

**Remote Recreational Cabins Survey and Appraisals
Supplemental**

**FY2004 Request: \$119,000
Reference No: 38480**

AP/AL: Appropriation

Project Type: Planning

Category: Natural Resources

Location: Statewide

Contact: Bob Loeffler

House District: Statewide (HD 1-40)

Contact Phone: (907)269-8425

Estimated Project Dates: 07/01/2004 - 06/30/2009

Brief Summary and Statement of Need:

This CIP authorizes an additional \$119,000 for DNR to appraise and contract for surveys of Remote Recreational Cabin properties. This program contributes to the development of Alaska's land through the transfer of land into private ownership. This CIP authorizes DNR to spend money already being collected from applicants. Remote Recreational Cabins is a stake-it-yourself program. After applicants stake their parcels, DNR issues a lease and collects lessee's money to pay for surveys and appraisals. DNR contracts with one survey firm and one appraiser to survey/appraise multiple parcels, thereby ensuring that surveys are coordinated, completed, and done efficiently.

Funding:	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	Total
State Land	\$119,000						\$119,000
Total:	\$119,000	\$0	\$0	\$0	\$0	\$0	\$119,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

SLA03/CH82 - \$430,000

The Remote Recreational Cabin Program was initially funded through Chapter 63 SLA 00. In FY01-03, DNR received approximately \$430,000/year from the operating budget to conduct the program. This did not include the money needed for surveys and appraisals of parcels (see explanation below). In FY04, DNR was appropriated \$430,000 in the CIP budget to pay for survey and appraisal costs in FY04.

Project Description/Justification:

ISSUE:

This request is for an FY04 supplemental appropriation to our existing capital project (SLA03, CH82, Sec1, P32, L17 - Remote Recreational Cabins Survey and Appraisal, \$430,000) to authorize spending an additional \$119,000 for survey contracts for the Remote Recreational Cabin Sites (RRCS) Staking Program. This additional authorization is needed in FY04 because we were unable to get this work contracted in time to use existing, budgeted FY03 authorization. This survey work is funded through deposits made into the Land Disposal Income Fund from the people who will purchase these parcels from the state. The revenue has been collected, we only need the expenditure authorization to complete the survey contracts.

BACKGROUND:

The Remote Recreational Cabins Program CIP allows the Department of Natural Resources to appraise and contract for surveys of Remote Recreational Cabin properties, utilizing funds already being collected from applicants. Remote

**Remote Recreational Cabins Survey and Appraisals
Supplemental**

**FY2004 Request: \$119,000
Reference No: 38480**

Recreational Cabins is a stake-it-yourself program. After applicants stake their parcels, DNR issues a lease and collects lessee's money to pay for surveys and appraisals, depositing it in the Land Disposal Income Fund (LDIF). DNR contracts with one survey firm to survey multiple parcels, thereby ensuring that surveys are coordinated, completed, and done efficiently.

There is a shortfall in the funding authorization for survey contracts as part of the Remote Recreation Cabin Sites Program. The Remote Recreational Cabin Sites Program is in its third fiscal year, and FY03 was the first year that parcels offered under the program were surveyed. The first two years of the program focused on developing the program, identifying staking areas, staking, and issuing leases. Four survey contracts went out for bid late in FY03, but the contracts were signed too late to use FY03 authorization. The following four contracts total approximately \$106,000, which was originally planned for in the FY03 budget, therefore not included in the FY04 CIP.

In addition to the survey contracts, platting and review fees (that must be paid to the municipalities) for these surveys are \$13,600.00.

The contracts and fees are listed below.

Loon Lake RRCS Staking Area, GSC 663, ASPs 10-03-084	\$20,363.00
Weary River RRCS Staking Area, GSC 667, ASPs 10-03-110	\$23,000.00
Albert Creek RRCS Staking Area, GSC 668, ASPs 10-03-111	\$34,400.00
Ridge Rock RRCS Staking Area, GSC 671, ASPs 10-03-114	\$27,615.00
Platting and Review fees (estimated)	\$13,622.00
TOTAL	\$119,000.00

If we do not receive the requested supplemental authorization, money will need to be diverted from proposed land subdivision projects in our current operating budget, resulting in 35 fewer new parcels being offered in FY04 and as many as 76 fewer new parcels in FY05. This will dramatically reduce our future revenue and will reduce the number of new subdivision parcels to well below the legislative mandate of 100 new parcels. Also, since projects begin two years out, the FY06 offerings will be impacted by the potential loss of 65 parcels in FY06.

The loss of high revenue subdivision parcels will negatively impact our ability to grow the Land Disposal Income Fund and fund future projects.