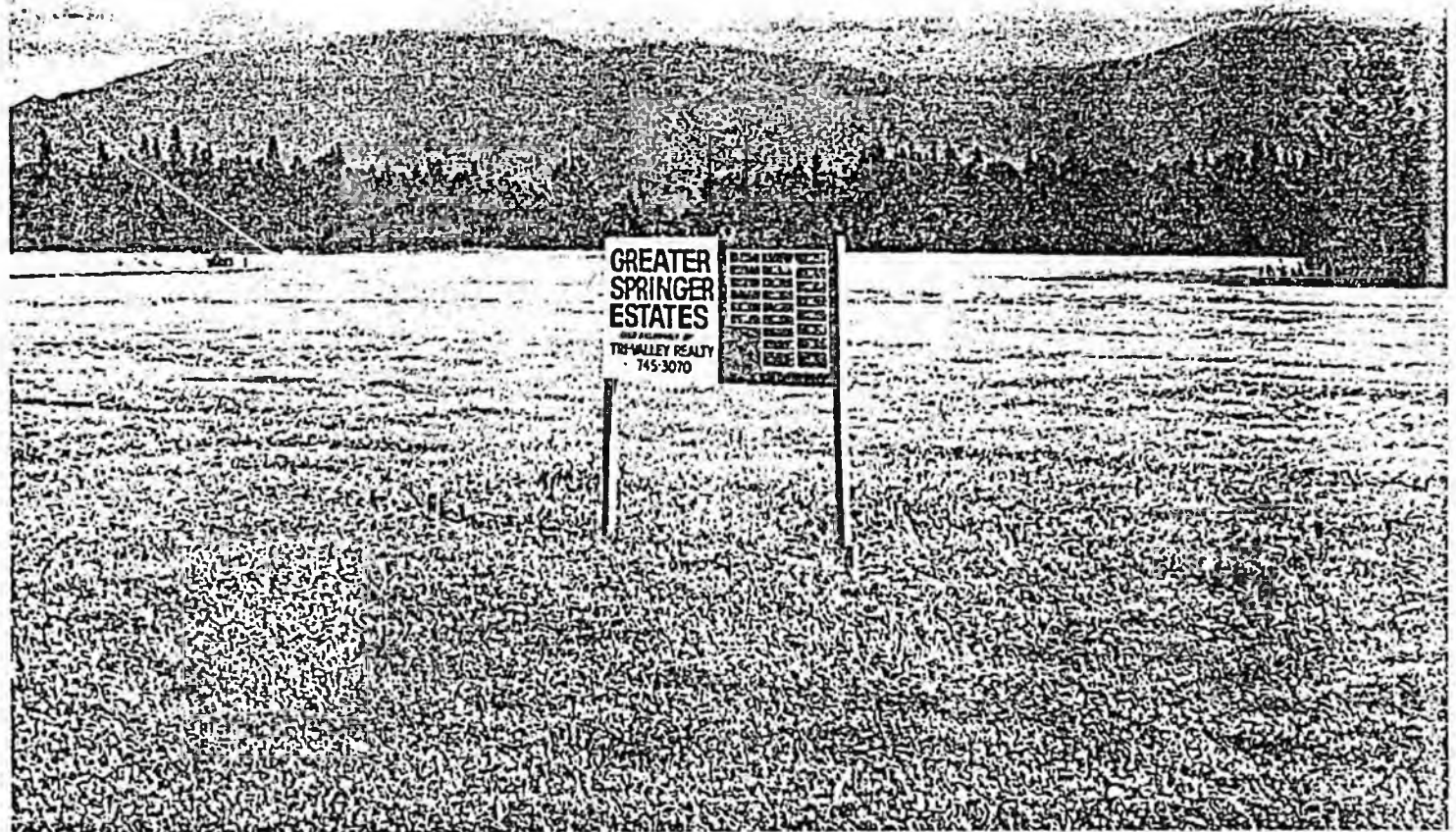
2) Related Bills (Similar or Conflicting) <b>None</b>	1. b) Other Agencies Affected by Bill <b>Div. of Land and Water Management</b>
a) Organizational Support for Bill <b>Farm Industry Mat-Su Borough</b>	2. b) Organizational Opposition to Bill <b>Unknown</b>

Program Effects of Bill  
Preserve present privately owned agricultural lands from further subdivision development. Major impact would be in the Matanuska Valley and the Fairbanks area. An estimated 20,000 acres of crop land could be protected from loss to other uses under this bill.

Fiscal Impact:  None  Fiscal Note Attached

Amendments Proposed COMMENTS:

A very expensive method of promoting agriculture. An estimated \$175,000,000 would be required to purchase the rights on 70,000 acres of privately owned farm lands of which 20,000 acres is in production. This same amount of dollars could be used to develop an estimated 350,000 acres of new land sold by the State in the next five to six years based on a \$500/per acre development costs. This bill will probably not expand agriculture production significantly. The Bill may have more value as a method of preserving open space than expanding agriculture.



## Will Alaskan Farmers Sell the Development Rights to their Land?

By William G. Workman\*, Edward L. Arobio\*\*,  
and Anthony F. Gasbarro\*\*\*

### INTRODUCTION

In Alaska, as in many other parts of the country, market forces are producing a change in land-use patterns that is resulting in the conversion of highly productive agricultural lands to nonagricultural uses. Property on the urban fringes of Anchorage and Fairbanks that once produced vegetables and grains or supported dairy farms appears most vulnerable to this conversion to residential or industrial sites. Within the last three years

alone, for example, 27 farms have been subdivided in the Palmer-Butte area of the Matanuska Valley. Many of the subdivisions along the Parks Highway between Willow and Talkeetna are located on lands with high agricultural potential.

This displacement of farms by subdivisions, roads, shopping centers, and other nonagricultural enterprises is viewed by some Alaskans as not being in the state's best interest. Those concerned about the loss of agricultural lands argue that the areas most likely to be converted represent some of the best agricultural lands in the state and are vital to the maintenance and further development of an agricultural economy in Alaska. In addition, it is suggested that the preservation of these areas will help to maintain a much-desired way of life and to provide needed open space and other environmental amenities at the urban fringe. These concerns have resulted in actions by the

\* Associate Professor of Economics, Agricultural Experiment Station, Fairbanks.

\*\* Research Associate in Economics, Agricultural Experiment Station, Fairbanks.

\*\*\* Forester, Agricultural Experiment Station, Fairbanks.



UNIVERSITY OF ALASKA, FAIRBANKS  
Fairbanks, Alaska 99701  
School of Agriculture and Land Resources Management  
Agricultural Experiment Station

August 14, 1978

Dear

The Agricultural Experiment Station at the University of Alaska is conducting a survey of Alaska farmers. This survey is part of a study concerning the future use of agricultural lands near population centers of Alaska. We need your assistance to make this study a success.

Agricultural lands are rapidly being converted to other uses such as residential lots, airports, and shopping centers. Land is becoming more expensive and some farmland owners are convinced that it makes more sense to develop agricultural land than to farm it. Other people are concerned that we are converting too much of the farmland near cities to nonagricultural uses and that it would be wise to preserve these lands so that food can be grown close to large population centers and that there will continue to be open space near urban areas.

Many ways are being tried to preserve agricultural lands in other areas of the United States. Some of these include tax incentives, zoning and the trading of land. Another way is for a state or municipality to purchase from the farmland owner his right to develop his land for anything but farming. For a price, the farmer would give up his option to use his land for nonagricultural purposes; the land would still be his, but he could do nothing that would impair its agricultural potential.

The principal objective of our study is to determine (1) farmers' interest in selling development rights and (2) what it might cost the State of Alaska to purchase these rights. A short questionnaire is enclosed and we would be grateful if you will fill it out and return it to us in the enclosed postage paid envelope before September 1, 1978. All information will be kept confidential. If you desire we will be happy to send you a final report at the completion of the study.

Thank you for your cooperation,

*William G. Workman*  
Dr. William G. Workman  
Resource Economist

WGW:ks  
Enclosures

A division of the University of Alaska statewide system of higher education

Figure 1

state and municipal governments in Alaska to intervene in the land market to slow down or stop the loss of agricultural land. Methods employed include tax incentives (use-value assessment of farmland) and the sale of only the agricultural rights on state and municipal lands.

Recently, some state government officials have developed an interest in a new method of agricultural land preservation that is being adopted in some of the eastern states. This method involves the public purchase of nonagricultural development rights on agriculture lands currently held in the private sector. Usual development rights associated with a parcel of real property permit the landowner to develop his land beyond its current agricultural use, and because these rights can be separated from the total bundle of rights, they can be sold, thus transferring from the landowner the right to develop his land. This, then, is the concept behind the purchase of development rights as an agricultural land control device. In order that land remain in agriculture use in areas being converted to other uses, govern-

ALASKA AGRICULTURAL LANDS SURVEY

1. How many acres do you currently farm or ranch?

Your own land \_\_\_\_\_  
Land rented or leased \_\_\_\_\_  
From other landowners \_\_\_\_\_  
From the government \_\_\_\_\_  
Total acres \_\_\_\_\_

2. What crops or livestock do you produce?

Crops	Acres		
	Your own	Rented from others	Leased from government
Vegetables or potatoes	_____	_____	_____
Small grains	_____	_____	_____
Hay or silage	_____	_____	_____
Planted Pasture	_____	_____	_____
Native Pasture	_____	_____	_____
<b>Livestock</b>	<b>Number of Head</b>	<b>Livestock</b>	<b>Number of Head</b>
Dairy cattle	_____	Swine	_____
Beef cattle	_____	Poultry	_____
Sheep	_____	Other (specify)	_____

3. What do you estimate is the per acre market value of agricultural land:

Your own land: Cleared \_\_\_\_\_\$/acre Uncleared \_\_\_\_\_\$/acre.  
That you rent (exclude government leases): Cleared \_\_\_\_\_\$/acre.

4. Would you be interested in selling development rights to your agricultural land? Selling such rights would mean that your land could be used for agricultural or forestry purposes only.

Degree of interest	Cleared	Uncleared
Not interested	_____	_____
Slightly interested	_____	_____
Moderately interested	_____	_____
Highly interested	_____	_____

5. At what price would you sell the development rights to your agricultural land: \_\_\_\_\_\$/acre.

6. Please describe the location of your farm or ranch.

Nearest town \_\_\_\_\_ Distance from town \_\_\_\_\_  
Direction from town \_\_\_\_\_

Thank you for your cooperation. A summary of the results of this survey will be available to you on request.

Figure 2

ments might purchase the development rights from agricultural lands. These lands could then be used only for agricultural purposes.

In June of 1978, the Agricultural Experiment Station at Fairbanks was asked by the Alaska Department of Natural Resources to evaluate such a program for Alaska. As a part of this assessment, a survey of Alaska farmers and ranchers was conducted primarily to determine their interest in such a program and to obtain estimates of the costs of purchasing these development rights. The results of this survey are reported here.

SURVEY RESULTS

During August of 1978, a questionnaire, with a brief explanation of the development rights concept in the cover letter (Figure 1 and 2), was mailed to 263 agricultural landowners in the most important farming or livestock areas of the state. Since there is no statewide, farmers' organization in Alaska, the names of landowners were obtained from the mailing lists of state and federal agencies that distribute agricultural information. Undoubtedly these lists did not include all of the people who consider themselves farmers. Of the questionnaires mailed, 18 were returned as undeliverable, leaving 245 that actually reached their destination, of which 112 (46%) were returned completed (Table 1).

Questionnaire recipients were asked to indicate their degree of interest in selling the development rights to their cleared and uncleared agricultural lands. Specifically they were asked to indicate whether they were highly, moderately, slightly, or not interested in selling these rights. Approximately 94%, 106 of 112 respondents, answered this question. The distribution of these expressions of interest can be seen in Table 2.

Most of the respondents in all regions except the Matanuska-Susitna area expressed little or no interest in selling develop-

Table 1: Questionnaire Response by Region

Region	No. Questionnaires Delivered	No. Questionnaires Returned (%)
Fairbanks	52	24 (46)
Delta	34	10 (29)
Copper River Basin	15	10 (67)
Matanuska-Susitna	106	41 (39)
Kenai-Kodiak	38	27 (71)
TOTAL	245	112 (46)

Table 2: Degree of Interest in Selling Development Rights to Agricultural Land

	Number of Respondents (%)			
	No Interest	Slight Interest	Moderate Interest	High Interest
Fairbanks	14	2	4	4
Delta	7	2	0	0
Copper River Basin	6	1	2	1
Matanuska-Susitna	13	6	7	12
Kenai-Kodiak	13	4	3	4
Statewide	54 (51%)	15 (14%)	16 (15%)	21 (20%)

Table 3: Perceived Market Value of Cleared and Uncleared Land by Number and Percentage of Respondents in Dollars per Acre

Per Acre Value	Number of Respondents (%)	
	Cleared Land	Uncleared Land
0-999	18 (26)	24 (39)
1,000-1,999	11 (16)	5 (8)
2,000-2,999	10 (14)	11 (18)
3,000-3,999	8 (12)	4 (6)
4,000-4,999	6 (9)	4 (6)
5,000-5,999	4 (6)	4 (6)
6,000-6,999	3 (4)	3 (3)
7,000-7,999	3 (4)	3 (5)
8,000-8,999	1 (1)	0-
9,000-9,999	0-	0-
10,000	5 (5)	4 (6)
TOTAL	69	62

ment rights. Those respondents living in the Matanuska-Susitna region were evenly divided on the question: half indicated little or no interest and half expressed moderate to high interest. On a statewide basis, 65% expressed little or no interest and 35% indicated moderate to high interest. Over half of all those moderately or highly interested in selling development rights were from the Matanuska-Susitna region.

Questionnaire respondents were also asked to estimate the value of their farmland. Sixty-nine of the 112 respondents indicated what they perceived as the market value of their cleared land and 62 answered the same question about uncleared land. The distributions of these values are shown in Table 3. On a statewide basis, most of the respondents perceived the market values of both uncleared and cleared land to be less than \$5,000 per acre. Uncleared land was valued at less than \$5,000 per acre by 77% of the respondents and at less than \$3,000 per acre by 65% of the respondents. Correspondingly, for cleared land 77% of the respondents valued their land at less than \$5,000 per acre while 56% indicated a value of less than \$3,000 per acre.

Average market values for cleared and uncleared land as perceived by the respondents were calculated for each region. These data are summarized in Table 4. Average values for cleared land ranged from \$1,500 per acre in Delta to \$3,900 per

Table 4: Average Perceived Market Values of Land by Region (Dollars per Acre)

Region	Cleared Value	Number Respond.	Uncleared Value	Number Respond.
Fairbanks	\$3,900	13	\$2,900	11
Delta	1,500	9	1,300	8
Copper River Basin	1,900	6	900	6
Matanuska-Susitna	3,800	28	3,600	24
Kenai-Kodiak	3,700	13	3,100	13
TOTALS		69		62
WEIGHTED AVE.	\$3,300		\$2,800	

Table 5: Value of Development Rights (Dollars per Acre)

Value	Number of Respondents (%)	Value	Number of Respondents (%)
0-999	6 (15)	5,000-5,999	3 (8)
1,000-1,999	8 (21)	6,000-6,999	2 (5)
2,000-2,999	7 (18)	7,000-8,999	0-
3,000-3,999	6 (15)	9,000-9,999	1 (3)
4,000-4,999	2 (5)	10,000	4 (10)

Table 6: Average Development Rights Values (Dollars per Acre)

Region	Value	No. of Respondents
Fairbanks	\$3,200	5
Matanuska-Susitna	3,600	21
Kenai-Kodiak	3,100	8
TOTAL		34
WEIGHTED AVERAGE	\$3,400	

acre in the Fairbanks region. Three of the regions (Fairbanks, Matanuska-Susitna, Kenai-Kodiak), accounting for nearly 80% of the respondents, differed by only \$200 per acre in the perceived average value of cleared land with values ranging between \$3,700 and \$3,900 per acre. The weighted-average, cleared-land value for the five regions was \$3,300 per acre.

Uncleared land values averaged slightly lower than cleared land values and ranged from \$900 per acre in the Copper River region to \$3,600 per acre in the Matanuska-Susitna region. As with cleared land, the Fairbanks, Matanuska-Susitna, and Kenai-Kodiak regions accounted for nearly 80% of the survey respondents and showed a relatively narrow range of perceived land values. Average land values for uncleared land in these regions were between \$2,900 and \$3,600 per acre. The weighted average for all five regions was \$2,800 per acre.

Questionnaire recipients were asked to assess the value of the development rights associated with their farmland. A value of development rights was reported by 39 of the 112 respondents (35%). Thirty-four of these responses were from the Fairbanks, Matanuska-Susitna, and Kenai-Kodiak areas. Nearly 70% of the respondents valued their development rights at less than \$4,000 per acre. The distribution of development rights values can be seen in Table 5.

Average development rights values as perceived by the respondents were calculated for the Fairbanks, Matanuska-Susitna, and Kenai-Kodiak regions. These values are shown in Table 6. Average values were not calculated for the Copper River and the Delta regions because so few of these contacted in these areas responded to this part of the questionnaire. Average development rights values in the three areas mentioned ranged between \$3,100 per acre and \$3,600 per acre. Values were highest in the Matanuska-Susitna region.

Table 7: Farm Distance from Nearest Community Related to Degree of Interest<sup>a</sup>

Distance Category	Percentage of Respondents		
	Reporting	Moderate to High Interest	Little or No Interest
0-5	41	39	43
6-10	24	29	21
11-15	16	12	19
16-20	7	5	9
21+	12	15	9

<sup>a</sup>Based on 111 farmers reporting.

Average development rights values were also calculated by degree of interest, again using data from the Fairbanks, Matanuska-Susitna, and Kenai-Kodiak regions. Calculations showed that those with a moderate or high interest in a development rights program on the average valued these rights at \$2,145 per acre. Those not interested in the program put a much higher value on these rights, \$4,662 per acre. Respondents in the moderate-to-high interest categories accounted for 63% of the total acreage represented in the survey responses.

Additional analysis of the survey data was undertaken to determine whether or not a landowner's interest in a development rights purchase program and/or his perceived value of these rights were related to the distance between his farm and the nearest population center. Table 7 presents a summary of the data relating to the interest/distance question. One can observe that the distributions of responses are similar between the moderate-or-high and low-or-no interest categories and are, therefore, similar to the pattern shown for all responses.<sup>1</sup> This close relationship suggests that farmers' interest in selling development rights is not significantly influenced by the location of his farm relative to a population center. When data for just those farm owners living near Palmer and Wasilla were broken out and analyzed in the same way, the identical conclusion was drawn.

We also addressed the issue of whether a landowner's perception of the value of the development rights to his property was influenced by the location of the farm relative to a population center. The expectation was that the closer the farm was to a town or city, the more attractive would be that land for development purposes and that this relative attractiveness would be reflected in the perceived value of the development rights. Unfortunately the quality of the data obtained through the survey did not allow a rigorous test of this proposition on either a local or statewide basis.

The data in Table 8 are presented to show the nature of the relationship or lack thereof between distance and development rights value as perceived by farmers near Palmer. No clear pattern emerges but, again, this conclusion must be qualified by recognizing that the data are not taken from a random sample. The fact that the expected relationship did not occur may perhaps also be explained by the existence of unrealistic expectations on the part of some landowners regarding the development value of their property. Consequently, these perceived values may not represent the minimum payments that these landowners might be willing to accept to forego their development options.

<sup>1</sup>Using the chi square test for independence with the data on which Table 7 is based, we were not able to reject the hypothesis of independence of interest and distance at any reasonable level of significance. One must recognize, however, that these data were not obtained through random sampling. Thus, any inferences about the views of farmers in Alaska must be regarded with caution.

Table 8: Relationship Between Development Rights Value and Distance from Palmer

Distance (Miles)	Stated Values
0-1	\$10,000
1	7,700
2	3,000
	10,000
	3,500
	1,500
3	3,500
	1,000
	5,500
4	2,000
5	600
6	—
7	3,000
8	500
9	—
10	850
11	1,000

### CONCLUDING REMARKS

The survey described here was designed to assess Alaska farmers' interests in participating in a development rights acquisition program for preserving agricultural lands and to provide an estimate of the cost to the state of purchasing these rights. While agricultural landowners in the Matanuska-Susitna Valley areas appeared the most receptive to this land use control concept, farmers surveyed statewide were generally not interested in selling the development rights to their farmland. When faced with the hypothetical proposition of selling these rights, nonetheless, farmers on the average valued the development options at \$3,400 per acre.

While it would be difficult to state confidently why farmers lack enthusiasm for the development rights purchase concept, several explanations appear plausible. First, as reflected in written comments on the returned questionnaires, some landowners may feel this approach to be just another invasion in their lives by "big government." Also, questionnaire respondents may have felt it to be a wise strategy, considering possible future price negotiations, to appear initially uninterested in disposing of their development rights.

Another possible explanation is that agricultural landowners might not be interested in selling development rights now since they anticipate that these rights will be worth more at some later date. This explanation, however, is not entirely satisfactory, since land prices and, therefore, development rights values presumably reflect the discounted value of future development benefits. Thus, in order for this reasoning to offer any promise, one must also argue that these farmers view the market as presently failing to accurately anticipate future development patterns.

The results obtained in this survey should be viewed with caution. Although a high percentage (46%) of delivered questionnaires was completed and returned, the sampling technique and the fact that some respondents did not answer all questions may have biased the results. Also, the concept of purchase of development rights was new to many farmers and this lack of familiarity may account for some of the negative interest shown by farmers. Still, the conclusion that must be drawn from this survey, keeping in mind the preceding caveats, is that Alaskan farmers at this time show little enthusiasm for the idea of selling their farmland development rights and place a significant value on these rights *vis-a-vis* the total market value of their agricultural land.□

C  
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Attachment A

LIBRARY  
AN EXAMINATION OF A  
DEVELOPMENT RIGHTS PURCHASE  
PROGRAM FOR ALASKA  
AGRICULTURAL LANDS

William G. Workman  
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Fairbanks, Alaska.

A report submitted to the Department of Natural Resources, State of Alaska,  
in accordance with terms of research contract CC10 1142.

January, 1979

Susitna area and the Tanana Valley accounted for 59 and 29 percent of this acreage, respectively. The Kenai Peninsula averaged 11 percent of the annual total. Cropland utilization statistics are shown in Table 7.

#### Agricultural Lands for Future Development

Agricultural lands that are currently being converted to non-agricultural uses are not the only lands available for future development. While these lands are close to the State's major population centers and are felt by some to be the most valuable for agriculture, they are being converted because the market has placed a higher value on them for other uses. It may well be that other lands suitable for agriculture further out from existing agricultural areas will replace the lands being converted. The purpose of this section is to provide a brief overview of the supply of potential agricultural lands, particularly those adjacent to existing agricultural areas.

The Soil Conservation Service (Alaska Rural Development Council, 1974, p. 130) has identified approximately 15.2 million acres of potential agricultural land throughout the State. Because many of these lands are away from population centers and are without surface transportation access, there is little chance of their developing before the turn of the century. There are, however, some lands in the Tanana Valley and the Matanuska-Susitna-Kenai area that are closer to population centers and accessible by surface transportation.

The Alaska Department of Natural Resources (1976) has conducted an analysis of the agricultural lands identified by the Soil Conservation

TABLE 7  
 AVERAGE CROPLAND UTILIZATION, 1971-1976.

Crops	REGION				State Total
	Tanana Valley	Matanuska-Susitna Valleys	Kenai Peninsula	Southwest	
Commercial Vegetables	197	551	19	--	757
Feed Crops	3,655	3,578	568	--	7,801
Harvested Grassland	1,815	7,163	1,580	142	10,700
Total	5,667	11,292	2,167	142	19,268
Percent	29.4	58.6	11.3	.7	100

SOURCE: Alaska Crop and Livestock Reporting Service, Alaska Agricultural Statistics (Palmer: Alaska Crop and Livestock Reporting Service, 1978), p. 17.

Service and rated these lands by certain criteria<sup>3</sup> in order to arrive at a priority ranking of agricultural lands in the State for state selection. The results of this analysis are presented in Table 8.

It is not surprising that the high priority potential agricultural lands are in the State's most important existing agricultural areas since these areas already have a sizable population and existing transportation facilities. What is significant is the large amount of potential agricultural acreage in these areas. If one considers all agricultural lands in the three most important agricultural areas, regardless of priority, there are nearly six million acres available, 32 percent of all agricultural lands in the State. If all priority categories but the top six are eliminated, the six million acres is reduced to 3.8 million, still a healthy amount of land. The top six priority rankings include lands that are relatively unconstrained by access and demands for other uses and could come into production in a reasonable amount of time. Even if the 3.8 million acres are reduced by 1.5 million to account for existing agricultural and nonagricultural uses, the 2.3 million acres could provide substantial agricultural development.<sup>4</sup>

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<sup>3</sup> These criteria include: (1) present and future access possibilities; (2) productive capability; (3) need for conservation practices; (4) local needs for agricultural products; (5) demand for other uses of agricultural lands; (6) variety of crops that could be grown; (7) timing of agricultural development, and (8) local socioeconomic impact.

<sup>4</sup> Although this discussion shows that large quantities of potential land are available, at this time it is not certain how much, if any, of these lands eventually will come into production since they could be classified by the State for other uses.

TABLE 9  
RANKING OF AGRICULTURAL LANDS BY STATE OF ALASKA<sup>a</sup>  
(Thousands of Acres)

Priority	Tanana Valley	Matanuska-Susitna Anchorage	Kenai	Total	# of Priority Rank	Other Areas	# of Priority Rank
1	182.4	206.0	-0-	388.4	100	-0-	-0-
2	288.0	230.4	-0-	518.4	100	-0-	-0-
3	345.6	230.4	-0-	576	100	-0-	-0-
4	537.4	175.0	475.2	1,187.6	85	201.5	15
5	-0-	216.4	239.2	455.6	100	-0-	-0-
6	447.0	192.0	-0-	639.0	89	76.8	11
7	374.4	-0-	-0-	374.4	16	1,895.0	84
8	259.2	134.0	73.0	466.2	67	227.2	33
9	367.2	258.6	-0-	625.8	39	979.2	61
10	-0-	-0-	-0-	-0-	-0-	334.3	100
11	81.0	-0-	-0-	81.0	13	610.4	37
12	231.4	-0-	-0-	231.4	18	1,078.0	82
13	-0-	-0-	-0-	-0-	-0-	311.4	100
14	-0-	-0-	-0-	-0-	-0-	1,295.6	100
15	195.8	-0-	-0-	195.8	12	1,491.5	38
16	192.0	46.0	-0-	238.0	21	897.6	79
17-23	-0-	-0-	-0-	-0-	-0-	3,421.8	100
Totals	3,501.4	1,688.8	787.4	5,977.2	32	12,820.2	68

<sup>a</sup> These figures include all lands with agricultural potential regardless of current use.

SOURCE: Alaska Department of Natural Resources, "Priority Values of Agricultural Land for State Selection" (mimeograph), Anchorage: Alaska Department of Natural Resources, 1978.

Not all of the potential agricultural lands are in State ownership. In an effort to gain an idea of the amount of identified agricultural lands held by the State, we examined land status data<sup>5</sup> for the Tanana Valley and the Matanuska-Susitna Basin. The result of this analysis is shown in Table 9. In the Tanana Valley, the State will eventually receive title to 1.6 million acres (48 percent) of the agricultural land. In the Matanuska-Susitna Basin, 91 percent of the potential agricultural land will be in state ownership. No attempt was made to estimate the percentage of state control by priority rankings, but the very high percentage of state agricultural lands in the Matanuska-Susitna region assures that most of the high priority land there will be in state ownership.

#### Future Agricultural Development in Alaska

In order to get some idea of the future agricultural land demand in Alaska, this section will review a recent study made by the University of Alaska (Thomas, 1976) involving projections for agriculture to the year 2000. Assuming: (1) a state population of 820,000; (2) that Alaska would still produce only part of its total consumption; and (3) that Alaska's consumption patterns will be the same as those in the other 49 states, the study predicted the quantity of different types of commodities that would be produced in Alaska and the amount of land that would be needed in the different regions. This information is presented in Tables 10 and 11. At the time of this study, plans had not yet been

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<sup>5</sup> Computer printouts of land status made available by the Alaska Department of Natural Resources, Anchorage, Alaska.

TABLE 9  
 LAND STATUS OF AGRICULTURAL LANDS

Area	Agricultural Area <sup>a</sup>	STATUS <sup>b</sup>		
		State Lands	Native Lands	Federal Land
-----Thousands of Acres-----				
Tanana Valley	3,433	1,639 (48%)	293	1,500
Matanuska-Susitna	1,001	912 (91%)	975	014
Total	4,433	2,551 (58%)	368	1,514

<sup>a</sup> Figures are less than those shown in Table 8 because private and municipal agricultural lands are not included.

<sup>b</sup> Anticipated status after state selections and settlement of the Native Claims Settlement Act.

## APPLICABILITY OF A DEVELOPMENT RIGHTS PROGRAM IN ALASKA

### Introduction

The objective of this section is to discuss how a development rights program could be applied in Alaska and what its costs and benefits might be. Before entering into this discussion we will first review the results of a development rights survey and comment on the most efficient size of agricultural operations which might be considered when carrying out a development rights program.

### Development Rights Survey in Alaska

During August 1978 a questionnaire was mailed to 263 agricultural landowners<sup>12</sup> in the five major agricultural regions in the State. The objective of the questionnaire was to determine the interest that farm-land owners had in selling development rights to their land and how much these rights were worth to them. A sample questionnaire is provided in Appendix B.

### Response

Of the 263 questionnaires mailed, 18 were returned as undeliverable, leaving 245 that actually reached their destination. A total of 112 (45%) of the delivered questionnaires were returned (See Table 12). The response rate differed by region with the Kenai-Kodiak and Copper River

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<sup>12</sup> The list of agricultural landowners was supplied by the Agricultural Experiment Station in Palmer, Alaska.

TABLE 12  
QUESTIONNAIRE RESPONSE BY REGION

Region	Questionnaires Delivered	Questionnaires Returned	Percent
Fairbanks	52	24	46
Delta	34	10	29
Copper River	15	10	67
Matanuska-Susitna	106	41	39
Kenai-Kodiak	38	27	71
TOTALS	245	112	46

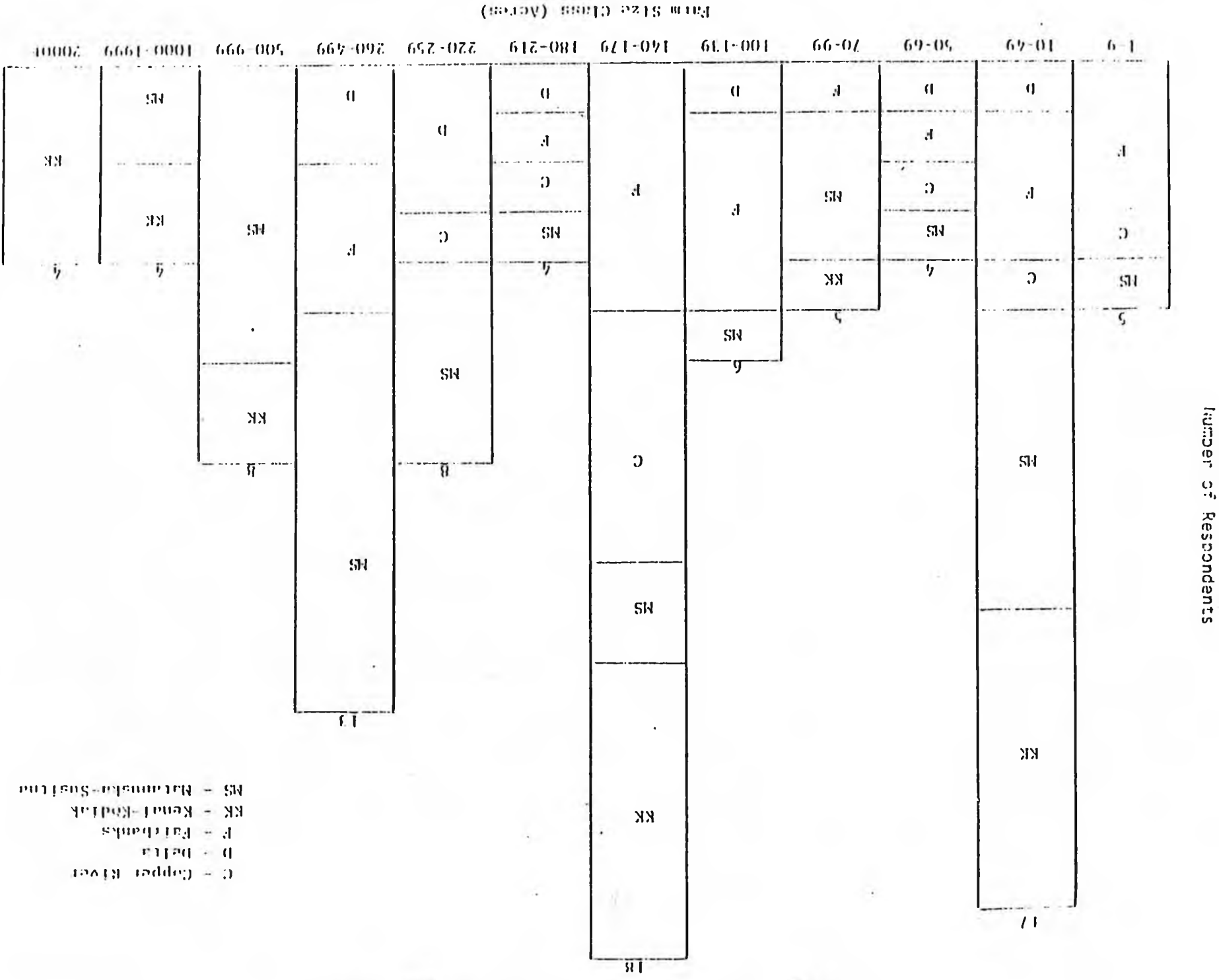
regions having the highest with 71 percent and 67 percent return rates, respectively. The Delta region had the lowest return rate with only 29 percent of the questionnaires returned. The Fairbanks and Matanuska regions, which contain the majority of agricultural operations in the state, had return rates of 46 percent and 39 percent, respectively. Although the overall response rate of 46 percent is quite satisfactory for a mailout questionnaire, the data suggest that we may not have obtained an adequate sample response to some questions to have high confidence in our analysis.

#### Farm Size of Respondents

There was a wide range of farm sizes reported by the respondents (Figure 2). One-half of the 96 respondents who gave farm size statistics reported one of three farm size classes: 10-49 acres, 140-179 acres, or 260-499 acres. The remaining 48 respondents were distributed relatively uniformly among the other classes. The acreage figures given by the respondents included land leased or rented from other private landowners or the government in addition to their own land.

The farm size pattern differs somewhat by region. All of the respondents who indicated a farm size above 500 acres were in the Matanuska-Susitna or Kenai-Kodiak regions. Large acreages of grazing land are leased from the government on Kodiak Island. Most of the respondents from the Fairbanks and Copper River areas reported farm sizes below 180 acres. A high proportion of the respondents from the Kenai Peninsula reported farm sizes of between 10 and 49 acres and

FIGURE 2. RESPONDENTS IN EACH FARM SIZE CLASS BY REGION



Number of Respondents

C - Copper River  
 D - Delta  
 F - Fairbanks  
 KK - Kenai-Kodiak  
 NS - Natamsta-Sustina

140-179 acres. Matanuska-Susitna respondents reported farm sizes in every farm size class; however, over 50 percent of the reported farms were between 220 and 999 acres.

#### Interest in Selling Development Rights

Questionnaire recipients were asked to indicate the degree of interest they had in selling the development rights to their cleared and uncleared land. A brief explanation of the development rights concept was given in the cover letter to the questionnaire (Appendix 3). Respondents were asked to indicate whether they were highly, moderately, slightly, or not interested in selling development rights. Approximately 94 percent, 106 of the 112 respondents, answered this question. Practically all respondents rated cleared and uncleared land similarly. The distribution of these expressions of interest can be seen in Figure 3.

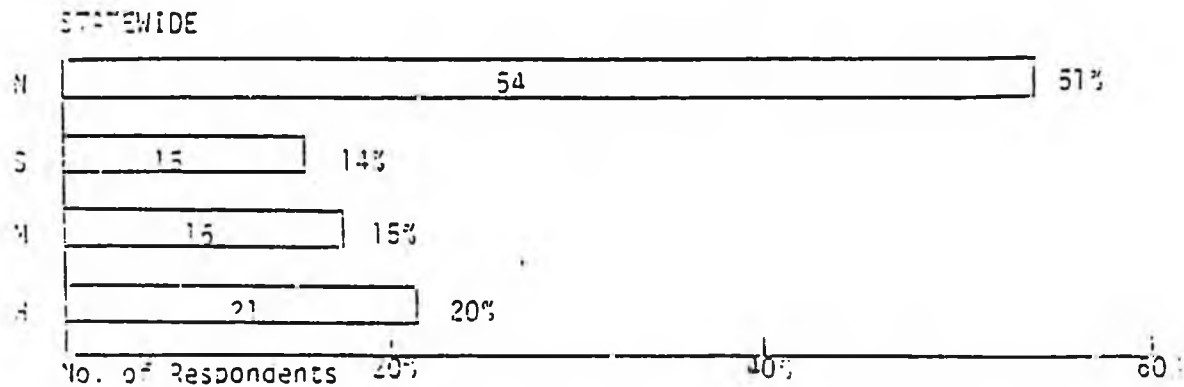
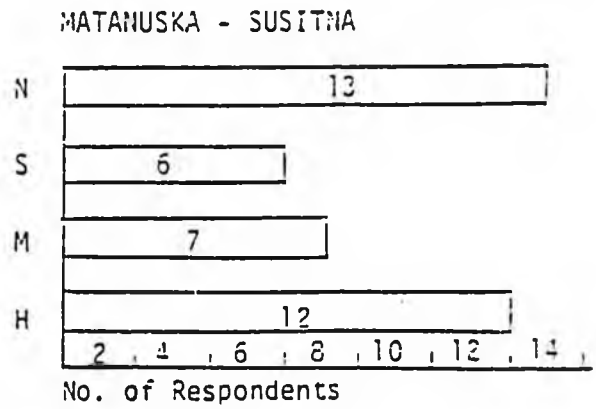
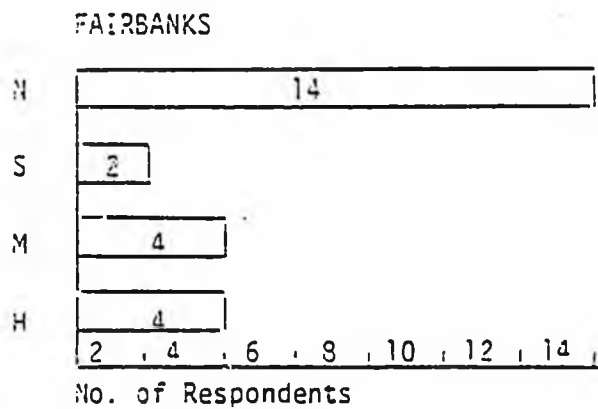
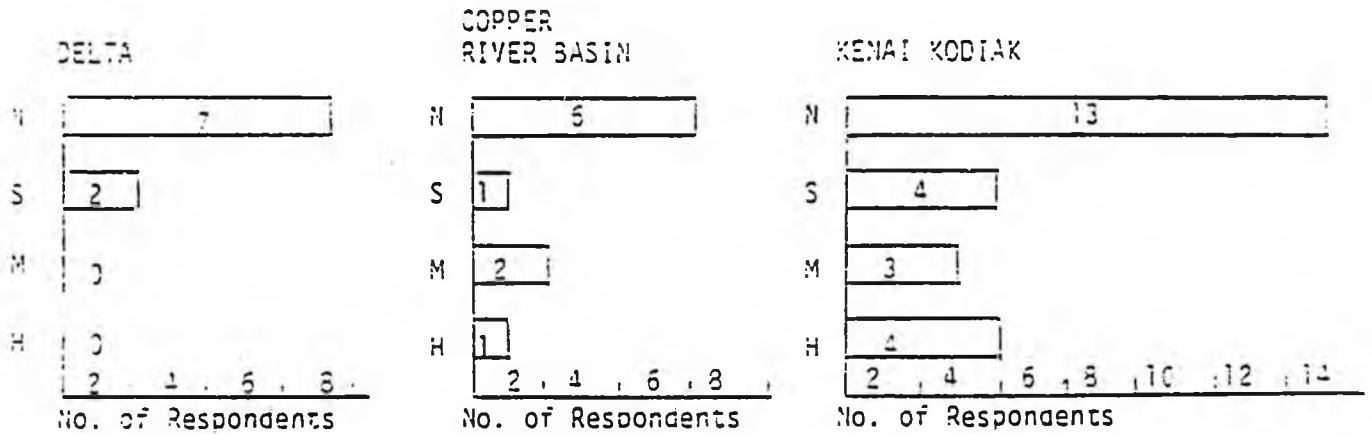
Most of the respondents in all regions except the Matanuska-Susitna area expressed little or no interest in selling development rights. Those respondents living in the Matanuska-Susitna region were evenly divided on the question. Half indicated little or no interest and half expressed moderate to high interest. On a statewide basis, 65 percent expressed little or no interest and 35 percent indicated moderate to high interest. Over half of all those moderately or highly interested in selling development rights were from the Matanuska-Susitna region.

#### Market Values of Cleared and Uncleared Agricultural Lands

Sixty-nine of the 112 respondents indicated what they perceived as the market value of their cleared land and 62 answered the same

FIGURE 3.

DEGREE OF INTEREST IN SELLING DEVELOPMENT RIGHTS TO AGRICULTURAL LAND



N - No Interest                      M - Moderate Interest  
 S - Slight Interest                  H - High Interest

question about uncleared land. The distributions of these values are shown in Figure 4.

On a statewide basis, most of the respondents perceived the market values of both uncleared and cleared land to be less than \$5,000 per acre. Uncleared land was valued at less than \$5,000/acre by 77 percent of the respondents and less than \$3,000/acre by 65 percent of the respondents. The percentages were similar for cleared land with 77 percent valuing their land at less than \$5,000/acre while 56 percent indicated a value of less than \$3,000/acre.

Average market values for cleared and uncleared land as perceived by the respondents were calculated for each region. These data are summarized in Table 13. Average values for cleared land ranged from \$1,500/acre in Delta to \$3,900/acre in the Fairbanks region. Three of the regions (Fairbanks, Matanuska-Susitna, Kenai-Kodiak) represented by nearly 80 percent of the respondents differed by only \$200/acre in the perceived average value of cleared land with values ranging between \$3,700 and \$3,900 per acre. The weighted average cleared land value for the five regions was \$3,300/acre.

Uncleared land values averaged slightly lower than cleared land values ranging from \$900/acre in the Copper River region to \$3,600/acre in the Matanuska-Susitna region. As with cleared land, the same three regions representing nearly 80 percent of the respondents showed a relatively narrow range of perceived land values. Average land values for uncleared land in these regions ranged between \$2,900 and \$3,600 per acre. The weighted average for all regions was \$2,800/acre.

FIGURE 4.  
 Perceived Market Values of Cleared and Uncleared Lands  
 (Dollars per Acre)

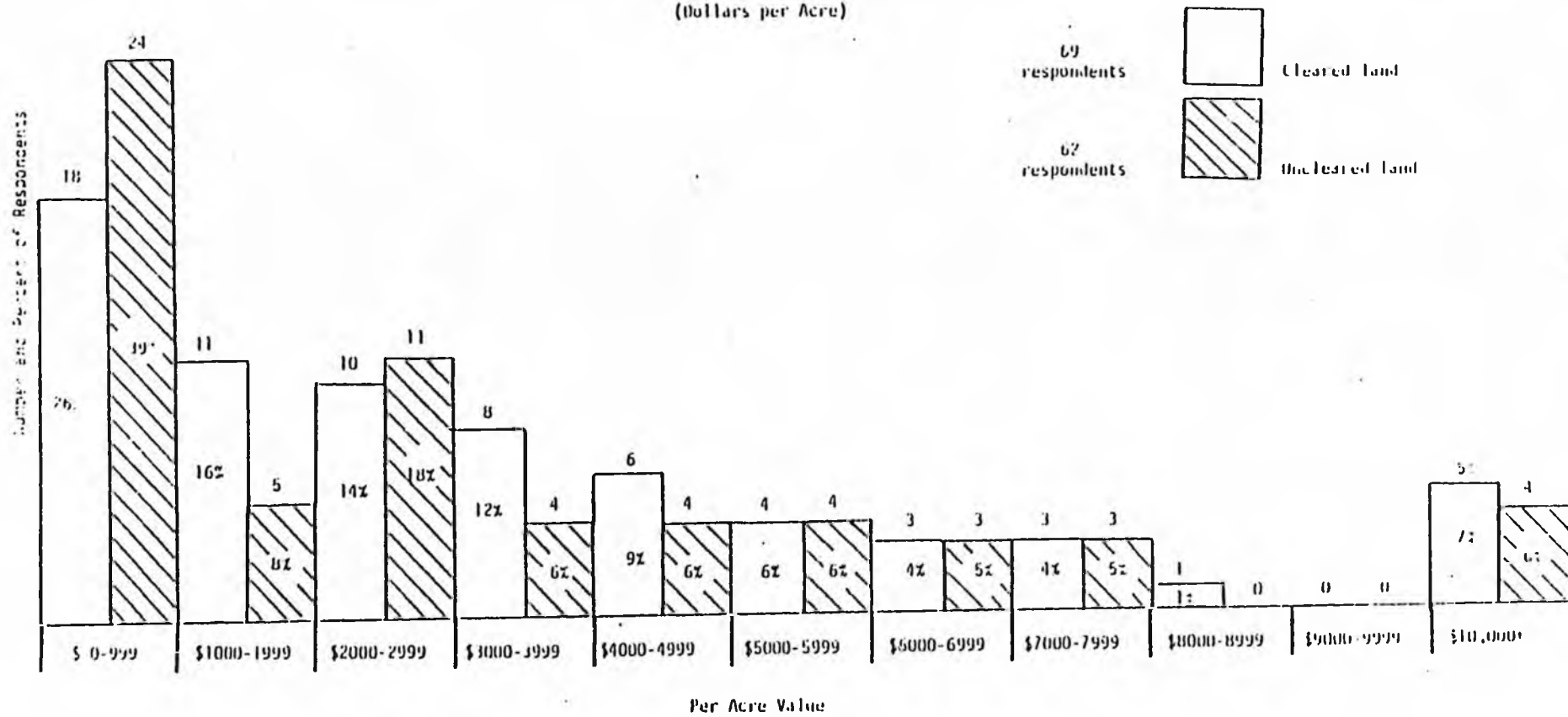


TABLE 13  
 AVERAGE PERCEIVED LAND VALUES BY REGION  
 (Dollars per Acre)

Region	Cleared Land Value	Number of Respondents	Uncleared Land Value	Number of Respondents
Fairbanks	\$3,900	13	\$2,900	11
Delta	1,500	9	1,300	8
Copper River	1,900	6	900	6
Matanuska-Susitna	3,800	28	3,600	24
Kenai-Kodiak	3,700	13	3,100	13
TOTALS		69		62
Weighted Average	\$3,300		\$2,800	

The difference between cleared and uncleared land average values per acre was smallest in the Matanuska-Susitna region (\$3,800 vs. \$3,600) and greatest in the Fairbanks region (\$3,900 vs. \$2,900).

#### Value of Development Rights

A value for development rights was reported by 39 of the 112 respondents (35%). Thirty-four of these responses were from the Fairbanks, Matanuska-Susitna, and Kenai-Kodiak areas. Nearly 70 percent of the respondents valued their development rights at less than \$4,000/acre. The distribution of development rights values can be seen in Figure 5.

Average development rights values as perceived by the respondents were calculated for the Fairbanks, Matanuska-Susitna and Kenai-Kodiak regions. These values are shown in Table 14. Average values were not calculated for the Copper River and the Delta regions because so few of the respondents in these areas responded to this part of the questionnaire. Average development rights values in the three areas mentioned ranged between \$3,100/acre and \$3,600/acre. Values were highest in the Matanuska-Susitna region. The development value data lacks reliability because of the small sample. In addition, comments and figures from some of the questionnaires indicated that some of the respondents apparently did not understand how to evaluate the value of development rights to their farmland.

Average development rights values were also calculated by degree of interest, again using the data from the Fairbanks, Matanuska-Susitna and Kenai-Kodiak regions. Calculations showed that those with a moderate or high interest in a development rights program on the average

FIGURE 5.  
Value of Development Rights  
(Dollars per Acre)

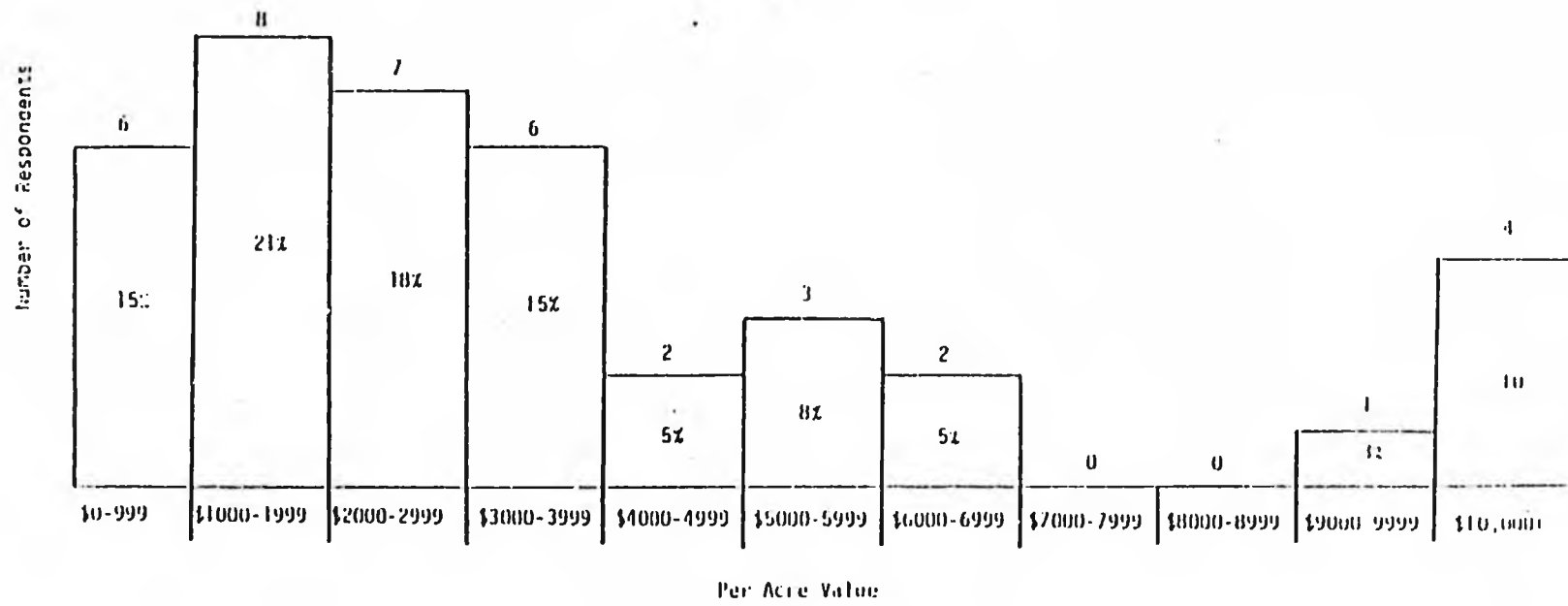


TABLE 14  
 AVERAGE DEVELOPMENT RIGHTS VALUES  
 (Dollars per Acre)

Region	Value	No. of Respondents
Fairbanks	\$3,200	5
Matanuska-Susitna	3,600	21
Kenai-Kodiak	3,100	<u>8</u>
TOTAL		34
<hr/>		
Weighted Average	\$3,400	

valued these rights at \$2,145/acre. Those not interested in the program put a much higher value on these rights, \$4,662/acre. Respondents in the moderate to high interest categories accounted for 63 percent of the total acreage represented in the survey responses.

Distance from a Population Center, Interest in Selling Development Rights, and Perceived Value of Development Rights

Additional analysis of the survey data was undertaken to determine whether or not a landowner's interest in a development rights purchase program and/or his perceived value of these rights were related to the distance between his farm and the nearest population center. Table 15 presents a summary, in percentage terms, of the data relating to the interest/distance question. One can observe that the distributions of responses are similar between the moderate or high and low or no interest categories and are, therefore, similar to the pattern shown for all responses.<sup>13</sup> This close relationship suggests that farmers' interest in selling development rights is not significantly influenced by the location of his farm relative to a population center. When data for just those farm owners living near Palmer and Wasilla were broken out and analyzed in the same way the identical conclusion was drawn.

We also addressed the issue of whether a landowner's perception of the value of the development rights to his property was influenced by the location of the farm relative to a population center.

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<sup>13</sup> Using the chi square test for independence with the data on which Table 15 is based, we were not able to reject the hypothesis of independence of interest and distance at any reasonable level of significance. One must recognize, however, that these data were not obtained through random sampling. Thus, our conclusions must be viewed with caution.

TABLE 15  
 FARM DISTANCE FROM NEAREST COMMUNITY  
 RELATED TO DEGREE OF INTEREST<sup>a</sup>

	Distance Categories				
	0-5	6-10	11-15	16-20	21+
Percent of Farmers Reporting	41	24	16	7	12
Percent of Farmers with Moderate or High Interest	39	29	12	5	15
Percent of Farmers with Little or No Interest	43	21	19	9	9

<sup>a</sup> Based on 111 farmers reporting.

The expectation here was that the closer the farm was to a town or city, the more attractive would be that land for development purposes and that this relative attractiveness would be reflected in the perceived value of the development rights. Unfortunately the quality of the data obtained through the survey did not allow a rigorous test of this proposition on either a local or statewide basis. The data in Table 16 is presented to show the nature of the relationship or lack thereof between distance and development rights value as perceived by farmers near Palmer. No clear pattern emerges but, again, this conclusion must be qualified by recognizing that the data are not taken from a random sample. The fact that the expected relationship did not occur may perhaps also be explained by the existence of unrealistic expectations on the part of some land owners regarding the development value of their property. This should not be taken to mean, however, that these perceived values represent the minimum payments that these land owners might be willing to accept to forego their development options.

#### Economic Size Agricultural Operations

A key factor in the attempts to maintain and/or expand agricultural production in the State is the development of economic size agricultural operations. Thomas (1976, p. 15) noted that one of the major problems with agriculture in the Matanuska Valley was the small size of individual farms. The Alaska Power Administration (1970, pp. 46-53) has determined the most economically efficient sizes for dairy, small grain and potato operations. Each of these enterprises is discussed below.

TABLE 16  
 RELATIONSHIP BETWEEN DEVELOPMENT RIGHTS  
 VALUE AND DISTANCE FROM PALMER

Distance (Miles)	Stated Values
0-1	\$10,000 7,700
1	3,000
2	10,000 3,500 1,500
3	3,500 1,000 5,500
4	2,000
5	600
6	-
7	3,000
8	500
9	-
10	850
11	1,000

Dairy operations in the Matanuska Valley would have to approach 60 cows to be considered an economic unit. Such a unit would require 280 acres to grow the necessary feed. A 60 cow dairy is estimated to be a minimum economic size and is probably just above being marginal. A more realistic size would be a 120 cow enterprise based on 560 acres. A budget analysis of this larger enterprise showed a return on investment of 8.8 percent after allowing for the operator's salary and the value of perquisites.

There is some concern that if the number of dairy cows in the Matanuska Valley declines further, the creamery that processes the milk will go out of business. We were unable to verify this. Husby (1978) has indicated that approximately 750 cows are needed to support a creamery, thus, barring other problems, the present milk cow herd of 1,500 animals would have to decline by almost one-half for the creamery to discontinue operation, assuming that Alaska dairy enterprises are the only source of supply. The present creamery, however, is importing milk for processing from Washington State. If the Alaskan supply of milk declines it may be possible to import a greater proportion of non-Alaskan milk to maintain operations.

The 1970 study by the Alaska Power Administration determined that for small grain farms the minimum economic unit was 320 acres. Thomas, et al. (1977) in evaluating potential barley production in the Delta-Clearwater, consider this to be too small under current agricultural conditions and suggest that 3,000 acres would be the minimum economic unit for a grain farm.

A potato farm of about 40 acres was identified as the minimum sized unit that could support a farmer and his family. Potato farms require less investment than either grain or dairy farms. Labor requirements are more than for grain farms but less than for dairy farms.

The Alaska Power Administration Study did not consider vegetable farms other than potatoes. Interviews with vegetable farmers in the Matanuska Valley indicated that a minimum economic unit would be about 15 acres.

#### Potential Costs of a Purchase of Development Rights Program

An important consideration in examining the applicability of a purchase of development rights program for Alaska is the potential costs of such a program. These costs would vary widely depending on the scope of the program. Estimated purchase costs (the value of development rights) for several alternative purchase programs are provided in this section. Estimated development rights values are derived from two sources: the survey of Alaskan farmers that was described earlier and, for the Matanuska-Susitna Valleys, from Alaska's program of use-value assessment of agricultural land.

Estimates of purchase costs for three alternative acquisition programs are provided in Table 17. These estimates are for (1) the cost of purchasing development rights to all acres in Alaska planted to crops in 1977, (2) the cost of purchases by specific region in the state and (3) the cost of purchases in the Matanuska-Susitna Valleys by level of interest among farmers. Following a short discussion of these esti-

TABLE 17  
ESTIMATED PURCHASE COSTS OF ALTERNATIVE DEVELOPMENT RIGHTS PURCHASE PROGRAMS

Scope of Purchase	Acres Available <sup>a</sup>	Cost (per acre)		Cost (per acre) <sup>b</sup>	
		From Farmer Survey	Total Cost	From Use-value Assessment	Total Cost
1. State-wide	19,005	\$3,400	\$64,617,000	--	--
2. By region <sup>c</sup>					
a. Tanana Valley	5,633	3,200 <sup>d</sup>	18,025,600	--	--
b. Matanuska-Susitna Valleys	11,222	3,600	40,399,200	\$747	\$8,382,834
c. Kenai Peninsula	2,050	3,100	6,355,000	--	--
3. By interest (Matanuska-Susitna Valleys) <sup>e</sup>					
a. High & moderate interest	7,070	2,145	15,165,150	747	5,281,290
b. Low & no interest	4,152	4,662	19,356,624	747	3,101,544

<sup>a</sup> Acres planted to crops in 1977 (ACLRS, 1978, p. 16).

<sup>b</sup> This value is from Janet McCabe, The Urban Fringe: Methods of Land Use Direction, Federal-State Land Use Planning Commission for Alaska, Study No. 35, 1978.

<sup>c</sup> One hundred acres in Southwest Alaska are excluded.

<sup>d</sup> Values provided by Fairbanks area farmers were applied to all of the Tanana Valley.

<sup>e</sup> Total available acres for this alternative were determined by multiplying the total acres in the Matanuska-Susitna Valleys by the percent of acres in high-moderate and low-no interest categories as taken from returned questionnaires. Sixty-three percent of reported acres were in the high-moderate category while 37 percent were in the low-no category.

mates, an examination of the potential costs of purchasing the development rights to a specific agricultural enterprise in the Matanuska Valley is provided.

If the development rights to all acres planted to crops in 1977 (ACLRs, 1978, p. 16) were purchased, the estimated total purchase cost, using the average state-wide value of \$3,400 per acre for development rights as determined by farmer survey, would be approximately \$64,600,000. Approximately \$40,400,000 (63%) of this total would apply to Matanuska-Susitna Valleys. In the Tanana Valley, the estimated cost would be \$18,000,000. For the Kenai Peninsula, estimated cost would be approximately \$6,000,000.

An alternative purchase cost estimate for the Matanuska-Susitna Valleys is approximately \$8,400,000. This estimate was calculated by using the base for deferred taxes under Alaska's use-value assessment program as the development rights value. If current records of agricultural value and market value of agricultural lands were kept, then the difference between these two figures could be viewed as the development rights value. However, it appears that development rights values and thus probable purchase costs may be greatly underestimated using this procedure. This is not unexpected since farmland market values are typically undervalued by assessors in the United States. This often happens because assessing departments are not able to do yearly assessments because of staff and budget limitations.

Because the Matanuska-Susitna Valleys are presently the most important agricultural area in Alaska, and also because this region is

facing the most intense development pressure, we show two additional cost estimates. These estimates are by level of interest among farmers and by type of operation.

For the Matanuska-Susitna Valleys, an estimate of the costs of purchasing development rights by level of interest among farmers is also provided in Table 17. In this estimate, the available acres with high-moderate interest and low-no interest were determined by extrapolation from the acres reported by farmers responding to our survey to the total acres available (11,222). Because we were unable to obtain a random sample of farmers, there is likely to be considerable error in our estimate of acres within high-moderate and low-no interest categories. If a random sample of farmers were obtained, more confidence could be placed in these estimates.

Agricultural enterprises that currently exist in the Matanuska-Susitna Valleys include dairying, potato-vegetables, hay and silage, and a small amount of beef and swine production. For various reasons there may be greater rationale for purchasing the development rights to those acres needed to maintain dairying for any other single type of enterprise in this area. For potato-vegetable enterprises, for example, farmers surveyed expressed little interest in participation in a development rights purchase program. Also, because these crops are land intensive, the current amount of land available does not appear to be a critical factor. Next, for hay and silage enterprises, few people are involved in full-time operations and production units are not easily identifiable. Those acres involved in forage production

that would be critical for the maintenance of dairying are covered in the following dairy discussion. Finally, beef and swine production is a minor part of the agricultural economy in this region and accounts for only a small amount of land use.

As of January 1, 1978, there were 13 Grade A dairy herds in Alaska (ACLRs, 1978, p. 34). Eleven of these herds were located in the Matanuska Valley. Herds in the state were estimated to total 1,500 dairy cows, 1,400 of which were in the Matanuska Valley. This is the lowest number of dairy cows in the state since 1960. The high year was 1962 when 3,200 dairy cows in 35 Grade A herds were located in Alaska.

Because of the decrease in dairies and cows in Alaska, interest has been expressed at maintaining dairy operations at least at their current levels. Because most of the dairying activity is in the Palmer area, a way to possibly insure the maintenance of the dairy industry would be to purchase the development rights to the acres needed to support the current number of cows in this area. It has been estimated that for operations larger than 120 cows, approximately 4.67 acres are needed to support a cow annually (Alaska Power Administration, 1978, p. 48). Thus, approximately 6,538 acres would be necessary to sustain the dairy industry at its current level in the Matanuska Valley.

Three estimates of the cost of acquiring the development rights to this number of acres are provided in Table 18. These estimates of development rights values are: (1) the average development rights value of the four dairymen in the Matanuska Valley who answered our questionnaire and showed some interest in selling these rights; (2) the average value of all respondents in the Matanuska Valley, and (3) the average

development rights value of all respondents in the Matanuska-Susitna area who showed high or moderate interest in selling their development rights.

TABLE 18  
ESTIMATED COSTS OF DEVELOPMENT RIGHTS PURCHASES TO MAINTAIN  
THE MATANUSKA DAIRY INDUSTRY

Acres Needed	Total Cost Four Dairymen <sup>a</sup>	Total Cost All Respondents Matanuska Valley <sup>b</sup>	Total Cost High-moderate Interest Matanuska Valley <sup>c</sup>
6,538	\$24,700,000	\$23,500,000	\$14,000,000

<sup>a</sup> \$3,775/acre.

<sup>b</sup> \$3,600/acre.

<sup>c</sup> \$2,145/acre.

#### Other Costs

Besides the direct purchase costs associated with development rights acquisition, other costs would be a part of such a program. Two of these potential costs, easily identifiable but not so easily quantifiable, are administrative and legal costs and property tax losses.

Administrative and legal costs would arise from (1) activities involved with the actual purchases and (2) from continuing administration once land was in an acquisition program. In the initial purchase effort, costs would be associated with such activities as contacting farmers, identifying and describing parcels included in any program, preparing legal documents, negotiating sales with farmers, closing sales,

etc. Once land was actually in a program, continuing administration of the program would be needed. This would entail making sure contracts and regulations were followed. For example, someone would have to make certain that any building that took place on land under an acquisition program was in accordance with the program's regulations.

Our literature search of existing programs failed to disclose any documentation of the above costs. However, assuming that once the program was underway, two full-time professionals and a secretary were adequate to administer the program, a gross estimate of administrative costs might be as follows:

Estimated Annual Administrative Costs\*

Salaries	
Program leader	\$35,000
Assistant	22,000
Secretarial	16,000
Travel	5,000
Supplies	2,000
Total	<u>\$80,000</u>

\*(It is assumed that legal advice would come from attorneys already employed by the state. New legal costs would then be slight if these attorneys were able to assume this increased work load without seriously detracting from their current assignments.)

Another possible cost to local governments would be a reduction in property tax revenues due to the decrease in land values following the sale of development rights. Currently, under Alaska's agricultural land use-value assessment law, property taxes that are lost by a borough when

farmland is placed under the use-value assessment program are reimbursed by the state. However, the market value of land under a development rights acquisition program would be the land's use-value, and boroughs would not be entitled to reimbursement for losses in property taxes, since none would occur. Although borough governments would lose property tax revenues under a development rights purchase program, there would be a corresponding reduction in costs to the state government, assuming all land involved was previously enrolled in the use-value assessment program.

#### Benefits of Development Rights Acquisition

Earlier in this report it was suggested that the preservation of agricultural activities has associated with it a set of joint benefits (see section on market failure). In assessing the feasibility of a public program to maintain land in agriculture in Alaska it is, of course, important to consider these benefits in relationship to the costs of achieving this end. Some of the benefits attributable to the presence of agricultural activities, however, do not lend themselves to objective quantification. They are public goods. As is the case with any good, a person's subjective evaluation of the relative importance of this class of benefits depends on his own personal value system. But unlike conventional private goods, the absence of an organized system of exchange for these collective goods stands in the way of our use of market signals (prices) to measure society's willingness to pay for these benefits.<sup>14</sup>

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<sup>14</sup> Similar problems have been encountered in other public policy issues in Alaska such as the proposed relocation of the state capital and the debate involving the use of the North Slope haul road.

An alternative approach to actual quantification is to present to the public and to government officials in the state a listing and discussion of the potential benefits stemming from a development rights purchase program. This information, along with the program costs estimates, may then be employed by the decision maker in assessing the overall desirability of a given policy. Specifically, the program costs estimates represent the minimum value that must be achieved by the joint benefits in order for the program to be economically feasible.

#### Maintenance of the Local Agricultural Economy

From a state-wide perspective, agriculture currently contributes relatively little monetarily to the Alaska economy. Statewide, agricultural activities accounted for an estimated two percent of the Gross State Product prior to start-up of petroleum production from the Prudhoe Bay field (Logsdon, 1975). Comparable statistics for local areas within the state are not available. The degree of dependence of the Palmer-Wasilla area, for example, on the agricultural industry has not been documented. One can easily observe, however, that the relative position of agriculture in this area is of much greater significance.

In measuring the "local agricultural economy" benefits associated with a development rights buy-back program, one must look beyond the agricultural landholders themselves. These farmers and ranchers, in deciding whether to continue their agricultural operations or to develop their land,<sup>15</sup> presumably consider only the implications for their own

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<sup>15</sup> "Develop their land," as used here, includes the sale of the land to others who in turn develop the land.

private welfare. In the absence of any public program that might prevent the conversion of agricultural lands to other uses, one would expect these individuals to remain in agriculture only if the private gains of doing so were greater than the returns from converting the land to an alternative use. Thus, if one observes agricultural land being developed in an area, one must conclude that the landholders who sell or subdivide their land are better off economically without than with agriculture.<sup>16</sup> What is not taken into account in the decisions of these landholders is the effect their actions might have on the welfare of other individuals--processors, farm suppliers, etc.--whose business activities are somehow linked to the production of agricultural commodities on these lands.

What do these businesses that represent the infrastructure for the agriculture industry stand to lose if land is converted to nonagricultural uses? Clearly it is the difference between their net earnings in the presence of agricultural production and what they could earn in their next best alternative. The net effect on these businesses, then, depends largely on how specialized they are, or, stated differently, on the mobility of the resources that they employ. It is conceivable that

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<sup>16</sup> Since participation in the development rights purchase program as it is envisioned would be voluntary, one would expect farmers or ranchers to forfeit their development options only if they receive compensation at least equal to the discounted value of future development benefits. While the initial asking price for development rights could very likely exceed this minimum value, one might reason that bargaining between the state and the landholder concerning development rights values would generate an "equilibrium" price at which the landholder was indifferent between selling and retaining these rights. If this were the case, landowners who participate in the program will, upon the establishing of this theoretical limiting price, be just as well off with the program as in its absence.

some firms such as financial institutions would be better off after the conversion of land to nonagricultural uses. The only people who would clearly be made worse off by the conversion of agricultural land would be some immobile farm workers whose absence of skills outside the agricultural industry would prevent them from easily adjusting to the changing economic scene (Gardner, 1977).<sup>17</sup> Regarding this latter class of resources, one must face the issue of whether retaining land in agriculture is the least cost method of providing these individuals with their present standard of living. It may well be that publically financed programs of direct economic assistance and/or retraining could achieve this end more efficiently.

#### Locally Produced Food

As pointed out before, food is a private good produced in a competitive environment and as such there is little evidence that the market will allocate a nonoptimal amount of land to food production. In Alaska, however, one often hears the argument that we are too dependent on out-of-state sources for our food supply. It is further argued that by promoting a local agricultural industry we can lower our food costs. What is the relationship of a development rights buy-back program to these issues? Can the preservation of currently and potentially productive private agricultural land reduce our dependence on outside food sources and lower our food costs? To address these issues one might

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<sup>17</sup> Although these individuals would surely be worse off, this is not to say that no others would suffer. Other individuals might also be faced with resource immobility.

first ask what are the benefits to be gained by reducing our food imports? It would seem that only if there were some cost advantages would it be in the interest of Alaskan consumers to buy their food from local sources.<sup>18</sup> The important question then centers around the ability of Alaska farmers and ranchers to compete successfully with other agricultural producers in providing food supplies to Alaska consumers. Alaskan agricultural firms are small relative to their competitors, and therein lies an important part of the explanation of why production costs are higher in Alaska, even in the presence of any environmental advantages that are related to long daylight periods and the relative freedom from insects that damage crops.

While the agricultural land mass in private ownership could support a larger number of efficient-sized intensive agricultural enterprises (e.g. vegetable farms), the market for products from these firms is currently limited to in-state sales due to the absence of processing facilities. A relatively small acreage planted to garden vegetables could supply the entire state's population with fresh produce. But larger acreages would be needed to support an infrastructure and to provide Alaska consumers with an opportunity to benefit from the potentially lower prices associated with large scale production. In the

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<sup>18</sup> It is sometimes suggested that by reducing our food imports, we may become less vulnerable to disruptions in food delivery systems linking Alaska with current food sources. It is difficult to evaluate this alleged benefit of local food production on any objective basis. One's view on this issue depends on his perception of the reliability of food transport systems and on how much he is willing to pay in order to insure that a disruption in this system will not affect the availability of food in the state.

absence of product export opportunities that might be made possible if processing facilities were available, there is little incentive to bring a critical mass of vegetable farms into production.

#### Open Space and Other Public Good Amenities

Open space is only one of several "external benefits" that accrue to Alaskans from the decision by agricultural landowners to keep their land either uncleared or in agricultural use. Other benefits in this class are the maintenance of wildlife habitat, watershed protection, and the preservation of a visible, perhaps romantic, "lifestyle." Since farmers and ranchers are not in a position to capture the full value of these benefits, they have little incentive to provide a socially optimal quantity of environmental amenities. The market system will often fail to efficiently allocate resources in situations such as this where property rights to certain benefits are undefined.<sup>19</sup>

While Alaska, with its vast area, has a great deal of open space and related environmental amenities to offer its residents, understandably the highest value is placed on these benefits in situations where they are in short supply. In areas around Anchorage and Fairbanks where population and industrialization have expanded recently, these benefits take on high value indeed. It is in these relatively densely populated areas that the preservation of open space promises to have significant

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<sup>19</sup> Since this class of benefits are public goods in addition to being externalities, we are faced with a further problem on the supply side as discussed earlier (see page 4). Specifically, even if a beneficiary could be forced to pay for the good, it would be inefficient to levy a charge since the marginal cost of extending a collective good to an additional consumer is zero.

social value. Since these benefits accrue chiefly to urban residents, an equitable program for preserving these opportunities would presumably also have the urban residents paying the bulk of the costs associated with their preservation.

#### Removal of Uncertainty

A final potential benefit to be mentioned in association with a development rights purchase program is the effect that such a program could have on investment decisions by farmers and ranchers. An important reason for the inefficiency of agricultural production at the urban fringes around Anchorage and Fairbanks is the great amount of uncertainty these farmers associate with the likelihood of land use shifts. Farmers have little incentive to invest optimally, especially in durable capital, if the probability is high that they will soon choose to abandon farming and thus forego the opportunity to capture the returns on agricultural investments (Gardner, 1975). As a result, farmers earn smaller net returns in their enterprises than they would if they invested in more efficient operations. A development rights buy-back program would serve to remove this uncertainty by compensating farmers to forfeit the development option in return for keeping land in agriculture for a period sufficiently long to capture the benefits from long term investment.

Introduced: 1/28/83  
Referred: Community & Regional  
Affairs and Resources

1 IN THE HOUSE

BY LACHER AND LARSON

2

HOUSE BILL NO. 148

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the preservation of agricultural  
7 land; and providing for an effective date."

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

9 \* Section 1. LEGISLATIVE FINDINGS AND DECLARATION OF PURPOSE.

10 (1) Land used in farming with soil and topographic characteris-  
11 tics that have been enhanced by years of agricultural use is an irreplace-  
12 able natural resource. When farmland is converted to urban and suburban  
13 uses that do not require the special fertility and landscape characteris-  
14 tics of farmland, an important economic and natural resource is lost to the  
15 state.

16 (2) Alaska is a desirable place to live and visit because of the  
17 quantity, variety and natural beauty of its open space that contributes a  
18 vital ingredient to the quality of life of the people of the state. The  
19 farmland of the state provides a natural separation between urban areas,  
20 furnishes unique aesthetic and economic benefits to the citizens of the  
21 state and is an important part of the heritage of the state.

22 (3) The agricultural industry in the state provides Alaskans  
23 with an opportunity to obtain locally grown agricultural products with  
24 advantages in flavor, quality, and cost that does not otherwise exist.

25 (4) It is the policy of the state to protect and preserve agri-  
26 cultural land by permitting current use taxation of agricultural land as  
27 well as by property tax deferral policies of local governments in which  
28 farmland is located.

29 (5) The policies by themselves have not been effective to

1 provide long-term protection of farmlands under the pressure of increasing  
2 urban development.

3 (6) Farmland close to an urban center generally has a greater  
4 market value for future urban development than its market value for farm-  
5 ing. This value encourages the speculative purchase of the land at high  
6 prices for future development, regardless of the current use of the land.  
7 Farmland that has a market value greater than its agricultural value does  
8 not attract sustained agricultural investment and eventually the land is  
9 sold and removed from agricultural use.

10 (7) The acquisition by the state of voluntarily offered inter-  
11 ests in farmland within the state will permit the land to remain in farm  
12 use in developing urban areas and provide long-term protection for the  
13 public interests that are served by farmland within the state.

14 \* Sec. 2. AS 03 is amended by adding a new chapter to read:

15 CHAPTER 07. PRESERVATION OF AGRICULTURAL LAND.

16 Sec. 03.07.010. ACQUISITION OF AGRICULTURAL PRESERVATION EASE-  
17 MENTS. (a) The director may acquire by purchase an agricultural  
18 preservation easement in privately owned agricultural land that meets  
19 the requirements of AS 03.07.020.

20 (b) The director, with the concurrence of the commissioner, may  
21 dispose of state land or an interest in state land by exchanging it  
22 for privately owned agricultural land or for an agricultural preserva-  
23 tion easement in privately owned agricultural land if the privately  
24 owned agricultural land meets the requirements of AS 03.07.020.

25 (c) The value of an agricultural preservation easement received  
26 by the state in an exchange made under this chapter must be equal to  
27 the fair market value of the state land or the interest in state land  
28 exchanged. If the value of the state land or the interest in state  
29 land is not equal to the value of the agricultural preservation

1           easement, the director may accept money from or pay money to an owner  
2           of land. The money accepted or paid must equal the difference between  
3           the fair market value of the agricultural preservation easement and  
4           the fair market value of state land or the interest in state land  
5           exchanged under this chapter.

6           (d) The director may not purchase an agricultural preservation  
7           easement or exchange state land for an agricultural preservation  
8           easement except to preserve the agricultural use of land.

9           (e) The director may accept a remainder interest or a future  
10          interest in land in place of an agricultural preservation easement if  
11          the land will continue in agricultural use.

12          (f) A sale, exchange or donation of an agricultural preservation  
13          easement is voluntary. A parcel of land may be considered for ex-  
14          change under this chapter only on application of the owner of the  
15          land. After sale, exchange, or donation of agricultural preservation  
16          rights, an owner may not be required to carry out specific agricul-  
17          tural activities as long as the owner of the land does not use or  
18          subdivide the land for residential, commercial, or industrial purposes  
19          or activities which are not related to agricultural uses.

20          Sec. 03.07.020. LAND ELIGIBLE FOR AGRICULTURAL PRESERVATION. A  
21          parcel of land is eligible for protection under this chapter if

22                 (1) it is privately owned;

23                 (2) the soil under no less than 40 percent of the surface  
24          of the parcel is classified as classes II - IV by the United States  
25          Soil Conservation Service; and

26                 (3) it is

27                         (A) a parcel with no less than 40 acres in cultivation  
28          or farm use; or

29                         (B) a parcel with no less than 20 acres in cultivation

1 or farm use adjacent to an established farm or farms totalling no  
2 less than 40 acres in size that has been in operation as a farm  
3 or farms for no less than 10 years.

4 Sec. 03.07.030. PRIORITY DISTRICTS. If the director does not  
5 have money to purchase agricultural preservation easements in all  
6 eligible land, the director may establish a system of farmland preser-  
7 vation priority districts by regulation and allocate money for agri-  
8 cultural preservation easements within the districts according to the  
9 following priority:

10 (1) farmland that is threatened by early conversion to  
11 subdivisions, commercial or industrial uses;

12 (2) farmland that is of recognized value for tourism  
13 because of historic associations, natural setting, closeness to tour-  
14 ism routes, or other reasons;

15 (3) farmland that has a history of high productivity  
16 because of soils, temperatures and other reasons;

17 (4) farmland that is close to market; and

18 (5) farmland that is within an established agricultural  
19 area.

20 Sec. 03.07.040. CRITERIA FOR SELECTION WITHIN A PRIORITY DIS-  
21 TRICT. If funds are not available within a priority district to  
22 purchase all eligible land of equal priority for which valid offers  
23 have been received by the director, the director shall consider the  
24 following criteria in accepting offers:

25 (1) an offer of land that is more threatened by urban  
26 development is favored over an offer of land that is less threatened;

27 (2) an offer that is below appraisal is favored over an  
28 offer that is at or above appraisal;

29 (3) an offer of land used for farming in the 12 months

1 before the offer is favored over an offer of land that has been fallow  
2 for the preceding 12 months;

3 (4) an offer of land that will form a contiguous farming  
4 area with other offered or acquired eligible land is favored over an  
5 offer of land that is separated from other farms;

6 (5) an offer of land that will achieve both urban separa-  
7 tion and agricultural production or that will separate commercial and  
8 industrial uses from residential or recreational uses is favored over  
9 an offer of land that will serve only one of the purposes.

10 Sec. 038.07.050. AGRICULTURAL LAND WITHIN A MUNICIPALITY. The  
11 director shall, before making an allocation of agricultural preserva-  
12 tion easement money to a farmland preservation priority district  
13 within a municipality, consider any comprehensive plan or ordinances  
14 of the municipality on municipal farmland preservation priorities  
15 adopted by the municipality and shall, before making an allocation,  
16 consider recommendations from the municipality regarding priorities  
17 for farmland preservation within the municipality.

18 Sec. 03.07.060. DETERMINATION OF ELIGIBILITY FOR EXCHANGE OR  
19 SALE OF EASEMENT. (a) An owner of land that meets the requirements  
20 of AS 03.07.020 may offer in writing to sell or exchange the agricul-  
21 tural preservation easement to the state on all or a portion of the  
22 agricultural land.

23 (b) An offer to sell or exchange

24 (1) must include a price at which the owner is willing to  
25 sell an agricultural preservation easement to the state;

26 (2) must include a complete legal description of the land  
27 offered;

28 (3) may include an appraisal in support of the price.

29 (c) Within 30 days after the receipt of an offer, the director

1 shall notify the owner of the land of the sufficiency of the offer.  
2 If the offer is insufficient, the director shall specify the reason  
3 and permit the owner of the land 30 days to correct the insufficiency.  
4 If a corrected, sufficient offer is made within 30 days of the noti-  
5 fication by the director, the land is determined to qualify as land  
6 that meets the requirements of AS 03.07.020.

7 (d) If any part of the land determined to qualify under (c) of  
8 this section is in a municipality, the director shall notify the  
9 governing body of the municipality within 30 days of the determination  
10 under (c) of this section. Within 30 days after the notification by  
11 the director, the municipal governing body may request the director to  
12 reconsider the determination. If a municipality requests reconsidera-  
13 tion, the director shall hold a public hearing in the municipality  
14 before an offer to sell or exchange is tendered to the owner of the  
15 land. If, after a public hearing in the municipality, the decision of  
16 the director remains unchanged, the municipality may appeal to the  
17 commissioner within five days for a review of the decision of the  
18 director.

19 Sec. 03.07.070. OFFER TO BUY OR EXCHANGE. The director may  
20 accept the offer to buy or exchange land at a price and upon terms  
21 offered by the owner of the land or may make a counter offer to buy or  
22 exchange and may specify terms and conditions not contained in the  
23 landowner's application within 90 days after approval of the land-  
24 owner's offer to sell or exchange an agricultural preservation ease-  
25 ment. An owner of land has 30 days from the receipt of the counter  
26 offer to buy or exchange in which to accept or reject the offer.

27 Sec. 03.07.080. VALUATION OF AGRICULTURAL PRESERVATION EASEMENT.

28 (a) The maximum valuation of an agricultural preservation easement  
29 acquired under this chapter is either the asking price or the

1 difference between the fair market value of the land and the agricul-  
2 tural value of the land, whichever is less.

3 (b) The valuation of an agricultural preservation easement shall  
4 be determined by the director based on one or more appraisals by  
5 qualified appraisers.

6 Sec. 03.07.090. USES OF LAND ACQUIRED. (a) An agricultural  
7 preservation easement acquired under this chapter permits

8 (1) agricultural use of the land by the owner of the land;

9 (2) removal of minerals or materials from the subsurface of  
10 the land if the land is immediately returned to a condition at least  
11 as favorable for agricultural use as existed before the removal of  
12 minerals or materials began;

13 (3) operation of machinery used in agricultural production  
14 or the primary processing of agricultural products;

15 (4) sale of agricultural products produced on the land;

16 (5) construction of buildings for farming operations but  
17 land used for farm residences may not exceed one acre per 40 acres of  
18 land under an agricultural preservation easement.

19 (b) The acquisition of an agricultural preservation easement by  
20 the state does not grant the public a right of access or right of use  
21 of the property subject to the easement nor does it affect any exist-  
22 ing easements, rights of way, or rights of access. Residential sub-  
23 division is not permitted.

24 Sec. 03.07.100. DEFINITIONS. In this chapter

25 (1) "agricultural operations" means activities related to  
26 the production of domesticated plants and animals useful to humans;

27 (2) "agricultural preservation easement" means an interest  
28 in land under which all development rights are owned by the state and  
29 an owner of the property subject to the agricultural preservation

1 easement retains an interest in and the right to use and possess land  
2 for purposes and activities related to the production of domesticated  
3 plants and animals useful to humans;

4 (3) "agricultural use" means the use of land for the pro-  
5 duction of domesticated plants and animals useful to humans;

6 (4) "agricultural value" means the amount on a valuation  
7 date which an owner of land, willing but not obligated to sell, would  
8 accept for property subject to an agricultural preservation easement,  
9 and which a purchaser, willing but not obligated to buy, would pay for  
10 property subject to an agricultural preservation easement;

11 (5) "commissioner" means the commissioner of natural re-  
12 sources;

13 (6) "development rights" means an interest in and the right  
14 to use and subdivide land for any and all residential, commercial and  
15 industrial purposes and activities which are not incident to agricul-  
16 tural uses;

17 (7) "director" means the director of agriculture in the  
18 Department of Natural Resources;

19 (8) "fair market value" means the price on the valuation  
20 date for the highest and best use of the property which a vendor,  
21 willing but not obligated to sell, would accept for the property, and  
22 which a purchaser, willing but not obligated to buy, would pay for the  
23 property if the property was not subject to any restriction imposed  
24 under this chapter;

25 (9) "municipality" means a unified municipality or a home  
26 rule borough or general law borough or city, of any class, incorpo-  
27 rated under the laws of the state;

28 (10) "qualified appraiser" means a senior member of the  
29 American Institute of Real Estate Appraisers, the Society of Real

1 Estate Appraisers, a person meeting the requirements for certification  
2 as an appraiser II by the division of personnel, Department of Admin-  
3 istration, or a person qualified according to regulations adopted by  
4 the commissioner under the Administrative Procedure Act (AS 44.62);

5 (11) "residential subdivision" means the division of a tract  
6 or parcel of land into two or more lots, sites or other divisions for  
7 the purpose, whether immediate or future, of sale or building develop-  
8 ment, and includes a resubdivision.

9 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
10 10.070(c).

# COMMITTEE REPORT HOUSE

FURTHER:

2/8/83

Date:

2/7/83

Mr. Speaker:

The Committee on FINANCE has had HB 151

An Act making a special appropriation to the Department of Natural Resources, division of parks, for acquisition, and development of the House of Wickersham in Juneau; and providing for an effective date.

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 151 (Finance)  same title
- new title
- and recommends do pass
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

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[Signature]

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CHAIRMAN

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: H.B. 151 Date on Bill: 1/31/83  
 Title: Special Appropriation: House of Wickersham  
 Sponsor: Hayes  
 Requestor: House Finance

Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital		1,000.0		
Operational		32.8	55.5	59.9
Total	-0-	1,032.8	55.5	59.9

b. Revenues:

Revenue	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----

Source of funds to offset fiscal impact of bill:

Assumptions:

Operating costs would include an on-site manager/curator position. Assuming that acquisition would occur by the middle of FY84, this position would be half-year in FY84 and become full-year, full-time beginning in FY85.

Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It does not represent the policy of the Sheffield Administration or the final estimate of fiscal impact.

Prepared By: Hilton Wolfe *with wife* Phone: 465-2421  
 Division: Parks Date: 2/24/83

Approved by Commissioner: *Max Halloran* Date: 2/24/83  
 Department: Natural Resources

5. Distribution:  
 Original to Legislative Finance  
 Copy to OMB  
 Copy to Sponsor

Offered: 2/28/83  
For Today's Calendar

Original sponsors: Hayes, M.M.Miller,  
Duncan et al

Funding Information  
General Fund \$1,000,000  
Other Funds -0-  
\$1,000,000

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 151 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making a special appropriation to the Department of Natural Resources, division of parks, for acquisition and development of the House of Wickersham in Juneau; and providing for an effective date."

7

8

9

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

11 \* Section 1. The sum of \$1,000,000 is appropriated from the general  
12 fund to the Department of Natural Resources, division of parks, for the  
13 acquisition of the House of Wickersham in Juneau and the historical collec-  
14 tions and artifacts contained in the house and for the development of the  
15 acquisition as an historic site.

16 \* Sec. 2. The appropriation made by this Act is for a capital project  
17 and is subject to AS 37.25.020.

18 \* Sec. 3. This Act takes effect July 1, 1983.

THE FOLLOWING INDIVIDUALS ARE EXPECTED TO TESTIFY ON HB 151:

Representative Mike Miller  
testifying on behalf of Representative Joe Hayes, prime  
sponsor of HB 151

Bob Giersdorf  
owner, House of Wickersham

Hilton Wolfe  
Division of Parks, Department of Natural Resources

*2*

REQUEST  
 Bill/Resolution No. H.B. 151  
 Title Special Appropriation: House of Wickersham  
 Requested by State Affairs Date 2/3/83

II. FISCAL DETAIL:

Agency Affected Natural Resources - Parks  
 Program Category Affected Parks & Recreation  
 BRU, Program, Or Subprogram(s) Affected Park Operations  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		1032.8 <sup>(a)</sup>	50.5	59.9		

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND		1032.8	50.5	59.9		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

(a) Includes \$1.0 million capital appropriations

IV. DATE 2/7/83 PREPARED BY William W. [Signature]  
 AGENCY Natural Resources  
 Original: Legislative Finance PHONE 465-2400  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

OMB Reviewed By: Glen Price *[Signature]*



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Natural Resources	Sponsor (Principal) Hayes	Bill Number HB 151
Department Position The Department strongly supports the concept of public ownership of this unique site. However, we cannot urge passage of this special appropriation until we have completed a vigorous analysis of the impact of deleting an equal (over)		
Division Director Neil Johannsen	Date 2/7/83	Commissioner's Signature EW Date 2/7/83

GOVERNOR'S OFFICE USE

Comments:

<input type="checkbox"/> Position Noted	By	Date
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SUMMARY

1. a) Related Bills (Similar or Conflicting) SB 31 (Identical)	1. b) Other Agencies Affected by Bill None directly
2. a) Organizational Support for Bill Alaska Visitors Association resolution of support, February 1981. Alaska Legislature, Legislative Resolve No.30, 1981.	2. b) Organizational Opposition to Bill

3. Program Effects of Bill  
The bill provides a special appropriation to be used for "acquisition of the House of Wickersham in Juneau and the historical collection and artifacts contained in the house and for the development of the acquisition as an historic site.". Management of historic sites is a Parks & Recreation Program function that would be significantly augmented by the acquisition and development of Wickersham House for the use and enjoyment of Alaskans and visitors to Alaska.

4. Fiscal Impact:  None  Fiscal Note Attached

5. Amendments Proposed:  
The lapse date for the appropriation is stated as June 30, 1984. As it is unlikely that the project could be completed by that time, it is highly desirable that the lapse date be changed to June 30, 1985.

6. Comments:  
Legislative Resolve No.30, 1981, requested that the Governor establish a task force "to develop a plan for the continued operation and preservation of the House of Wickersham." The task force report (attached) was completed in March 1982, and draws a conclusion similar to Resolve No.30: given the unique state and national significance of the House of Wickersham and its collections, "it seems appropriate that the Wickersham collection and its repository should be recognized and preserved for the benefit of all Alaskans now and in centuries to come." Broad cosponsorship for the House version of the bill indicates that there is continued support for the spirit embodied in Resolve No.30.

Department Position (continued)

amount of funding from Governor Sheffield's FY84 budget of \$1,540,000 for the Parks & Recreation capital program.

DUNCAN

AMENDMENT FOR HOUSE BILL 151

Delete present section (2)

Add new section (2) to read:

\* Sec. 2. The appropriations under this act are for capital projects and are subject to as 37.25.010.

WICKERSHAM HOUSE REPORT

Prepared in Response  
to  
Legislative Resolve No. 30, 1981

Submitted  
to  
Jay S. Hammond  
Governor

By  
Wickersham House Task Force ,  
March 1982  
Juneau, Alaska

## CONTENTS

Introduction	1
Task Force Members	1
Assessments and Appraisals	2
Options Considered	3
Other Recommendations	5
Fiscal Information	7
Attachments	

## WICKERSHAM HOUSE REPORT

### Introduction

With Legislative Resolve No. 30, 1981 (Attachment 1-A), the Legislature requested that the Governor establish "a task force to develop a plan for the continued operation and preservation of the House of Wickersham" (located at 213 Seventh Street, Juneau) and specifically named three State officers to serve on the task force. The resolution was accompanied by an appropriation of \$17,400 (Attachment 1-B).

Following the Governor's approval of that appropriation, the principal members named in the resolution consulted informally and prepared a workplan, based on the \$17,400 appropriation, for performing the necessary work, which was interpreted to mean "a determination of the costs and procedures attendant upon the State, assuming ownership and control of the House of Wickersham." On January 7, 1982, the Governor formally established the task force (Attachment 1-C).

This report synthesizes the task force consensus developed at two Juneau meetings and in consultation with the owners of the House of Wickersham and its collections.

### Task Force Members

The Governor appointed the following officials to prepare the requested report:

- (1) Chip Dennerlein, Director, Division of Parks (Chairman)
- (2) Richard Engen, Director, Division of Libraries and Museums
- (3) Donald Dickey, Director, Division of Tourism

Additional participation was provided by the following individuals to broaden the base of task force deliberations:

- (1) William Hannable, Director, Alaska Historical Commission
- (2) Robert Shaw, Chief of History & Archaeology, Division of Parks
- (3) Hilton Wolfe, Staff Assistant, Director of Parks

- (4) Paul McCarthy, Archivist, Alaska and Polar Regions Collection, University of Alaska, Fairbanks
- (5) John Pearson, Travel Development Specialist, Division of Tourism
- (6) Kathy Hildre, Southeast Alaska Manager, Alaska Tour & Marketing Services, Inc.
- (7) Ruth Aliman, Lecturer-Curator, House of Wickersham

#### Assessments and Appraisals

In order to establish a reliable cost estimate pursuant to State acquisition and operation of the House of Wickersham and its collections, the following assessments and appraisals were prepared and are included as attachments to this report:

- Attachment 2 Brief Summary of the Wickersham Collections
- " 3 Architectural Condition Assessment, prepared by Robert A. Mitchell, A.I.A. Historical Architect, Division of Parks
- " 4 Ethnographic Objects Appraisal, prepared by L. J. Rowinski, retired Curator of the University of Alaska Museum, Fairbanks
- " 5 Archival Documents Appraisal, prepared by Paul McCarthy, Archivist of the Alaska and Polar Regions Collection, University of Alaska, Fairbanks
- " 6 Antiques Appraisal, prepared by William W. Jorgenson on behalf of the Alaska Historical Society
- " 7 Real Property Appraisal, prepared by J. A. Duvernay, A.S.A., of Pomtier, Duvernay & Horan

#### Options Considered

During task force deliberations, the discussion revolved around three basic options for State involvement:

- Option A No State action (rejected)
- " B State support to a private owner (rejected)
- " C State purchase and operation (recommended)

Those options are discussed below.

Option A - No State Action (Rejected). Given the assumptions expressed in Legislative Resolve No. 30, 1981, Option A is not viable. Operation of the House of Wickersham and its collections as a point of historical interest has been perpetuated by the strong determination, personal commitment and direct involvement of Mrs. Ruth Allman for many years. With her advancing age, Mrs. Allman's ability to continue to service the increasingly demanding tourist schedule is necessarily diminishing, and the time has arrived where a revised mode of operation is imminent. Mrs. Allman and Mr. Robert Giersdorf have recognized the situation and have taken the step of inquiring as to the State's desire to preserve this element of Alaskan history. Indications are that should no State action be taken, the integrity of the Wickersham House and its contents will likely be destroyed over the next few years through redirected use. Exercising Option A would likely not fulfill the legislative goals of ". . . continued operation and preservation of the House of Wickersham"; consequently this option was rejected.

Option B - State Support to a Private Owner via Subsidy and Maintenance Agreement (Rejected). Substantial discussion of this option resulted in the final decision not to recommend it. A key element in that rejection was the basic belief that the property is not viable as a business venture directed to the preservation and public interpretation of the House and documents, that is, a privately owned and operated museum and library. The value of the real property and its contents is approximately \$500,000, while the gross monetary return from current operations is in the \$35,000 per year range: this is not a sufficient return to attract private investment.

Sufficient State subsidy could be designed to make this option viable; but the need for maximum dollar return, which would necessarily be the goal of a private owner, would have the effect of converting the property to almost exclusive non-resident tourist use. This conclusion is based on the fact that the current visitor fee is \$8 per person and even with that fee,

continued operation in the current mode is not feasible. With a change of private operators, the cost per person would be at least as high as the current rate. An entry fee of \$8 is not considered prohibitive by most non-resident visitors, especially when it is included as part of a total tour package. However given the nature of disposable family incomes, an Alaskan family of four is unlikely to pay \$32 for a 1 or 2 hour tour of the House and is even more unlikely to do so on a repetitive basis.

Although the capital investment vs. return for this mode of operation is untenable, with direct subsidy and recently enacted federal tax incentives private operators willing to fail for short-term gain could likely be found. However the task force consensus was that exercising this option would only prolong the agony of the destruction of the historic values of the House and its collections. Additionally, Option B would result in complicated and reoccurring negotiations and contracts that would require a high level of direction from the State. Inevitably the owner would feel constrained by the management agreements necessary to preserve the building with its contents intact.

Preservation of the structure alone is possible under private ownership through conversion of use, such as conversion to a restaurant or to apartments; but these possibilities would require removal of the Wickersham memorabilia. Given that the major importance of the structure is derived from its association with Wickersham and his collections, the task force concluded that conversion of use would not produce the goals of the Legislature; that is, disassociation of the House and its contents would very negatively impact the historical, interpretative, and educational value of the property.

Option C - State Purchase and Operation (Recommended). Option C is the most direct and positively controlled means of producing the goal of preservation of the Wickersham House and its contents as a unit; consequently the task force recommends purchase of the building along with its contents. This ...

recommendation is based on the assumption that the Legislature is recognizing the valuable contribution which the Wickersham House makes to tourism as well as the significant role which the House occupies in Alaskan history.

One important point to identify about the Wickersham House is that it was basically a retirement home occupied by Judge Wickersham only from 1928 to his death in 1939. Since most of the Judge's contributions to Alaska were made elsewhere in Alaska earlier in his career, it is not the structure that is of paramount importance, but the contents. Since the Judge's occupancy, the structure has housed the extensive collections of documents, diaries, ethnographic and historical memorabilia which so clearly reflects the territorial history of Alaska and Judge Wickersham's role in that era. Though the house has a role in the mining history of Juneau and is an excellent example of turn-of-the-century architecture, it is clearly the contents of the structure which have resulted in legislative concern for preservation and operation of the house as an historical resource and attraction.

The option of purchasing only the house contents was discussed by the task force members, but this solution does not address the desires of the owners or Mrs. Allman or the Legislature to continue the association of the House and the collections. It should be emphasized that as a body of materials reflecting the Wickersham era and his mode of life, the house contents are important as a unit. Interpreting the house and Wickersham's role in Alaska history would be difficult without these materials; the house and its contents are a valuable element in the State's history as an integrated unit.

#### Other Recommendations

While not going into the details of daily management, the task force has several additional recommendations that deal with specifics which will result in accomplishing the Legislature's objectives if the property is purchased.

(1) The Division of Parks should be the managing agency, with technical support from the Division of Libraries and Museums.

(2) Substantial rehabilitation and upgrading of the structure should be accomplished upon acquisition to meet mandatory codes for operation of the structure as a public facility and to insure the safety of the collections.

(3) The house contents should be kept within the house for display and interpretative purposes with the exception of a few unique, irreplaceable objects whose security from theft and climatic variations are required for preservation of the object in perpetuity. Upon State purchase and accomplishment of a detailed inventory, the Directors of Parks and Libraries and Museums should reach a consensus decision on removal of those specific materials to the State Museum and State Archives. For purposes of interpretation and public presentation at the House of Wickersham, high quality replications may be needed for the few documents or objects removed.

(4) Use of the second and third floors should be as office and residence units for security of the building and its contents.

(5) The facility derives its major value from the standpoint of tourism and Alaska resident education and historical significance; specific operation as an academic research facility for the Wickersham era is not practical from management standpoints and would not service the element of high public interest in the facility itself, but the contents of the House could be made available for off-site scholarly use.

(6) Summer season use should be devoted primarily to tourist use (especially since regional tourism is a growing attribute within the U.S.), and the remainder of the year should focus upon State citizen use. Occasional use of the House as a meeting place for State boards and commissions would also seem appropriate.

(7) Consideration should be given to the option of a tourist user fee and possible concessionaire involvement in certain elements of the operations program.

(8) Local citizen involvement in the House of Wickersham should be initiated through cooperation with the existing State Museum docents corps or similar group. Additionally, the involvement of the City and Borough of Juneau through cooperative

agreement should be considered, but the primary management responsibility should be clearly vested in the State Division of Parks.

Fiscal Information

Acquisition. Based upon the appraisals which were prepared, the cost of acquisition would range between \$437,800 and \$497,300, as identified below. It should be emphasized, however, that these appraisals are conservative and the actual open market selling price could easily exceed the high end of the range; but it appears that the owners would be willing to negotiate a sale using these appraisal figures as the basis for actual cash exchange and to donate the difference between cash payment and a higher selling price based upon other appraisals or estimates of market value.

Real estate	\$180,000 - 200,000
Ethnographic objects	61,800 -
Documents	140,500 - 180,000
Other artwork, artifacts, and antiques	<u>55,500 -</u>
Acquisition	\$437,800 - 497,300

Implementation. If the Wickersham House and its collections are acquired, additional capital funds would be necessary to initiate management as a public facility. Necessary repairs, restoration, and public use adaptation costs are based upon the Architectural Condition Assessment (Attachment 3) and include complete rewiring of the house and installation of a fire suppression system.

Repairs, restoration, and public use adaptation	\$254,000 - 364,000
Collections cataloging, dis- plays, and replications	80,000 -
Site modification for vehicular access	<u>20,000 -</u>
Implementation	\$354,000 - 464,000
Capital Total	<u>\$791,800 - 961,300</u>

Annual Operating Cost - FY83. The annual operating cost is based on one full-time staff person, assisted by volunteer services such as the docents corps, and utilities and maintenance for the facility and assumes on-site management only. Off-site services, such as circulating portions of the collections to other areas of the state, would require additional funding.

1 Permanent full-time staffperson	\$30,600
Associated costs	2,500
Utilities and facility maintenance	<u>10,100</u>
Total Operating	\$43,200

# STATE OF ALASKA

## THE LEGISLATURE

1981

Source

CSSCR 13(SA)

Legislative  
Resolve No.

30



Relating to the preservation of the House of Wickersham.

### BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS a significant portion of Alaska's documented and written history during the years 1900 through 1938 is recorded only in the diaries, papers, and manuscripts of Alaska's pioneer judge, James Wickersham; and

WHEREAS the House of Wickersham, located in Juneau and built on the site of the New Boston gold mining claim, is itself of major historical significance as one of the first large homes built in Alaska after the purchase from Russia, and as a fine example of Victorian architecture; and

WHEREAS the House of Wickersham has been certified for inclusion on the National Register of Historic Places, and its private collection of historic documents, diaries, papers, photo files, and artifacts is of major significance to scholars of early twentieth century Alaska; and

WHEREAS the histories of Nome, the Aleutian Islands, Fairbanks, Eagle, Anchorage, Mt. McKinley, Valdez, Skagway, Wrangell, Sitka, Ketchikan, and Juneau are preserved and represented in these early documents, making the Wickersham collection of major statewide importance; and

WHEREAS in years past many private historic collections have been sold or removed from Alaska; and

WHEREAS it seems appropriate that the Wickersham collection and its repository should be recognized and preserved for the benefit of all Alaskans now and in centuries to come;

BE IT RESOLVED by the Alaska State Legislature that the

Governor is respectfully requested to establish a task force to develop a plan for the continued operation and preservation of the House of Wickersham; and be it

FURTHER RESOLVED that the Governor appoint the directors of the division of parks of the Department of Natural Resources, the division of libraries and museums of the Department of Education, and the division of tourism of the Department of Commerce and Economic Development, and other officers of state government concerned with the history of the state to serve on the task force; and be it

FURTHER RESOLVED that the Governor invite the appropriate federal agencies and historical associations to work with the task force toward the achievement of its goal.

ATTACHMENT 1-A

HOUSE JOURNAL SUPPLEMENT

May 15, 1981

No. 43

FISCAL NOTE

I. REQUEST CS  
HCR  
8  
(SA)  
 Bill/Resolution No. S HCR 8 (SA)  
 Title Preservation of the House of Wickersham  
 Requested by House Finance Date 5/8/81

II. FISCAL DETAIL  
 Agency Affected Natural Resources - Parks  
 Program Category Affected NATURAL RESOURCES - PARKS & RECREATION  
 DRU, Program, or Subprogram(s) Affected Park Operations - Parks Administration  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		3.0				
200 TRAVEL		2.4				
300 CONTRACTUAL		5.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS & CLAIMS, ETC.						
TOTAL		17.4				

FUNDING (Thousands of Dollars)

GENERAL FUND	17.4				
FEDERAL FUNDS					
OTHER (Specify Fund Source)					

POSITIONS

FULL TIME					
PART TIME					
TEMPORARY					

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)  
 The costs identified above would be used by the task force to develop a plan for the continued operation and preservation of the House of Wickersham. Tasks to be accomplished would include the following: (1) prepare the work plan; (2) evaluate the academic and research significance of the collection; (3) inventory and appraise the value of the documents, artifacts, and real estate; (4) identify the acquisition and operating program alternatives with cost estimates; (5) identify a recommended program with cost analysis.

Travel costs would be for two or three meetings of the task force, composed of the Directors of Parks, Tourism, and Libraries and Museums, the Executive Director of the Alaska Historical Commission, and certain members of the University of Alaska professorial staff; contractual costs would be for the inventory and appraisal of the collection and real estate; the project employee would serve as staff.

IV. DATE 5/11/81 PREPARED BY Hilton Wolfe  
 AGENCY Natural Resources - Parks  
 Original: Legislative Finance PHONE 465-2421

# MEMORANDUM

State of Alaska

TO: Chip Dennerlein, Director  
Division of Parks  
Department of Natural Resources

DATE: January 7, 1982

FILE NO:

Richard Engen, Director  
Libraries and Museums  
Department of Education

TELEPHONE NO: 465-3500

SUBJECT: Wickersham House  
Task Force

Donald Dickey, Director  
Division of Tourism  
Department of Commerce and  
Economic Development

The Honorable John W. Katz  
Commissioner  
Department of Natural Resources

The Honorable Marshall L. Lind  
Commissioner  
Department of Education

The Honorable Charles R. Webber  
Commissioner  
Department of Commerce and  
Economic Development

From: Jay S. Hammond  
Governor

Last session, with Legislative Resolve No. 30, the Legislature requested that I establish "a task force to develop a plan for the continued operation and preservation of the House of Wickersham," and specifically named three State officers to serve on the task force. I interpret Legislative Resolve No. 30 to authorize a determination of the costs and procedures attendant upon the State, assuming ownership and control of the House of Wickersham. An appropriation of \$17,400 accompanied the resolution.

Following my approval of that appropriation, the principal members named in the resolution have consulted informally and prepared a workplan and proposed budget, based on the \$17,400 fiscal note, for performing the necessary work. With this memorandum, I am giving official status to the Wickersham House Task Force, and formally appointing the following members to carry out the request made in Legislative Resolve No. 30:

- (1) Chip Dennerlein, Director, Parks
- (2) Richard Engen, Director, Libraries and Museums
- (3) Donald Dickey, Director, Tourism

Chip Dennerlein

-2-

January 7, 1982

Richard Engen

Donald Dickey

The Honorable John W. Katz

The Honorable Marshall L. Lind

The Honorable Charles R. Webber

Since the Department of Natural Resources received the fiscal note appropriation, I am asking Chip Dennerlein to serve as chairman, and am encouraging him to request, on my behalf, the participation as appropriate of other State officials - including the Director of the Alaska Historical Commission and members of the University of Alaska professional staff - and federal agencies and historical societies.

In developing recommendations for the continued operation and preservation of the House of Wickersham, I urge the members to give particular weight to public review and comment. Please carry out this work as expeditiously as possible, and attempt to present your recommendations to me by mid-February, 1982.

Mike Whitehead will serve as my staff assistant for this project, and will be available for any consultation regarding implementation.

Appendix B,  
EXHIBIT 1

BRIEF SUMMARY of  
THE WICKERSHAM COLLECTION

WICKERSHAM DIARIES

- 17 volumes, daily journal kept by Judge Wickersham 1900 to 1939 (his death), various sizes, and written in pencil, indelible ink, pen...daily record of events and happenings that in many cases have no other WRITTEN record
- 1900 - Arrival in Alaska, establishment of home, court, etc.
- 1901 - First court held Interior of Alaska - walking 1056 miles without survey, trail etc...temperature from 0 to -65 below daily experiences, descriptions vivid.  
Establishment of FIRST Floating Court in Alaska.
- 1901-02 HOME and the McKenzie Hoyer Scandal -cleaning up the court cases (SPOILERS). Trip to Cape Prince of Wales, Kozgas.. planned trip walking from Cape to Siberia on pancake ice!
- 1902-03 FAIRBANKS founded and named by Wickersham after Pedro discovery of gold.
- 1903 FIRST BRIP UP MOUNT MCKINLEY - expedition led by Wickersham first maps of the Kantishna and McKinley made by Wick.
- 1904 - Valdez...walking from Fairbanks..establishing courts, etc.
- 1907 - Resigned from Bench and elected FIRST full time Delegate to Congress from Alaska. Famous Valdez trip
- 1908 Beginning of Congressional fight
- 1912 - HOME RULE FOR ALASKA finally passed, bill written and signed by Wickersham...Signed August 24, 1912 by Taft
- 1914 - ALASKA RAILROAD BILL PASSED - Wickersham's famous R.R. speech of 5 hours 45 minutes, longest speech ever given in Congress
- 1915 - Public School Bill by Wickersham passed, beginning of the University of Alaska: Laying of the Cornerstone July 4th at College by Wick.
- 1916 Introduction of the FIRST ALASKA STATEHOOD BILL - Wickersham
- 1923 Discovery of the Lincoln Totem by Wickersham at Tongass EkRRRth Island, near Netchikan.  
Resigned to become Governor, but last minute change of plan at Washington, D.C.

Each diary gives vivid daily entry as well as news clippings on the subject discussed, making this volumes detailed and complete. These foot dates give just a inkling of the variety of content of Alaska History

WICKERSHAM LETTER FILES - 1890 to 1939

Incoming as well as copies of the outgoing letters written. National and International correspondence, with signatures of all Presidents from President McKinley thru FDR. Many letters to and from Vice President Charles Fairbank's, for whom F... Alaska was named by Wickersham

	BOOKS, DIARIES LETTERS, PHOTOS NEWSPAPERS, MANUSCRIPTS, & MISC. DOCUMENTS	NATIVE ARTIFACTS & ARTWORK	PAINTINGS	NON-NATIVE ARTWORK & ANTIQUES	FURNITURE	REAL ESTATE, HOUSE & PROPERTY
WICKERSHAM DIARIES	X					
WICKERSHAM LETTER FILES - 1890 to 1939	X					

LETTER FILE, continued.

- Tied in more than 40 "books", as to subjectmatter, and year:
- 1917 - Letter of Henry Wood Elliott telling of the transfer of the Privile Islands to United States with the use of the Membership Certificate of the Masonic Lodge with big gold seal and red ribbons attached.
- 1917 - Wickersham correspondence with the Russian Government regarding erection of Customs House on Siberian Shore opposite Nome
- 1916-17-18 Contested Election controversy
- 19 15 -Establishing the FIRST Indian Chief Congress by Wickersham
- 1909-16 Richardson Road Commission
- 1890-1910 Institution of Wrangell Townsite, etc.

WICKERSHAM PRESS BOOKS - copies of letters, manuscripts, etc. 1880-1909  
Handwritten books.

- 17 Volumes. . Handwritten documents of rare material
- 1 Volume entirely of material "Whence Cometh the American Indian" and research of ethnology of outstanding quality. Never published manuscripts.
- 1900 to 1909 pertaining to ALASKA; prior to 1900 books written at Tacoma, Washington Territory and then state.
- Letters from India, Japan, England and world over included in material search for ethnological data.
- "As to the Extinction of the American Horse"
- "The Shaker Religion" on the Pacific Coast and Indians
- "Basis of American Archaeology", a Protest
- "AZTEC, the Mysterious Ancient Aztec Home on Puget Sound"
- "Origin of the Indians - Polynesian Route"
- "Stone Age Relics of Puget Sound"
- 1900-1910 books contain detail and lengthy articles, descriptions of the beginning of the establishment of courts and government not found in any other material.

WICKERSHAM FILE BOXES (10) 1900 - 1910  
Original files of letters, statements, etc. from the courts and mining camps of Early Alaska

WICKERSHAM FILE CABINETS (4)  
Manuscripts...research papers...files, documents, etc.

WICKERSHAM RARE PHOTOGRAPH COLLECTION - Early Alaska  
1<sup>st</sup> large photographic album filled 8x10 early photographs Klondyke...Nome...Juneau...Fairbanks...Valdez...Anchorage, etc.

WICKERSHAM NEWSCLIPPING SCRAPBOOKS - 3 - indexed  
Complete newspaper accounts of both sides of controversial issues Judge Wickersham was involved in and historical epics.

Wickersham Scrapbook CONSTITUTIONAL CONVENTION 1889 - State of Washington...J.W. was in the Territorial Legislature of Wash.

	1	2	3	4	5	6	7	8
LETTER FILE, continued.	X							
WICKERSHAM PRESS BOOKS - copies of letters, manuscripts, etc. 1880-1909 Handwritten books.	X							
WICKERSHAM FILE BOXES (10) 1900 - 1910	X							
WICKERSHAM FILE CABINETS (4)	X							
WICKERSHAM RARE PHOTOGRAPH COLLECTION - Early Alaska	X							
WICKERSHAM NEWSCLIPPING SCRAPBOOKS - 3 - indexed	X							
Wickersham Scrapbook CONSTITUTIONAL CONVENTION 1889 - State of Washington...J.W. was in the Territorial Legislature of Wash.	X							

## WICKERSHAM NOTEBOOK -1893

First person to walk completely around the shoreline of the Olympic Peninsula (State Washington), and his daily observations and sketches.

He hand sketched map of the "Olympic National Park" which he proposed...also the article which he wrote proposing such a National Park for the State of Washington.

The OLYMPIC SKETCHBOOK - WICKERSHAM. Daily entries made during his famed trip visiting all Indian camps on the Olympic Peninsula.. illustrated by the author's sketches made on the spot.

## FIVE CHESTS -

Pictures - documents - rare newspapers

## BIBLIOGRAPHY OF ALASKA LITERATURE - WICKERSHAM!

Judge Wickersham's compilation of over 10,000 items written about Alaska over 2 centuries - 1724 to 1924 - from time of Peter the Great's plan for an expedition resulting in discovery of Alaska and the 200 years following.

FILE - Rare Book Stores world over that Wickersham contacted to get this tremendous compilation of Alaskana. At the time (1908) he started this, Library of Congress did not have one item on Alaska in their files. Published 1928 - Copyrighted by J.W.

## OLD YUKON - TALES TRAILS AND TRIALS

Autobiography written by James Wickersham  
Also, the four manuscripts he wrote preceding the publication of this...before the publisher would accept it..."Pioneering Around Mount Mc Kinley"... "How a Judge is Made"...

## HOW ABRAHAM LINCOLN ABOLISHED SLAVERY IN ALASKA

Unpublished manuscript of James Wickersham in the files...  
and many more on Alaskan subjects

## ESQUIMAUX

First American Newspaper written in Russian America, 1866-67  
by Western Union Overland Telegraph Expedition.. Captain Libby.

File of all the personal papers, letters, diary of Capt. Libby 1866-67  
including the Ivory Newspaper carved by the native Eskimo telling  
the story of the Telegraph Expedition at Port Clarence, R.A.

## RARE BOOKS OF EARLY ALASKA such as:

Klondyke Official Guide - Wm. Ogilvie 1900  
Witten's Report - Natives, Salmon, Coal, Timber 1894  
Report of Capt. Beardslee - 1879-1882; USS Jamestown, Sitka  
Fur Seal Report - 1895 - Townsend, naturalist on Str. Albatross  
with notes in Townsend's own handwriting.  
Schwatzka's Reports - 1883, 1893, 1895  
and many, many more.

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RARE RUSSIAN BOOK SHELF...concerning Catharine I and Peter the Great  
Godparents of Alaska All leather bound books.

- 1701 - An Account of Iavonia with a Relation of the Rise, Progress  
and Decay of the Triolovek Order London, 1701.
- 1716 - The State of Russia - 1st edition Capt. John Perry with map  
Printed f. Panj.Tooke at Middle Temple-Gate in Fleetwood
- 1723 Present State of Russia Vol.II Translated from High Dutch  
Printed for W. Taylor
- 1730 - Memoirs of Peter I, Emperer of Russia and his Illustrious  
Empress, Catherine. 2nd Edition. Translated from French
- 1733 - History of Charles XII, King of Sweden - by Voltaire. 5th Ed  
Translated from French for C. Davis & A. Lyons. London
- 1739 - History of the Lives of Peter the First and Birth and Rise  
of Emperess Catherine. London
- 1736 History-Geographical Description of Russia-Siberia and the  
Great Tartary. Philip John von Strahlenberg. London  
Excellent maps.
- 1740 - New History of the Life & Reign of the Czar, Peter the Great  
John Danks, London.  
\* \* \*
- 1853 - History of Peter the Great From the French of Voltuire  
by Smollett. Clothbound. N.Y. Leavitt & Allen
- 1710 - Account of Russia As it Was in Year 1710 by Charles Lord  
Whitworth. Strawberry Hill Press.
- 1854 - Russia Translated from French Custline, Marquis.  
Rodmorocco binding by J.Wickersham
- 1903 - Life of Peter the Great - by John Barrow. 2nd Edition with  
illustrations. Explanatory notes by Henry Ketchan.
- 1858 - History of Peter the Great - by Sarah Bradford. N.Y.  
illustrations. cloth binding
- 1890 - The Story of Russia - W.R. Morfield, M.A. illustrated.  
London. T. Fisher Unwin. N.Y. G.P. Putman & Son.
- 1897 - History of Russia, Vol. I Vol. II From Earliest Times to 1877  
N.Y. Publishers; John D. Alden
- 1900 - A Memoir of the Life of Peter the Great. 1st Edition  
John Barrow, Esq. N.Y. A.L. Fowle
- 1859 - Memoirs of the Emperess Catharin - Written by Herself. London

AND MORE DATING THROUGH THE 1900's...

- 1893 VERAMINOV -  
Russian Paper. Synodic Printery Moscow, 1883
- ? Early Russian Church Liturgical Book.  
Short History of the Old and New Testaments.  
pages illuminated..binding broken
- ICON from Russian America. Painting of Christ Head, excellent  
condition. Bronze with filigree bronze halo..etched design  
including the Scriptures. Appraiser claimed it to be 300  
years old.
- COPPER TEAKETTLE used by the Russian-America Governor at Kodiak  
and given to Judge Wickersham 1900 by the grandson of the R.A.  
Governor. Very heavy. Excellent condition. Handmade.
- RARE RUG - Claimed to be the oldest on the Pacific Coast.  
Made of Dog Wash and Cedar sinews. Design angular, but  
without a repeat. About 5'x 7'
- BLOOD POTTERY - early Eskimo utensils Very old.  
Whale Oil Lamp - excellent condition...about 1 1/4" diameter, coil..  
Medicine Man shamman - small but perfect condition. Resembles  
a jester. Hole through mouth where babbish was tied.  
3 bowls of varied shapes  
(Blood pottery made of Whale Blood, Ptarmigan feathers and  
tundra.)
- Skin Scraper "Oola". Made of Alaska Kobuk Jade and Ivory handle.  
Also another "oola" without handle, and beautiful clear jade.
- Whetstone of Jade - used to sharpen the jade tools.
- Adz - made from shank of wolf and jade.
- Adz - made from a stone, shaped and sharpened by "nippad" by a harder  
implement or stone.
- Adz - made from Prehistoric ivory - used for cutting ice.
- Bentwood Box - made for Chief Shakes Jewel Box - spruce which has been  
steamed and bent, then carved and rubbed until like satin.
- Calendar - very crude - two pieces of wood with leather hinge that fit  
together. When open, peg holes in series for 7 days of week,  
another series of holes for months - completing the year.
- Chief Anaclahatz carved cane - entire cane to the very tip is carved  
with totemic design. Inlaid abalone shell decor. Taku Chief  
and present to Judge Wickersham when he was made the 9th  
Chieftain of the Taku Tribe.
- Gold Nugget Cane - head of cane dipped in gold nuggets and then sculptur  
with design of the prospector panning in stream of silver.  
Given to Judge Wickersham when he got the Alaska Railroad  
Bill passed - 1914.
- Gold Pan...Gold Scales...used by Jack Allman who took out \$70,000 in gold  
before he was 21 years old.

	1	2	3	4	5	6	7	8	9	10
1893 VERAMINOV - Russian Paper. Synodic Printery Moscow, 1883										
? Early Russian Church Liturgical Book. Short History of the Old and New Testaments. pages illuminated..binding broken										
ICON from Russian America. Painting of Christ Head, excellent condition. Bronze with filigree bronze halo..etched design including the Scriptures. Appraiser claimed it to be 300 years old.					X					
COPPER TEAKETTLE used by the Russian-America Governor at Kodiak and given to Judge Wickersham 1900 by the grandson of the R.A. Governor. Very heavy. Excellent condition. Handmade.					X					
RARE RUG - Claimed to be the oldest on the Pacific Coast. Made of Dog Wash and Cedar sinews. Design angular, but without a repeat. About 5'x 7'					X					
BLOOD POTTERY - early Eskimo utensils Very old. Whale Oil Lamp - excellent condition...about 1 1/4" diameter, coil.. Medicine Man shamman - small but perfect condition. Resembles a jester. Hole through mouth where babbish was tied. 3 bowls of varied shapes (Blood pottery made of Whale Blood, Ptarmigan feathers and tundra.)					X					
Skin Scraper "Oola". Made of Alaska Kobuk Jade and Ivory handle. Also another "oola" without handle, and beautiful clear jade.					X					
Whetstone of Jade - used to sharpen the jade tools.					X					
Adz - made from shank of wolf and jade.					X					
Adz - made from a stone, shaped and sharpened by "nippad" by a harder implement or stone.					X					
Adz - made from Prehistoric ivory - used for cutting ice.					X					
Bentwood Box - made for Chief Shakes Jewel Box - spruce which has been steamed and bent, then carved and rubbed until like satin.					X					
Calendar - very crude - two pieces of wood with leather hinge that fit together. When open, peg holes in series for 7 days of week, another series of holes for months - completing the year.								X		
Chief Anaclahatz carved cane - entire cane to the very tip is carved with totemic design. Inlaid abalone shell decor. Taku Chief and present to Judge Wickersham when he was made the 9th Chieftain of the Taku Tribe.					X					
Gold Nugget Cane - head of cane dipped in gold nuggets and then sculptur with design of the prospector panning in stream of silver. Given to Judge Wickersham when he got the Alaska Railroad Bill passed - 1914.								X		
Gold Pan...Gold Scales...used by Jack Allman who took out \$70,000 in gold before he was 21 years old.								X		

## WICKERSHAM SPOON COLLECTION...

Potlatch Spoons - made of Wood with elaborate carved handles of the Eagle... Raven... handmade by the Tlingit Indians

Caribou Horn spoons - made from tin of horn and varied shaves (8)

Ivory Spoons - Eskimo carved (5) Mountain Goat Spoon, Sheep...

Hand carved spoons from quarter and half dollars -(7) with intricate designs.

...this just a part of the souvenir nugget spoon collection, and the various decorated spoons of cities, mountains, etc. over 100

## WICKERSHAM BASKET COLLECTION.

The big collection has been sold, but over 40 Rare Baskets are still at the house. No basket of recent weaving. 1900 era.

Atka Baskets (3) Cooking Baskets with double weave.

Atka " Birch Bark Baskets

Spruce Baskets Eskimo Woven baskets.

Cedar Baskets

## Ivory Collection...

Ivory Newspaper - picturegraph on slab of ivory about 3"- 4" and design reporting circling around and around, telling a definite story - 1866-1867 when Western Union was at Port Clarence, R.A.

Prehistoric carving given to Judge Wickersham as "big chief of whites" by Eskimo Chief at Cape Prince of Wales - 1901.

Intricate watch chains carved for the gold miners during the early days at Nome - 1900 era. (6 chains, all different)

Chin Drill carving on elaborate Cribbage Board - Nome, 1900

Exquisite beads shaped by chin drill - Kastadon Ivory - matched perfectly and hand polished.

Many, many items filling many shelves of ivory.

## READ WORK of the INDIANS.

Potlatch Blanket - telling legend of tribe makes the design on the blanket. This presented as gift when "taken" into tribe.

Eagle and Raven bead designs - elaborate and beautiful. also, Killer Whale and Swan designs.

BLUE BEADS - used by the native in trading with the Russians, also the Hudson Bay Trading Company. 2 beautiful strands. Rare.

DOLLS - Authentic early dolls of both the Eskimo and the Indian with various types of garbs. feather parka for raincoat; beut parka, also for raincoat. dolls with mouth not smiling showing the age of doll...today doll smiles as tourists demand

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PAINTINGS

Portrait of Judge Wickersham - 1912 - by Mrs. Davis, an English artist living in Juneau at the time Judge Wickersham was at the height of his career and had just won Home Rule for Alaska. Oil - heavy antique frame

RUSTY HARLEIN \* Cabin on the Yukon. This was the hunting cabin Rusty and Jack had years ago. Water color. 2 1/2 x 30 ; modern frame.

JUDGE KEMOE \* Fisherman in Fighting White Water Water color 22 x 25; beautiful silver frame

FRANCES PAUL \* Thlingit Indian Ceremonial Dancing Hat. Water color 16 x 20; hand carved frame Beautiful details and shows the natural color of the wooden carved hat with human hair and abalone shell.

GRACE WICKERSHAM \* Blue Mountains mineraters Heavy oil. 7 x 9; Deon gold antique frame with depth.

TWO THLINGIT DEADED PICTURES...depicting legend. Since the native has NO written language, stories are recorded in this manner.

"THE FOG MAN" and "CREATION OF LIGHT" - framed, 12 x 14;

MELODIAN - in the family since 1857 - beautiful cherry wood, resembles a spirit in size. Will still play, but bellows leak a good deal.

CLOCKS - two 2 1/2-hour winding clocks with decorated glass doors; dating back to 1880 and 1889

SILVER - GLASS

Old Family Silver - sterling and plate  
Glass - Cranberry glass, Satin Glass, Cut Glass, Blue Glass...

FURNITURE

HOUSE & PROPERTY

	1	2	3	4	5	6	7	8
Portrait of Judge Wickersham			X					
RUSTY HARLEIN			X					
JUDGE KEMOE			X					
FRANCES PAUL			X					
GRACE WICKERSHAM			X					
TWO THLINGIT DEADED PICTURES...		X						
MELODIAN					X			
CLOCKS					X			
SILVER - GLASS					X			
FURNITURE						X		
HOUSE & PROPERTY							X	

## BOOKS...CONGRESSIONAL GLOBE + CONGRESSIONAL RECORD

One whole side of the room filled with shelves of Redleather bound BOOKS from 1847 through 1932. Judge Wickersham used these and had marked all references pertaining to ALASKA.  
About 500 books in this group.

## ALASKA \* 12 volumes

Hearing -- Reports of Committees - Bills pertaining to the activities of Judge Wickersham while in Congress

NATIONAL CONVENTION - Republican and Democratic Convention Books, 11 dating from 1900

## AMERICAN STATE PAPERS - 1859

GOVERNMENT PUBLICATIONS - 1774 - 1881

One complete panel of bookshelves with Alaska Books of varied types...fiction, historical, Alaska poetry, legal, biographical.

Large Russian Chest filled with unclassified documents, papers that are of vital usefulness for Research material.

Three Shelves of documents of Government Agencies, as well as Reprints that Judge Wickersham used for Reference material - These tied in folders and labeled.

POSTCARDS - Alaska during the Early 1900 era.  
These have been much in demand today for Reference material as to picture story.

Box of Photograph of Early Washington Indians, all identified and much written about these in the Judge's notebooks, as well as his scrapbooks of newspaper clippings.

## Early Newspapers:

FAIRBANKS MESSENGER - written by Judge Wickersham, typed rather than printed May 1903 at Fairbanks, Alaska, and sold for \$5 per copy to pay for his expedition up Mount McKinley.

Chest of early newspapers - including "Ton of Gold" issue of P.I. and many, many clippings as well as stray items.

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X

Condition Survey Report

HOUSE OF WICKERSHAM

(AHR# JUN-021)

213 Seventh Street  
(Seventh & Seward Streets)  
Juneau, Alaska

Robert A. Mitchell, A.I.A.

Historical Architect

Alaska Division of Parks

November 1981 - January 1982

ATTACHMENT

## Contents

Summation of Preliminary Cost Estimates for Stabilization and Restoration, in the order of appearance in Text.	Page i
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Stair Schedule	page 15
Uniform Building Code Requirements for Fire Separations, Egress and Allowable Occupant Loads	page 16
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Foundations	page 27
Structural Framing	page 30
Wall Insulation, Interior Finishes, Roof Insulation, Doors and Windows	page 33
Floor Covering	page 36
Roofing, Flashing and Downspouts	page 37
Chimney	page 38
Exterior Steps, Sidewalks and Handicapped Access	page 39
Fencing	page 41
Exterior Wood Finishes	page 41

Summation of preliminary cost estimates for stabilization and restoration:  
(in the order of appearance in text)

Historic Structure Report and Preservation Plans	\$ 15,000
Fire separations under stairs	3,000
Electrical Work	19,000
Fire and Intrusion Alarms	14,000
Electronic "Tagging" alarm system	30,000
Piping repairs	1,000
Piping insulation and combustion air louver	1,000
Fire suppression system	45,000
Soils analysis	5,000
Foundation and floor design	3,000
Foundation and framing repair	22,000
Wall insulation, removals and reinstallations, and interior finishes, including electrical and mechanical deductions	137,000
Doors, windows, and roof insulation	19,000
Commercial Carpeting and oriental carpet restoration	25,000
Roofing, flashing and downspouts	10,000
Chimney	2,000
Exterior Steps, Sidewalks and Handicapped access	8,000
Fencing	5,000
<b>Total</b>	<b>\$ 364,000</b>

## Operations costs

Information supplied by current owner indicate by year operating expenses incurred, relating to operation of the building for public visitation:

	Insurance	Repairs	Utilities	Phone	Advertising	Rental Income <sup>1</sup>	Gross Receipts <sup>2</sup>	Cost of Goods Sold <sup>3</sup>
1976	\$ 1831	\$ 1914 <sup>4</sup>	\$ 3077	\$ 644	\$ 2502	\$ 4558	\$ 21,479	\$ 2,984
1977	\$ 2454	\$ 3464 <sup>5</sup>	\$ 2560	\$ 732	\$ 2854	\$ 5000	\$ 16,348	\$ 3,677
1978	\$ 2473	\$ 739	\$ 3559	\$ 706	\$ 2595	\$ 5610	\$ 24,234	\$ 3,536
1979	\$ 2172	\$ 987	\$ 4020	\$ 764	\$ 2302	-8	\$ 21,206	\$ 2,225
1980	-8	\$ 5495 <sup>7</sup>	\$ 5262 <sup>6</sup>	\$ 536	-8	\$ 5592	\$ 35,777	\$ 2,658

### Notes:

1. From 2nd floor and 3rd floor apartments.
2. Presumed to be entrance fees, books sold, etc. (Does not include rental, income).
3. Presumed to be printing costs, costs of food materials served to visitors etc.
4. Includes \$1010 for hot water heater and \$313 for roof repair.
5. Not identified, but presumed to include kitchen remodel costs.
6. Includes approximately \$3800 fuel oil cost.
7. Includes exterior painting; number of coats and preparation unknown.
8. Not reported.

### Comments

Division of Parks as operator, being self-insured under the state, would presumably not incur insurance costs as a specific expense.

Extent of advertising expenses, if any, to be incurred, would be an operations policy decision, as would the decision to continue or discontinue visitation with fees, sale of publications, serving of foods to visitors, etc. Phone costs would probably increase somewhat. Continuation of rentals is also a policy decision which relates little to operating costs but much to tradeoff between security and liability.

It is assumed that, once major restoration/rehabilitation work on the structure is complete, annual costs or repairs and adequate preventive maintenance would be a bit greater than those shown here. Anticipate repainting of exterior in about 1986 at cost of \$13,000. Utilities costs would decrease somewhat in the short term due to initial fuel savings, but in the long run will increase with rise in fuel prices. As of January 1982, Average annual fuel consumption is about 3,600 gallons @ \$1.17 per gallon.

### Brief Historical Summary

This brief is based on materials extracted from the National Register nomination and miscellaneous material gained from brief interviews, etc. It is not intended to be exhaustive in scope or definitive in accuracy in all areas. A thorough historical research and analysis is strongly urged, if the state acquires the property, in order to develop more clearly the history of the structure prior to its purchase by Wickersham.

The structure was originally built in 1898 at the instigation of its first owner, Frank Hammond, who owned the Sheep Creek Mining Company. Identity of designer and builder are unknown, but they may have been local considering the sophistication of Juneau at that time. When his mining company went bankrupt within a few years thereafter, Hammond first leased out the house, then sold it to John F. Malony. On July 20, 1912, Malony sold it to the Alaska Gastineau Mining Company. In 1912 Bartlett L. Thane, an official of the AGM Company, commissioned Juneau architect J.C. Stanley, whose office was located in the Valentine Building, to design revisions to the house; while most of these modifications were not executed, Stanley's extant drawings now serve as a record of the configuration as existing at that time. Bart Thane, Emil Gastonguay and other officials of the company occupied the house at various times until the property was sold to James Wickersham on July 16, 1928. With exception of a short period in the early 1930s when he was recalled to Washington D.C. as Territorial Delegate to Congress, Wickersham occupied the house until his death in 1939. It continued to

be occupied by his family thereafter. Ruth Allman, an orphaned niece of Wickersham's second wife, Grace, was raised in the Wickersham household until she left Alaska to attend college. Ruth returned in 1958 to attend the widowed and invalid Mrs. Wickersham until her death. In 1974 the property was conveyed via deed of trust, naming Ruth Allman as beneficiary, to Robert and Lorraine Giersdorf, who have by mutual agreement maintained it as a historical property open to the public, with Ruth Allman as historical interpreter.

The house contains, on the first floor, a wealth of Wickersham manuscripts, furnishings, and other artifacts and memorabilia which serve to illustrate the judge's career, his occupancy of the house and, in the case of some furniture, possibly the earlier occupancy of others.

The Wickersham House was entered on the National Register of Historic Places on November 21, 1976.

### Summary of Building Modifications

Drawings of the house as originally constructed in 1899 have not been located and, indeed, it is not known whether construction drawings were prepared.

J.C. Stanley's remodel drawings of 1912, although those extant do not provide complete coverage, do provide a fairly accurate basis for conjecture as to the original configuration. While none of that remodel design was executed, the drawings indicate the prior arrangement, and provide a point of departure for detecting many subsequent changes that have taken place.

Although no specific evidence has yet been uncovered to determine which entrance was most used, it is apparent from the 1912 drawings that the most formal entrance was the entrance to what is now room 111, from the southwest porch which was open at that time. The long walkway west to Seward Street from the porch, and the hitching ring in the sidewalk on Seward Street, support this assumption. The type and character of spaces and apparent lack of articulation or refinement of the early north end porch at 7th Street, as shown in 1912 drawings, seem to point to a service entrance function there. Changes over the years seem to have somewhat changed this entrance focus with the north entrance now most formal, the south entrance secondary, and the service entrance now at the northeast corner.

Changes in the basement cannot be identified due to lack of early documentation and limitations of present research. It is assumed that the original furnace was fired with either wood or coal.

First floor changes at the north end have been fairly extensive. The fenestration pattern of the entire present north wall varies from the original. A porch to the north of that wall was removed, and the concrete entrance stair #1 was added. Window pairs #109/110 and 127/128 were originally single windows. While stair #5 to the basement appears to be in original location, stair #6 to the second floor is added. The overall configuration of rooms #101, 102, 104, 105 and 106 is an almost complete departure from the original, as is the gable at second floor level of stair #6. It is presumed that these changes, which took place ca. 1928, have acquired their own historical value. The kitchen, room #107, underwent some remodeling ca. 1977.

At the south end of the first floor, the only significant interior changes are the partition which created room #110 from part of the room #111 space, and closure of the doorway between room #103 and room #110. Exterior door #114 was relocated to align with stair #4, probably concurrently with the partition which created room #110. These interior changes and the enclosure of porch #112 have occurred since 1912, possibly ca. 1935. Porch space room #113 is a ca. 1968 addition:

On the second floor, stair #6 and its enclosure are additions presumed concurrent with the modifications which took place immediately below on the first floor. Windows #202 & 216 were changed concurrently with the

Stair #2 enclosure. The partition separating bathroom #204 and hallway #202 appeared since 1912, as did doorway #205 separating hallway #202 from #201. The doorway, hall partition and landing at bottom of stair #7 are departures from the 1912 condition, and appear to have been in place for quite a while.

Other second floor changes from the 1912 configuration are the creation of rooms #206 & 207 by separation from #208; removal of a partition from the center of room #208 and closure of a door connecting the east half of room #208 with hallway #201; reorientation of closet #209 from the west wall, and addition of window #210. These changes took place probably in the 1940s.

Changes on the third floor since 1912 appear to be limited to removal of a partition in room #302 north of the chimney, and installation of the partition now separating rooms #302 and 303. These changes may likely have occurred in the mid 1930s.

While this description is fairly complete in terms of changes accomplished, the actual chronology is very nonspecific due to present research limitations.

If the state does in fact acquire the property, one of the obligations included therewith, as a responsibility to the public, is an indepth historical, archival and architectural investigation which will reveal the history of the structure in much greater detail. This will necessarily include close on-site observation by qualified historic preser-

vation personnel during any stabilization/rehabilitation/restoration work. In accordance with proper historic resources management procedures, a thoroughly detailed historic structure documentation report and complete preservation plans are prerequisite to any further interventions in the fabric of this structure, although some of the study will necessarily be concurrent with work taking place within the building.

Estimated Cost for this study is \$ 15,000.

### Summary of Recent Occupancies

For a number of years, Ruth Allman has opened the Wickersham house to the touring public in groups of up to 25-30 people and, in addition to her interpretive guided tour, serves a "flaming sourdough meal" to groups of that size in the dining room and parlor on the first floor.

The second floor serves as her living quarters and includes other living space as well. The second floor is served by a wide stair (stair #4) exiting to the south porch, and a narrow stair (stair #6) exiting to the kitchen entry, room #106.

The third floor serves as a separate rental apartment accessible only via a single stairway (stair #7) from the second floor hallway, room #102.

From the aspects of handicapped access, means of egress, and other interfaces of occupant and construction characteristics, it appears at this writing most desirable to continue utilization of the upper floors as living spaces, whether for interpretive/staff/other personnel or renters, and limit public access to the first floor. The desirability of upper floor quarters for interpretive and curatorial staff or other provisions for lodging on upper floors is also seen by the writer as positive security strategy particularly during the season of lower visitation level.

It is the observation and opinion of the writer that the focal point of

historicity of this house and its contents as relating specifically to Wickersham lies in the spaces, furnishings and memorabilia located on the first floor. This may presumably be the case also in regard to historical significance of occupancies prior to Wickersham, but cannot be stated firmly without detailed historical research.

Area/Volume Schedule

Subgrade Level

Total Gross Area	1,550 sq ft
Total Net Area	1,345 sq ft
Total Net Finished Basement	575 sq ft
<u>Total Net Crawl Space Unexcavated</u>	<u>770 sq ft</u>

Rm. #001 Laundry/Storage	290 sq ft
#002 Storage	45 "
#003 Furnace Room	170 "
#004 Storage	30 "
<u># 6 Stair</u>	<u>40 "</u>

Total Net Area 575 sq ft

Net volume finished space = 575 sq ft x 7.5 = 4,315 cu ft.

Net volume crawl space = 770 x ± 2.5 = 1,925 cu ft.

Total net subgrade volume = 6,240 cu ft.

First Floor Level

Porch Gross Area	200 sq ft.
Total Gross Area (interior)	1,600 sq ft.
<u>Total Net Area (interior)</u>	<u>1,410 sq ft.</u>

Rm. #101 Entrance Vestibule	25 sq ft.
#102 Recep. Hall	85 "
#103 Dining Rm .	320 "
#104 Hallway	15 "
#105 Bath	40 "
#106 Hall-stairs 5 & 6	85 "
#107 Kitchen	180 "
#108 Parlor	225 "
#109 Study	285 "
#110 Storage	50 "
<u>#111 Entr. Hall-Stair #4</u>	<u>100 "</u>

Total Net Area 1,410 sq ft.

Net volume = 1410 x 10.0 = 14,100 cu ft.

Second Floor Level

Total Gross Area . 1,470 sq ft.

Total Net Area 1,275 sq ft.

Rm. #201	Hall & Stair #4	145 sq ft.
#202	Hall	105 "
#203	Bedroom	110 "
#204	Bath	40 "
#205	Bath	50 "
#206	Closet	10 "
#207	Pantry	30 "
#208	Bedroom	310 "
#209	Closet	10 "
#210	Closet	15 "
#211	Bedroom	155 "
#212	Closet	10 "
#213	Closet	10 "
#214	Bedroom	135 "
# 6	Stair	105 "
# 7	Stair	35 "

Total Net Area 1,275 sq ft.

Net Volume = 1,275 x 9.2 = 11,730 cu ft.

Third Floor Level

Total Gross Area 1,355 sq ft.  
Total Net Area 1,200 sq ft.  
Total Net Usable 740 sq ft.

Rm. #301 Hall-Stair #7 110 sq ft.  
#302 Kitchen 130 "  
#303 Bath 65 "  
#305 Living Rm 240 "  
#307 Closet 30 "  
#308 Bedroom 165 "

Total Net Usable 740 sq ft.

Undereave Storage 304/306/309 = 370 sq ft.

Net Volume = 740 x 7.5 = 5550 cu ft.

Total Net Volume Usable Space = 35,700 cu ft.

Total Net Usable Area = 4,000 sq ft.

STAIR SCHEDULE - EXISTING

<u>Stair No.</u>	<u>Stair width</u>	<u>Riser ht.</u>	<u>Tread Run &amp; nosing</u>	<u>No. Risers</u>	<u>Total Rise</u>
1. Exterior Concrete - Solid 7th Street Entrance	7'-6" /A	±7 3/4" /C	11 1/2" /A	5	3'-2 3/4"
2. Exterior Wood slat - open Seward St. Entrance	3'-2" /B	±8" /C	11 1/2" /A	6	4'-0"
3. Exterior Wood slat - open 7th St. Service Entrance	2'-8" /C	±7 3/4" /C	10 1/2" /A	5	3'-2 3/4"
4. Interior Wood Main stair to 2nd floor	4'-0" /A	±7 1/8" /A	10 1/2"+1 1/2" /A	15+4	11'-2 1/2"
5. Interior Wood Basement Stair	3'-1" /B	±7 5/8" /A	8"+1 1/2" /D	13	8'-3"
6. Interior Wood - open N. Stair to 2nd Floor	2'-3" /D	±7 7/8" /C	9"+1 1/2" /C	13+4	11'-2 1/2"
7. Interior Wood - Stair to 3rd Floor	2'-3" /D	±8" /D	8 1/2"+1 1/2" /D	2+13	±10'-0 1/2"

/A Meets general exit stair requirement for occupant loads more than 50.

/B Meets exit requirements for occupant load of 50 or less.

/C Meets exit requirement for private occupant load less than 10.

/D Does not meet any exit category requirement.

Uniform Building Code Requirements for  
Fire Separations, Egress and  
Allowable Occupant Loads

Wickersham House is located in an area equivalent to that formerly designated as fire zone #3 under the 1976 Edition of UBC. The characteristics of the structure are type 5-N, non-fire-resistive.

Requirements for fire separation, protection of openings, egress and allowable occupant loads relate specifically to occupancy group designations.

The most likely uses for various parts of this building include exhibit space, office space and dwelling space. Occupancy group designations are defined to include types of use as follows:

Dwellings	=	R-3 occupancy
Office Space	=	B-2 occupancy
Small Exhibit Space	=	B-2 occupancy if occupant load is kept to less than 50 people. (Juneau Fire Inspector's interpretation, 1/12/82 telecon)

Exterior separations on north, west and south sides are achieved by front yard and street, extensive side yard, and rear yard with steep downslope to adjacent rear property. Separation on the east side

consists of approximately ten feet two inches from stair #3 enclosure to the east property line, and approximately 8 feet from the lot line to the adjacent house. U.B.C. fire zone 3 requirements, of one hour separation and protected exterior openings for distances less than ten feet for B-2 occupancies, and of one hour separation and protected exterior openings for distances less than three feet for R-3 occupancies, do not apply here due to available distance.

Stairways serving an occupant load less than ten need be only 30 inches wide; serving occupant load of 10 to 49, required width is 44 inches; each reduceable by  $3\frac{1}{2}$  inch handrail projection. Stair step maximum rise/minimum run are  $7\frac{1}{2}$  and 10 inches respectively, except for private stairs serving less than ten permitting 8 and 9 inches respectively. Required exit doors must be 36 inch minimum width. All occupancies above first floor with occupant load of more than 10 must have 2 exits. Doors in path of required egress must swing in direction of egress if serving occupant load of 50 or more. The following space/exit requirements by occupancy also govern:

Exhibit space (B-2 occupancy): occupant load established by allocation of 15 sq ft per occupant, and second exit required for occupant load greater than 50, (i.e. if exhibit space greater than  $15 \times 50 = 750$  sq ft.).

Office space (B-2 occupancy): occupant load by allocation of 100 sq ft. per occupant and second exit required for occupant load greater than 30 (i.e. office space greater than  $100 \times 30 = 3000$  sq ft.).

Dwelling space (R-3 occupancy): occupant load by allocation of 300 sq.ft. per occupant, and second exit required for occupant load greater than 10 (i.e. dwelling space greater than  $300 \times 10 = 3000$  sq ft.).

Thus, examining the potential uses and existing configurations of the house from the top down:

### Third Floor

As dwelling space:  $640 \text{ net sq ft} / 300 = 2.47$ . Allowable occupant load = 2; second stair not required. Stair minimum width required is 30 inches, rise/run = 8 inches/9 inches. Existing stair #7 is 27 inches wide, less than minimum width; rise of 8 inches ok; tread run of  $8\frac{1}{4}$ " is less than required minimum. There is insufficient space to modify this stair to meet minimums, without severely impacting other aspects of the space. Recommend requesting waiver of requirement, with proviso of installing automatic fire suppression system.

### Second Floor

As dwelling space:  $1,275 \text{ net sq ft} / 300 = 4.25$ . Allowable occupant load = 4; second stair not required. Stair #4 is primary exit. Width, rise and run ok, actually adequate for occupant loads greater than 50. (Stair #6 available, but does not meet requirements for second exit.)

As office space:  $1,275 \text{ net sq ft} / 100 = 12.75$ . Allowable occupant load = 12; second stair required. Stair #4 ok, but stair #6, as noted above, does not meet requirements for exit.

As exhibit space:  $1,275 \text{ net sq ft} / 15 = 85$ . Occupant load equal 85; second stair required, but not available. Would require all exit door swings be changed to swing in direction of egress. Use of entire second floor as exhibit space would be an unnecessary and inadvisable use and occupancy load.

If desired to have portion of second floor open to public, it would be wise to limit second floor occupant load to a small group of people. Further, opening any portion of second floor to public creates handicapped access problems which cannot be overcome without extensive and undesirable impact on the historic fabric of the building.

In effect, since the third floor exits via second floor, and assuming third floor dwelling occupancy = 2, a second floor occupancy of more than 8 regardless of occupancy group would develop requirement for second exit from second floor.

Since modifications to door #201 and stair #6 would need to be extensive to achieve conformity, recommendation is to limit second floor occupancy to not more than 8 persons, and third floor to not more than 2 persons. These loads will not affect first floor at all, since egress is direct to porch via door #114.

#### First Floor

As exhibit space (assuming entire first floor):  $1,410 \text{ net sq ft} / 15 = 95$  occupants allowed. Second egress required, which can be met, but door swings at primary exit are in wrong direction. Basic size of tour groups admitted at any one time, in recent practice, has been

limited to maximum of about 25-30 people. Recommend establishing 30 as maximum total occupant load for first floor at any time.

Occupancy load limits for each floor of the building should be established by division directive and posted on the premises.

Throughout

Rated fire separations between mixed occupancies: none required between B-2 & R-3. Though not required, it would be nevertheless advisable to provide 1-hour separation on walls and underside of stair soffits to isolate stairs #4, 5, 6 & 7.

Preliminary cost estimate for stairway fire separations: \$3,000

Summary - Electrical & Mechanical Conditions and Requirements

Electrical

Power is supplied by Alaska Electric Light and Power Company, to a weatherhead on the west wall, from a pole located on the east side of Seward Street near the southwest corner of the property. Supply appears to be adequate for contemplated demands.

Power consumption is measured through four meters located in northwest corner of room #001; meter bases and fuse boxes served are as follows:

AEL & P #

04107 - 2 x 30 amp  
          1 x 20 amp  
2535 - 6 x 15 amp  
3099 - 2 x 25 amp  
10067 - 30 amp 3 phase breakers

Also in this area is an unprotected knife-switch 2 pole disconnect serving fuse box for:

- washing machine - 1 x 15 amp
- clothes dryer - 30 amp 3 pole
- dishwasher - 1 x 10 amp

In addition, a porcelain fuse base with 3 x 20 amp. and 1 x 25 amp. is located in storage space #306.

The wiring, overcurrent devices and other basic wiring devices in the building are largely 2-wire knob-and-tube circuitry, with screw-in

fuses, and unprotected knife switches; there appears to be no provision for grounding in the system. The entire electrical service and distribution in the building should be replaced.

While locations and quantities of convenience outlets, switches and lighting fixture types and outputs do not meet present requirements of National Electrical Code or Illuminating Engineers' Society standards, it should be recognized that these latter are not requirements for safety as much as for rising expectations of users.

Therefore, other than the circuitry requirements per se, which must conform to codes, the locations and quantities of outlets, switches and lighting fixtures should insofar as possible represent the structure as it was historically equipped, and most definitely so on the first floor. Effort should be made to locate types of lighting fixtures, switches and convenience outlets which are U/L certified but designed to match appearance of earlier types of devices. With outlets, of course, this cannot be strictly accommodated due to the safety requirement for three-prong grounding-type receptacles.

The chandeliers in the principal first floor rooms, rather than being replaced, should be rebuilt as required to conform to U/L standards. Lighting fixtures and devices in upstairs spaces can be selected to meet present-day needs for the most part, although in those few spaces retaining some degree of historical integrity, such as rooms 201, 203, 211 & 214, lighting and wall devices might be selected to represent the historical condition.

Electrical devices for basement spaces should be selected to meet present-day requirements.

Preliminary estimate of electrical work costs: \$19,000  
(If wall finishes are removed, deduct \$3,000).

#### Communication Systems

Telephone service exists to the house from drops on both 7th street and Seward street. Rewiring to accommodate other or additional phone locations will require coordination with the local phone utility.

Alarm systems should be provided to detect intrusion and to detect fires and actuate fire suppression systems.

An electronic "tagging" alarm system would be desirable, to provide security against visitor pilfering of artifacts and memorabilia.

Preliminary estimate of alarm system costs:

Fire and intrusion alarms	\$ 14,000
Electronic "Tagging" alarm system	\$ 30,000

#### Plumbing & Heating

The site is served by six-inch sewer and six-inch water mains located under 7th Street at unknown depth. Service for the building appears adequate. Waste piping within the structure appears adequate. Supply piping for hot and cold water supply is a combination of original wrought

iron threaded pipe and some later galvanized iron pipe, with recent replacements in copper which do not appear to be separated from the steel/iron by dielectric unions. Supply piping system should be thoroughly flushed, weak sections removed and replaced, and dielectric unions installed where required.

Preliminary cost estimate for piping repairs: \$1,000.

Domestic hot water heater is an oil-fired 30 gal AO Smith, firing at .6 gal. fuel per hour for 84 MBTU output, with a 100° rise rate of 72 gal. per hour; flue size is 4 inch.

The building is heated by cast-iron hot water radiators in a two-zone, one-pipe system, heated by oil-fired furnace, U.S. Radiator Corp., firing at 1.65 gal of fuel per hour with output of 128-MBTUH; flue size is 6". Piping to the radiators and the radiators themselves appear to be in good working order, and there appears to be no justification for replacement of the system. Piping in crawl space is insulated, but insulation should be replaced.

Present annual fuel oil consumption, at a rate of about 1 gallon/2.5 degree days, with Juneau recording an annual average on the order of 9000 degree days, is about 3600 gallons per year. Actual measured consumption for 1980 was 3654 gallons, and for 1981 was 3329 gallons. At current prices of about \$1.20/gal. annual fuel cost is approximately \$4300.

The domestic hot water heater and the furnace are both approximately

five years old, and appear to be working well, with no problems reported either in output or system leaks. It appears that, with exception of the minor piping changes mentioned earlier, there is no need to modify the wet systems in the building. There does, however, appear to be a possible problem of inadequate combustion air for the two oil-burning appliances; provision will need to be made for providing a combustion air louver to the furnace room if studies confirm the requirement.

Preliminary cost estimate:

Piping insulation and combustion air louver                      \$ 1,000.

Fire Suppression:

There is no fire suppression system in the building. A fire hydrant is located at the southwest corner of the Seventh and Seward Streets intersection, about 90 feet from the building. Selection of type of fire suppression system should be established by desired function rather than by cost. In either case, piping should be concealed, and sprinkler heads should be a recessed, drop-down type for minimum visual intrusion.

A water system is less expensive in long term operation, but initial installation costs are high, and concealment is sometimes difficult. Halon systems allow more flexibility, permitting easier concealment of distribution lines. The Halon fire-suppression agent is expensive, and costs of system recharge, in event of inadvertant actuation and system dump, can be costly. In addition, it is critical that spaces be limitable, in order to build up Halon concentrations to required levels when the

system is actuated. Its value in fighting fires within a structural assembly, e.g. inside a wall, is virtually nil due to instantaneous nature of the Halon fire suppression process. However, if the electrical system is upgraded, this type of eventuality will be minimized.

On the other hand, Halon is not injurious to occupants nor to the building fabric or its contents. Certain types of historic building fabric and historic contents are as susceptible to damage by water as by fire.

The basis for choice of suppression agents should be the consideration of potential damage to either the structure or its historical contents. The decision therefore revolves on preservation strategies to be applied to the historic building fabric and on evaluation and custodial decisions made as to the types of historical material to remain in the house and how they are to be displayed.

Preliminary cost estimate for fire suppression system: up to \$45,000  
(If wall and ceiling finishes are removed, deduction of up to \$24,000  
may occur depending on system used.)

Foundations:

Foundations generally consist of concrete and stone masonry wall up to a level about 5½ feet above basement floor, carrying a 2 ft. high pony wall of 2 x 6 studs, 1 x sheathing and finished on the exterior with stucco. Porch foundations appear to be separate systems, inadequately tied to the main foundation wall.

Depth of bottom of the wall in the crawl space area has not been determined due to soil cover. As shown on basement plan, first floor framing in the crawl space area consists of joists on wood girders bearing on 8 x 8 wood posts on isolated concrete footings. Girder alignment shows slight settlement taking place in the middle of the structure, possibly due to inadequate pier footing size, and indicating need for levelling and for installation of new piers. The crawl space appears to be dry and there is no readily apparent deterioration of support members in the crawl space.

There are no readily apparent problems with the principal foundation line, although the inner foundation under porch #112 and under the bay window group #115-117 of study #109 will require detailed examination when the outer foundations are opened. Severe settlement problems have occurred affecting the outer foundation under porch #112 and under the bay window. See photos #63-66, 73, 74. It is not known whether this set-

tlement is due to inadequate footing design, improper preparation of the soil bearing surface when footings were installed, or whether due to possible soil drift or subsidence down the slope to the south.

Time of appearance of these foundation cracks is not firmly established; however, Ruth Allman believes they may have begun to appear in the mid '60s.

According to Allman, some cracking of interior finish on the first floor in rooms #103 and 108 is directly related to the time of seismic shock from the earthquake which struck southcentral Alaska in March 1964, and which was felt in southeast Alaska. It is uncertain, but at least basis for conjecture, that some soil movement may have taken place as a result of that shock, and might be cause for either or both the settlement of piers in the crawl space and subsequent settlement of the outer porch and bay window foundations.

Analysis of soil stability in the south third of this property should be obtained, and the outer foundations of the porch and bay window removed and reconstructed. It will be necessary to examine the inner foundation wall line at that time to confirm condition. Levelling of first floor over the crawl space and rework of piers on that area should take place after soil analysis is obtained. Crawl space minimum clearance is about 1½ feet. It may prove desirable to excavate the crawl space to full basement depth and develop full finished basement at that time.

Preliminary cost estimates for engineering and foundation work:

Soils analysis

\$5,000

Foundation and floor design	3,000
Outer foundation removal and shoring	4,000
Crawl space excavation	4,000
Floor slab	4,000
New outer foundations - porch & bay window, and post pier footings	8,000
<u>Jacking and reframing</u>	<u>2,000</u>
Foundation and framing subtotal	\$ 30,000

### Structural Framing

Roof: North addition roof framing consists of 2 x 6 rafters @ 24" o.c. Framing elsewhere was not observable, but is presumed to be the same. This is capable of carrying live loads between 30 and 40 lb per sq ft, which is safe but marginal in terms of present day design criteria.

Roof history indicates that roof problems experienced as leaks are most likely due to roof surface and flashing deterioration and extensive movement of the foundation in the south half of the structure, rather than to structural framing problems.

### Third Floor

Structure is not visible for direct measurement, but by floor-ceiling and floor-floor heights is deduced to be nominal 2 x 10 joists, probably @ 16" o.c. These are adequate size and spacing for the existing span at the required live load capacity of 40 psf.

### Second Floor

Structure is not visible for direct measurement, but by height difference is deduced to be nominal 2 x 12 joists, probably @ 16" o.c. At existing spans these will carry live loads up to 50 psf, which meets requirements

for office floor live loads.

### First Floor

Structure is open to basement. Structure in area of the north addition, i.e. rooms 101, 105, 106 and north half of 102, consists of doubled 2 x 8 at 24" o.c., spanning 8 ft; the second set of joists appears to be intended to replace the first set (probably deteriorated), which remain in position. One set will carry load up to 60 psf which is more than adequate.

Structure in the original first floor area consists of 2 x 10 joists at 16" o.c. spanning up to 8'-8" onto nominal 8 x 8 wood girders, themselves spanning 8 ft generally, but in two instances exceeding that span. Joist size and spacing would permit live loads in excess of 60 psf; however, this loading is limited by the supporting girder and post configuration in general to about 53 psf.

In the case of the girder in the furnace room, distance between posts limits the allowable load on the girder in this area to a floor live load of 40 psf. This member is under the kitchen and there is no apparent need to modify this portion of the structure to increase loading capacity.

The east-west girder in room #004, running from center post to the west wall over the laundry tubs, is the longest span and carries a joining girder at a point approximately 4 feet from the wall. This girder is, by computation, overstressed by approximately 60% in flexure, but shows no signs of weakness. (Wood design criteria are based on a high safety

factor to account for many variables in quality of the material and workmanship). It would be prudent to examine and analyze the supporting structure more thoroughly and make minor revisions where desirable. This should be done in conjunction with analysis of the entire foundation. The porch floor structure should also be analyzed at that time, when the foundation walls are opened up for repair which will permit inspection of that floor.

With the possible exception of the first set of 2 x 8 floor joists on the first floor north addition (which are now adequately augmented), the structural framing of the Wickersham House appears to be in good condition, with no signs of deterioration apparent to visual inspection at this time. There are, however, effects on framing alignment due to foundation conditions, which will presumably be relieved when foundation conditions are corrected. ...

Wall insulation, interior finishes, roof insulation, doors and windows

Wall cavities are uninsulated. Wall finishes are plaster on wood lath, with multiple layers of wallpaper. In many areas, particularly on the upper floors, the layering of wallpapers is very thick and it is suspected that original paper may still be in place. Plaster walls are cracked in many areas, most generally in ceilings, and very distinctly in certain locations in the south and southwest portions of the building. These appear to be due to shifting of bearing walls as a result of foundation movements. (See section regarding foundations). In some instances this has led to severe cracking where water has entered, most noticeably at exterior wall around the area of stair #4.

Wallpaper shows buckling at most corners. A full and thorough historical analysis of wallpaper and paint should be performed prior to any removal of interior finish.

If the house is to be insulated, it must be done with batt insulation with vapor barrier. There is no acceptable alternative for an historic property. Loose fill insulation in wall or ceiling cavities without a vapor barrier is worse than worthless; it may in fact lead to accelerated deterioration. Urea formaldehyde foam systems are also unacceptable due to the release of excessive curing moisture into the structural members.

The roof can be insulated fairly readily, but insulating the walls is

another matter entirely. The process is extensive, expensive and time-consuming. In preparation, the house will have to be closed and residents temporarily relocated; all artifacts and furnishings packed and stored; cases and cabinet work removed; radiators disconnected; finished door and window trim, baseboards and handrails removed. This work must be carefully done to avoid damage to this material which will be later reinstalled.

After all interior wall and ceiling finishes are removed, rewiring and any necessary plumbing and/or fire suppression system work should be executed. Foundation work and roof work should be complete before any installation of new material other than electrical is done. After these are done, then batt insulation and vapor barrier will be installed, and gypsum board or wet plaster on metal lath installed, built out to the original plaster line. Paper will then be applied, millwork, casework and radiators reinstalled, and painting touch-up as required. (Gypsum board work under stairs for fire separation, discussed earlier, is a separate cost and not included in the work noted below.)

Preliminary estimate for wall insulation, removal and reinstallation work:

Removal, storage and reinstallation of 'save' material	\$20,000
Protection of floors	1,000
Removal of plaster	16,000
New gypsum board on stripping, or wet plaster on metal lath	70,000
Wall and ceiling paper	50,000
<u>Wall insulation and vapor barrier</u>	<u>7,000</u>
Subtotal	\$164,000

Deductions from electrical and fire suppression costs if  
walls and ceilings opened (-\$27,000)

Net cost for entire insulation process including deduction \$136,000

Even given the above deductions, it is questionable whether, in fact, it is desirable to incur this magnitude of expense and dislocation in order to insulate the walls of the house.

Insulation and vapor barrier for the roof alone will cost about \$4,000. The building contains approximately 40 exterior openings, i.e. doors & windows. Tightening these assemblies, providing storm windows/doors and weatherstripping, will cost approximately \$ 15,000. This work should be done regardless of the wall insulation effort.

Preliminary estimate for roof insulation, door and window work: -

Roof insulation and vapor barrier	\$ 2,000
Weatherstripping, storm doors & windows,	
<u>Rework doors and window sash</u>	<u>15,000</u>
	\$19,000

It is estimated that providing weatherstripping, storm doors and storm windows and insulating the roof will reduce heat loss to about 70% of the untreated condition. Insulating walls also will further reduce the total heat loss to approximately 50% of the untreated condition. If annual fuel cost is about \$5,000, treating windows and roof should reduce fuel cost to \$3,500; insulating walls may further reduce the fuel cost to \$2,500. If net costs involving wall insulation including mech./electr. deductions total \$137,000, roof insulation costs \$4,000,

and window and door treatment cost \$15,000, this indicates a cost/benefit of \$19,000 capital cost for \$1,500 annual fuel saving due to roof, door and window treatment, and \$137,000 capital cost for an additional \$1,000 annual fuel saving achieved through wall insulation.

It is clear from this projection that incurring the expense involved in gaining access to and insulating the wall cavities, if done, needs to be justified on a basis other than economics of fuel cost saving. Other than repapering and repair of cracked plaster, which can be done selectively, no immediately apparent alternate justification for entering the walls comes to mind.

If the state acquires this property, before any work is undertaken, I recommend that a more thorough heat loss analysis be performed by a qualified consultant, and that all preliminary cost estimates be refined by professional cost consultants based on costs obtaining at that time.

#### Floor covering

Floor coverings on upper floors are considered non-critical and non-historical; good commercial grade carpeting is recommended for these areas. Large oriental carpets in dining room, parlor and study, and small oriental throw rugs and runners, which have been in the house since the 1930s, are badly worn. They should be examined by experts to determine historical/antique value and feasibility/desirability of restoration.

Preliminary estimate for upper floor carpeting	\$ 8,000
Preliminary allowance for oriental carpet restoration	\$17,000

Roofing, flashing and downspouts

The roof consists of square-butt, mineral-surfaced asphalt shingles, laid approximately 5 inches to the weather on a wood substrate with 12:12 pitch. The roofing is deteriorated as indicated in photos #61 & 69, and requires complete replacement with best grade fire retardant shingles of same appearance. All flashings need replacement at that time also, and such work should not be done until all foundation stabilization and framing realignments are completed.

Rain gutters remaining were not examined but appear to be intact, probably requiring cleaning. However, downspouts are, with few exceptions disconnected from runoff piping, and in many instances the piping at grade has disappeared. The layout of the runoff system is not known, and needs to be determined. Runoff piping and downspouts need to be replaced and made fully operative. It appears that rain discharge from downspouts on the south wall and in vicinity of porch #112 on the south and west sides may be affecting the soil stability and contributing significantly to the foundation problems in those locations.

Preliminary cost estimate:

Reroofing	\$8,000
Flashings, downspouts and runoff pipe	\$2,000

Chimney

Brick chimney is deteriorated and needs attention. See photos #61 & 69.

Repointing should be performed concurrent with roof flashing work.

Loose or rotten brick should be reset or replaced with matching material as appropriate. Flue liner needs to be thoroughly inspected, cleaned, and repaired if required.

Preliminary cost estimate:

\$2,000

### Exterior steps, sidewalks, and handicapped access

Entrance stair #1, concrete, is in relatively good condition. One minor crack requires adhesive/sealant repair. However, the walkway and curb leading to it are badly deteriorated and heaved. See photo #59. These need repair/rebedding/replacement. Service stair #3 is in good condition and does not require work, but the sidewalk to stair #3 requires repair. Stair #2, at the southwest porch, is in good condition, but sidewalk requires repair.

Given the narrow street condition, it is questioned whether this should be used as the main entrance for touring groups arriving in buses.

Seward Street may be a more suitable approach, if parking can be controlled.

Handicapped access to the house does not exist, and there is insufficient space for ramping at the 7th Street entrance. The door sill at door #113 presents a minor obstacle to wheelchairs, but can be managed with assistance. There is ample room for construction of a ramp for wheelchair access at the southwest porch. It will require rebuilding of stair #2 to provide a top landing, and construction of a ramp to the Seward Street walkway. It cannot be achieved without visually intruding on the building landscape. Need should be carefully assessed before making this modification. Visitation rate of guests in wheelchairs is approximately 3-4 per year; it is unknown whether this low

rate is due to lack of access at the site, or to difficulty of access to the tour buses.

Preliminary cost estimate:

Stair modification and ramp	\$3,000
Sidewalk concrete repairs	5,000

### Fencing

Existing fencing on Seventh Street and Seward Street are relatively recent open wire fence, unattractive and out of character with this house. Portions of the original wooden fence remain, mostly concealed in the underbrush, along the south lot line. Wire fencing should be removed and new fencing made to the pattern of the original wooden fence.

Preliminary estimated cost: \$5,000

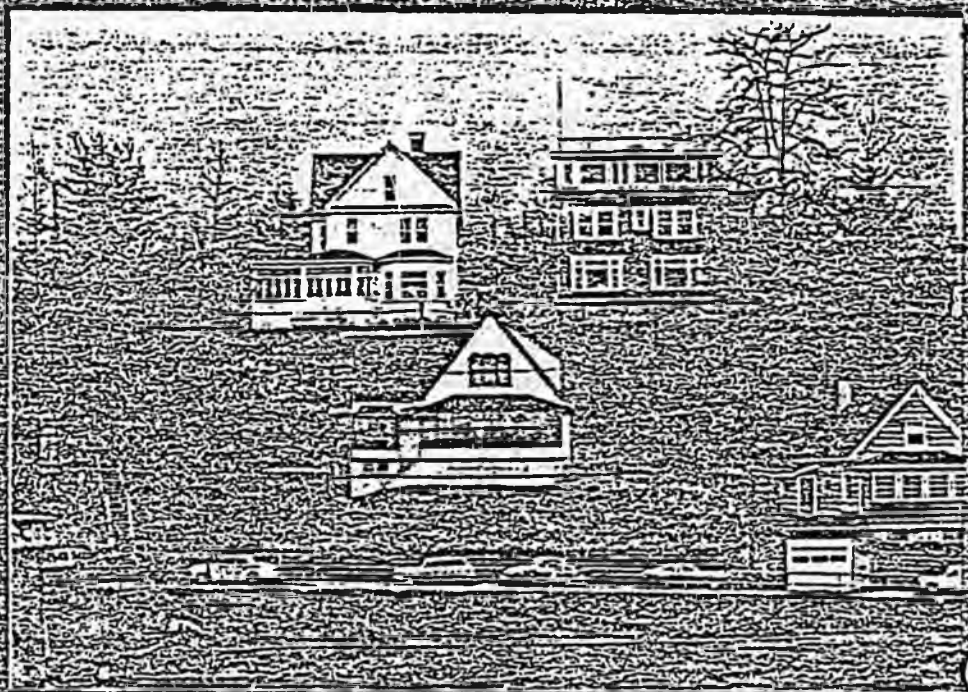
### Exterior Wood Finishes

Exterior siding is an assortment of lines and textures - original wood shingles in various patterns, original wood horizontal siding in bevelled shiplap pattern, and horizontal clapboard siding which is not original on north wall and probably not original on east or west walls. However, the north addition, dated ca. 1928, has probably acquired historical value of its own. Siding and exterior trim appear to be in very good condition, and no work in this area is anticipated.

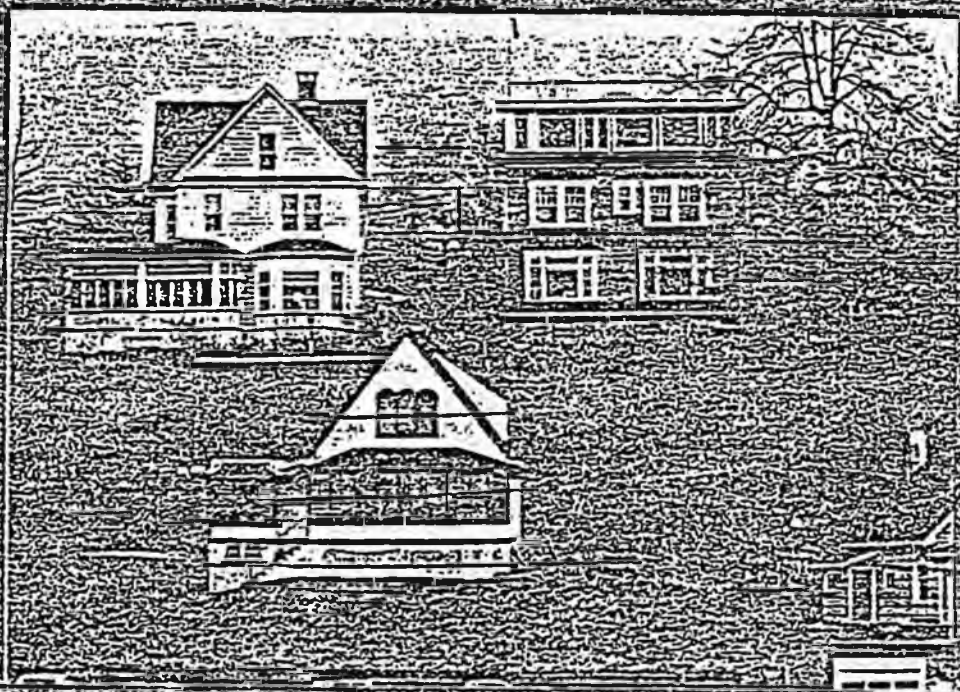
Entire exterior is painted white, including all siding, shingles and door and window trim. Original exterior colors are unknown and require

color analysis. Cost of color analysis included elsewhere in this report.

Last exterior painting was performed ca. 1980. It is estimated that repainting will be required in approximately 1986, and cost is estimated to be \$13,000.



51



52



53



54



55



56



57



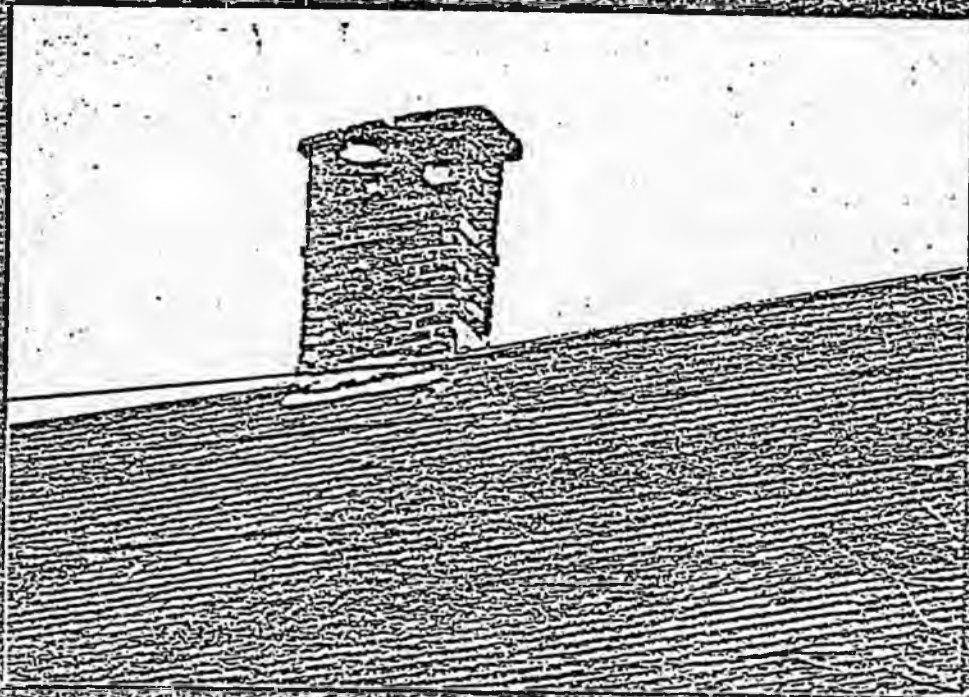
58



59



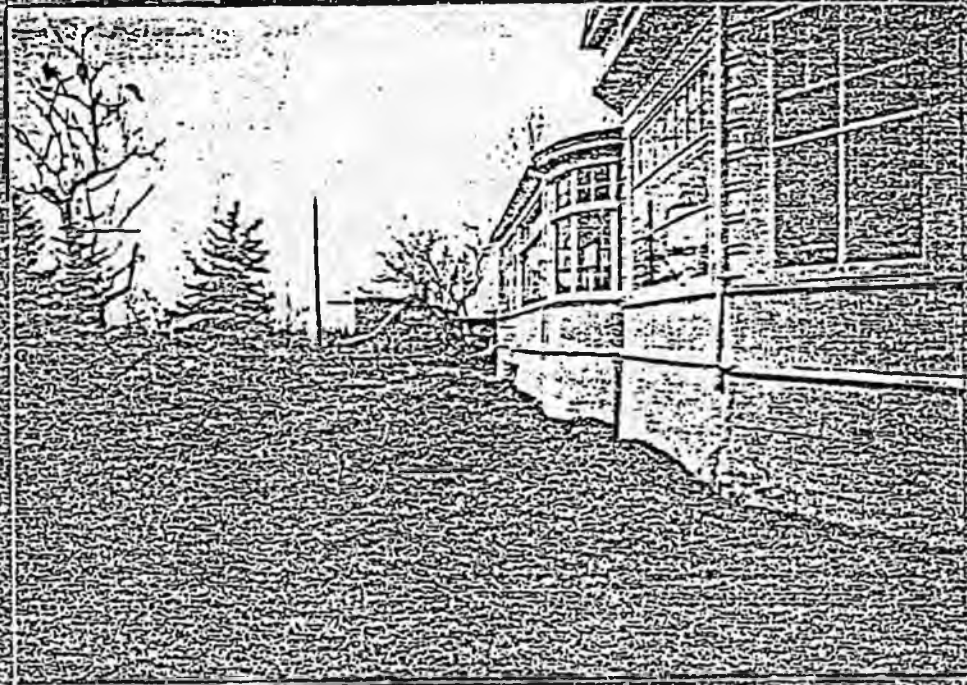
60



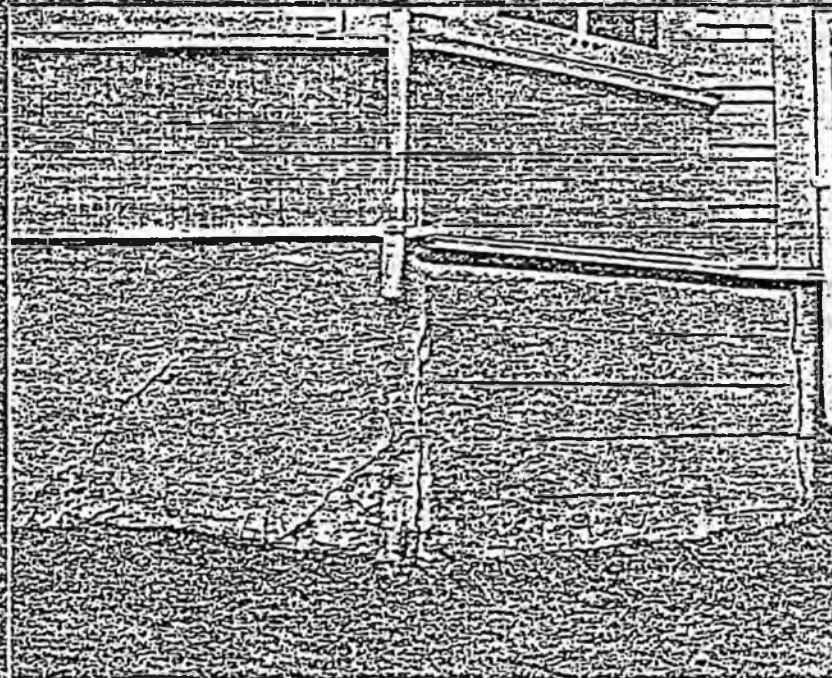
61



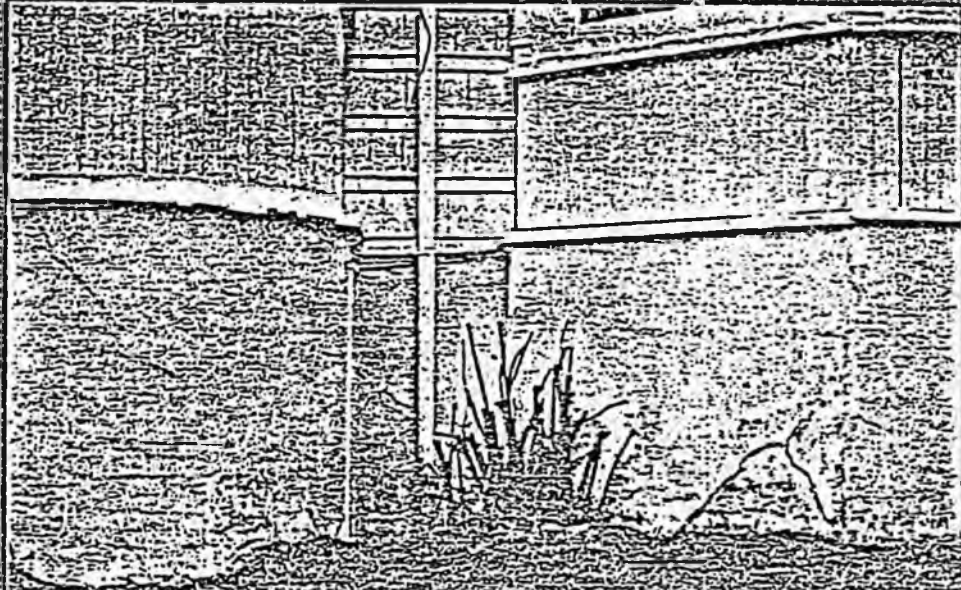
62



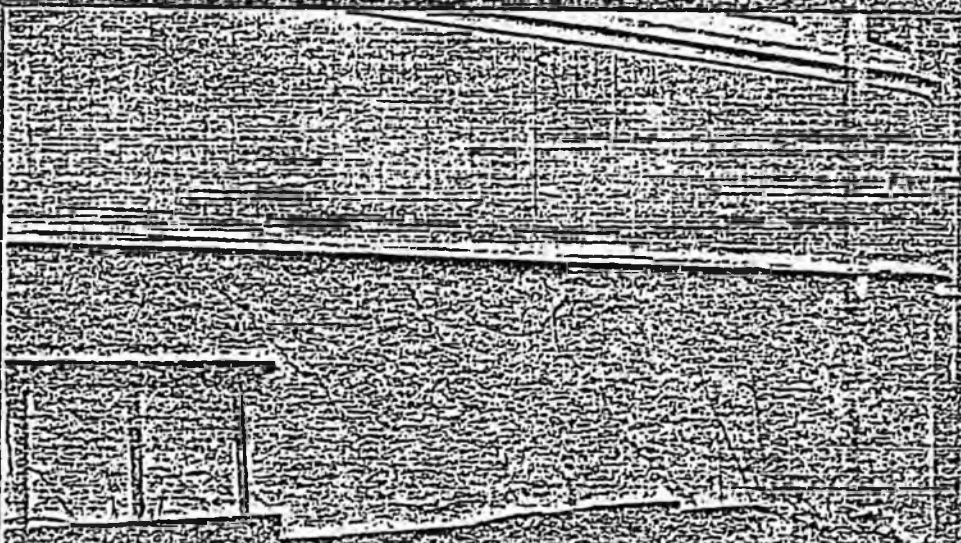
63



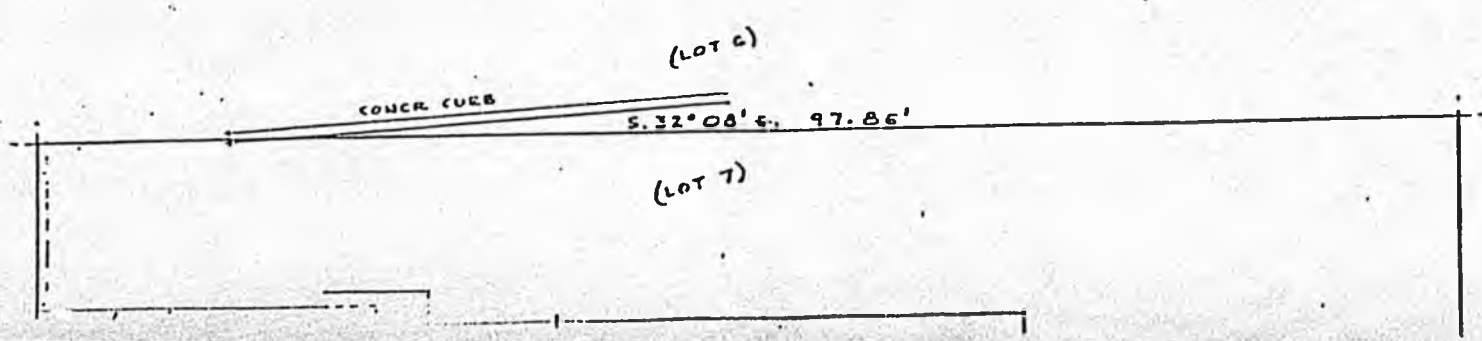
64



65



66



(LOT 6)

CONCR. CURB

$5.32^{\circ} 08' E$ ,  $97.86'$

(LOT 7)

CURB

SEVENTH ST.  
(BITUM. PAVING)

N. 57° 52' E. 108.00' (NO SIDEWALK)

(LOT 2)

LOW WOODEN FENCE - DET. BRICK PAT. 87.44'  
S. 57° 52' W. 87.44'

SEWER & WATER DEPTH & POSITION UNKNOWN

OPEN WIRE FENCE

CONCR. CURB  
N. 44° 00' W. 100.00'  
4' CONCR. SIDEWALK

UTILITY POLE

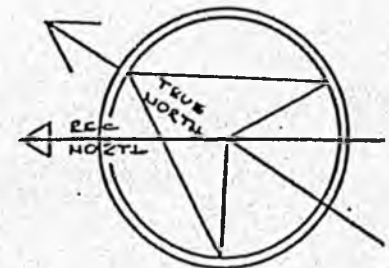
SEWARD ST.  
(BITUM. PAVING ENDS)

20'

PARKING BARRIER

STEEL GRATE PLATFORM & STAIRS  
UTILITY POLE

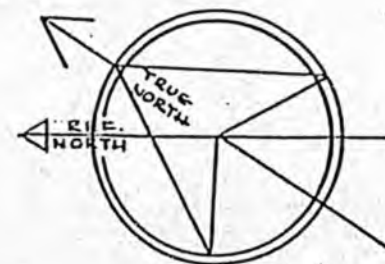
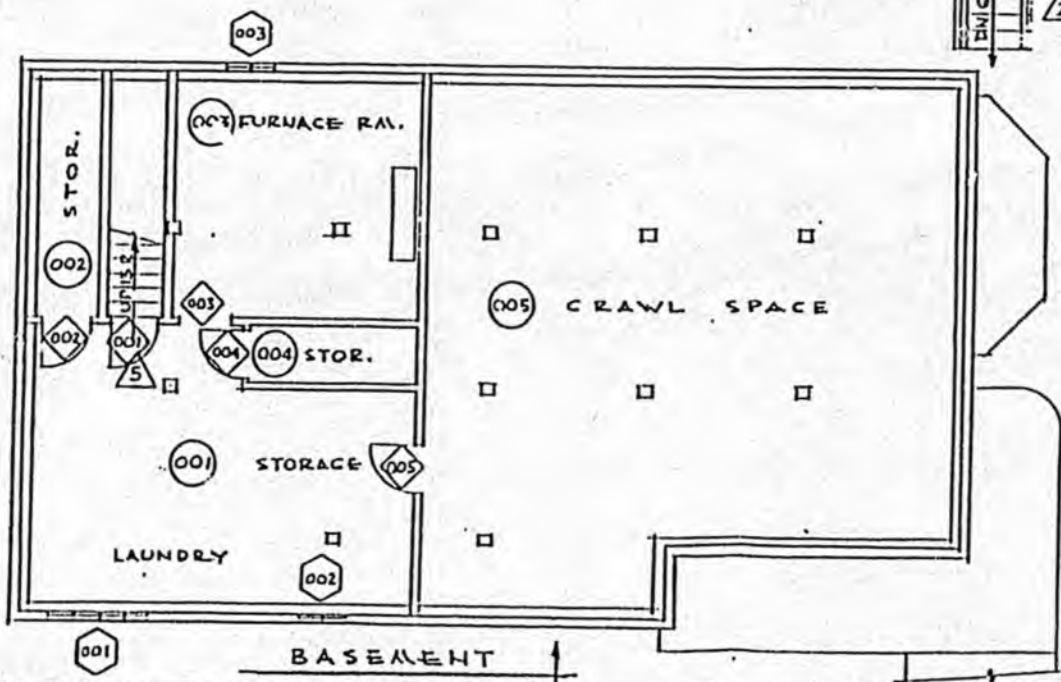
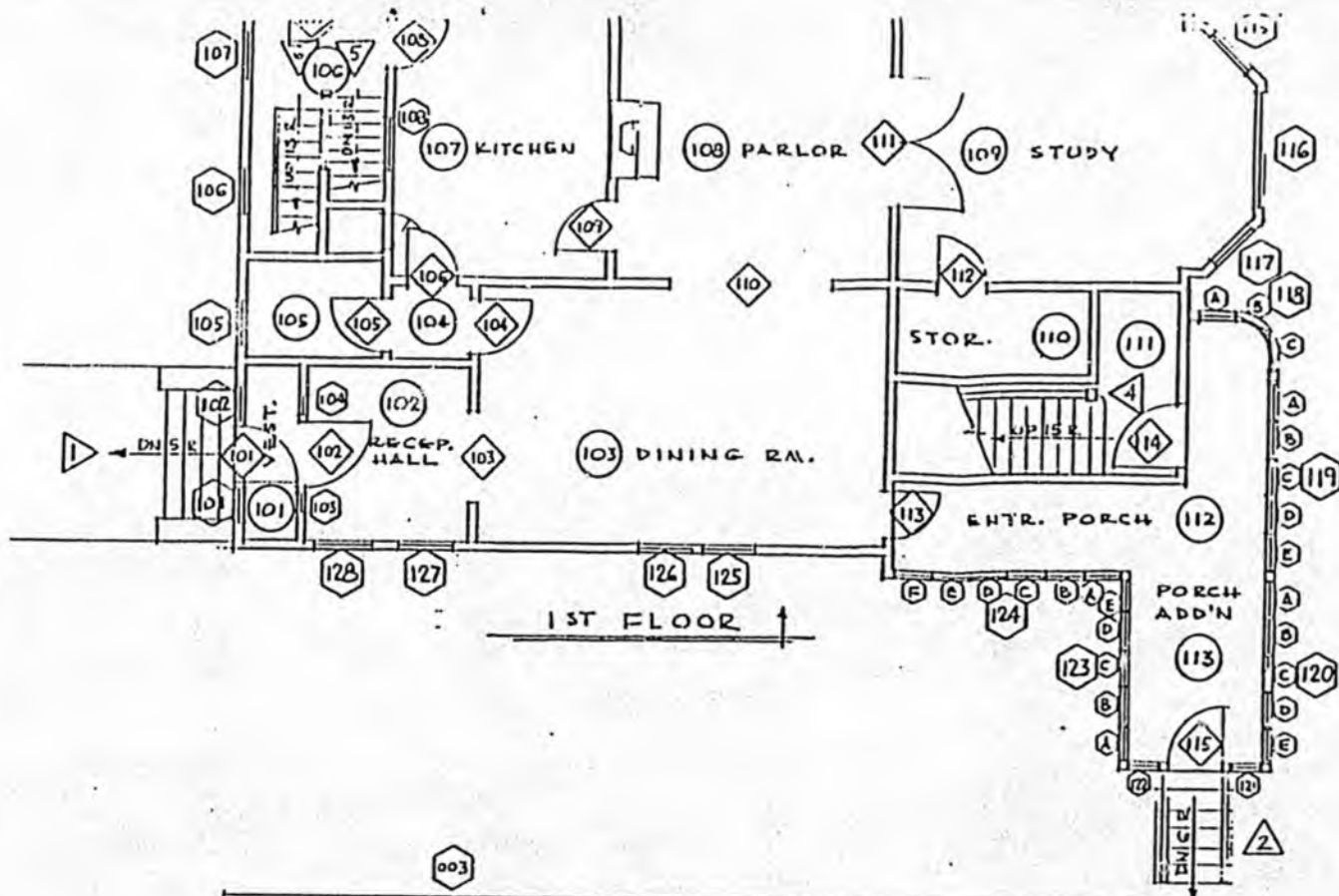
FIRE HYDRANT



**SITE PLAN**  
(FURNISH CONFIGURATION)

WICKERSHAM HOUSE - JUNEAU, A.I.  
(2425 JUN. 02)

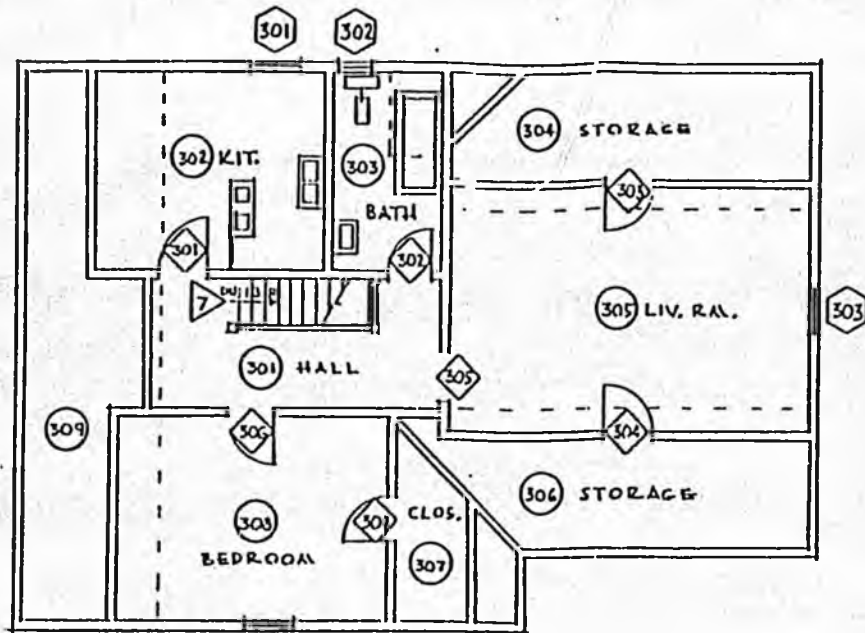
R.A. MITCHELL, A.I., A. 2/17/81  
SCALE: 1" = 10'-0"



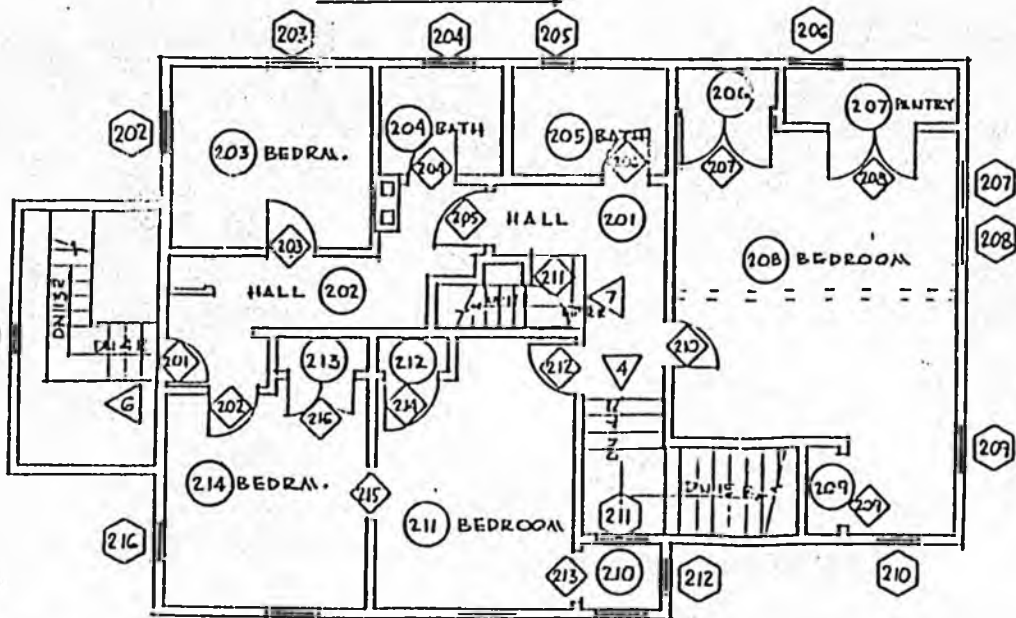
FLOOR PLANS  
(PRESENT CONFIGURATION)

WICKERSHAM HOUSE - JUNEAU, AK  
(AREA - JUN 2011)

R.A. MITCHELL, A.I.A., 12/21/81  
SCALE: 1/8" = 1'-0"



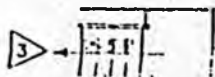
3<sup>RD</sup> FLOOR ↑



2<sup>ND</sup> FLOOR ↑

### HEIGHTS

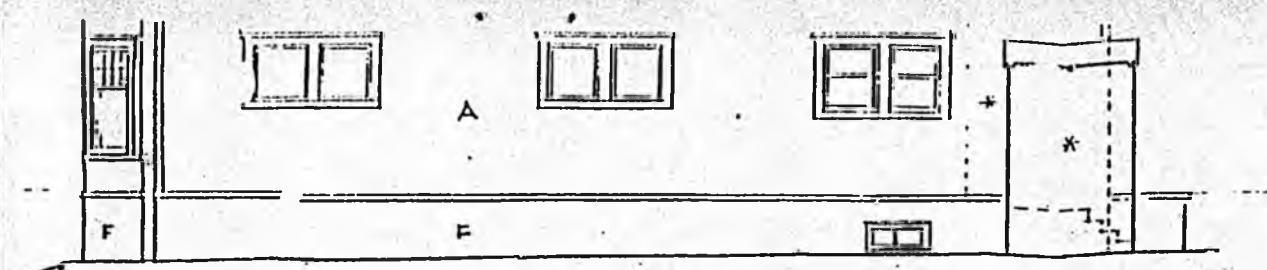
	FLOOR-TO-CEILING	FLOOR-TO-FLOOR
THIRD	± 7'-8 1/2"	± 10'-0 1/2"
SECOND	± 9'-1 1/2"	± 11'-2 1/2"
FIRST	± 10'-0 1/2"	± 8'-3"
BASEMENT	± 7'-5"	



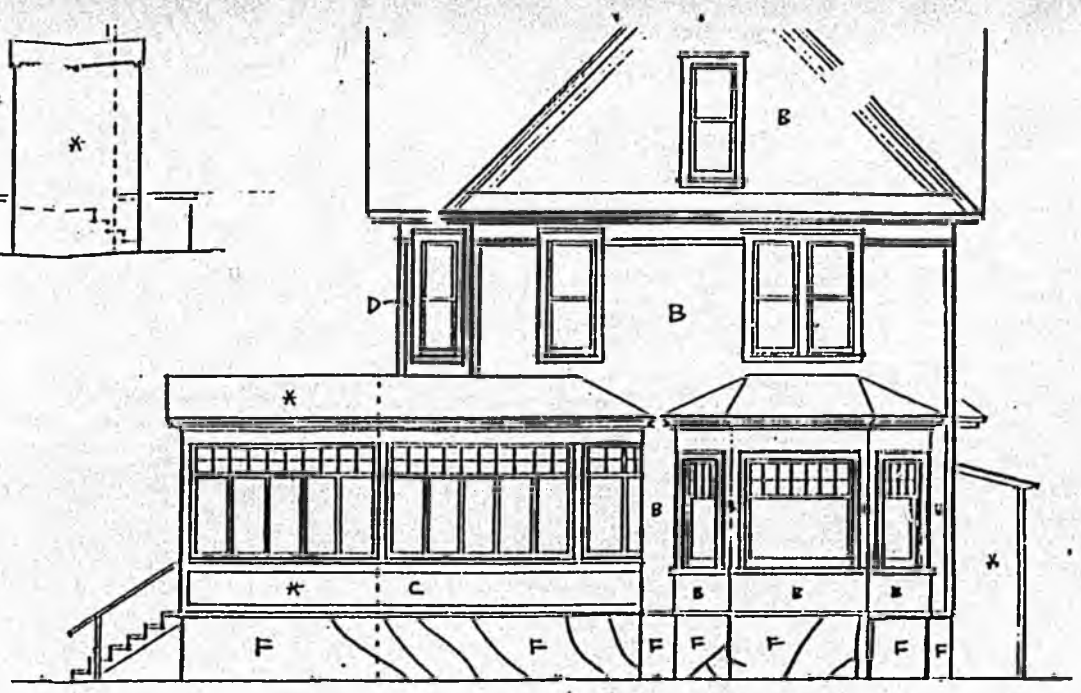
109 110

111 112

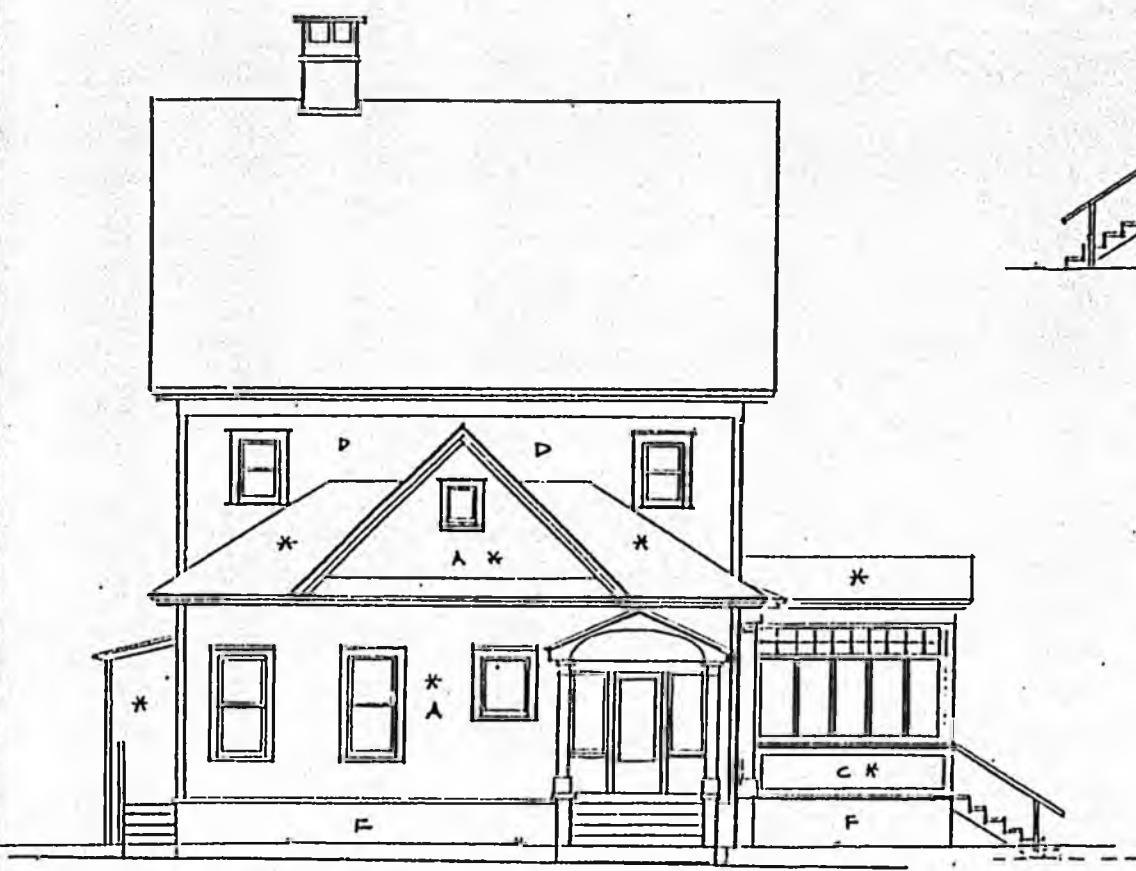
113 114



EAST ELEVATION



SOUTH ELEVATION



SEVENTH ST. NORTH ELEVATION

**EXTERIOR ELEVATIONS**  
(PRESENT CONFIGURATION)

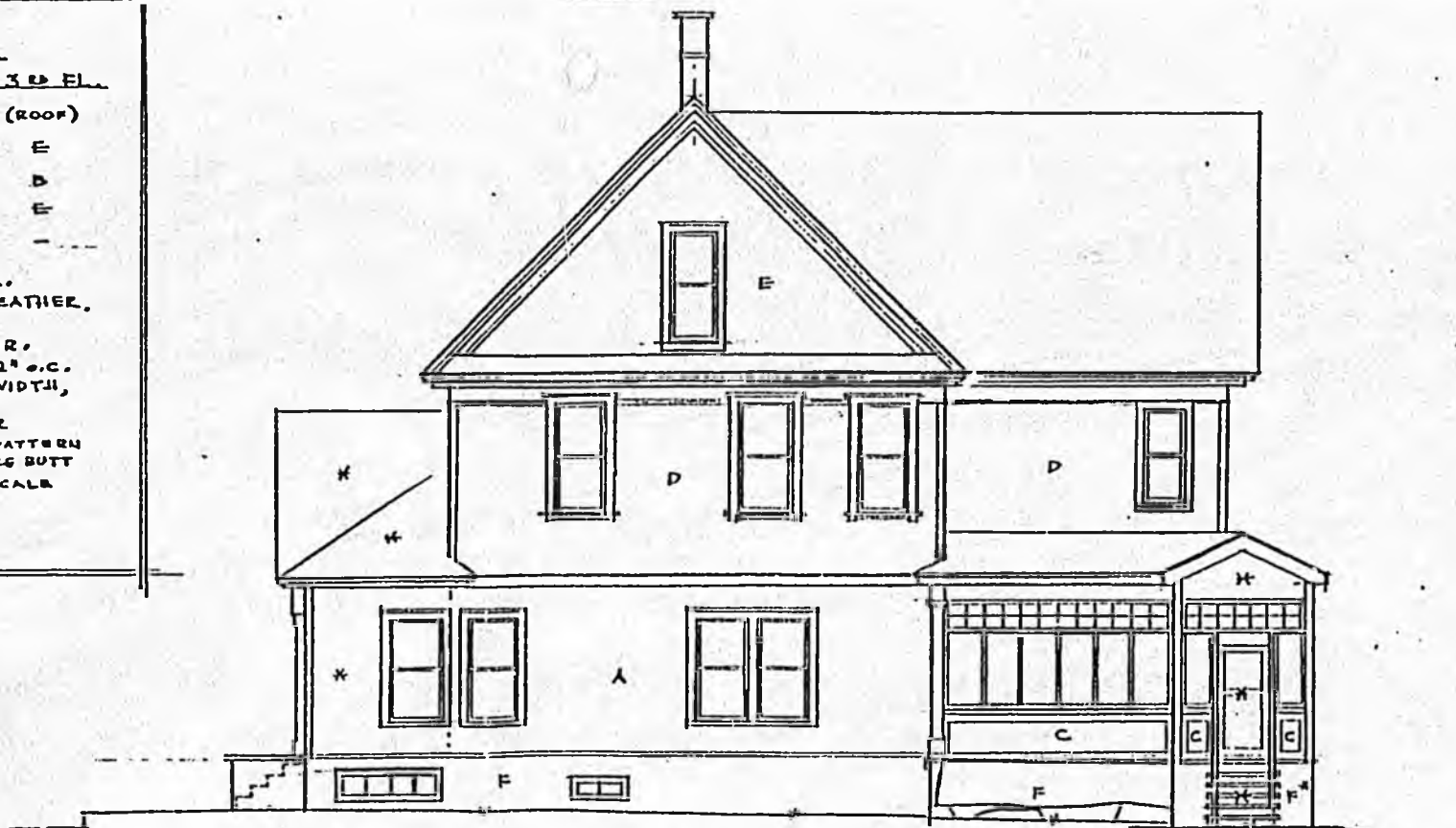
WICKERSHAM HOUSE - JUNEAU A  
(1914 JUN 21)  
 - R.A. MITCHELL, A.I.A. 12/17/21  
 - SCALE: 1/8" = 1'-0"

### SIDING

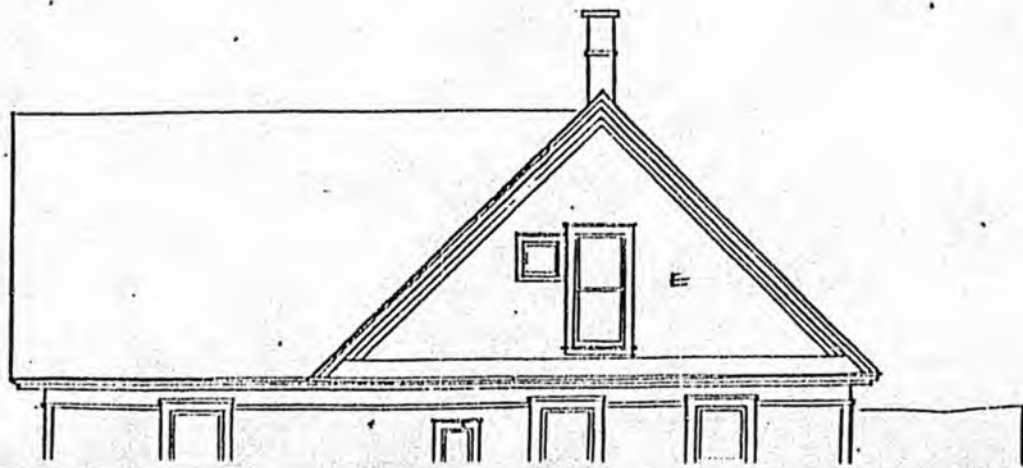
	1ST FL.	2ND FL.	3RD FL.
NORTH	A (*)	(GABLE) D (*)	(ROOF) E
EAST	A (*)	D	E
SOUTH	B	B	D
WEST	A (*)	D	E
S/W PORCH	C (*)	-	-

- \* - NOT ORIGINAL MATERIAL.
- A - HORIZ. WD. CLAPED,  $\pm 6"$  TO WEATHER.
- B - WD. SHINGLES, SQUARE-BUTT,  
ALT.  $\pm 2"$   $\pm 5"$  TO WEATHER.
- C - VERT. WD. T & G, ROUND BEAD @  $2"$  O.C.
- D - HORIZ. WD. SHIFLAP,  $8"$  NOMINAL WIDTH,  
TOP  $\frac{1}{2}$  DOT. BEVELLED.
- E - WOOD SHINGLES  $\pm 3"$  TO WEATHER  
ABOVE WINDOW HEAD - FISHSCALE PATTERN  
BELOW " " - 7 CS SQUARE BUTT  
- 3 CS FISHSCALE  
- 6 " S/B  
- 4 CS F/S  
- 1 CS S/B

F - CONCRETE/STUCCO



SEWARD ST. WEST ELEVATION



719

The House of Wickersham: A Summary Inventory and Evaluation  
of Ethnographic Artifacts

L. J. Rowinski

15 January 1982

A summary inventory and evaluation of the ethnographic objects in the House of Wickersham was done in the period from January 4 to January 15, 1982. One and one half day were spent actually listing the materials in the house. Four and one half days were used in the evaluation, discussions with Division of Parks and State Library officials, and in travel.

Because of the short time available and the conditions under which the inventory was done, it cannot be considered a complete and accurate list of the objects in the collection but should be considered a guide to the categories and quantities of various objects in the house. Some objects were surely missed and others may not have been on view. The list also makes no attempt to provide detailed descriptions of the objects as this was not possible in the time available. One of the first activities that should be carried out on acquisition of the collection is the development of an accurate and detailed catalog. This will have to be done with the assistance and cooperation of Mrs. Allman who remembers many details relating to the provenience of the objects and their relationship to Judge Wickersham's activities and interests. It is this relationship that gives value to many of the objects. If the collection is acquired by the State of Alaska, it would be most advisable for the cataloging and curatorial care of the collection to be under the jurisdiction of the Alaska State Museum which has established forms and procedures for the care and preservation of similar materials.

The evaluation was based on prices for similar objects at recent auctions and sales, insurance values given to similar items by museums, and current shop prices. Also considered was the relationship of these objects to Judge Wickersham. While many of the items are of good "made for sale" quality their only significance comes from their association with Wickersham as examples of his taste and interest. Most are similar to craft and decorative items found in museum and private collections and although not particularly outstanding in their own right they serve a valuable and important role in the house by providing the background for particular times and places in Wickersham's career. They also serve a useful function in the house at the present time as Mrs Allman uses them to discuss Alaska and Native cultures.

Some items are particularly valuable because of their association with others. The "jewel box" and large ladle that belonged to Chief Shakes and the cane given to Wickersham by Chief Anatlahash deserve mention.

There are no labels or identifying information with the objects. Because much of the necessary information is only available from Mrs. Allmans reminiscences, any agreement to acquire the collection should insure that her assistance is available to develop a catalog.

Most of the material is in very good shape considering its exposure to the general climate, house heating variations, lighting and handling. Some of the baskets are cracked and faded while others retain good color.

Eventual use of the house and the disposition of the artifacts will depend on the interpretive plan that is developed. Major options include leaving the house as it now is, ie. basically a memorial to Wickersham based on the public use of the space and materials developed by Mrs. Allman, restoring the house to some semblance of its appearance in the late 1930s at the time of Wickersham's death, or a compromise situation with some interpretive exhibits and some areas restored to lived in appearance. Mrs. Allman has aided any effort at restoration by preserving house components such as doors, lighting fixtures, kitchen counter tops, etc. as much as possible. In any case the artifacts could play an important role in the house by providing background as well as serving as some of the original decorative elements.

Security in the house for objects and written materials will be a major problem whether materials are cased or exposed in a historic house setting. The small select groups entertained by Mrs. Allman in limited time periods will have to be replaced by a situation accessible to a much larger and broader audience. Security will include not only placing items in cases or secure areas but will also involve access to the building, fire safety, etc. The expertise of the State Museum should be called in early to assist in planning and sufficient funding must be provided to secure the major property investment.

As stated earlier, it was not possible in the time and circumstances to get measurements, accurate identifications, and all supplementary material available from Mrs. Allman. It was also not possible to identify all objects on the old inventory. The attached lists include almost all items now on view. They are divided into broad categories and the area of the house in which they were located is indicated. (see attached diagram) Those items in the original inventory are also indicated.

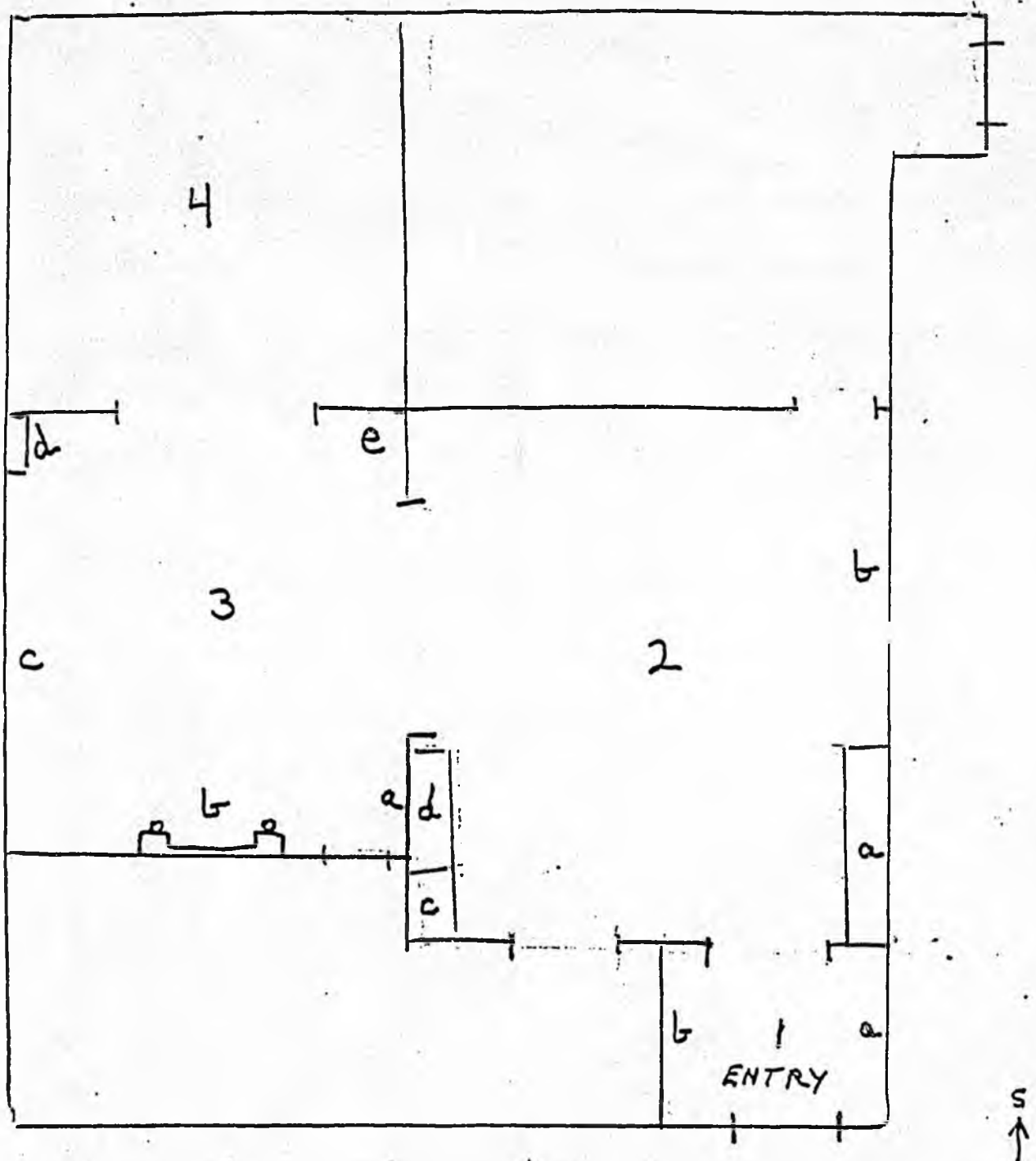
A few photographs are attached to illustrate the kind of material listed.

A final comment and recommendation is that the information available from Mrs. Allman should be immediately and thoroughly collected. Not only should information for the object catalog be recorded, but tape and videotape records of Mrs. Allmans tour narrative, her readings from the diaries, and her own reminiscences should be made while it is still possible to do so.

Summary of object categories and evaluation

basketry.....	\$11,800
ivory.....	20,300
woodcarvings.....	12,550
beadwork.....	4,175
tools.....	4,000
totem poles.....	4,050
dolls and doll clothing.....	3,550
pottery.....	1,000
skin and leather objects.....	675
misc. craft items.....	3,450
other.....	6,200
	<hr/>
	\$61,750

General diagram of main area of the house indicating locations of various ethnographic items as mentioned in lists.



BASKETRY

House location	Item	Value
1a	1 Athabaskan birch bark baby carrier	\$ 250
2a	57 baskets or small basketry items of cedar, willow, spruceroot, coiled grass, woven grass, etc. including: 2 spruceroot covered bottles (\$1000) 1 Atka woven grass basket, broken bottom and faded (1000) 1 Attu wovengrass, 14" high with cover, silk design (\$1000) [25 of the 57 are very good including 6 Aleut, 6 spruceroot and other non-Alaskan Northwest Coast baskets] (\$600)	8,800
2b	1 cedar basketcovered bottle	300
	2 birchbark baskets	400
	1 spruceroot basket 6" high	300
	3 cedar baskets	600
2d	1 Eskimo coiled grass basket with lid, plain	200
3b	1 " " " " 12" high	200
	1 birch bark basket 10"x14"	150
2e	1 Eskimo bentwood basket with ivory handle 10"x10"	600
		<hr/> \$11,800

IVORY

House location	Item	Value
1b	1 ivory labret, oval disc, undecorated	\$ 150
*2c	approximately 72 small carvings, many very good birds, chains, whalebone bear and umiak	14,400
2d	ivory letter openers	50
	1 walrus tusk cribbage board with engraving, 16"	1,000
	1 sled runner	150
*2e	1 string round beads	500
*3a	11 bone or ivory spoons, 5-6" long, mounted on wooden paddle	550
3b	walrus tusk cribbage board, 20" long, map of Nome : area on back, engraving of ptarmigan in smallwillows on face	1,000
*stored	ivory plaque, telling stor in pictograph, 3x4" 1866-67, Fort Clarence	2,500
		<hr/>
		\$ 20,300

\* items mentioned in original inventory on page 6

WOODCARVINGS

House location	Item	Value
1b	1 old oil dish	\$ 350
	1 modern oil dish	150
	1 raven and sealion hanging	200
2c	2 sets Tlingit salad servers	100
2d	1 bentwood box, 8"x10"x6", "chief Shakes jewelry box", lid missing, given to W by Chief S.	2,500
	1 Eskimo sun glasses	100
2e	1 frog bowl, black, 10" long	250
	1 whale bowl, black, 10" long	250
	1 sea otter grease dish, abalone eyes	1,000
	2 small frogs	600
*	1 rattle, approx. 10" long	1,000
3a	7 large wooden spoons	500
3b	1 carved spoon (jack Allman's)	700
3c	1 potlach ladle, 24" long, large bowl with painted wolf design, given to W. by Chief Shakes	2,000
	1 canoe shaped candle holder, 10" long	50
3c	1 small wood carving of 2 animals	200
**3d	1 carved cane given to W. by Chief Anatlashash, inlaid with abalone	2,000
3a	1 carved mask, modern	600
		<hr/>
		\$12,550

\*item mentioned in original inventory on page 6

\*\* item mentioned in original inventory on page 5

BEADWORK

House location	Item	Value
1a	1 sealskin hanging letterholder, beaded	\$ 150
	10 small beaded items; Athabaskan	750
	11 " " " Tlingit	600
1b	1 beaded decorative wallhanging, pink, white & blue dated 1905	50
	1 high laced mocassin	50
	1 heavily beaded hanging, about 14" long (Flains Indian?)	200
	1 cedar bark mat with about 19 small dolls and beaded items attached	150
*2b	2 framed beaded felt pictures 12"x16"	300
	13 small beaded objects on red felt	325
	1 pennant, moosehide with beaded "Fairbanks" and heart and forget-me-nots, 24" long, given to W. in Fairbanks	250
2c	1 small beaded bag	100
** 2d	2 strings faceted blue beads	400
	2 strands beads with dentalium	400
	1 choker with porcupine quills	200
** 3c	3 beaded and button felt pieces, Tlingit	200
		\$ 4,175

\* item mentioned in original inventory on page 7

\*\* items mentioned in original inventory on page 6

TOOLS

House location	Item	Value
1b	1 miniature Eskimo fishing equipment	\$ 50
2a	1 Eskimo jigging rig	150
	2 halibut hooks	1,000
2b	3 Eskimo throwing boards	750
	1 harpoon head	100
2c	1 Eskimo throwing board	250
	1 beaded knife sheath, 10" long, with small slate blade	500
	1 antler meat hook	100
*	1 stone adze with wooden handle	250
2d	2 slate knives with wooden handles	200
*	1 jade bladed adze	250
*	2 jade ulus, one without handle	200
*	1 jade whetstone, 6" long, cylindrical	200
		<hr/> 4,000

\* items mentioned in original inventory on page 5

TOTEM POLES

House location	Item	Value
2e	1 12" souvenir type	\$ 200
3a	3 small " "	450
3c	1 24" high, unpainted, given to W. Eagle and Wolf .	1,000
	1 souvenir type, 14" high	200 .
	3 " " small, painted	300
3d	8 8" to 18" souvenir type and many smaller poles, some mounted on driftwood, and other small carvings	500
3e	1 24" painted	400
4	1 unpainted, 24", cedar	400
?	2 small argillite poles	600
		<hr/> \$4050

DOLLS AND DOLL CLOTHING

House location	Item	Value
*1b	1 doll parka, decorated fawnskin	\$ 100
	1 " " cloth	50
	1 " " gut with red cloth trim	100
	2 doll skin mukluks (2PR)	50
2a	1 Eskimo doll	250
2b	6 Eskimo dolls (two very fine with Ethel Washington type carved faces)	2400
	3 Tlingit dolls, skin clothing and faces	450
3c	1 Tlingit doll, "five-fingered chief" 6" high	200
		\$ <u>3550</u>

\*items on this page mentioned in original inventory on page 6

SKIN AND LEATHER

House location	Item	Value
1a	skin frog with beads	\$ 200
1b	sealskin purse	100
	1 skin ball, 5" diameter, plain, (St. Lawrence Is.?)	100
2b	1 Eskimo skin picture	100
	1 Agnupuk picture on sealskin, approx 6"x7"	100
	3 Eskimo yoyos,	75
		<hr/>
		\$675

POTTERY

House location	Item	Value
*1b	Eskimo "blood pottery" bowl, 10" diameter, grooved inside, good condition	
*2b	Eskimo " blood pottery" bowl 5" high	
*2d	" " " " 5" high	
		<hr/> \$1000

\* items mentioned in original inventory on page 5

MISCELLANEOUS CRAFT ITEMS

House location	Item	Value
1b	1 flannel letter holder, 10"x12", red	\$ 200
2a	1 wooden "Elingit" drum, staved sides, skin head painted, 12" diameter	500
2d	1 model kayak with figure, carved wooden face, about 12" long	750
2e	2 strung shell necklaces ( probably not Alaskan)	100
3a	2 sheephorn spoons, plain	200
	1 mountain goat horn spoon, 5" long, inlaid with abalone	500
2d	other misc. ( this case contained over 75 small items of many materials, small ivory pieces, etc.)	1000
		<u>\$3450</u>

OTHER

House location	Item	Value
*1b	1 woven blanket from Ozette, Makah Reservation, Washington, collected by W. between 1880 and 1890, associated information in ethnographic notebook.	\$5000
	1 oosik	200
*2d	2 wooden calendars from Kodiak	1000
		<hr/>
		\$6200

\* items mentioned in original inventory on page 5



UNIVERSITY OF ALASKA, FAIRBANKS  
Fairbanks, Alaska 99701

RECEIVED  
February 17, 1982

ALASKA STATE LIBRARY

Richard Engen, Director  
Division of State Libraries and Museums  
Pouch G  
Juneau, Alaska 99811

Dear Dick:

I have had a chance to review the various inventories that were developed on the Wickersham manuscript materials and the additional notes generated during the time (approximately a day and a half) that Lu Rowinski and I had to review the Wickersham Collection with Ruth Allman. I would like to share with you what might be a fair way of arriving at an evaluation, or at least a range within which an appropriate offer might be made for the manuscript and photographic material as part of the total evaluation of the Wickersham properties from the State's point of view.

As we discussed, providing an accurate evaluation of the Wickersham manuscript and photographic materials is a difficult task indeed. It would require an extended amount of time to develop an item by item inventory and evaluation. As I review the materials, it seems to me that there are approximately five parts of the collection which are outstanding enough to be considered separately with an individual evaluation, with the last grouping and evaluation being of the balance of the material, some of which are outstanding and others of which are interesting and informative, but not unusually significant.

In looking at the materials and reflecting on Judge Wickersham's career and contributions to the development of the Territory and the future State of Alaska, one is struck by a number of considerations. First, Wickersham was a man of manifold talents who ably filled the position of District Judge, Delegate to Congress, competent attorney, an outstanding bibliographer and lively writer, in addition to other talents and contributions such as his leadership role in the Republican Party, both in the State of Washington and in Alaska. He was an extraordinary diarist in that he maintained a day by day journal for some 39 years, no mean accomplishment! It seems obvious that Wickersham had a sense of history, carefully recorded his observations and maintained detailed correspondence and subject files that document his career. While many of the parts of the collection have a scholarly and monetary value independently, one must conclude that the collection, because of its extensiveness and completeness, is in fact worth more taken together than the sum of its discreet parts.

Other than Wickersham, the records of the Delegates to Congress are very limited until Tony Dimond was elected as a Delegate to Congress in 1932. The record from 1933 on increases in terms of completeness and value, but obviously covers a much later period than that covered by Wickersham.

ATTACHMENT 5

UNIVERSITY OF ALASKA

Richard Engen, re: Wickersham collection  
February 11, 1982  
Page 2

The following is a review of the increments considered important to mention individually:

The most outstanding part of the collection, in terms of scholarly value, are the diaries kept by Wickersham from 1900 through his death in 1939. The diaries tend to become more extensive and observant as the diary progresses.

He records his activities as a District Judge, Delegate to Congress, or as an attorney, reflects on his political activities, paints an occasional portrait of political friends or adversaries (i.e. Brady), activities of himself and others such as they affect his life. Also, occasional medical observations, some personal comments and observations, especially relating to his wife, Deborah Susan, and comments on events of importance, from his perspective are covered. The diaries cover his appointment as District Judge and entry into Alaska, the establishment of "Interior" Alaska Court, the resolution of the Noyes-MacKenzie case in Nome, the establishment of Fairbanks, the continuing difficulties he had being confirmed as District Judge, as well as his tenure as Delegate to Congress. The controversial aspects surrounding his election at various times, his continuing career as an attorney, and as a political advisor and participant in the political process, his activities as a bibliographer, the death of his wife, Susan, and his decline in health that led to his death in 1939 are also detailed. The diaries represent an outstanding personal and political record not available for any other Delegate, nor, as far as I know, any other political figure other than the late Senator Ernest Gruening who also kept a diary. While all the diaries are historically significant and valuable for research, there are probably at least eight that would appear to be most noteworthy. The establishment of the court, the founding of Fairbanks, the Mt. McKinley climb, his election as the first full-time Delegate, his support and successful passage of home rule for Alaska, the Alaska Railroad Bill, the founding of the University of Alaska, and the introduction of the first statehood bill, would suggest a higher value for these items. A range of between \$1500 and \$2000 for each of the 39 diaries, \$3000 for six of the diaries, and \$5000 for two of the diaries suggest a conservative value of \$86,000 for the diaries as a group. A less conservative approach might suggest a value of upwards of \$105,000 to \$118,000 for the diaries depending on how each might be evaluated.

The second group to be discussed are the 17 volumes of outgoing letters from 1883 to 1910. Wickersham kept copies of his outgoing correspondence in 17 volumes of letter press books. These letter press books start with his legal career in Washington State, for his own legal firm and when he was in partnership with Murray and with Palmer. They continue through his appointment as District Judge when most of the letters reflect his activities in terms of appointments, such as the staking of mining claims and his travels. They conclude about the period that he was elected to the position of Delegate to Congress. It is an extensive record of his outgoing correspondence which reflects his activities and complements the diary. A conservative evaluation of this part of the collection would suggest a value of \$8,500.

UNIVERSITY OF ALASKA

Richard Engen, re: Wickersham Collection  
February 11, 1982  
Page 3.

The next part examined was approximately 40 loose leaf volumes of correspondence in cartons. These deal primarily with his activities as Delegate to Congress through approximately 1918, but also cover, to a limited degree, other chronological periods. Small amounts of correspondence cover the period between 1890-1910, and 1907-1910, which relate to Republican conventions in both Ketchikan and Juneau. Also, there are files developed after his terms as Delegate dealing with topics such as that of the Alaska election of 1927-28, the bibliography of Alaska literature, the Alaska Railroad freight tariff in 1931. These include both incoming letters and copies of outgoing correspondence. During his tenure as Delegate, the files relate to the various concerns of constituents which are kept chronologically, as well as files centered around subject areas as Territorial home rule, the Alaska Railroad, the Road Commission, the Prohibition Bill, the Agricultural College and School of Mines, and the first Indian Chiefs' Council in Fairbanks in 1915. It is an extensive record of material and encompasses approximately seven linear feet of material. It is the earliest comprehensive record of the activities of the Delegate to Congress and reflects Wickersham's wide interests. Because of the extensiveness of the material and the type of issues dealt with, an evaluation of \$16,000 to \$20,000 might be appropriate. For our purposes, a value of \$17,500 is suggested.

Next, is a grouping of incoming correspondence between 1900 and 1910. The incoming correspondence reflects concerns of individuals, bills, orders, and reflects the beginning of the court of Eagle, its transference to Fairbanks, materials dealing with Noyes-MacKenzie controversy in Nome, his relationship with Joslyn and Barnette, and his resignation from the Court and support for Cole as Delegate. These files also contain material relating to the Keystone Canyon case. There are approximately 2,200 to 2,300 items and appropriate value, conservatively, might be \$3,000. This might go as high as \$5,000.

The extensive photograph albums are the last materials considered separately. There are at least 17 albums containing a selection of photographs covering locations throughout Alaska over a varied time period. For instance, Album #11, relating to Fairbanks, has a number of very early photographs in 1903 documenting the early development of Fairbanks, and a number of photographs documenting the claims and the people involved in individual claims on Fairbanks and Goldstream Creeks. The album on Valdez covers a number of roadhouses and some unusual views of roadhouses on the southern part of the Richardson Highway. Also, photos of the Hazelet-Meals expedition of 1897 and detailed photographs documenting and illustrating the confrontation that took place at Keystone Canyon in 1907. There is a wide variety of photographs in terms of subject matter and covers many cities and towns of Alaska. While there is not a heavy representation of original studio prints in first class condition, the photographs do document the early development of Alaska. A major portion is already represented in various collections within Alaska; there are at least 10% to 20% that might be considered unusual and not heretofore available. Most are in large format-- 8 X 10--with occasional 5 X 7's and a very small percentage of smaller formats. A conservative estimate of the 1389 photographs minimally estimated to be in the collection would be \$10,000. This could go considerably higher.

UNIVERSITY OF ALASKA

Richard Engen, re: Wickersham Collection  
February 11, 1982  
page 4

In addition to these materials mentioned, there are court docket books, materials relating to his career as an attorney, materials relating to the development of the Alaska Bibliography, personal writings and research notes reflecting his interest in anthropology and linguistics. In addition, there are loose leaf notebooks that contain and collate original material and subsequent articles and correspondence about Judge Wickersham, approximately four cubic feet of individual letters which are difficult to classify, books and materials relating to Captain Libby, indices to the extensive diaries, and many other items too numerous to mention. An estimate of the value of these additional materials might be \$15,000 and possibly up to \$20,000. We were unable to explore in detail all of the materials available because of a very limited time frame in which we were operating.

In conclusion, the conservative evaluation of \$140,500 from the State's point of view would not be unreasonable. This could, depending on the perspective of the appraiser, go as high as \$180,000. If the collection were dismembered and sold on a piece by piece basis, as the Pullen Collection was, it might fetch an even higher sum because of the fame of Wickersham.

While the collection has been utilized for major historical works, first by the Judge himself and, more recently, by Evangeline Atwood in her study, and to a lesser degree by other scholars, the collection still represents a major resource for scholarship on Alaska's history and Judge Wickersham's career. It should sustain a large number of additional studies and analyses both of the Judge and of the political problems and situations in which he was involved.

It would be a tragedy for State should this collection be either dismembered or be sent to a repository outside the State. It reflects an important part of our history and extremely significant political figure.

A few comments about what might be considered, should the State acquire the manuscript and photographs as part of a larger acquisition of the Wickersham artifacts and the house and other physical property, follow.

Whatever designs there might be for the house in terms of interpreting the Judge's career, it would be my strong recommendation that the manuscript materials be removed to a suitable repository where a competent archivist be employed to arrange and describe the material and prepare it for micro-filming. It could well take a good archivist six months for the arrangement and description process as well as an equivalent time period and cost to prepare and microfilm the material. The collection should be microfilmed completely using relatively sophisticated techniques for the materials that are either faded or blurred so that they will be rendered as readable as possible. The collection, as discussed, represents a tremendous scholarly resource and copies should be placed in significant repositories within the State.

There are a large number of books on Alaska, Congressional Hearings, Congressional Digests, and other materials that could be left in-house, giving a sense of the career of Judge Wickersham and the manifold projects

UNIVERSITY OF ALASKA

Richard Engen, re: Wickersham Collection  
February 11, 1982  
Page 5

in which he was involved which are replaceable. These would continue the atmosphere without endangering unique, irreplaceable manuscript and photographic materials.

Facsimiles of the diaries or portions of the diaries could be made so that those interpreting the house and those visiting the house could have access to the information in an interesting and historically faithful format. In fact, the removal of some of the materials that are in the house might allow the collection remaining to be more easily interpreted. At this moment, it is quite easy to get overwhelmed by the volume of materials preserved. The volume of materials might distract or weaken the historical presentation to an audience spending a limited time at the site.

In addition to the inventory prepared by Ruth Allman in 1966 and another undated inventory, I have appended the rough notes that I took during my time there and the notes Lu took in regards to the photographic collections that we both reviewed.

If it would be helpful, I would be pleased to discuss the collection further with you or others involved in the process of reviewing the possibility of acquiring the Wickersham properties.

Sincerely yours,



Paul McCarthy  
Archivist and Head  
Alaska and Polar Regions  
Department

PMcC:bd  
Enclosure

MARCH 5, 1982

HILTON WOLFE  
STAFF ASSISTANT TO THE DIRECTOR  
DEPT OF NATURAL RESOURCES  
DIVISION OF PARKS  
POUCH M  
JUNEAU, AK 99811

DEAR MR WOLFE:

REFERENCE TO CONTRACT WICK-742-4 TITLE: HOUSE OF  
WICKERSHAM WITH THE ALASKA HISTORICAL SOCIETY DELIVERED  
INTO MY HANDS FEBRUARY 25, 1982.

THE FAIR MARKET VALUE OF ITEMS LISTED IN APPENDIX  
B OF THE ABOVE MENTIONED CONTRACT IS \$55,500.00.

SINCERELY,

  
WILLIAM W. JORGENSON

ATTACHMENT 6

MARCH 7, 1982  
JUNEAU, ALASKA

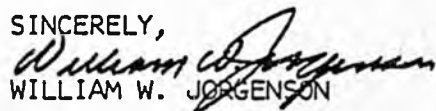
HILTON WOLFE  
STAFF ASSISTANT TO THE DIRECTOR  
STATE DIVISION OF PARKS  
POUCH M  
JUNEAU, AK 99811

DEAR MR. WOLFE:

ATTACHED IS THE INVENTORY OF FURNITURE, PAINTINGS AND ANTIQUES  
AS REQUIRED UNDER THE TERMS OF THE CONTRACT BETWEEN YOUR AGENCY  
AND THE ALASKA HISTORICAL SOCIETY.

I WAS UNABLE TO COMPLY WITH THE COMPLETION DATE OF FEBRUARY 19,  
1982, AS SAID CONTRACT WAS NOT DELIVERED TO ME UNTIL FEBRUARY  
25, 1982. I SPENT PARTS OF FEBRUARY 20TH, 21ST AND 27TH INVEN-  
TORYING THE HOUSE OF WICKERSHAM. MANY HOURS WERE REQUIRED TO  
RESEARCH AUCTION PRICE LISTS OF CALENDAR YEAR 1981 IN ORDER TO  
ARRIVE AT "FAIR VALUE" FIGURES. IT WAS MOST DIFFICUT TO ARRIVE  
AT "FAIR VALUE" PRICES WHEN DEALING WITH ITEMS CONNECTED WITH  
SUCH A WELL-KNOWN NAME AS WICKERSHAM.

SINCERELY,

  
WILLIAM W. JORGENSEN

ITEMS LISTED COLUMNS "3", "4", "5", AND "6" IN CONTRACT WICK-742-4

ICON FROM RUSSIAN AMERICA	\$ 1,500.00
COPPER TEAKETTLE USED BY THE RUSSIAN-AMERICAN GOVERNOR AT KODIAK	750.00
CALENDARS (2) VERY CRUDE--TWO PIECES OF WOOD WITH LEATHER HINGES	500.00
GOLD NUGGET CANE	500.00
GOLD PAN--GOLD SCALES--USED BY JACK ALLMAN	250.00
HAND CARVED SPOONS FROM QUARTERS AND HALF DOLLARS (7)	700.00
PORTRAIT OF JUDGE WICKERSHAM--1912--BY MRS. DAVIS	1,000.00
PAINTING--RUSTY HURLEIN "CABIN ON THE YUKON"	2,500.00
PAINTING--JUDGE KEHOE--"FISHERMAN IN FIGHTING WHITE WATER"	500.00
PAINTING--FRANCES PAUL--"TLINGIT CEREMONIAL HAT"	100.00
SOUVENIR SILVER SPOON COLLECTION (100+)	2,500.00
PAINTING--GRACE WICKERSHAM--"BLUE MOUNTAINS"	100.00
MELODIAN--	500.00
CLOCKS, MANTLE TYPE (2)	500.00
SILVER - GLASS (ON SEPARATE LISTS)	5,075.00
FURNITURE - (ON SEPARATE LIST)	11,825.00
MISCELLANEOUS ITEMS OF NOTE - (ON SEPARATE LIST)	<u>26,485.00</u>
TOTAL	\$ 55,285.00

SILVER & GLASS

BREAKFAST SET, SILVER PLATE, CONSISTING OF: CREAMER- SUGAR BOWL--SYRUP SERVER--COVERED BUTTERDISH WITH KNIFE- AND SPOONER	150.00
BOWL, SILVERPLATE, FOOTED (CENTERPIECE?)	50.00
CREAM & SUGAR BOWL, SILVER PLATE, SAME PATTERN AS ABOVE	50.00
COMPOTE, WITH HANDLE, SILVER PLATE	75.00
TOOTHPICK HOLDER, SILVER PLATE, SOUVENIR TYPE MARKED "BEST WISHES"	25.00
NAPKIN RING, SILVER PLATE	25.00
NAPKIN RING, PEWTER, WITH SQUIRREL MOUNTED ONE SIDE	10.00
CREAMER & SUGAR, CRYSTAL WITH SILVER OVERLAY NICELY REPAIRED HANDLE WITH IVORY INLAY	250.00
MUG, CHILDS OR SOUVENIR, VERY HEAVY, SILVER PLATE	25.00
CANDELABRA (MATCHING PAIR), SILVER PLATE, TWO BRANCHES EACH HOLDING TOTAL 3 CANDLES	50.00
DISH, VEGETABLE SERVER, SILVER PLATE, WITH COVER (COVER MAY BE USED AS SEPARATE DISH)	75.00
COFFEE POT, SILVER PLATE	75.00
TRAY, 14 INCH, GRAPE PATTERN, SILVER PLATE	100.00
TRAY, SILVER PLATE	250.00
ICE BUCKET, SILVER PLATE, WITH 12" TRAY	150.00
TEAPOT, PORCELAIN & PEWTER, ENGLISH "STRATFOR ON TRENT"	150.00
COFFEEPOT, SILVER PLATE	50.00
CASTER SET, SILVER PLATE, WITH FIVE DISPENSING CONTAINERS OF EXCELLENT GLASS	250.00
COMPOTE, SILVER PLATE	100.00
CANDLE HOLDERS, STERLING, AMERICAN CONTEMPORARY POOR CONDITION	50.00
COMPOTE, SILVERPLATE	75.00
FLATWARE SERVICE, GORHAM STERLING, "CHANTILLY" CONSISTING OF 8 DINNER FORKS--8 SALAD FORKS-- 8 DINNER KNIVES--8 TEASPOONS--4 CREAM SOUP-- 7 COCKTAIL FORKS--GRAVY LADLE	1,800.00

SILVER & GLASS (CONTINUED)

DISH, CUTGLASS, CANDY, 6 INCH (POOR CONDITION)	50.00
DISH, CUTGLASS, CANDY, 5 INCH	40.00
PICKLE SERVER, BLUE SANDWICH TYPE GLASS IN METAL HOLDER (GLASS IMPERFECT FROM INTERNAL STRESS MARKS)	250.00
CRUET, CUTGLASS--CLEAR WITH RUBY OVERLAY	100.00
BOWL, WHITE SATIN GLASS WITH CRANBERRY OVERLAY "ART GLASS"	450.00
CREAM AND SUGAR, SATIN GLASS	100.00
WEDGEWOOD PITCHER, EARLY TYPE, BLUE	<u>250.00</u>
	5,075.00

PRELIMINARY INVENTORY OF FURNITURE AT WICKERSHAM HOUSE 2-2082

1	TABLE, DINING, WALNUT, "DUNCAN PHYFE, WITH 1 HOST CHAIR AND SEVEN STRAIGHT DINING CHAIRS	1,000.00
1	TABLE, SIDE OR CONSOLE, OAK, NICELY HAND CARVED LEGS (MRS. ALLMAN SAID WEDDING PRESENT (FIRST MARRIAGE) AND HAD COME "AROUND THE HORN".	500.00
1	TABLE, "LIBRARY", OAK, MISSION OAK STYLE	250.00
1	CHEST, "CHINA TRADE", RED, LEATHER COVERED	750.00
2	CHEST, "CHINA TRADE" CAMPHOR WOOD	1,000.00
2	TABLES, MISSION OAK, SIDE OR BED	100.00
<del>1</del>	<del>MELODEON, WALNUT CASE</del>	<del>500.00</del>
1	TABLE, SIDE, "LYRE BASE" OAK	250.00
1	DESK, "SAILING CAPTAIN" SMALL FOR USE ON SHIP	500.00
2	SOFA, OVERSTUFFED, CIRCA 1920	1,000.00
4	CHAIRS, OVERSTUFFED, COMPANION TO ABOVE	1,000.00
2	TABLE, SIDE, CAST IRON FANCY BASE, OAK TOP	250.00
1	TABLE, OAK, LAMP	75.00
1	CHINA CABINET, OAK, CURVED FRONT	500.00
1	DESK, DOUBLE, OAK, OFFICE TYPE CIRCA 1890	1,000.00
2	CHAIRS, OAK, CIRCA 1890	500.00
1	DRESSER, BEDROOM, PARTLY REFINISHED, CIRCA 1900	250.00
1	ROCKER, OAK, CIRCA 1900	200.00
2	CHAIR, OFFICE, OAK, CIRCA 1900	200.00
3 PC	BEDROOM SET, CIRCA 1890, CONSISTING OF DOUBLE BED, DRESSER, AND COMMÔDE	1,500.00
1	TABLE, DINING, EXPANDABLE APARTMENT TYPE, OAK	500.00
1	LAMP, FLOOR, WROUGHT IRON, W/TIFFANY TYPE SHADES	500.00

~~12,325.00~~

~~500~~

11,825.00

MISCELLANEOUS ITEMS OF NOTE

UNBRELLA STAND, COPPER, WITH A "LION HEAD W/RING IN MOUTH" BRASS HANDLE	350.00
TRAYS (TOTAL OF 3) SAMOVAR, RUSSIAN MFR, EACH WITH ONE END. ROUNDED, BRASS	300.00
TRAY, SAMOVAR, KEYHOLE TYPE, BRASS, RUSSIAN MFR	150.00
TRAYS, SERVING, BRASS, (TOTAL OF 3), RUSSIAN MFR ASSORTED SIZES	150.00
SAMOVAR, BRASS, RUSSIAN MFR, 20" HIGH, COMPLETE WITH CROWN AND EXTENSION TUBE	900.00
SAMOVAR, BRASS, RUSSIAN, COMPLETE WITH CROWN AND TEAPOT PLATE (HAS 5 AWARD STAMPS IMPRESSED ON FRONT)	750.00
TRAY, SERVING, BRASS, RUSSIAN MFR, APPROX 10" X 24"	150.00
SERVER, COFFEE OR OTHER HOT BEVERAGE, BRASS, ORIGIN UNKNOWN SIDE HANDLE,	150.00
CANDLE HOLDER, SOUVENIR TYPE, MKD "KETCHIKAN"	25.00
CANDLEHOLDERS (A PAIR) COPPER, EACH WILL HOLD TWO CANDLES	25.00
TEAGLASSES IN HOLDER, RUSSIAN SILVER, LARGE, FROM KODIAK	500.00
TEAGLASSES IN HOLDER, RUSSIAN, MODERN MFR	25.00
TEAGLASS IN HOLDER, BRASS, RUSSIAN, FROM KODIAK	250.00
TEAGLASS IN HOLDER, ORIGIN UNKNOWN	10.00
BOWL, BRASS, RUSSIAN MFR, 14" W X 9" H	100.00
CENSER, RUSSIAN ORTHODOX, GIFT FROM FATHER ANDRE KASHEVEROFF	500.00
ICONS (USED BY TRAVELERS) APPROXIMATELY 3 X 3, FROM KODIAK	500.00
BOWL, BRASS, WITH ROLLED RIM, RUSSIAN MFR, 12" W X 10" H	150.00
PRAYERRUG, FROM NEAR EAST,	500.00
PHONOGRAPH, EDISON CYLINDER	250.00
RADIO, PHILCO, CATHEDRAL TYPE, CIRCA 1930	100.00
FRAMED BIT OF ENGLISH TAPESTRY	50.00
PAINTING, OIL, PORTRAIT OF BILL MCPHEE (EARLY FAIRBANKS MAN)	100.00
SALT & PEPPER SET, CRYSTAL WITH SILVER OVERLAY	50.00
SALT & PEPPER SET, IVORY, FROM KING ISLAND, MINIATURE BARREL STYLE, CIRCA 1900	250.00

MISCELLANEOUS ITEMS OF NOTE PAGE 2

SALT & PEPPER SET, IVORY, WITH CARVED ANIMALS ON SIDE, CIRCA 1900, FROM NOME	250.00
BEDSIDE CLOCK, LADIES, (FINE WATCH MOUNTED IN HOLDER)	100.00
LUSTERWARE PITCHER, OLD & LOVELY	500.00
ASSORTED CHINA & PORCELAIN (TOO NUMEROUS TO LIST) SOUVENIR PLATES SUCH AS MCKINLEY CAMPAIGN, WEDGEWOOD ITEMS, ET CETERA	3,000.00
PIANO, SQUARE GRAND, CHICKERING, REPORTED TO HAVE COME FROM SITKA	5,000.00
ORIENTAL RUGS, IN USE, POOR CONDITION	1,000.00
MEMORABILIA OF WICKERSHAM, AGAIN TOO NUMEROUS TO LIST (AWARDS--PERSONAL ITEMS ET CETERA)	10,000.00
	<hr/>
	26,485.00

**POMTIER, DUVERNAY & HORAN**  
REAL ESTATE APPRAISERS — VALUATION CONSULTANTS

**J. A. DUVERNAY, A.S.A.**  
Willoughby Avenue  
P.O. Box 651  
Juneau, Alaska 99802  
(907) 583-3685

**CHARLES HORAN**  
318 Lincoln Street  
P.O. Box 2003  
Sitka, Alaska 99835  
(907) 747-6668

**HOWARD POMTIER**  
Willoughby Avenue  
P.O. Box 651  
Juneau, Alaska 99802  
(907) 586-3685

February 22, 1982

State of Alaska  
Department of Natural Resources  
Division of Parks  
Pouch M  
Juneau, Alaska

Attention: Mr. Hilton Wolfe

Subject: Market Value Estimate  
House of Wickersham  
213 Seventh Street  
Juneau, Alaska

Dear Mr. Wolfe:

Pursuant to our recent conversation, I am submitting to you a preliminary market value estimate of the above referenced property. This preliminary value will be expressed in a range within which my final opinion of value should fall.

For your information, I have inspected the subject property with Ruth Allman who I believe to be a representative of the owner. Also, I have conducted an extensive investigation of the real estate market to ascertain details of sale properties that may be considered comparable to the subject. In this regard, special emphasis was given to sales of older homes that were built around the turn of the century (1900's).

It should be again noted that the subject has special historic significance in that it was the home of Judge Thomas Wickersham, famous Alaskan jurist, statesman and explorer. Being virtually one-of-a-kind, the available market was of little use in determining whether or not its historical significance would be reflected in the market. The experience our firm has had in Skagway, a city with many historical buildings, indicate that the market does not necessarily pay a premium for historical properties.

ATTACHMENT 7

To: State of Alaska  
Department of Natural Resources

Re: Market Value Estimate  
House of Wickersham

- 2 -

In summary, the subject property is being valued based primarily on the Market Data or Sales Analysis Approach. This is basically an analysis of comparable sale properties. The Cost and Income Approaches will be processed but discounted for various reasons. This will be explained in more detail in the appraisal report which will follow within a week.

It is therefore my preliminary opinion that the current market value of the land and building known as the House of Wickersham, is in the range of \$180,000.00 to \$200,000.00, as of current date.

Should you require any additional information before the report is completed, please call.

Respectfully Submitted,  
POMTIER, DUVERNAY AND HORAN

  
J. A. Duvernay, A.S.A.

JAD:vld

APPRaisal REPORT  
OF  
HOUSE OF WICKERSHAM  
213 SEVENTH STREET  
JUNEAU, ALASKA  
FOR  
STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF PARKS  
DATE OF VALUE: MARCH 1, 1982

FILE NO. 82-35

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POMTIER, DUVERNAY & HORAN

REAL ESTATE APPRAISERS - VALUATION CONSULTANTS

**POMTIER, DUVERNAY & HORAN**  
REAL ESTATE APPRAISERS -- VALUATION CONSULTANTS

J. A. DUVERNAY, A.S.A.  
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CHARLES HORAN  
318 Lincoln Street  
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Sitka, Alaska 99835  
(907) 447-6666

HOWARD POMTIER  
Willoughby Avenue  
P.O. Box 651  
Juneau, Alaska 99802  
(907) 586-3685

March 1, 1982

State of Alaska  
Department of Natural Resources  
Division of Parks  
Pouch M  
Juneau, Alaska 99811

ATTENTION: Mr. Hilton Wolfe

SUBJECT: Appraisal of House of Wickersham  
213 Seventh Street  
Juneau, Alaska  
Wick-742-3

Dear Mr. Wolfe:

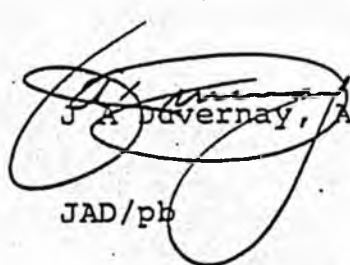
As requested, I have personally inspected the above referenced property for the purpose of estimating the Market Value as of March 1, 1982.

Based upon my investigation and analysis, it is my opinion that the Market Value of the subject property, as of the date of value, is:

TWO HUNDRED THOUSAND DOLLARS  
(\$200,000.00)

Following herein will be found some descriptive data upon which my opinion of value is partially predicated.

Respectfully submitted,  
POMTIER, DUVERNAY & HORAN

  
J. A. Duvernay, ASA

JAD/pb

## INTRODUCTION

Every definition of an appraisal since the mid-1930's has referred to it as either an 'estimate' or an 'opinion' of value. Nowhere in recent appraisal texts or literature has any writer or authority defined an appraisal as representing a fixed price or an arbitrary value. An appraisal is an estimate of value, usually in writing, of an adequately described parcel of real estate, for Market Value, or value as defined by the appraiser, as of a specified date in time.

To carry this further, an appraisal is an opinion, a function, or a judgement tool prepared by the appraiser and presented to the decision-makers for their consideration and ultimate action. Whenever an appraisal is made, some action results: a sale is made or it is not, a loan approved or turned down, a lawsuit improved or diminished, or an assessed value appeal supported or overturned. An appraisal of real estate always leads to an action decision, and it is important to understand that a negative response or conclusion not to act may be just as meaningful as a positive one. Not making a loan, a sale, or going ahead with a lawsuit, can often have as many ramifications as deciding to do one of these things. Thus it is extremely vital to realize that an appraisal, a valuation study, is just the first step in what may be a long and involved chain reaction.

An appraisal report is typically ordered when there is some question, disagreement or problem surrounding a parcel of real estate, causing the persons involved to seek a qualified third party opinion. A value estimate is typically requested to present an estimate of Market Value (ie, the highest price estimated in terms of money) based on development or utilization of the property to its Highest and Best Use, and also to provide an estimate of the degree of risk involved in the ownership and management of the property. Like all other

INTRODUCTION: cont'd

investments, real estate has a high degree of risk, depending upon the quality of management, the degree of liquidity or non-liquidity, and unexpected outside influences. At any given moment in time, before or after the date of this report, the economic conditions affecting this property, intrinsic or extrinsic, may change significantly, and the present owner or developer, or subsequent owners, developers or mortgagees, will all analyze their interpretation of its value measured against the risks involved and come to conclusions as to what positive or negative action they should take. This appraisal therefore offers only an opinion of the present worth or Market Value of the subject property, as of a specified date in time, limited by the specific conditions and contingencies noted in the report and the risks of the market.

An appraisal of real estate does not fix or set its price, or value; it is an opinion that may be used by borrower or lender, by a buyer or a seller, or by a judge or jury, but it is just that and no more: an impartial opinion of value.

The assumption of this appraisal report is that the property, as of the valuation date, was under prudent and competent control and management, and that all efforts were being concentrated on developing it to its full potential and highest possible value. If, for any reason, should subsequent events, be they worldwide, national, regional, local, or caused or created by management, in any way affect or change the value of the subject property, the Appraisers assume no responsibility for their effect on value.

CERTIFICATION OF APPRAISAL

The undersigned does hereby certify as follows:

I have inspected the property.

I have no present or contemplated future interest in the real estate that is the subject of this appraisal report.

I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.

To the best of my knowledge and belief, the statements of fact contained in this appraisal report upon which the analyses, opinions, and conclusions expressed herein are based, are true and correct.

This appraisal report sets forth all of the limiting conditions, imposed by the terms of my assignment or by the undersigned, affecting the analyses, opinions and conclusions contained in this report.

This appraisal report has been made in conformity with and is subject to the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.

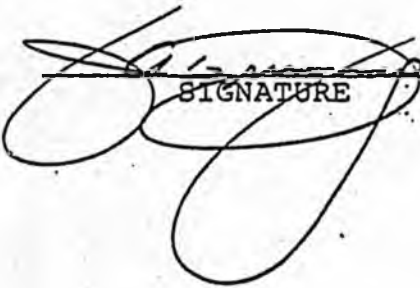
Involved in the appraisal of the subject property is J. A. Duvernay, and it is his conclusions and opinions concerning real estate that are set forth in this appraisal report.

The real estate which is the subject of this appraisal report was valued as of March 1, 1982.

Opinion of Value: \$ 200,000.00

3-7-82

DATE

  
SIGNATURE

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

PROPERTY APPRAISED: House of Wickersham

LOCATION: 213 Seventh Street  
Juneau, Alaska

LEGAL DESCRIPTION: Lot 8 and Portion of  
Lots 6 & 7, Block 28  
Townsite of Juneau

APPRAISAL DATE: March 1, 1982

APPRAISAL PROCESS: Market value, fee simple  
interest, land & improvements.

LAND AREA: 9,562 square feet, more or less

IMPROVEMENTS: A three story wood frame  
and siding residence with  
basement, originally  
constructed around 1899. There  
is about 3,610 square feet  
of gross area above the base-  
ment.

DATE INSPECTED: February 9, 1982

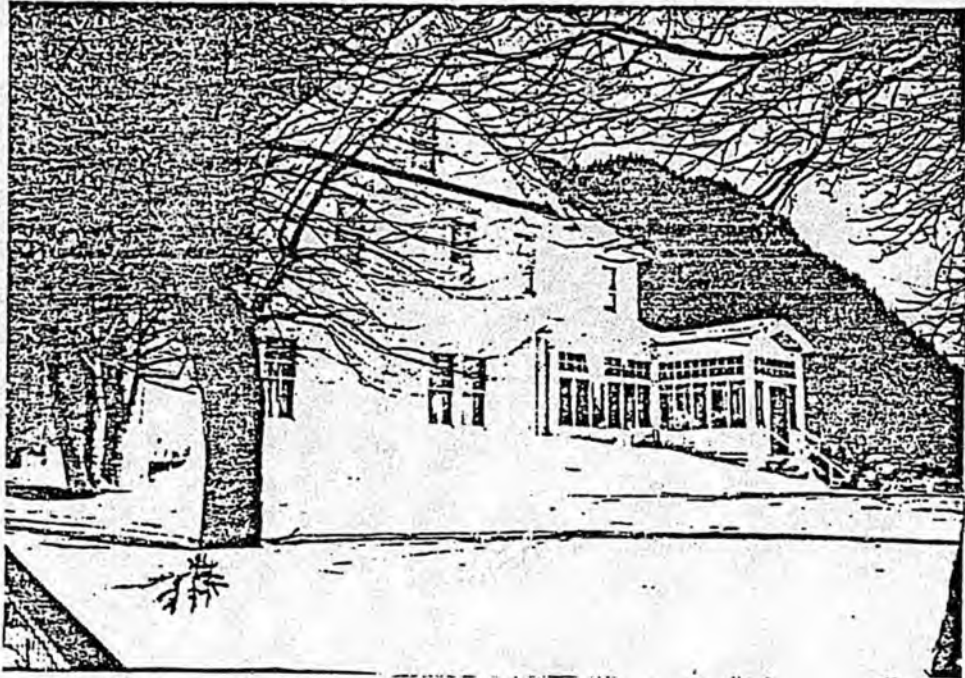
ZONING: RMM, medium density multi-  
family residential

TOPOGRAPHY: Mostly level with a down-  
slope at the rear of the lot

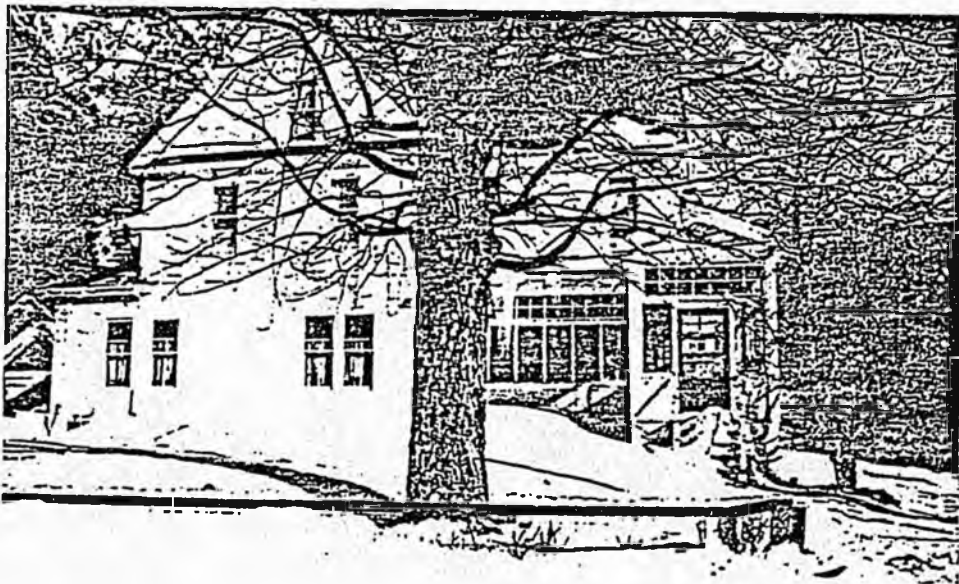
HIGHEST & BEST USE: Existing use considering  
the historical nature of the  
property.

VALUATION: Land Value: \$80,000.00  
Market Approach: \$200,000.00  
Cost Approach: \$181,000.00  
Income Approach: \$139,000.00  
Final Opinion of Value:  
\$200,000.00

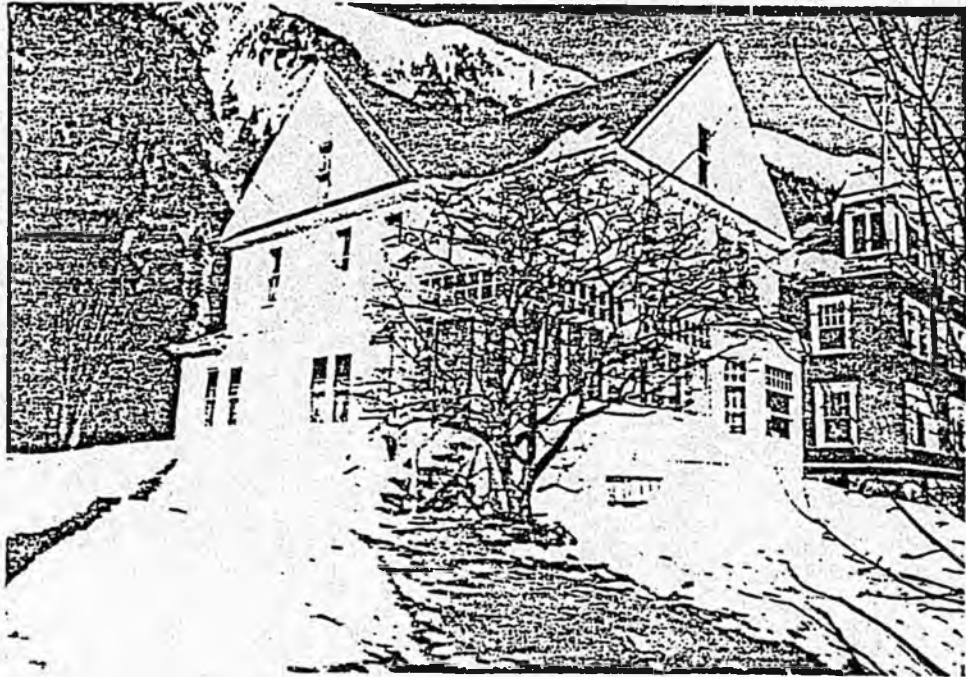
PHOTOGRAPHS



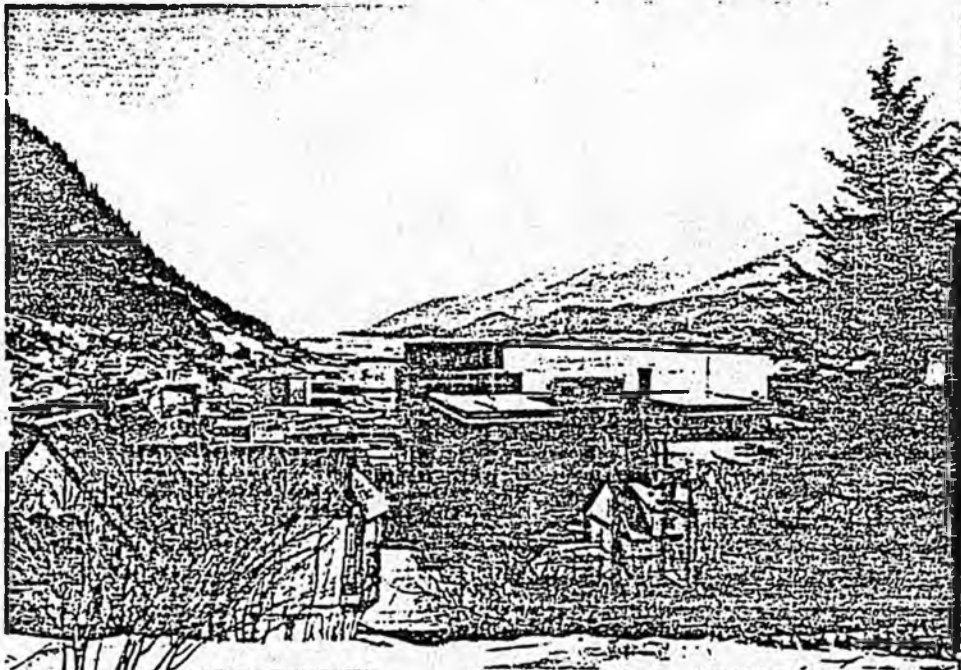
View of side yard along 7th Street.



Side entrance on west side of subject.



View along southerly side of subject.



View from subject looking over town and  
down Gastineau Channel.



Looking east along 7th Street and  
the intersection with Seward Street.



Front entrance to subject.

PURPOSE OF APPRAISAL:

The State of Alaska, Department of Natural Resources, Division of Parks, is interested in purchasing the House of Wickersham in order to preserve its historical nature and integrity. In this regard, I have been contracted to arrive at an opinion of its Market Value as of March 1, 1982.

DEFINITION OF MARKET VALUE:

The term Market Value as used herein is defined as:

"The highest price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus."

CITY DATA:

Juneau is located in Southeastern Alaska, 600 air miles Southeast of Anchorage, the state's largest community, and about 1,000 miles northwest of Seattle, Washington

The City and Borough of Juneau became the first unified home-rule municipality in Alaska in 1970--and encompasses an area of 3,108 square miles (almost 2 million acres). Thirty percent of this area is a part of the famous Juneau Icecap which spawns numerous spectacular glaciers, and is a natural phenomenon of international interest.

Much of the area is mountainous, with the peaks along the Canadian Border (less than 35 air miles from downtown Juneau) reaching over 8,500 feet in elevation. The waters of Lynn Canal and Stephens Passage constitute a segment of the famed Inland Passage, and account for over 20% of the area within the City and Borough. The terrain is heavily forested with Sitka Spruce and Western Hemlock dominant species at the lower elevations.

Land physically suitable for development consists primarily of glacial and stream-cut valleys, and the gentler slopes of mountains open to the water. Residential and commercial development is largely confined to these valleys and to the coastal lands bordering Gastineau Channel, a body of water separating Douglas Island from the mainland.

Transportation modes linking Juneau to other areas of

CITY DATA: cont'd

Alaska and to the coterminous states include air and sea; with jet service several times daily to Anchorage, Seattle, and intermediate points. Several air taxi services provide frequent service to Haines, Skagway, Hoonah and the many smaller villages of Southeastern Alaska. The Alaska Marine Highway, a fleet of state-operated ships, provides daily service, and connects Juneau by sea with Skagway, Haines, Sitka, Petersburg, Wrangell, Ketchikan, Prince Rupert, B.C., and Seattle. Juneau's deepwater port is served by a barge line, and is a popular stop for the many cruise ships which ply the Inland Passage during the summer months.

Within the City and Borough, the major population areas are linked by the Egan Expressway, a four lane divided highway which connects the Juneau International Airport and the suburban neighborhoods of the area to downtown Juneau. The two lane Glacier Highway continues north to Echo Cove at Berners Bay, some 40 miles from the central city.

The Juneau area population has grown over 60% since the 1970 census with an estimated population of 21,650 as of July 1981. Almost half of the population lives in the original Juneau-Douglas urban areas, while the remainder reside in the suburban Lemon Creek and Mendenhall Valleys, and in the more rural North Douglas, Auke Bay and Lynn Canal areas.

CITY DATA: cont'd

The Juneau area offers a wide variety of excellent recreational opportunities including skating (both ice and roller), hiking, hunting, fishing, boating, camping, picnicing, tennis, basketball and skiing.

A private enclosed tennis and racquet ball club has opened in the Mendenhall Valley. The City and Borough has also developed the Eaglecrest Ski area on Douglas Island and the National Forest Service maintains an impressive interpretive center at the site of the Mendenhall Glacier.

Municipal police protection is provided on a nonareawide basis. Juneau and Douglas are served by a single municipal police department. The outlying rural areas are served by the Alaska State Troopers. Fire protection is organized and funded by service areas, but operates under the direction of one fire chief. Fire stations and personnel include:

Juneau	- 12 fulltime firefighters, 36 volunteers
Glacier	- 8 fulltime firefighters, 40 volunteers
Douglas	- 25 volunteers
Auke Bay	- 25 volunteers
Lynn Canal	- 15 volunteers

Fire protection is rated 5 and 6 in the Juneau and Douglas areas respectively, and 9 and 10 in other areas of the City and Borough.

Traditionally, Juneau has been the major governmental, transportation, educational and trade center of northern Southeast Alaska. As its population (and consequently its

CITY DATA: cont'd

wholesale, retail and service base) has expanded, the people of the northern Panhandle area have become less dependent on Seattle, and Juneau has become more of a regional center. The jet service available at the Juneau Airport, expansion of the facilities and programs of the University of Alaska/Juneau, and the activities associated with Sealaska, Tlingit-Haida Central Council, and other Juneau-based corporations bode well for the continued development of the community as a true regional center.

Electricity, telephone services and solid waste disposal are available in all urbanized areas of the City and Borough. Electrical generation capacity from the Snettisham Hydroelectric facility far exceeds present demand, (large residential and commercial) and additional capacity is planned for 1985. Fuel oil and other petroleum products are currently available in adequate supply. Local oil storage capacity is 121,000 barrels.

The City and Borough operates sewage collection and treatment and water supply and distribution utilities on a nonareawide basis. The areas of the former cities of Juneau and Douglas, including West Juneau, are supplied by an integrated water system. Other areas of the City and Borough are largely supplied by private community water systems. Sewer systems have been constructed in the Mendenhall Valley, Auke Bay, Juneau and Douglas areas.

CITY DATA: cont'd

Local Improvement Districts are created to extend the sewer lines to new developments. Known as L.I.D.'s.

Public libraries are maintained at three locations: Juneau, Douglas and the Glacier Valley area. Cultural events such as lectures and concerts are generally performed in the local high school auditorium. Other cultural attractions include the Marie Drake Planetarium, the Alaska State Museum, Juneau-Douglas Little Theatre, and several motion picture theaters.

The availability of land for industrial or other economic development activities is generally good, although considerable site development would be required in some locations. Approximately 140 acres are zoned for industrial use in the Juneau Service Area, of which 70% is currently vacant. There are tracts totalling almost 2,000 acres zoned industrial north of the city center including large blocks of land near the International Airport.

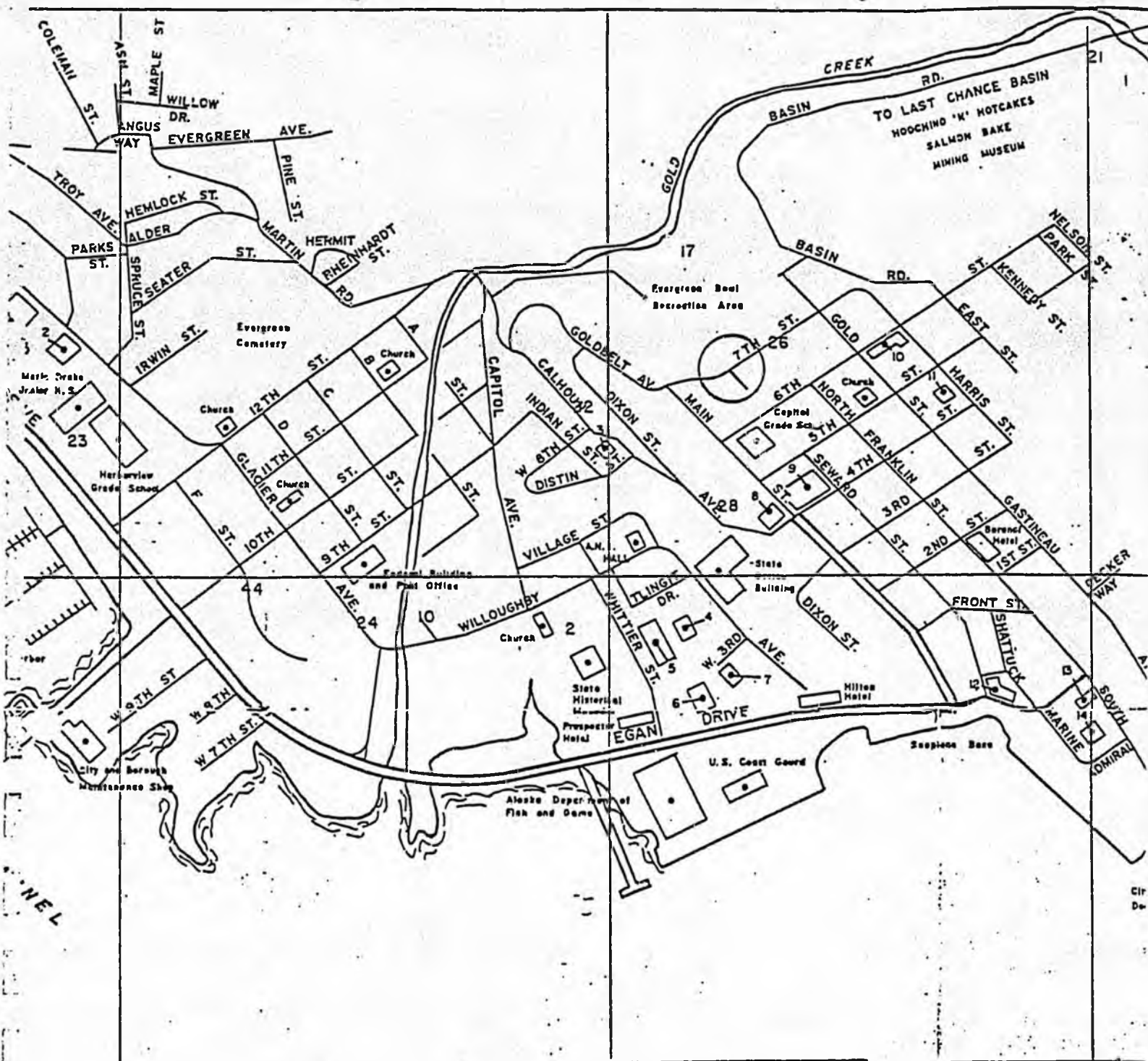
NEIGHBORHOOD DATA:

The subject property is located along "Chicken Ridge", only three blocks from the downtown Juneau area. The neighborhood name dates back to the early 1900s when the ridge above Juneau was a popular hunting spot for the miners who lived below on the flats and water-front at the base of Mt. Juneau and Mt. Roberts..

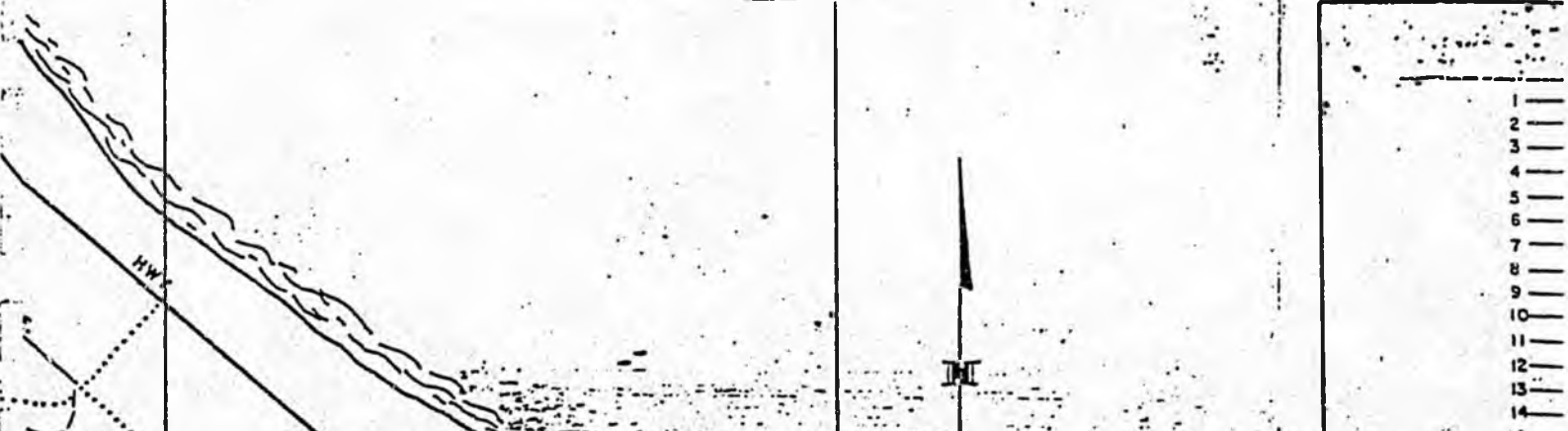
The neighborhood was developed during the early 1900's with larger houses that reportedly were built by executives of the mine or other influential personalities of the time. Many of these large homes have been converted into apartments or rooming houses. In recent years the area has become extremely desirable due to its close proximity to the State employment centers and downtown Juneau. The State Capital Building, new State Office Building and legislative offices are all within walking distance.

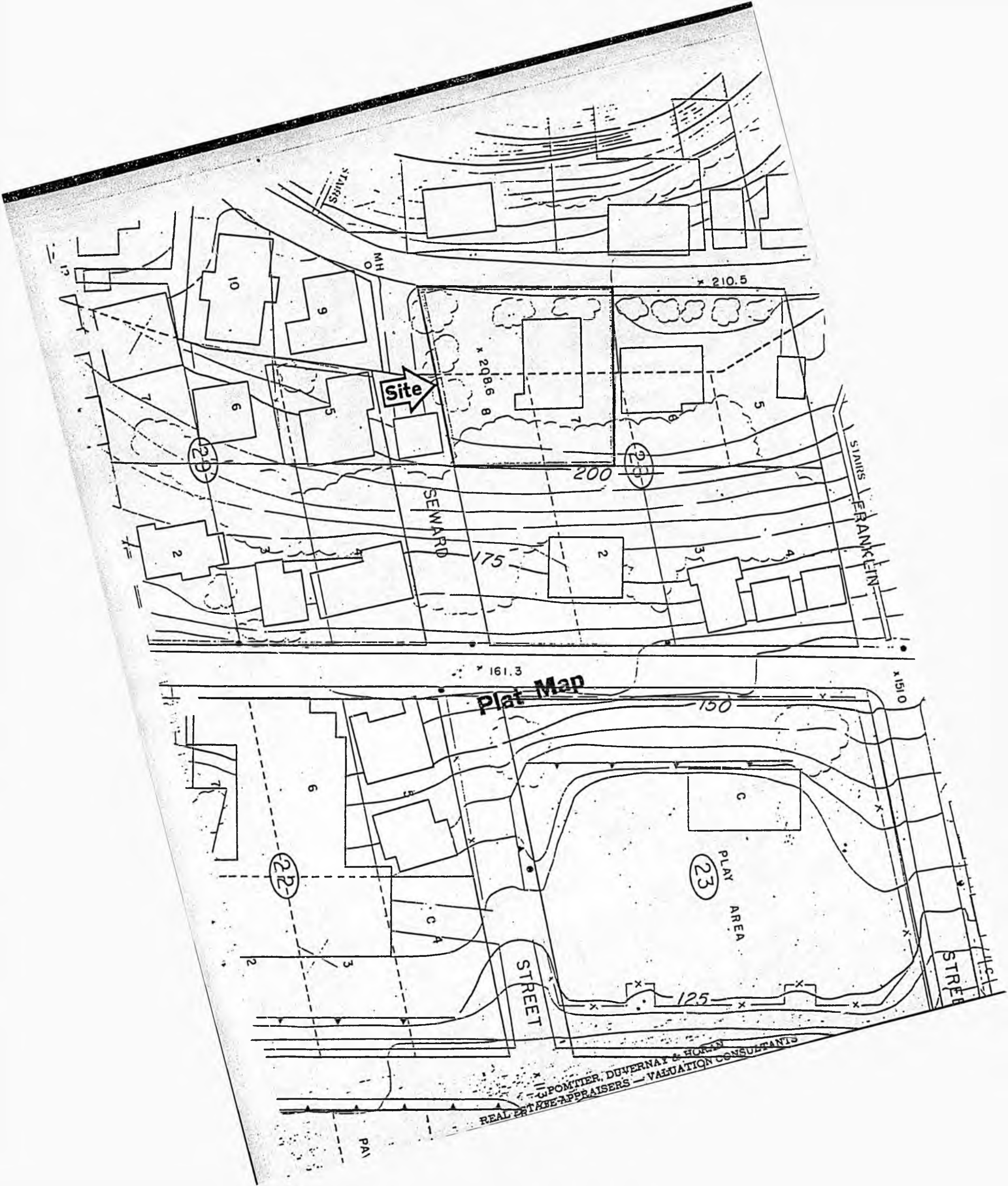
Access to the area is principally from Main Street which extends up from Egan Drive to 7th Street at the top of "Chicken Ridge". Properties on the downhill side of 7th Street enjoy a spectacular view of town and down Gastineau Channel.

The neighborhood has enjoyed an improving trend throughout most of its life. .Evan today due to its location, view, etc., many of the older homes in this area are being remodelled and modernized. This trend is expected to continue for some time in the future.



## Neighborhood Map





Site

Plat Map

23  
PLAY AREA

POMTIER, DUVERNEY & HORN  
REAL ESTATE APPRAISERS - VALUATION CONSULTANTS

STAIRS

MH

SEWARD

STAIRS  
FRANKLIN

STREET

10

9

6

5

2

4

2

3

4

6

5

3

2

C

C

x 208.6 B

x 210.5

175

200

x 161.3

150

125

x 151.0

229

228

222

PAI

SITE ANALYSIS:

ADDRESS:

213 Seward Street  
Juneau, Alaska.

LOCATION:

Southeasterly corner of 7th Street and Seward Street,  
in the Chicken Ridge area above downtown Juneau.

LEGAL DESCRIPTION:

Lot 8 and part of Lots 6 and 7, Block 28, Townsite of  
Juneau, and part of U.S. Mineral Survey 926, Juneau  
Recording District, First Judicial District, State of  
Alaska, described as follows:

BEGIN at the south corner of said Lot 8, run thence  
North 44° 00' West on the southwest line of said Lot 8  
and extension thereof, 100.00 feet; thence North 57°  
52' east 108.00 feet; thence South 32° 08' East, 97.86  
feet to the southeast line of said Lot 7 at a point  
12.56 feet from the east corner; thence South 56° 52'  
west, 87.44 feet to the point of beginning.

OWNER:

According to the records at the Assessor's Office, City  
and Borough of Juneau, the assessed owner is Robert and  
Lorraine V. Giersdorf.

ASSESSOR'S PARCEL NO.

1-A-181-028-7&8

ASSESSED VALUE - TAXES:

Year: 1981

Tax Rate: \$7.74 per \$1,000

Land \$27,300.00

Improvements 97,100.00

Estimated Taxes: \$962.86

Total \$124,400.00

SITE ANALYSIS: cont'd

ZONING:

The property is zoned RMM, medium density multiple family residential. This zoning is designed to provide adequate and appropriately located areas for the development of medium density multi-family uses and other compatible nonresidential uses. A copy of the RMM Zoning Regulations is included in the Addenda for additional details.

UTILITIES:

All normal utilities, including water, sewer, electrical and telephone are available to the site.

SIZE AND SHAPE:

The subject is an irregular shaped site with about 108 feet fronting 7th Street, the north line and 100 feet fronting Seward Street, the west boundary. The east line measures 97.86 feet and the south line 87.44 feet. Total area in the site approximates 9,562 square feet, more or less.

ACCESS:

Primary access to the subject is from 7th Street which forms the site's north boundary. This is a narrow paved street maintained by the City and Borough of Juneau. This is a through street running along the top of Chicken Ridge. Seward Street extends partially along the site's

SITE ANALYSIS: cont'd

ACCESS: cont'd

west boundary. This road terminates at a parking barrier about 70 feet south of 7th Street. Below the barrier and down the hillside the roadway does not exist. There is a public stairway with the road right of way in this area leading down to 6th Street.

TOPOGRAPHY:

The site is for the most part a level parcel. It begins to slope down near the south boundary.

VIEW:

There is an excellent view of the downtown area and Gastineau Channel from the subject property.

DESCRIPTION OF IMPROVEMENTS:

The subject improvements are described in detail in the Condition Survey Report dated November 1981-January 1982, prepared by Robert A. Mitchell, A.J.A., Historical Architect, Alaska Division of Parks. I refer you to this report for a detail description of the improvements. Following however, is a brief improvement description:

The subject improvements consist of a three story wood frame and siding residence constructed over a partial basement. Construction dates back to 1899 and it was remodelled during 1912. There have been obvious additions or modifications through the years.

SITE ANALYSIS: cont'd

DESCRIPTION OF IMPROVEMENTS: cont'd

General construction details include concrete and stone masonry wall, wood frame and wood siding exterior, single payne windows, asphalt shingle roof. Although there has been some new electrical service, most of the wiring is Z-wire knob-and-tube type, with screw-in fuses. Plumbing is a combination of original wrought iron and some later galvanized iron pipe, with some recent copper replacement. Hot water is from an oil fired 30-gallon hot water heater. The building is heated by cast-iron water radiators in two zones, heated by an oil-fired furnace.

The house has been operated as an historical tourist attraction being the house of the late Judge Wickersham. It has been operated by the Judge's niece, Ruth Allman as historical interpreter. Mrs. Allman's living quarters are on the second floor together with a rental apartment. There is also a rental unit on the third floor. A brief interior description of the house by floor follows:

Basement: Concrete floor, unfinished walls and ceiling, houses the furnace room, laundry and storage.

First Floor: Large entry, parlor, dining room, kitchen, bathroom, living room and porch areas. Mostly finished wood floors, lath and plaster walls and ceiling. There is a large "sun porch" at the southwest corner of the house.

SITE ANALYSIS: cont'd

DESCRIPTION OF IMPROVEMENTS: cont'd

- Second Floor: Mrs. Allman's apartment consists of a large bedroom, closet, bath and small kitchen facility. There is a bathroom, separate guest room and another efficiency apartment located in the original library. Again, the floors are mostly finished wood with lath and plaster walls and ceiling.
- Third Floor: This is a one bedroom apartment with a living room, bath and kitchen.
- Condition: The property appears to be in average+ condition considering its age and in comparison with other older large homes in the area.

INCOME INFORMATION:

For some time the house has been open to the public in the form of a limited tour (first floor only) by Mrs. Allman. Other than the income for the tours, there are two rental units. The two room apartment which was at one time the library is rented for \$200 per month. The tenant also serves as caretaker and helper in consideration of this low rent.

The third floor apartment is rented for \$300 per month. This also appears low in light of the downtown rental market. Utilities are included in the rent.

The total gross receipts for 1980 from the tours (including entrance fees, books sold, etc.), was \$35,777. A summary of the operating cost is contained in Mr. Mitchell's Condition Survey Report already mentioned.

HIGHEST AND BEST USE:

According to the 1975 Edition of "Real Estate Appraiser Terminology", published by the American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers, Highest and Best Use is defined as:

"That reasonable and probable use that will support the highest present value as defined as of the effective date of the appraisal. Alternatively, that use, from among reasonable, probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value."

I have assumed that the existing use represents the highest and best use of the property.

DATE INSPECTED:

The property was inspected on February 9, 1982, in the presence of Ruth Allman, owner representative and Mr. Hilton Wolfe, State of Alaska, Division of Parks.

APPRAISAL ANALYSIS:

APPROACH TO VALUE:

The task in this assignment is to arrive at a market value estimate of the House of Wickersham, a large old turn of the century house with special historical significance. I have considered the Market Data or Sale Analysis Approach to be the most relevant approach in valuing the subject property. Although both a Cost Approach and Income Approach will be processed separately; I have discounted these approaches for reasons discussed later in this report.

ESTIMATE OF LAND VALUE:

To assist me in arriving at an estimated land value for the subject site, a search of the market was done to obtain information on vacant lot sales in the Juneau area. Comparable land sales near the downtown area are scarce. Following is a summary of the sales considered:

<u>SALE-NO</u>	<u>SIZE</u>	<u>DATE</u>	<u>LEGAL DESC</u>	<u>PRICE</u>	<u>UNIT PRICE</u>
L1	4,893SF	12-79	Lot 6, Blk 119 Townsite	\$25,500	\$5.21/SF
L2	2,500SF	'78	Pt Lot 5, Blk 107 Townsite	\$15,000	\$6.00/SF
L3	7,893SF	12-79	Lot 10, Blk 1 Seatter	\$30,000	\$3.83/SF
L4	10,684SF	4-79	N 1/2 Lot 2 Highlands	\$23,750	\$2.22/SF
L5	11,528SF	7-78	Lots 2,3,4 Seatter	\$19,000	\$1.65/SF

APPRAISAL ANALYSIS: cont'd

The above sales took place during the late 1970's and require adjustment for time. They are all located within the City limits and for the most part are view sites. After adjusting the sales for time, a range of about \$3.00 per square foot to nearly \$10.50 per square foot is indicated. Three of the sales, Nos. 1, 2 & 3 indicate a close range, \$5.50 to \$10.50 per square foot. After making the necessary adjustments for size, topography, location, etc., it is my opinion the present day land value of the subject approximate \$80,000.00 or about \$8.40 per square foot.

COST SUMMATION APPROACH:

In this method of valuation, an estimate is first made of the current reproduction costs, new, of the improvements. This amount is then adjusted to reflect depreciation from physical deterioration and obsolescence. Land value is then added to produce an estimate of value.

Cost of Reproduction, new, of the improvements has been estimated by using the Marshall Valuation Service. This publication is a national index of construction costs that are constantly updated to keep up with the changes in cost of labor and materials. In addition, available construction data obtained from local builders in the Juneau area was considered. All data obtained was correlated into an estimate of New- Reproduction Cost, which is summarized as follows:

COST SUMMATION APPROACH: cont'd

New Replacement Cost:

Residence	3,610 S.F.	x	\$50.20	=	\$181,220
Porches	400 S.F.	x	\$20.50	=	8,200
Basement	575 S.F.	x	\$15.00		8,625
Fencing, landscaping, etc.					<u>3,500</u>
Total New Replacement Cost					\$201,545
Less Depreciation from all causes say 50% or					<u>\$100,772</u>
Depreciated Value of Improvements					\$100,773
Add Estimated land value					<u>\$ 80,000</u>
Indicated value by Cost Approach					\$181,000

MARKET DATA APPROACH:

Traditionally, an appraisal procedure in which the Market Value estimate is predicated upon prices paid in actual market transactions and current listings. This is a process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales price of the property being appraised. The reliability of this technique is dependent upon:

- (1) the availability of comparable sales data;
- (2) the degree of comparability or extent of adjustment necessary for time differences; and
- (3) the absence of non-typical conditions affecting the sales price.

My investigation of the "market" in the Juneau area disclosed several sales of large old residential properties, some of which are income producing properties with rental units. These sales were all inspected and analyzed and compared to the subject. On the following page is a Comparative Analysis Chart with a comparative analysis of the six different sales to the subject property. The sales represent the most similar and proximate properties found in my investigation. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing

MARKET DATA APPROACH:

the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

COMPARATIVE ANALYSIS CHART:

ITEM	Subject Property	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3	COMPARABLE NO. 4	COMPARABLE NO. 5	COMPARABLE NO. 6
Address	213 7th St	227 7th St	126 7th St	202 6th St	317 7th St	418 4th St	433 4th St
Proximity to Subj		next door	2 blocks	1 block	1 block	3 blocks	4 blocks
Before Price		\$ 68,000	\$ 100,000	\$ 93,000	\$ 145,000	\$ 150,000	\$ 130,000
After Price		\$ 20,320	\$ 41,670	\$ 52,810	\$ 48,970	\$ 54,820	\$ 71,510
Date Sold		buyer	assessor	lender	seller	seller	buyer
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION Adjustment	DESCRIPTION Adjustment	DESCRIPTION Adjustment	DESCRIPTION Adjustment	DESCRIPTION Adjustment	DESCRIPTION Adjustment
Location	good	equal	equal	Infer	equal	Infer	Infer
Site/View	good 9562 SF	good-10,0486 SF	Infer-5000SF	Infer-9706SF	Infer-4893SF	com'l 4893SF	com'l-4165SF
Design and Appeal	good-old house	equal	equal	equal	equal	equal	equal
Quality of Const.	good-old house	equal	equal	equal	equal	equal	equal
Age	84 yrs	70+ yrs	70+ yrs	70+ yrs	46+ yrs	70+ yrs	65+ yrs
Conditions	average	Infer +10000	Infer +10000	Infer +10000	equal	equal	equal
Living Area Floor Count and Total	Total: 8 rms   4 baths 12   6   4	Total: 8 rms   3 baths 14   5   3	Total: 8 rms   2 baths 9   3   2	Total: 8 rms   1 bath 7   3   1	Total: 8 rms   4 baths 16   6   4	Total: 8 rms   2 baths 7   4   2	Total: 8 rms   3 baths 10   4   3
Gross Living Area	3610 sq ft	3346 sq ft +5000	2400 sq ft +18000	1761 sq ft +28000	2961 sq ft +10000	2734 sq ft +13000	1818 sq ft +2700
Basement & Semi-Finished Floors	575SF unfin	1287SF unfin -3500	540SF unfin	4636SF unfin	1000SF fin -13000	1320SF unfin -3500	317SF bunge-low -4000
Functional Utilite	AVERAGE	equal	equal	equal	equal	equal	equal
Air Conditioning	---	---	---	---	---	---	---
Garage/Car Port	none	---	1 car gar -2000	---	---	---	---
Porches, Patios, Pools, etc.	porches	equal	equal	Infer +2000	Infer +4000	Infer +4000	Infer +4000
Special Energy Efficient Items	---	---	---	---	---	---	---
Other (e.g. fireplace, kitchen equip, remodeling)	Standard-old kitchen fireplace	equal	equal	equal	remodelled kitchen & baths -5000	---	---
Sales or Financing Concessions							
Net Adj. (Total)		\$ Plus: \$ Minus: 102,500	\$ Plus: \$ Minus: 108,000	\$ Plus: \$ Minus: 105,000	\$ Plus: \$ Minus: 55,000	\$ Plus: \$ Minus: 65,500	\$ Plus: \$ Minus: 65,000
Indicated Value of Subject		\$ 170,500	\$ 208,000	\$ 198,000	\$ 200,000	\$ 215,500	\$ 195,000

MARKET DATA APPROACH: cont'd

As can be seen from the Comparative Analysis Chart, the sales when adjusted indicate a value range of \$170,500 to \$215,500. This is converted into a price per square foot of living area of \$47.23 per square foot to \$59.60 per square foot.

Considering the unique character of the subject property, the sales search was extended back to 1975 and to include relevant data which required little adjustments but for time.

Comparables No. 1, 2, 3 and 4 are all located above the downtown area along or near Chicken Ridge. No. 1, the oldest sale considered, is a comparable large older home on two lots located next door to the subject. This property has been extensively remodelled since its purchase in 1975. This sale was felt to be most comparable to the subject but for time and condition.

No. 2 is a smaller 2 1/2 story house on a single view lot over looking the Willoughby area. No. 3 is a smaller old home fronting 6th Street just below the subject property. No. 4 is a large home that has been converted into a 4-plex. It is located on a single view lot just down 7th Street from the subject.

Comparables 5 and 6 are located on commercial lots in the "flats" below Chicken Ridge and State Hill. These sites

MARKET DATA APPROACH: cont'd

are located very close to the downtown area and were purchased for their commercial potential. No. 5 has been completely remodelled into a dental office. No. 6 is also being slowly converted to offices.

It is my opinion after analyzing the comparable market data, that the subject property has a present day market value of \$200,000. This indicates a price per square foot of gross living area of \$55.40 which compares favorably to the sales data.

INCOME APPROACH:

This approach is a method of estimating value by analyzing the gross income and expenses to arrive at a net income. Through use of proper rates and procedures, the net income is then processed or capitalized into an estimate of value. In effect, it is a matter of estimating the present value of future benefits logically expected to be received in the future from the property.

As mentioned elsewhere in this report, the existing rents from the two tenants appear low in light of current rentals near the downtown area. Also, Mrs. Allman's apartment could be considered a third rental and a fourth could be obtained on the first floor if it were not used for the tours. A brief summary of some comparable nearby rentals follows: -

<u>ADDRESS</u>	<u>DESCRIPTION</u>	<u>RENT</u>	<u>RENT S.F</u>
420 East Street	2 BR - 1 BA, 900 SF	\$450	\$.50
420 East Street	1 BR - 1 BA, 528 SF	\$350	\$.66
433 4th Street	1 BR - 1 BA, 546 SF	\$400	\$.73
"	2 BR - 1 BA, 700 SF.	\$550	\$.79
"	Eff - 1 BA, 371 SF	\$300	\$.81

These rentals are all located within walking distance to town and the subject property. In all cases, the tenant pays his own heat and electricity. Also, they are all in old residential buildings.

INCOME APPROACH: cont'd

Based on an analysis of the rental data it is my opinion that economic rent for the subject would be as follows:

First Floor Apt	\$775
Second Floor Apt 1	\$400
Second Floor Apt 2	\$450
Third Floor Apt	\$450
Total	<u>\$2,075</u>

The estimated gross annual income of \$24,900 can be processed as follows:

Gross Annual Income	\$ 24,900
Less Vacancy & Credit Loss Say 3% or	<u>750</u>
Effective Gross Income	\$ 24,150

Less Expenses:

Management (3%)	\$ 725
Taxes (est at 12 mills)	1,500
Insurance (est)	2,500
Water/sewer	1,000
Miscellaneous repairs, reserves, etc.	2,000
Total Expenses (28% of E.G.I.)	<u>\$ 6,725</u>

Estimated Annual Net Income \$ 17,425

Assuming an overall Capitalization Rate of 12.5%, the Net Income can be processed as follows:

$$17,425 \div .125 = \$139,400$$

Indicated Value by Income Approach say \$139,000.00

CORRELATION AND FINAL ESTIMATED OF VALUE:

The value indication from the three (3) approaches to value considered are as follows:

MARKET DATA APPROACH	\$200,000.00
COST APPROACH	\$181,000.00
INCOME APPROACH	\$139,000.00

The lowest value was indicated by the Income Approach. This value was given least weight considering the subject is not a true income producing property. Also, only about one-half of the land area would be required for the existing improvements and projected economic rent.

The Cost Approach indicates the next highest value and was also given little consideration as depreciation is somewhat difficult with such older buildings.

The Market Data Approach indicates the highest value and was given most weight and consideration. This approach indicates what the "market" is paying for similar whole properties. The opinion of value by this approach was reasonably well supported by an analysis of six comparable sales.

Therefore, it is my opinion, after analyzing all factors influencing value, that the Fair Market Value for the subject property, as of March 1, 1982 is:

TWO HUNDRED THOUSAND DOLLARS

(\$200,000.00)

ADDENDA

CURB

SEVENTH ST.  
(BITUM. PAVING)

N. 57° 52' E. 108.00' (NO SIDEWALK)

(LOT 2)

N. 57° 52' W. 87.44'  
LOW WOODEN FENCE - DETRAIMENTAL

STEEL GRAPE PLATFORM / STAIRS  
UTILITY POLE

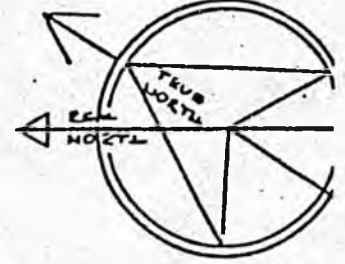
OPEN WIRE FENCE

CONCR. CURB  
N. 14° 00' W. 100.00'  
CONCR. SIDEWALK

PARKING BARRIER

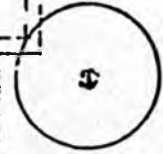
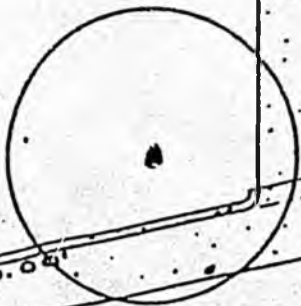
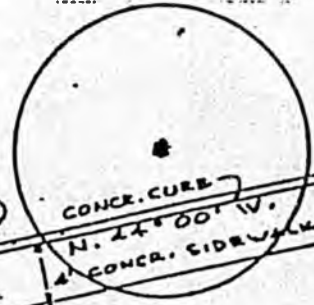
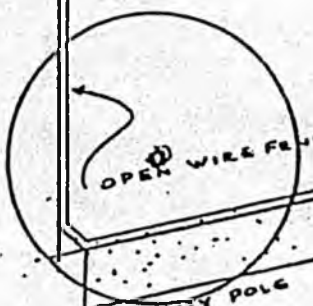
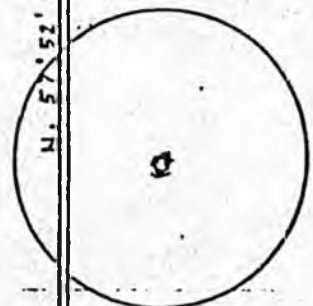
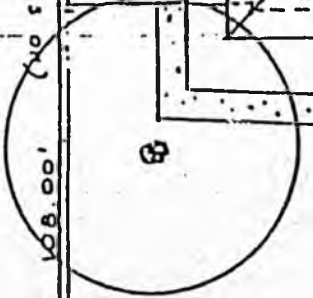
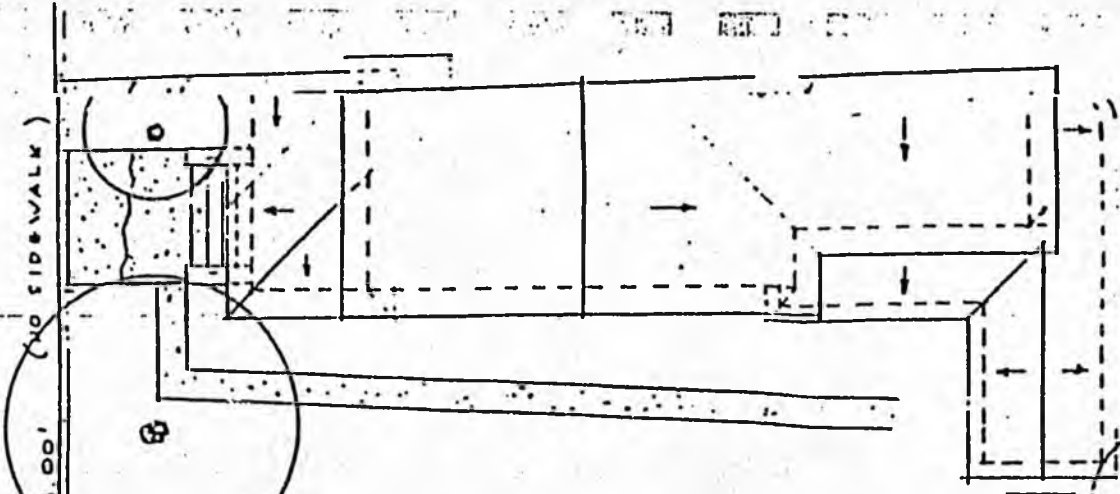
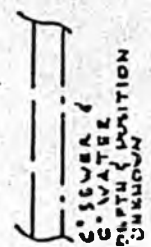
SEWARD ST.  
(BITUM. PAVING ENDS)

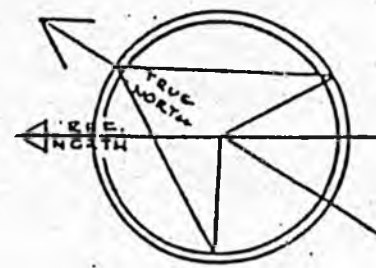
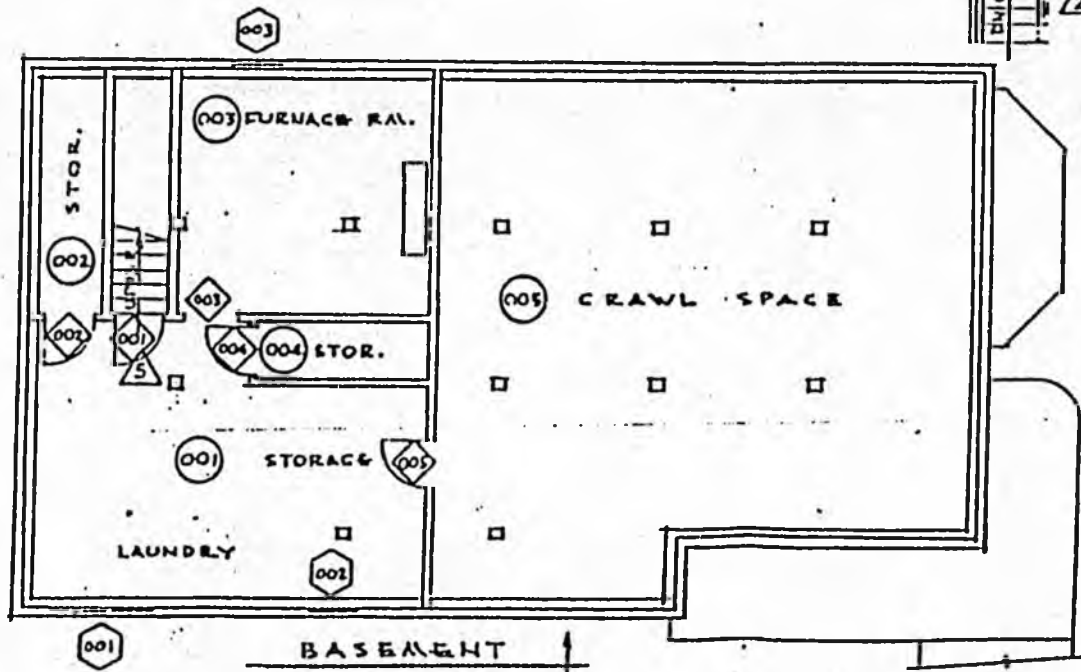
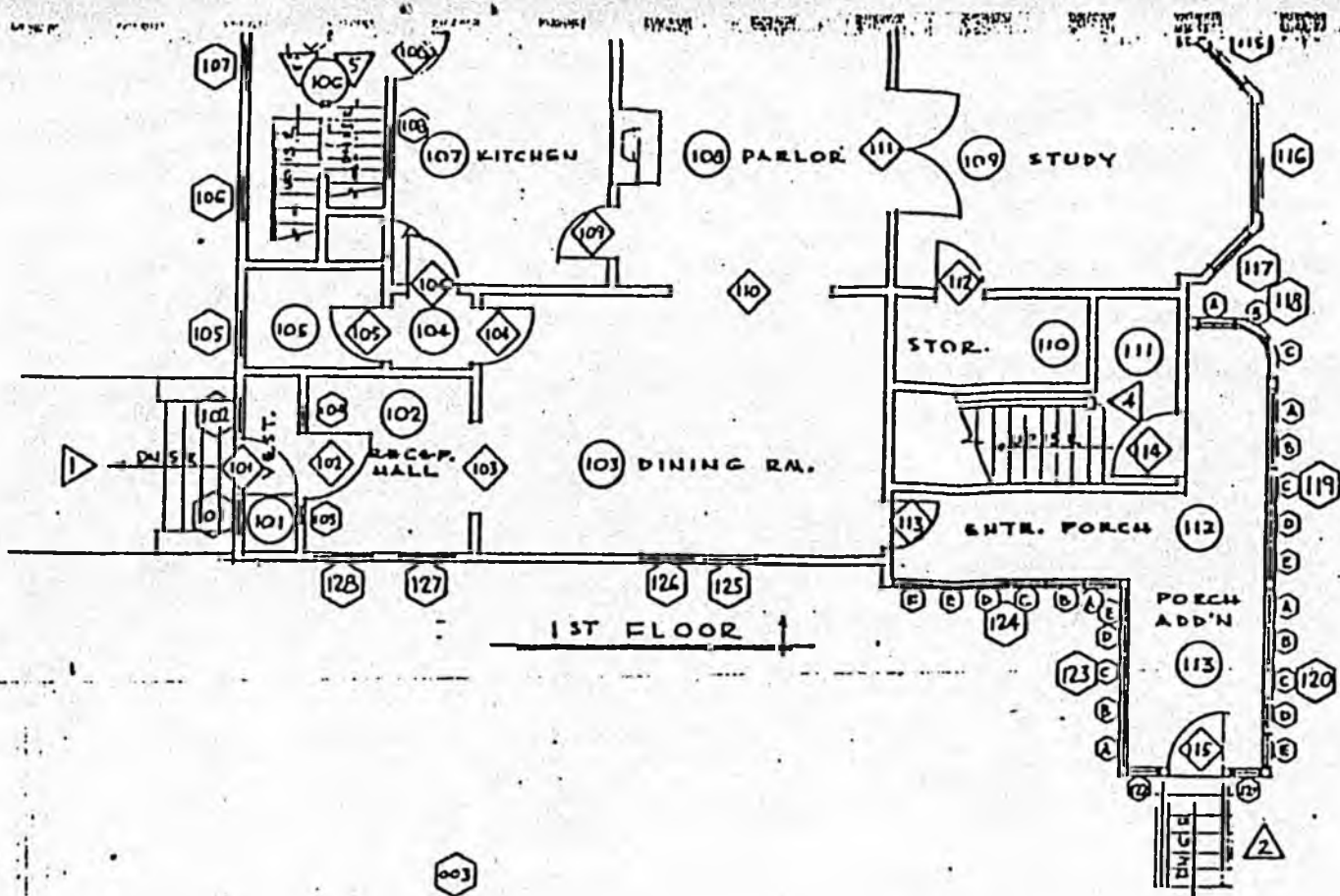
20'



SITE PLAN  
(P.L.S. CONSULTATION)

WICKERSHAM HOUSE - JUNEAU  
(2025 JUL-02)  
R.A. MITCHELL, A.I.A. 2/17/0  
SCALE 1/8" = 1'-0"

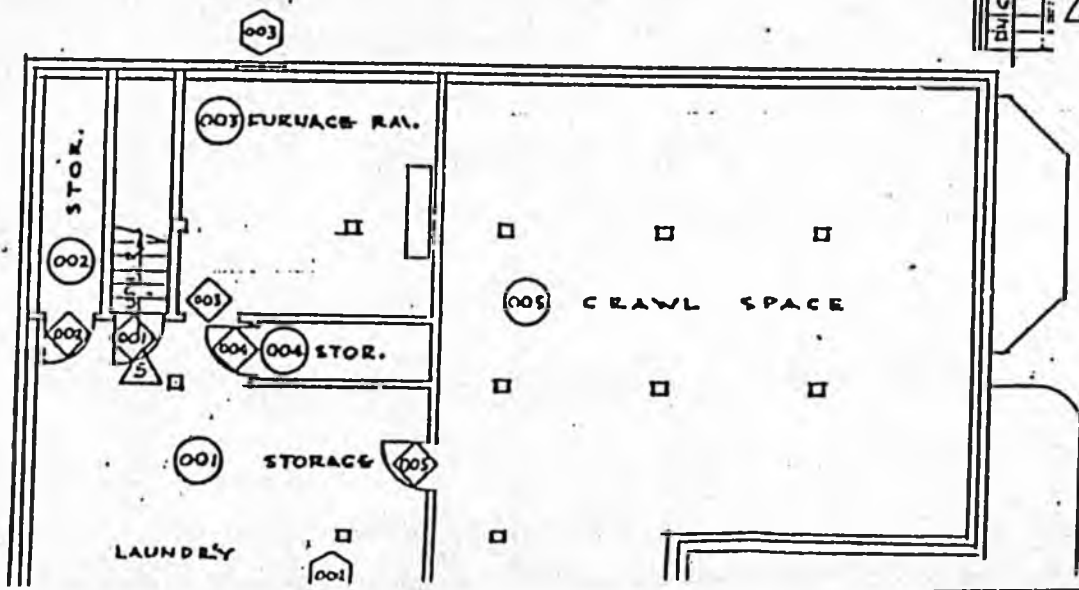
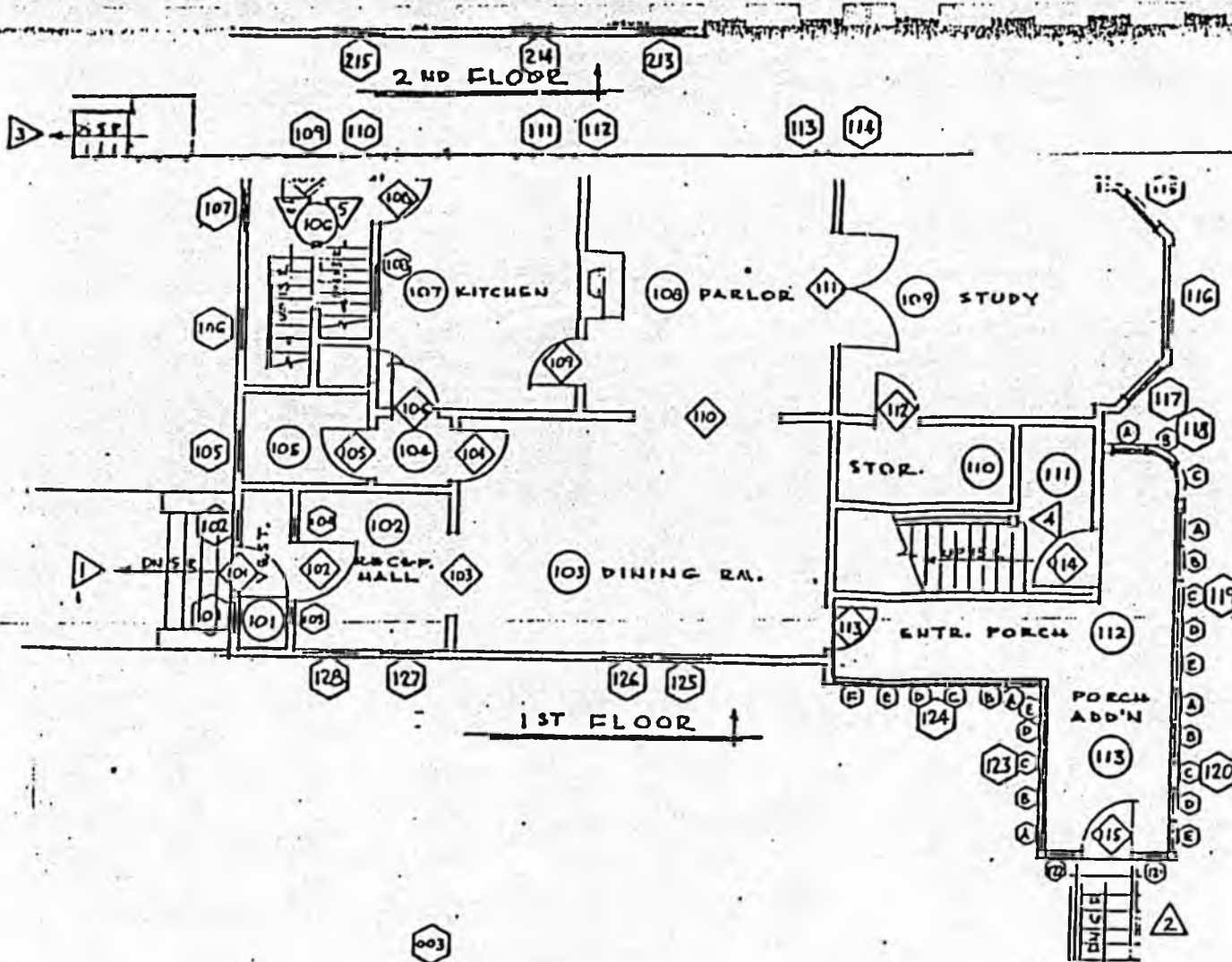




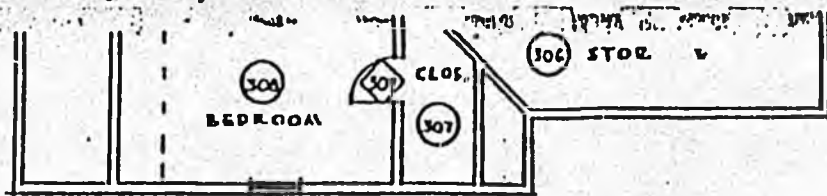
FLOOR PLANS  
(PRESENT CONFIGURATION)

VICKERSHAM HOUSE - JUNEAU, AI  
(AS OF JUNE 21, 1961)

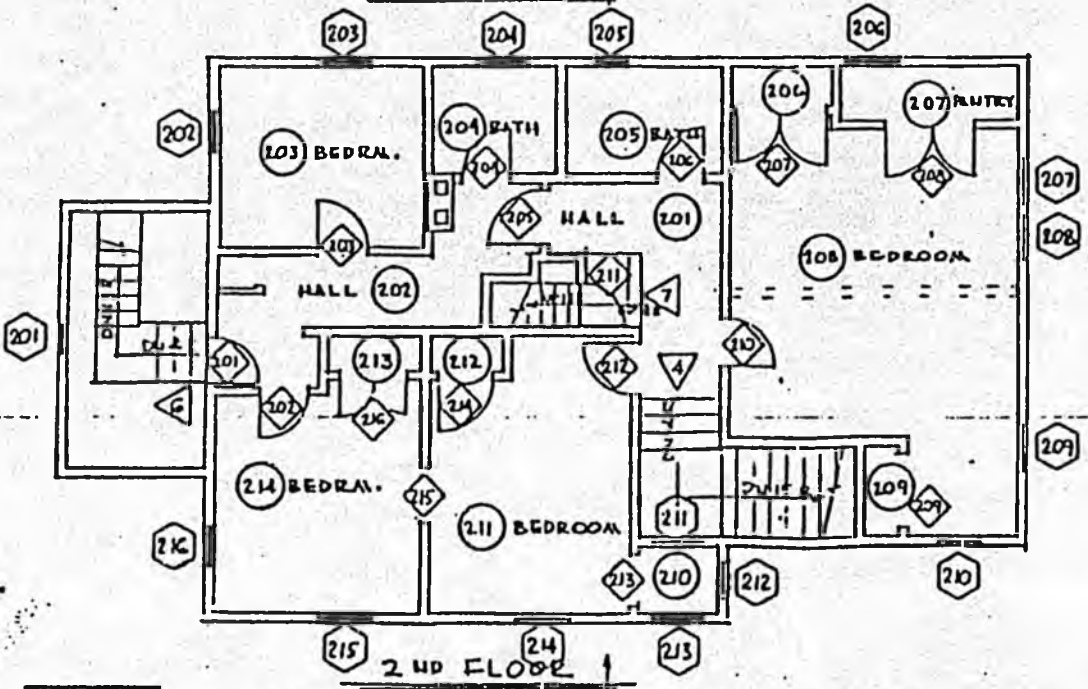
R.A. MITCHELL, A.I.A. 12/21/61  
SCALE: 1/8" = 1'-0"



**FLOOR PLANS**  
(PRESENT CONFIGURATION)  
-VICKERSHAM HOUSE - JONKOP AI



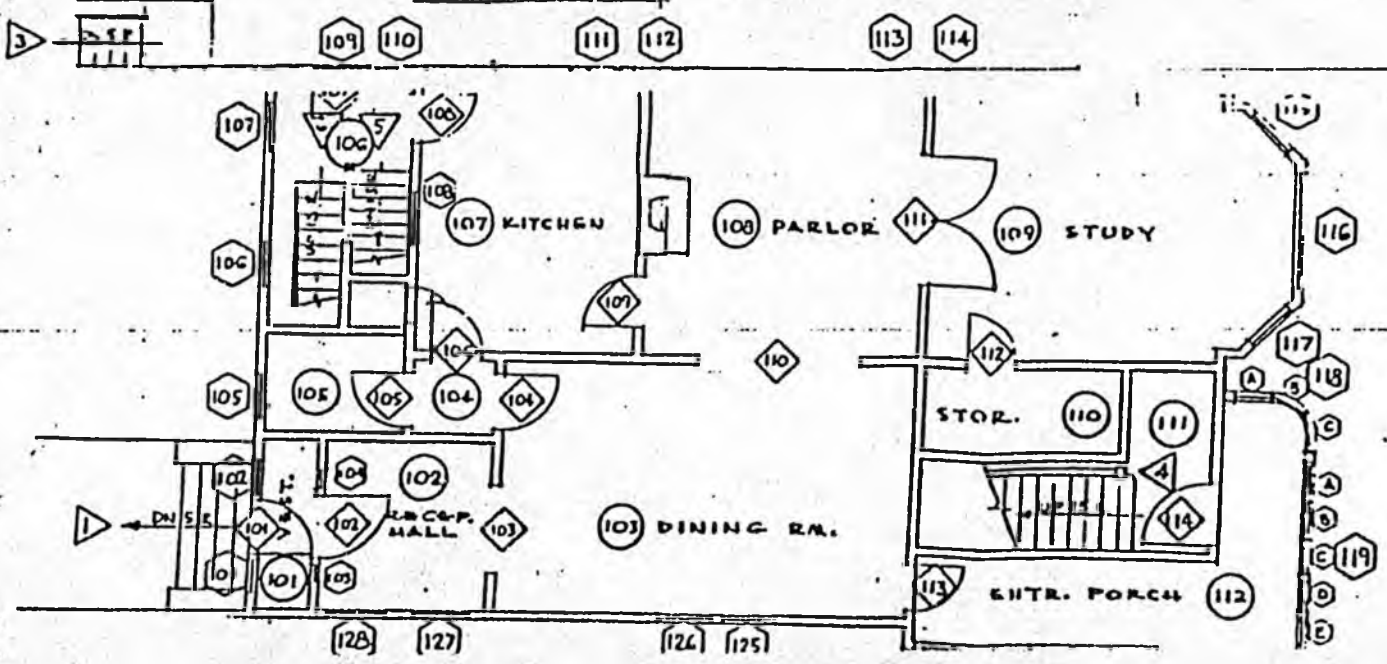
3<sup>RD</sup> FLOOR

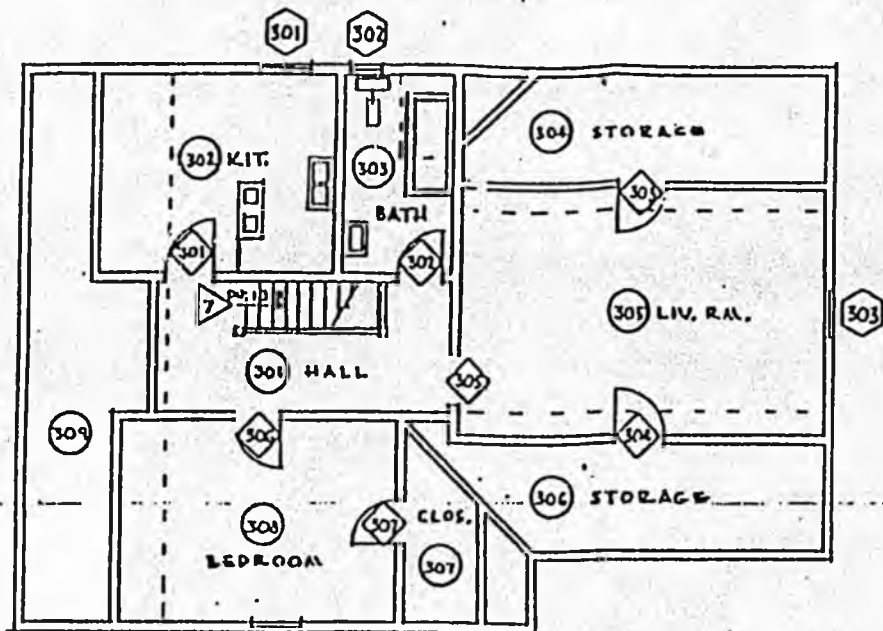


2<sup>ND</sup> FLOOR

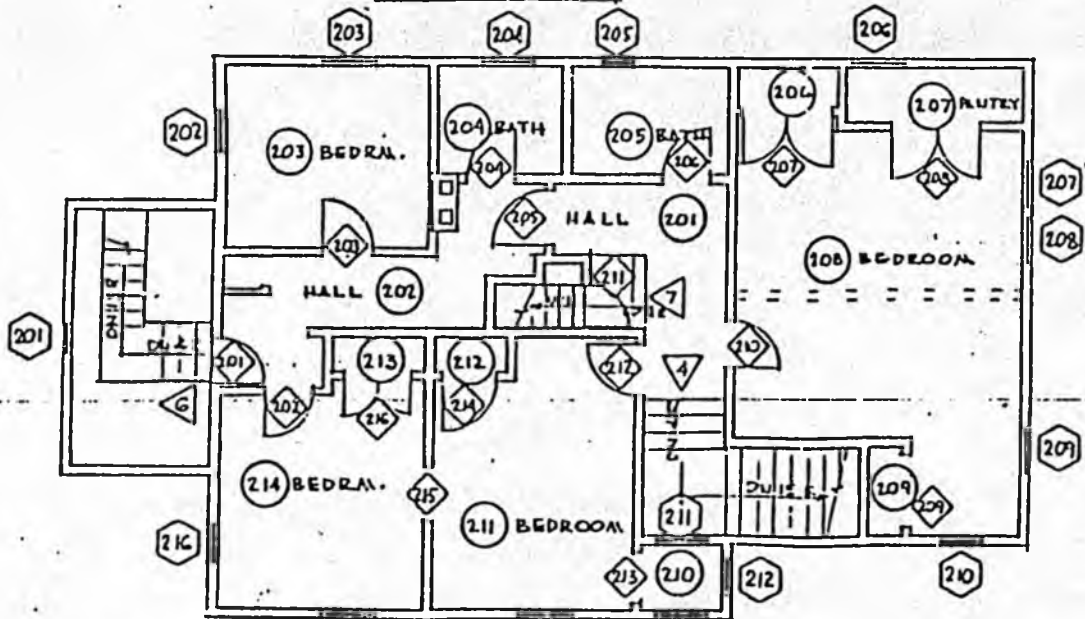
HEIGHTS

	<u>FLOOR-TO-CEILING</u>	<u>FLOOR-TO-FLOOR</u>
THIRD	± 7'-0 1/2"	± 10'-0 1/2"
SECOND	± 9'-1 1/2"	± 11'-2 1/2"
FIRST	± 10'-0 1/2"	± 8'-3"
BASEMENT	± 7'-5"	





3<sup>RD</sup> FLOOR



2<sup>ND</sup> FLOOR

HEIGHTS

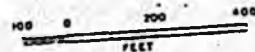
	FLOOR-TO-CEILING	FLOOR-TO-FLOOR
THIRD	± 7'-8 1/2"	= 10'-0 1/2"
SECOND	± 9'-1 1/2"	± 11'-2 1/2"
FIRST	± 10'-0 1/2"	± 8'-3"
BASEMENT	± 7'-5"	

Subject Site

Comparable Sales Map

N E A U

C H A N N E L



THE PREPARATION OF THIS MAP WAS FINANCED IN PART THROUGH A CONSORTIUM  
PLANNING GRANT FROM THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
UNDER THE PROVISIONS OF SECTION 101 OF THE HOUSING ACT OF 1954, AS AMENDED

THE PREPARATION OF THIS MAP  
PLANNING GRANT

POMTIER, DUVERNOY & HOKAN  
REAL ESTATE APPRAISERS — VALUATION CONSULTANTS

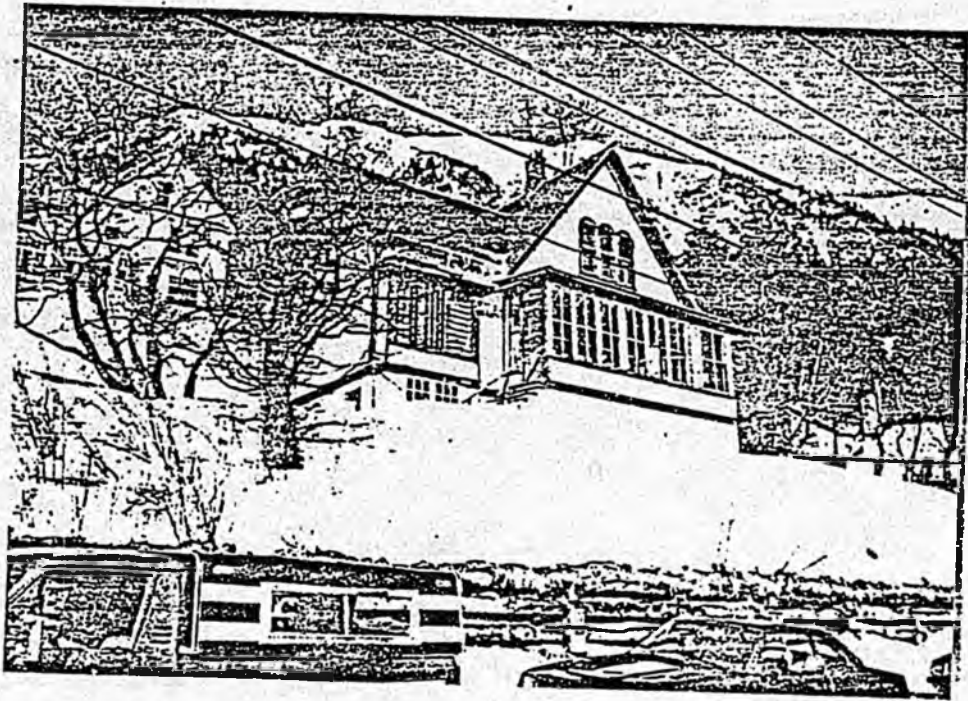
PHOTOS OF COMPARABLE SALES



Comparable No. 1  
227 - 7th Street



Comparable No. 2  
126 - 7th Street



Comparable No. 3  
202 - 6th Street



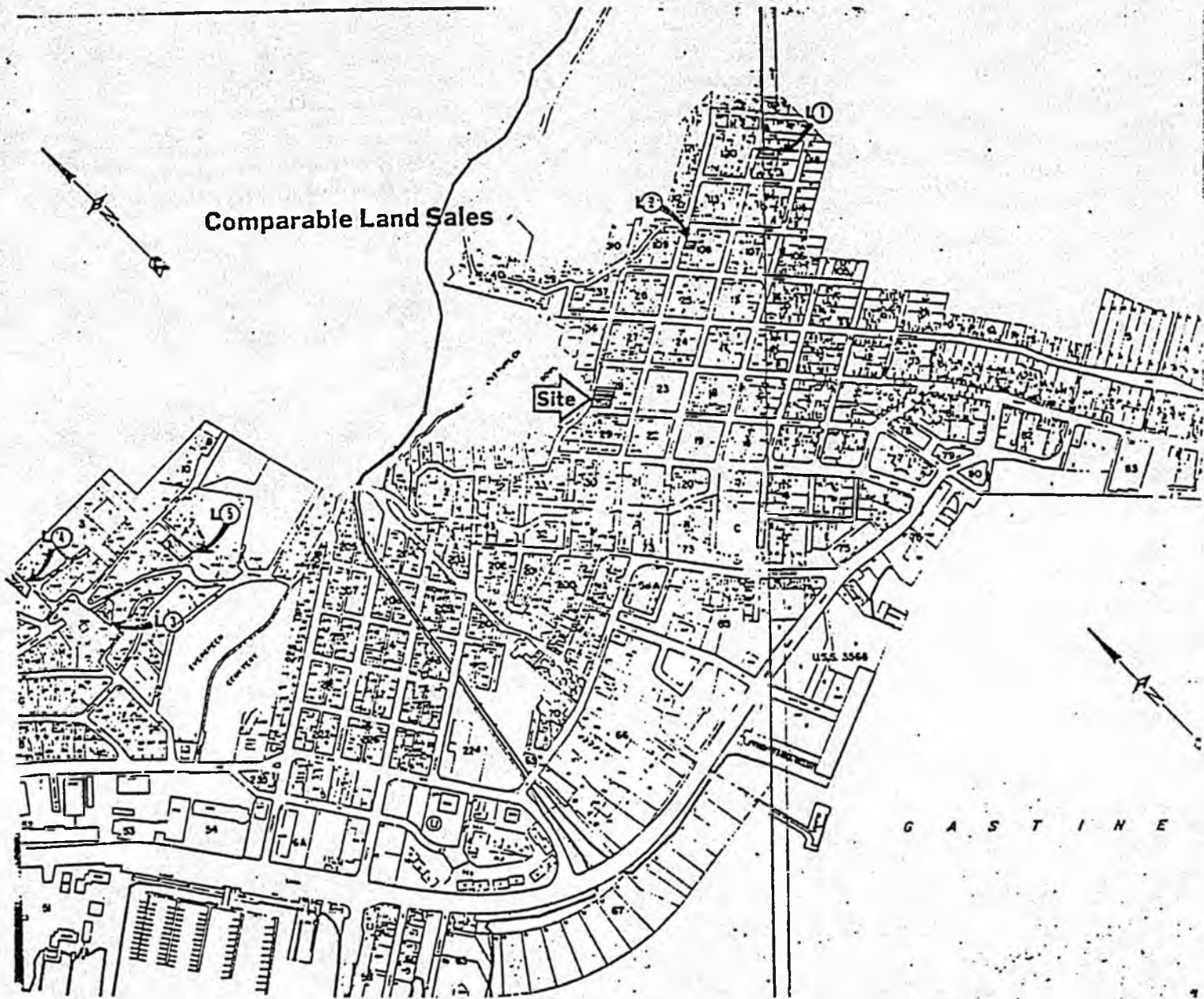
Comparable No. 4  
317 - 7th Street



Comparable No. 5  
418 - 4th Street



Comparable No. 6  
433 - 4th Street



Comparable Land Sales

Site

GASTINE

## ZONING REGULATIONS

(e) Off-street Parking Requirements. Off-street parking requirements are:

(1) As provided in Section 49.25.500.

(f) Sight-obscuring Structures or Planting.

(1) Maximum height of a sight-obscuring fence or planting located in a front yard area shall not exceed four feet.

(2) Corner lots shall have no sight-obscuring plantings or structures or other obstructions over three feet in height within twenty feet from the corner on the intersection; and further provided, where intersecting roads are at a different grade, no sight-obscuring plantings or structures are permitted which interfere with sight clearance of oncoming traffic. (Serial No. 77-53 §§ 8, 9, 1977; Serial No. 77-24 § 2 (part), 1977; Serial No. 74-47 §§ 11, 12, 1974; Serial No. 74-04 § 6, 1974; GJB § 49.25.405).

49.25.406 RMM (MEDIUM DENSITY) MULTIFAMILY RESIDENTIAL DISTRICT. Purpose: This zone is designed to provide adequate and appropriately located areas for the development of medium density multiple-family uses and other compatible nonresidential uses.

(a) Principal Uses Permitted. Principal uses permitted are:

(1) Single-family and duplex dwellings;

(2) Multifamily dwellings;

(3) Public and semipublic parks, playgrounds, swimming pools, other recreational uses, all of a noncommercial nature;

(4) Private docks, private moorage, private boathouse;

(5) Boardinghouse or roominghouse;

(6) Churches and other places of worship, including parish houses and Sunday school buildings;

(7) Libraries, museums and art galleries;

(8) Private and semipublic uses, such as: clubs, lodges, convents, social and community buildings;

(9) Orphanages and charitable institutions; .

(10) A professional office limited to four persons;

## ZONING REGULATIONS

(11) Hotels not catering to transient guests and not carrying on merchandising except that which is incidental to the operation of the hotel and for convenience of guests and where there is no exterior display of merchandise;

(12) Schools, public, parochial and private, includes colleges and universities.

(b) Accessory Uses Permitted. Accessory uses permitted are:

(1) Accessory uses customarily incidental to the principal use on the lot;

(2) Signs as provided in Section 49.25.501.

(c) Conditional Uses Permitted. The following uses may be allowed as provided in Section 49.25.600:

(1) Hospital, sanitarium, home for the aged, nursing home, convalescent home;

(2) Public utility and community facilities, such as water and sewage treatment plants, water towers and reservoirs, electrical substations, and power-generating plants, fire and police stations, all without shops, garages or storage yards;

(3) Governmental and municipal uses;

(4) Radio and television stations, transmitters and towers;

(5) Nursery schools, day nurseries, private kindergartens, and child care centers;

(6) Parking lots, commercial;

(7) Mobile home parks;

(8) A professional office or medical-dental clinics which are occupied by five or more persons;

(9) Marina;

(10) Motels (may include bar and/or restaurant), travel trailer parks and other tourist facilities;

(11) Business offices;

(12) Other uses similar to the above mentioned;

(13) Movie theaters, excluding drive-in theaters;

(14) Athletic clubs.

## ZONING REGULATIONS

(d) Dimensional Standards. Dimensional standards are:

- (1) Minimum lot size . . . . . 4,800 sq. ft.  
No multifamily dwelling may locate on an existing lot of record of less than 4,800 sq. ft.;
- (2) Minimum lot area per dwelling unit . . . . . 2,400 sq. ft.  
for first dwelling unit;  
600 sq. ft. for each additional dwelling unit;
- (3) Minimum width of a lot at front building line . . . . 40 ft.;
- (4) Minimum lot depth . . . . . 90 ft.;
- (5) Maximum lot coverage . . . . . 60%;
- (6) Maximum building height . . . . . 60 ft.;
- (7) Minimum front yard setback . . . . . 15 ft.;
- (8) Minimum rear yard setback . . . . . 10 ft.;
- (9) Minimum side yard setback . . . . . 5 ft.  
for one story, 6 feet for two stories, 7 feet for three stories, and two additional feet of side yard for each story over three.

(e) Open Space Standard. One thousand five hundred square feet of open lot area (exclusive of vehicular driveways, maneuvering areas or parking spaces) must be provided with residential developments up to and including twenty-five living units; and twenty square feet of additional such area must be provided for each additional dwelling unit of one or more bedrooms.

(f) Off-street Parking Requirements. Off-street parking requirements are:

- (1) As provided in Section 49.25.500.

(g) Sight-obscuring Structures or Planting.

- (1) The maximum height of a sight-obscuring fence or planting located in a front yard area shall not exceed four feet.
- (2) Corner lots shall have no sight-obscuring plantings or other obstructions over three feet in height within twenty feet from the corner on the intersection; and further provided, where intersecting roads are at a different grade, no

## ZONING REGULATIONS

sight-obscuring plantings or structures are permitted which interfere with sight clearance of oncoming traffic. (Serial No. 77-24 § 2 (part), 1977; Serial No. 74-04 § 5, 1974; Serial No. 71-55 § 1, 1971; GJB § 49.25.406).

49.25.407 RO (HIGH RISE RESIDENTIAL-OFFICE) DISTRICT: Purpose: This is a high density multifamily residential district which also permits limited retail, office, and other uses in no more than ten percent of the gross floor area of multifamily structures.

- (a) Principal Uses Permitted. Principal uses permitted are:
- (1) Single-family and duplex dwellings;
  - (2) Multifamily dwellings;
  - (3) Public and semipublic parks, playgrounds, swimming

461-1

(June 6-2-77)



Transamerica  
Title Insurance Company



ANCHORAGE 99501  
510 L Street  
Suite 100  
(907) 277-1461



FAIRBANKS 99701  
36 College Road  
Box 158  
(907) 452-2193



JUNEAU 99801  
311 Seward Street  
(907) 586-1215

RE: GIERSDORF

DEPARTMENT OF NATURAL RESOURCES

POUCH M

JUNEAU, ALASKA 99811

ORDER NO. 12526

COMMITMENT FOR TITLE INSURANCE

ATTN: HILTON WOLFE

ISSUED BY

### Transamerica Title Insurance Company

Transamerica Title Insurance Company, a California corporation herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the exceptions and conditions and stipulations shown herein, the Exclusions from Coverage, the Schedule B exceptions, and the conditions and stipulations of the policy or policies requested. (See reverse side of this cover and inside of back cover for printed Exclusions from Coverage and Schedule B exceptions contained in various policy forms.)

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsements and is subject to the Conditions and Stipulations on the back cover.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate 90 days after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

IN WITNESS WHEREOF, Transamerica Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the date shown in Schedule A.

Transamerica Title Insurance Company

*Donald Christman*  
AUTHORIZED SIGNATURE

By

By



President

Secretary

SCHEDULE A

1. Effective Date: DECEMBER 21, 1981 AT 8:00 A.M.

Order Number: 12526

2. Policy or Policies to be issued:

	Amount		Premium
(a-2)	(\$1,000.00	) Owner's/Purchaser's Policy (Standard) tentative	\$ 150.00

Proposed Insured: DEPARTMENT OF NATURAL RESOURCES

(b-1)	(\$	) Loan Policy (ALTA Loan Policy - 1970)	\$
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(b-2)	(\$	) Loan Policy (Alaska Standard)	\$
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\$

Proposed Insured:

(c-1)	(\$	) Leasehold Policy (Alaska Standard)	\$
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Proposed Insured:

3. The estate or interest in the land described or referred to in this Commitment and covered herein is

FEE SIMPLE

4. Title to the FEE SIMPLE estate or interest in said land is at the effective date hereof vested in:

ROBERT GIERSDORF AND LORRAINE V. GIERSDORF, TENANTS BY THE ENTIRETY

5. The land referred to in this Commitment is described as follows:

LOT 8 AND PART OF LOTS 6 AND 7, BLOCK 28, TOWNSITE OF JUNEAU, AND PART OF U.S. MINERAL SURVEY 926, JUNEAU RECORDING DISTRICT, FIRST JUDICIAL DISTRICT, STATE OF ALASKA, DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTH CORNER OF SAID LOT 8, RUN THENCE NORTH 44°00' WEST ON THE SOUTHWEST LINE OF SAID LOT 8 AND EXTENSION THEREOF, 100.00 FEET; THENCE NORTH 57°52' EAST 108.00 FEET; THENCE SOUTH 32°08' EAST, 97.86 FEET TO THE SOUTHEAST LINE OF SAID LOT 7 AT A POINT 12.56 FEET FROM THE EAST CORNER; THENCE SOUTH 56°52' WEST, 87.44 FEET TO THE POINT OF BEGINNING

SCHEDULE B

II. Schedule B of the policy to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company.

A. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.

B. GENERAL TAXES FOR 1982, A LIEN NOT YET DUE AND PAYABLE

1. RESERVATIONS AND EXCEPTIONS AS CONTAINED IN THE U.S. PATENT

2. RIGHTS OF THE PUBLIC AND GOVERNMENTAL BODIES IN AND TO THAT PORTION OF THE ABOVE PROPERTY LYING WITHIN THE LIMITS OF THE STREET

3. DEED OF TRUST AND THE TERMS AND CONDITIONS THEREOF

TRUSTOR: ROBERT GIERSDORF AND LORRAINE V. GIERSDORF, HUSBAND AND WIFE

TRUSTEE: TITLE INSURANCE AGENCY

BENEFICIARY: NATIONAL BANK OF ALASKA

AMOUNT: \$15,000.00

DATED: JULY 11, 1977

RECORDED: JULY 29, 1977 IN BOOK 133 AT PAGE 802

4. DEED OF TRUST AND THE TERMS AND CONDITIONS THEREOF

TRUSTOR: ROBERT GIERSDORF AND LORRAINE V. GIERSDORF, HUSBAND AND WIFE

TRUSTEE: TRANSAMERICA TITLE INSURANCE COMPANY

BENEFICIARY: RUTH C. ALLMAN

AMOUNT: \$89,825.86

DATED: MAY 9, 1974

RECORDED: JUNE 20, 1974 IN BOOK 112 AT PAGE 434

NOTE: SUBORDINATION AGREEMENT AND THE TERMS AND CONDITIONS THEREOF

BY AGREEMENT DATED: DECEMBER 6, 1977

RECORDED: JUNE 24, 1979 IN BOOK 153 AT PAGE 356

THE ABOVE DEED OF TRUST WAS MADE SUBORDINATE TO THAT DEED OF TRUST SHOWN HEREIN AT PARAGRAPH 4

NOTE: THE OWNERS COVERAGE SHOWN HEREIN IS TENTATIVE AND WILL BE AMENDED WHEN THE SALES PRICE HAS BEEN DETERMINED

### COMMITMENT CONDITIONS AND STIPULATIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument
2. If the proposed insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act or reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed insured and such parties included under the definition of insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith, (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions, the Conditions and Stipulations, and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. Any action or actions or rights of action that the proposed insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

### ASSUMPTIONS AND LIMITING CONDITIONS

Except where expressly stated to the contrary, the following Assumptions and Limiting Conditions are governing upon this appraisal:

- 1) No legal questions are considered in this analysis such as title, encumbrances, etc. The property is considered as if free and clear.
- 2) All dimensions and legal descriptions are assumed to be correct as found through available records or on-the-ground inspections, or the survey furnished us.
- 3) All information as found in data furnished is deemed to be reliable. If any errors are found, the right is reserved to modify the conclusions reached.
- 4) Where the value of the improvements is shown separately, the value of each is segregated as only an aid to better estimating the value of the whole; and the value shown for either may, or may not, be its correct Fair Market Value.
- 5) Only the real property, land and/or building have been valued by the appraisers. No attempt has been made to value the personal property located with the Subject property (unless specifically requested).
- 6) While various "approaches to value" and various mathematical calculations have been used in estimating value, these are but aids to the formulations of the opinion of value expressed by the appraiser in this report. In these calculations, certain arithmetical figures are rounded off to the nearest significant amount.
- 7) The data and conclusions embodied in this appraisal are a part of the whole valuation. No part of this appraisal is to be used out of context, and, by itself alone - no part of this appraisal is necessarily correct, as being only a part of the evidence upon which final judgment as to value is based.
- 8) Employment to make this appraisal does not require testimony in court, unless mutually satisfactory arrangements are made in advance.

ASSUMPTIONS AND LIMITING CONDITIONS (cont'd)

- 9) Disclosure of the contents of this report is governed by both By-laws and Regulations of the American Society of Appraisers and the Society of Real Estate Appraisers. Neither all or any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which he is connected or any reference to the American Society of Appraisers or the Society of Real Estate Appraisers or to the A.S.A designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any public means of communication, without the prior written consent and approval of the author(s).

## QUALIFICATIONS OF APPRAISER

JUDE A. DUVERNAY

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### Education:

Pasadena City College 1960-61

1962-63 completed the following courses at Pasadena City College Extended Day:

- 1--Real Estate Principles
- 2--Real Estate Law

1963-64 completed the following courses at East Los Angeles College Extended Day:

- 1--Real Estate Appraisals
- 2--Business Law

1973 Awarded the ASA designation as a Senior Member of the American Society of Appraisers

1977 Awarded the CRA designation, Certified Review Appraiser, National Association of Review Appraisers

Attended numerous seminars on appraising sponsored by the American Society of Appraisers and the American Institute of Real Estate Appraisers

### Work Experience:

1962-64 Southern California Edison Co. Right of Way and Land Department. Duties consisted mainly of searching public records for comparable sales, map and title work as well as escrows.

1964-66 J A Gallagher & Associates--Real Estate Appraiser and Acquisition Agent. May employment with this firm consisted of both real estate appraising and acquisition of rights of way.

1966-68 James Reid & Associates, George Howarth & Associates--Independent Real Estate Appraisers, Los, Angeles, Calif.

1968-75 Independent Real Estate Appraiser Los, Angeles, California.

page 2 of 3  
Qualifications  
J A Duvernay

1975-Present Partner POMTIER, DUVERNAY  
& HORAN, Real Estate Appraisers, Property  
Management, Property Investment  
Consultants, Juneau and Sitka Alaska

Professional  
Associations:

Senior Member, American Society of  
Appraisers, ASA designation; Senior  
Member National Association of Review  
Appraisers, CRA designation; Member  
American Right of Way Association

Court Appearances:

Qualified as an expert witness in the  
Superior Court of the State of Calif:  
Ventura County  
Los Angeles County

Master Appointments:

Appointed as Master in Superior Court, State  
of Alaska, First Judicial District at  
Juneau

Types of Court Actions:

Condemnation Proceedings, including Inverse  
Condemnation, Domestic relations, property  
damage, Board of Equalization

Properties Appraised:

Urban Residential, Single and Multiple  
Family, Commercial properties--including  
Retail stores and office buildings,  
industrial properties, both multi-purpose  
and special purpose types, service stations  
economic feasibility studies, potential  
subdivision lands, acquisition and right  
of way appraisals, condominium projects, bot:  
proposed and conversions, hospitals, ranches  
restaurants, hotels, marinas and  
recreational facilities and lands.

Partial List of Clients:

Catholic Diocese of Juneau  
City of Wrangell  
City of Skagway  
City and Borough of Juneau  
City and Borough of Haines  
Alaska National Bank of the North  
Alaska Federal Savings & Loan  
B. M. Behrends Bank  
First National Bank of Anchorage  
First National Bank of Ketchikan  
National Bank of Alaska

page 3 of 3

Qualifications  
JA Duvernay

State of Alaska, Div of Veterans Affairs  
State of Alaska, Div of Marine Transp.  
U. S. Coast Guard, Dept of Transp.  
U. S. Dept of Agriculture, Forest Service  
U. S. Dept of Interior, National Park Service  
U. S. Dept of Commerce, National Marine  
Fisheries Service  
Mattel Toys, Inc  
Knudsen Corporation  
Capitol Records, Inc  
Pacific Telephone Company  
General Telephone Company  
State of Calif, Dept of Transportation  
Gulf Oil Corporation  
Gulf Oil Corporation of Canada  
Standard Oil Company  
Texaco Oil Company  
Shell Oil Company  
Chevron, USA

Special Projects:

Participated in the Appraisal of Caesar's Palace Hotel and Casino, Fremont Hotel, & Casino, Stardust Hotel and Casino at Las Vegas, Nevada

Participated in the complete reassessment of the City of Skagway, Alaska for tax purposes 1977-78

Participated in the complete reassessment of the City and Borough of Haines, Alaska for tax purposes 1977-78

Economic Feasibility Study of proposed residential subdivisions in the Mendenhall Valley area of the City and Borough of Juneau.

Economic Feasibility Study of a proposed ski resort in the Mammoth Lakes area, State of California

Economic Feasibility Study of proposed yacht marina, Wilmington, California

Introduced: 1/31/83  
Referred: State Affairs and  
Finance

Funding Information  
General Fund \$1,000,000  
Other Funds -0-  
\$1,000,000

BY HAYES, M.M.MILLER, DUNCAN,  
COWDERY, FRITZ, BETTISWORTH,  
CATO, CLOCKSIN, DAVIS, FLOOD,  
FURNACE, GOLL, KOPONEN, LARSON,  
LISKA, MARTIN, M.W.MILLER,  
PESTINGER, SZYMANSKI, TISCHER,  
UEHLING, WENDTE AND ZHAROFF

1 IN THE HOUSE

2

HOUSE BILL NO. 151

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making a special appropriation to the Department of Natural Resources, division of parks, for acquisition and development of the House of Wickersham in Juneau; and providing for an effective date."

7

8

9

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

11 \* Section 1. The sum of \$1,000,000 is appropriated from the general  
12 fund to the Department of Natural Resources, division of parks, for the  
13 acquisition of the House of Wickersham in Juneau and the historical collec-  
14 tions and artifacts contained in the house and for the development of the  
15 acquisition as an historic site.

16 \* Sec. 2. The unexpended and unobligated portion of the appropriation  
17 made by this Act lapses into the general fund June 30, 1984.

18 \* Sec. 3. This Act takes effect July 1, 1983.

Offered: 2/28/83  
For Today's Calendar

Original sponsors: Hayes, M.M. Miller,  
Duncan et al

Funding Information  
General Fund \$1,000,000  
Other Funds -0-  
\$1,000,000

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 151 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-  
7 ment of Natural Resources, division of parks, for  
8 acquisition and development of the House of Wicker-  
9 sham in Juneau; and providing for an effective date."

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13 acquisition of the House of Wickersham in Juneau and the historical collec-  
14 tions and artifacts contained in the house and for the development of the  
15 acquisition as an historic site.

16 \* Sec. 2. The appropriation made by this Act is for a capital project  
17 and is subject to AS 37.25.020.

18 \* Sec. 3. This Act takes effect July 1, 1983.

WICKERSHAM HOUSE REPORT

Prepared in Response  
to  
Legislative Resolve No. 30, 1981

Submitted  
to  
Jay S. Hammond  
Governor

By  
Wickersham House Task Force ,  
March 1982  
Juneau, Alaska