

Remote Recreational Cabins Survey and Appraisals**FY2004 Request:****\$430,000****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:** 07/01/2003 - 06/30/2008**Brief Summary and Statement of Need:**

This funding would allow the Department of Natural Resources to appraise and contract for surveys of Remote Recreational Cabin properties, utilizing funds 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, depositing it in the Land Disposal Income Fund. DNR contracts with one survey firm and one appraiser to survey/appraise multiple parcels, thereby ensuring that surveys are coordinated, completed, and done efficiently. 115 parcels were staked in FY02. An estimated 110 will be staked in FY03.

Funding:	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>Total</u>
State Land	\$430,000	\$505,000	\$550,000	\$560,000	\$560,000	\$560,000	\$3,165,000
Total:	\$430,000	\$505,000	\$550,000	\$560,000	\$560,000	\$560,000	\$3,165,000

<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:

The Remote Recreational Cabin Program was initially funded through Chapter 63 SLA 00. In FY 01-03, DNR received approximately \$430,000/year from the operating budget to conduct the program. This did not include the money need for surveys and appraisals of parcels.

Project Description/Justification:

The Remote Recreational Cabin Sites land sale program was established in statute (AS 38.05.600) in 1997. The program was initially not funded. In FY01, the program was funded through Ch. 63 SLA 00 (SB 283) as part of the Land Disposal Income Fund. The fiscal note for Ch.63 SLA 00 included revenue from the sale of remote recreation properties and funded the personal services and other administrative costs for the program, but did not authorize the expenditure of the money for survey and appraisal.

DNR requests this authorization to spend the remote recreation cabin program deposits that we are already receiving to pay for survey and appraisal. DNR is already billing the people for these costs, with the money going into the Land Disposal Income Fund. In FY04, we expect to spend about \$430,000 on these surveys and appraisals. This will increase to \$560,000 a year by FY07, as more parcels are offered under the program.

? This project meets constitutional requirements under the settlement of state lands (Article VIII, Section 1), the program is authorized by statute (AS 38.05.600).

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- ? This program generates revenue through leases and eventual sales, and the income is deposited in the Land Disposal Income Fund.
- ? Survey work will be done by the private sector under contract to DNR.
- ? The program evaluated having individual lessees pay their own survey and appraisal costs; experience shows that this method has a much higher failure rate (people fail to follow through to arrange survey and appraisals) and costs lessees more (more efficient to survey and appraise the entire project area at once, rather than individual parcels spread out over time).

Why is this Project Needed Now:

The project is needed now because the program is already authorized by the legislature and parcels need to be surveyed and appraised within three years of lease issuance (by regulation, 11 AAC 67. If program is not funded, survey and appraisal costs for parcels offered in FY02 and 03 will need to be paid from operating budget, and DNR will not be able to offer parcels under this program in future years.

Specific Spending Detail:

(Identify in dollars by line item; Describe in detail what products/services will be purchased.)

Line Item Expenditures:

Personal Services \$42,000
Travel \$ 10,000
Contractual Services \$ 377,000
Supplies \$ 1,000

Line Item Detail Description:

Personal Services – 5 months of existing Appraiser I; 3 months of existing Appraiser II
Travel – field inspections of parcels for appraisals
Contractual Services – contracts for land surveys
Supplies – incidental supplies for appraisals and contracts

Project Support: Public who has participated in remote recreational cabin program. Surveyors. Borough planners and platting authorities.

Project Opposition: None