

LEG. FINANCE - BILLS 1983 - 1984 1839  
HB 148 cont. - HB 151 1839



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.□

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Attachment A

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

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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	--	767
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	32
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%)	75	14
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



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 B). 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.

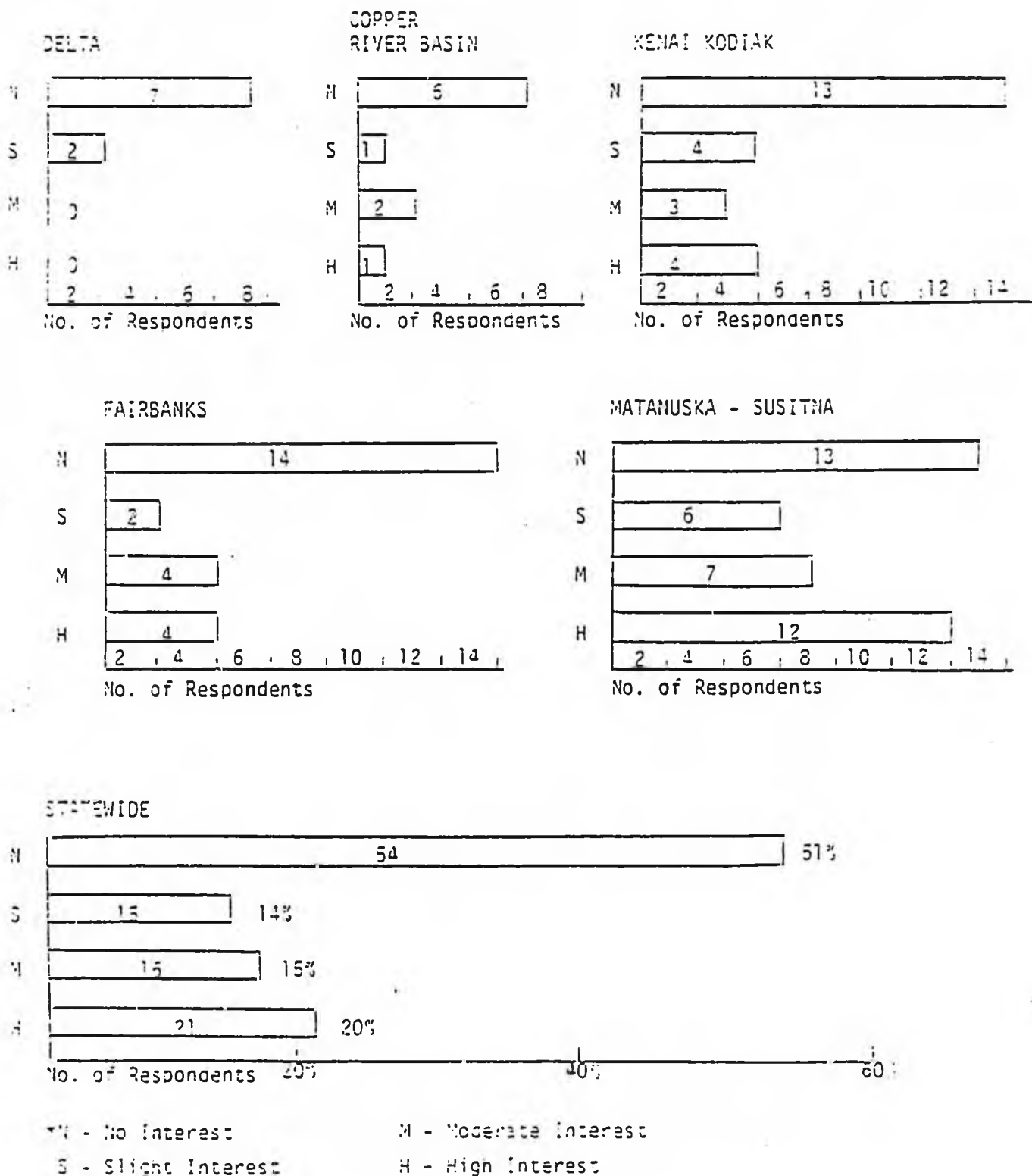
Most of the respondents in all regions except the Matanuska-Susitna area expressed little or no interest in selling development rights. Those respondents living in the Matanuska-Susitna region were evenly divided on the question. Half indicated little or no interest and half expressed moderate to high 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



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)

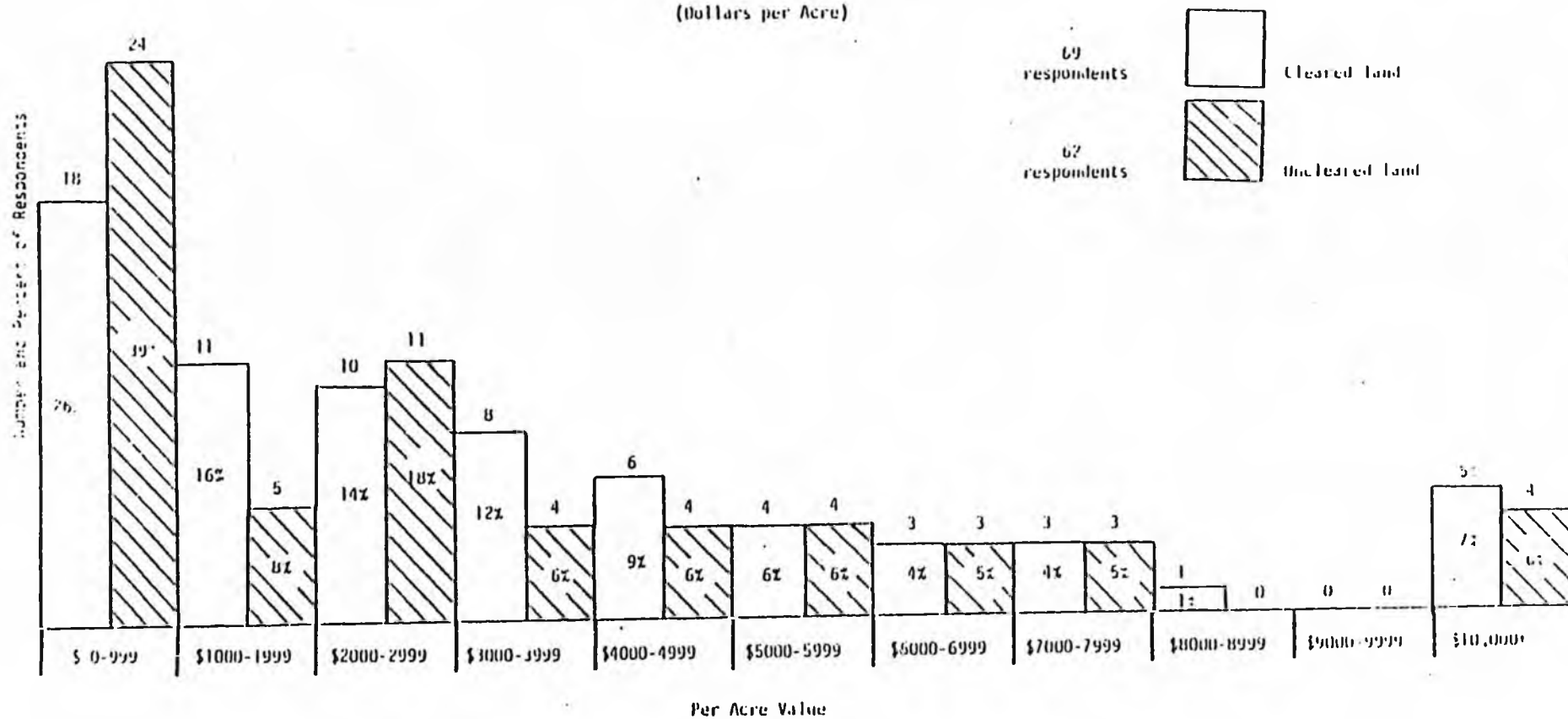


TABLE 13  
 AVERAGE PERCEIVED LAND VALUES BY REGION  
 (Dollars per Acre)

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)

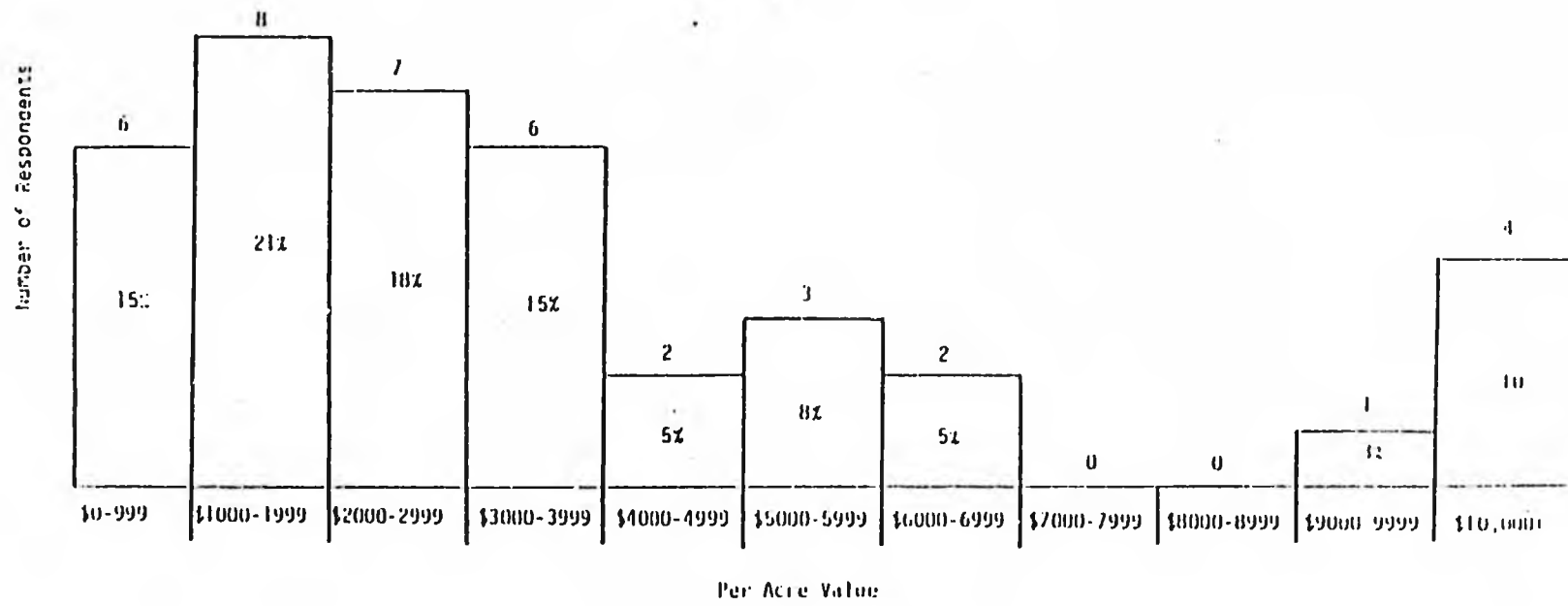


TABLE 14  
 AVERAGE DEVELOPMENT RIGHTS VALUES  
 (Dollars per Acre)

Region	Value	No. of Respondents
Fairbanks	\$3,200	5
Matanuska-Susitna	3,600	21
Kenai-Kodiak	3,100	<u>8</u>
TOTAL		34
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	564,617,000	--	--
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]

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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-
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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
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## 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 - 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		5.4				
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 EkRRRk 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

X

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...	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

**ESKIMAUK**

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.

X

X

X

X

X

X

X

X

X

X

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, Emperor 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 Empress 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 Voltaire  
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 Empress 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 Yobuk 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 Yobuk 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 Thlingit 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 repeating 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

X

X

X

X

X

X

X

X

X

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. 24 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 24-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 * Cabin on the Yukon			X					
JUDGE KEMOE * Fisherman in Fighting White Water			X					
FRANCES PAUL * Thlingit Indian Ceremonial Dancing Hat			X					
GRACE WICKERSHAM * Blue Mountains mineraters			X					
TWO THLINGIT DEADED PICTURES...depicting legend		X						
"THE FOG MAN" and "CREATION OF LIGHT"								
MELODIAN					X			
CLOCKS					X			
SILVER - GLASS					X			
Old Family Silver - sterling and plate							X	
Glass - Cranberry glass, Satin Glass, Cut Glass, Blue Glass...								X
FURNITURE								
HOUSE & PROPERTY								

## 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.

X

X

X

X

X

X

X

X

X

X

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
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Foundations	page 27
Structural Framing	page 30
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