	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
1	**Ag timeline**	Title 31		Title 13								Title 23						State	
2		1977	1979	1977	1981	1981	1981	1982	1985	1986	1986	1994	1999	2000	2004	2005	2014	Before 1997	After SLA 1997
3	**# Parcels offered**	1	1			2	20		19	0	0	0	13	8	17	4	1		
4		State Land Act		Ag Rights	***Ag Advisory Board Established and Recommended the Borough buy or offer to buy development rights of Colony farms or any farms with fee simple rights to conserve the use of land for Agriculture.***	State Land Act	Sale of leases with option to purchase Ag rights	An Ordinance to Amend Minimum Sale Price for Borough Lands Restricted to Agricultural Use (Ag rights only)	Sale of leases with option to Purchase Ag rights	Authorized Manager to Make Changes based on staff recommendations, input from parcel owners, Cooperative Extension, Ag and Forestry Board, Soil and Water Conservation Districts for parcels sold or leased in 1977, 1981, 1981, and 1981	Reorganization effected in 1982 and 1983 Leases to purchase Ag rights				No change from 2000	No change from 2000		Statement of Intent Farm Use Plan Soil and Water Conservation District Cooperator	No less than 40 acres Ag rights only CCRs	No less than 40 acres
5		All SHLDs Deli Preference to Persons for Agricultural Purposes, Mill **Ordinance 70-23.** Preference, Lease Purchase	**Ord 70-23** - Same as 1972 sale	**Ordinance 75-73**		**Ordinance 81-6**, **Ordinance 81-7** Sale in State Lottery Auction	**Ord 82-38(b)**	**Ordinance 87-53**	**Ord 87-88(b)**	**Ord 88-78**	**Ord 91-004**	**Ord 96-69** Repeal 23 Adopt 23	**Ord 99-104**	**Ord 00-161**	**Ord 00-161**	**Ord 00-161**	**Ord 14-121**	One home site even if subdivided	Home site on each parcel
6	**PARCEL SIZE**	40+ acres		40+ acres		40+	40+ acres						40+						
7	**SUBDIVIDE**	Yes		Yes, most apply and to private plan showing how subdivision would maintain use		Once 4 parcels None was true at: Must be approved by Director. Any improvements must remain in single tract	Prohibited except where the owner applies to the assembly and the assembly finds such subdivision, if permitted, could reasonably be expected to increase the agricultural production to be realized from the new parcel generated in a similar circumstance favorably contributing to the economics of agricultural production	All land shall be appraised within 6 months prior to being offered for sale to determine its unrestricted full and true value. The minimum sale price for sales of its agricultural use restrictions shall be established ... **at 50% of its full and true value. This shall be called its agricultural rights value.**	Prohibited except where the owner applies to the assembly and the assembly finds such subdivision, if permitted, could reasonably be expected to increase the agricultural production to be realized from the new parcel generated in a similar circumstance favorably contributing to the economics of agricultural production	Agricultural parcels may not be subdivided in a manner that requires additional homesites without prior approval of Ag and Forestry Board	Unchanged from 1981-1983		Parcel/farm unit may not be subdivided for 10 years from the date of recording of conveyance – deed. After 10 years No more than 4 parcels, none smaller than 40 acres	Parcel/farm unit may not be subdivided for 10 years From the date of recording of conveyance – deed. After 10 years No more than 4 parcels, none smaller than 40 acres	Same	Same	Same	Home site based on wet price by DNR at beginning of year. Except Point MacKenzie - price based on FMV appraisal	Home site based on wet price by DNR at beginning of year. Except Point MacKenzie - price based on FMV appraisal.
8	**HOME SITE**	Not restricted, only allows home, people and animals, or storage		Section 12 of CCRs allows the Assembly to grant a partial release of an amount of land sufficient for a farm residence and/or farm related activities ***Such land shall then be sold and granted to the purchaser in fee simple at the CURRENT FULL AND TRUE VALUE for cash paid at the time of sale***		Only 5 acres	Section 3 of the CCRs allows only improvements reasonably required for development of agricultural purposes. Includes: one homesite, attached or detached garage for homesite, outdoor toilet, smokehouse, sauna, barns, wells, septic, garage for storage of farm equipment ***No larger than 5 acres. No specific section stating the 5 acres could be purchased fee simple***		Section 3 of the CCRs allows only improvements reasonably required for development of agricultural purposes. Includes: one homesite attached or detached garage for homesite, outdoor toilet, smokehouse, sauna, barns, wells, septic, garage for storage of farm equipment ***No larger than 5 acres. No specific section stating the 5 acres could be purchased fee simple***	Only parcel eligible for first single home site. Any other home site must receive Ag rights only status	Referenced fee simple homesite of 5 acres as in original 1171 sale. Only change from 1983-1987 CCRs		5-acre property improvement site (home site) Must be designated and recorded prior to any construction	5-acre property improvement site (Home site) Must be designated and recorded prior to any construction	Same	Same	Same	No home sites on subdivided parcels	
9																			
10	**RIGHTS**	Fee simple vested with and without restrictions. Sold at with restrictions when was 50% or less than the FMV without restrictions. SHALL BE USED ONLY FOR AGRICULTURE		Ag Rights		Ag Rights Tracts 30 and 31 MSB designated diary tracts	Ag rights		Ag rights		Ag rights		Fee simple with CCRs	Fee simple with CCRs	Same	Same	Same		
11	**BUILDING RESTRICTIONS**	None		In CCRs. Assembly may change			In CCRs. Assembly may change		In CCRs. Assembly may change										
12	**USES**	Required Farm Plan		Ag use only		Diary Ag	Ag use only		Ag use only		Unchanged from 1981 CCRs		Agriculture and incidental use that may include professional service, bed&breakfast, farm stay, etc.	Agricultural and incidental use that may include professional service, bed&breakfast, farm stay, etc.	Same	Same	Same		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
13	[illegible]	"This deed is made and accepted subject to the express covenant that the real estate herein conveyed shall be used ONLY for agricultural purposes which may include farming for the purpose of providing food stuffs for animal or man, ranching, storage necessary for use in the immediate production of agricultural crops or livestock or other agricultural uses. The parties agree this covenant shall run with the land ."		Farm Plan (Statement of Intent Application & Assembly approval to subdivide Application to Borough. Statement of Intent and Notice of Approval from MSB to recovery Ag rights (recorded with closing docs)		Approved Farm Plan: incorporated into Sale Contract and Deed as CCRs. Presumptively 18 years of age. Resident of Alaska Farm Plan Daily or Non Daily Development Schedule.					Farm Plan (development Plan with clearing limitations)		"Agriculture" means the production and harvest or care of plants, animals, birds, fish, bees, and other organisms by humans for use in providing food, fuel, fiber, shelter, clothing, energy, and aesthetics. Kennels and catteries are not considered as an agricultural use.	"Agriculture" means the production and harvest or care of plants, animals, birds, fish, bees, and other organisms by humans for use in providing food, fuel, fiber, shelter, clothing, energy, and aesthetics. Kennels and catteries are not considered as an agricultural use.	Same	Same	Same		
14	OTHER	Farm Plan required	Farm Plan required			Farm Plan (required)							Purchaser qualifications Statement of Intent Farm Plan	Purchaser qualifications Statement of Intent Farm Plan	Same	Same	Same		
15		Fee simple valued with and without restrictions sold at with restrictions which was 50% or less than the FMV without restrictions											Condos & coop apartments prohibited in Farm Unit	Condos & coop apartments prohibited in Farm Unit	Same	Same	Same		

Matanuska - Susitna Borough

assembly memorandum

no. A.M. 82-387

from: Gary Thurlow, Manager date: 11/9/82

subject: Preservation of Agricultural Lands

Attached is a memorandum from the Planning Director on preservation of farm lands through purchase of development rights on scenic easements.

The Matanuska-Susitna Borough Agricultural Advisory Committee has recommended that this topic be pursued in the coming session of the legislature.

If you agree, this material will be referred to the Planning Commission and the Agricultural Advisory Committee for further comments and development.

Respectfully submitted,

Gary Thurlow, Manager

mu

Enclosure

AM 82-387

0012122

Matanuska-Susitna Borough

BOX B, PALMER, ALASKA 99645 • PHONE 745-3246
PLANNING DEPARTMENT

MEMORANDUM

DATE: November 8, 1982

TO: Matanuska-Susitna Borough Agricultural Advisory Board

FROM: Claudio Arenas, Planning Director

SUBJECT: Statement on Agriculture For Matanuska-Susitna Borough Comprehensive Plan and Comments on Proposed Changes in House Bill No. 280

A. We are drafting brief statements as introductions to various elements of the Borough Comprehensive Plan such as fire protection, libraries, roads, mines and minerals and agriculture.

Would you review the attached statements and see if you agree with them. We also need your comments.

Borough Agricultural Advisory Board

You may want to comment on the relationship between the Assembly, the Planning Commission, and the Borough Agricultural Advisory Committee and the procedures for referring recommendations from one body to the other.

AM 82-387

MSB 2.72 provides:

1. *The Board shall:

   A. advise the Assembly on all matters affecting agricultural and forestry in the Matanuska-Susitna Borough;

   B. advise the Assembly and the Planning Commission on all elements of the Borough Comprehensive Plan and any amendments thereto, affecting agriculture and forestry in the Matanuska-Susitna Borough;

   C. assist in the identification of all agricultural lands which ought to be preserved in an existing agricultural use or brought into agricultural use;

   D. assist in the identification of forestry lands which ought to be maintained as sustained yield forest lands or woodlots and timbered areas which ought to be harvested for the timber before clearing for agriculture together with the policies for using the forestry potential of such lands;

   E. where agricultural and forestry lands are located among lands which have a high recreation, tourism, recreational lot, homesite or other potential, make recommendations to the Assembly and the Planning Commission on specific means for achieving a balance of such uses so that all Borough developmental goals can be met, particularly with respect to offering of homesites and recreation sites for sale to meet State of Alaska goals for transfer of State and Borough lands to private ownership;

*Assembly Ordinance Serial No. 81-81, September 23, 1981

0012200

F. develop proposals for roads, bridges and other capital improvements that are needed to fully realize the agricultural and forestry potential of the Matanuska-Susitna Borough, together with recommendations as to funding and priorities;

G. assist in the development of land management, land sale and land lease policies that will better achieve Borough agricultural and forestry goals;

H. develop procedures for obtaining a consensus within the agricultural community so that local agriculture and forestry can be effectively represented in their dealing with the local, State and Federal governments.

Agriculture element for Borough Comprehensive Plan

We need your comments on the following statement regarding existing and proposed Borough agricultural policies.

6121000

AGRICULTURE

Role of Valley in State Agriculture

The agricultural lands most suitable for supplying the railbelt area with food are in the Matanuska-Susitna Borough. Much of it is within fifty miles of the primary market which is Anchorage.

The Valley can supply a substantial portion of the railbelt's requirements for dairy products, beef, pork, potatoes and certain vegetables.

The most immediate prospect for crops is hay and forage for animals. Over 65% of Borough agricultural lands in production are now in hay and grasses. This percentage is not likely to change as new lands are brought into production.

The Valley now supplies a relatively small part of the demand for food in the railbelt. Land in agriculture has stayed stationary over the past 20 years at about 10,000 acres. Production of the major crops--milk and potatoes--have declined since 1963.

Even so, the Valley accounts for three-fourths of the State's agricultural production, if Big Delta barley is disregarded.

The potential for growth can be seen by looking at existing and potential farmland--land with good agricultural soils:

Agricultural Potential of Borough

	Acreages	Percentage Increase	Cumulative
In production now	10,000 acres	150%	150%
Add Point MacKenzie	15,000 acres	34%	184%

AM 82-387

Add Borough 1982 sale	3,400	acres		
Total	28,400			
In production plus new lands sold	28,400	acres		
Add Bartlett Hills Agricultural Project	8,000	acres	80%	264%
Total	36,400			
In production plus new land sold	36,400	acres		
Add Fish Creek (MacKenzie #2)	18,000	acres	180%	444%
Total	54,400			
Existing, sold and Fish Creek	54,400	acres		
Add Moose Creek	8,000	acres	80%	524%
Add Deshka Flats	8,000	acres	80%	604%
Add Chulitna Flats	8,000	acres	80%	684%
Total	78,000			

Before the Borough began selling lands restricted to agricultural use only, it had sold approximately 4,000 acres of potential farm land. It is unlikely that any of this land will be devoted to agriculture and this acreage should be disregarded in estimating lands available for agriculture.

Road access exists to existing farmland, Point MacKenzie and the 3,400 acres of land sold by the Borough in 1982.

Road access does not now exist for the other agricultural areas except for the southwest tip of the Bartlett Hills Agricultural Project. There are other areas in the Borough with good agricultural soils but they are largely isolated and would not be reached by road in the foreseeable future.

There are two major advantages in increasing land in agriculture:

7121100

1. Agriculture is a primary industry which generates secondary employments. Agriculture is a stable source of income and employment. In 1978, 49.6% of the persons working in the Borough worked for governments or utilities, 4.2% worked in agriculture and 1.9% in manufacturing. There is a heavy dependence on government and utilities which could be lessened with the development of agriculture.

2. Larger production makes possible lower costs of production—in purchase of calves, seed, fertilizer, lime and other materials, transportation, processing and packing and marketing. For most crops a certain minimum quantity is necessary before producers can break even. This is called the "critical mass". An objective is to achieve a "critical mass" for a variety of agricultural crops.

The most effective way of making agriculture a major industry in the Valley is to:

1. Sale of agricultural rights only. Retain the Borough policy of offering larger tracts, 40 acres and larger, with 40% Class II and III soils (good agricultural soils) for agricultural use only and requiring clearing and crop production on these lands within three to five years.

2. Property tax deferral. Retain the State and Borough policy of deferring full property taxes on farm land and taxing it only in its agricultural use while it is in farm use. Presently most farmers in the Valley pay only about 10% of the taxes they would pay if their lands were taxed at full market value. The State pays the remaining 90%. If the farmer converts his land to non-agricultural uses or sells it to someone who does, the deferred taxes have to be paid to the State in reimbursement of previous

0012160

3121100

State payments. This tax deferral program is widely used in California and other states. Tax deferral is a holding action and will work only when demand for subdivision land is weak.

3. Purchase of development rights. If existing Valley farm land in the Palmer area is to remain farm land, it will be necessary to buy development rights in the farm land from farmers that want to stay in farming. Otherwise, the capital gain that can be obtained from selling for subdivision purposes would outweigh any net income that can be made from farming. The best agricultural lands in the Valley are found in the Old Colony Farms around and in the Butte area. King County in the State of Washington is one of many local governments that have development right purchase programs.

   It is probably less costly to the State of Alaska to carry out a program for preserving existing farm land than to bring new agricultural lands under cultivation.

4. Road access. Build roads and bridges to new agricultural areas and in particular to:

   a. Bartlett Hills Agricultural Project east of Talkeetna.
   b. Fish Creek Agricultural Project northwest of the Point MacKenzie Agricultural Project.
   c. Moose Creek Agricultural Project south of Petersville Road between Moose Creek and Kroto Creek.

It does not do any good to offer agricultural lands for farm development if there is no access to these lands.

The State Bartlett Hills Agricultural Project is an example of what happens when land is offered without road access. In the past two years no more than 225 acres have been cleared in the 8,000 acre State of Alaska Bartlett Hills Agricultural Project. At this rate it would take 70 years to bring this 8,000 acre project into production. Persons buying farms in that area do not have to begin their farm plan until road access is provided. This type of provision is an open invitation for speculators to bid up the prices of farm land, because they know that they will be under no obligation to engage in farming in the foreseeable future.

5. Processing facilities. Encourage the development of a slaughterhouse and packing plant in the Valley. The State of Alaska Agricultural Action Council is doing that now by taking proposals for the construction of a 1.3 million dollar facility probably in the Palmer-Wasilla area. The State should similarly encourage the development of a vegetable processing plant in the Valley.

6. Agriculture. Support the existing agricultural loan, agricultural extension, agricultural education, soil conservation, reporting and market research, crop and plant experimentation and research programs of the Federal and State government and of the University of Alaska in the Borough.

State legislation on purchase of development rights of farm lands

8. We need your comments on purchase of development rights in farm lands on House Bill No 280 of the Twelfth Legislature "An act relating to the preservation of land" with a proposed revised Section 38.60.020 LAND ELIGIBLE FOR AGRICULTURAL PRESERVATION and a proposed new Section 38.60.025 PRIORITIES FOR ACQUISITION (Exhibit A) and a revised Section 38.60.030(d). New language is underlined and deleted material

0012144

is bracketed. Examples of application of the new and revised provisions to certain specific farm land is set forth in Exhibit D.

The new language has been drafted to respond to the following concerns:

1. too much of limited preservation monies may go to low priority acquisitions to the detriment of more important acquisitions;

2. there may be an opportunity to favor one offeror versus another in the absence of criteria for establishing priorities; and

3. the program would be too costly if all private lands with Class II and III soils qualified for purchase.

If there were an allocation of 15 million dollars for acquisition of development rights (5,000 acres at $3,000 per acre) scenic easements in most of the higher priority lands in the Valley could be purchased and farm use preserved (State appropriations for the Big Delta Agricultural Project now total about 28 million--this amount can be used as one of several comparables).

for Claudia Oreras
Gary Thurlow

AM 82-387

0012137

Introduced by: Manager
Drafted by: Land Management

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 82-53 (AM)

AN ORDINANCE TO AMEND MINIMUM SALE PRICE FOR BOROUGH LANDS RESTRICTED TO AGRICULTURAL USE.

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough Code.

Section 2. Intent. (A) It is the findings of the Assembly that the disposition of lands for the encouragement of agricultural production is in the best interest of the Borough.

(B) It is the findings of the Assembly that the improvement upon agricultural land being placed into production is an appropriate substitute for cash investment.

(C) The future benefit of agriculture development will have economic value to the Borough.

(D) The recommended code change provides the flexibility for the Assembly to determine the terms and conditions necessary to place lands into agricultural production.

Section 3. Section 13.28.050(I) of the Matanuska-Susitna Borough Code of Ordinances is amended to read:

> I. Sale Price. All land shall be appraised within four months prior to being offered for sale to determine its unrestricted full and true value. The minimum sale price of land, or rights in land, by virtue of its agricultural use restrictions shall be established by the Assembly in the resolution approving the sale of parcels with advise from the Borough Manager (TEN PERCENT OF ITS FULL AND TRUE VALUE. THE VALUE SHALL BE CALLED ITS "AGRICULTURAL VALUE.")

Section 4. Effective Date. This odinance becomes effective upon its passage and approval.

Introduction: Aug. 17, 1982
First reading: Aug 17, 1982
Public hearing: Sept 7, 1982

ORD 82-053
AM 82-268

ADOPTED by the Assembly of the Matanuska-Susitna Borough this 7th day of Sept, 1982.

ATTEST:

Evelyn Thompson
Evelyn Thompson, Borough Clerk

Ronald L. Larson
Ronald L. Larson, Mayor

REVIEWED AND APPROVED:

Gary Thurlow
Gary Thurlow, Borough Manager

ORD 82-053
AM 82-268

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 83-68

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH CLASSIFYING AGRICULTURAL LANDS AND APPROVING THE DISPOSAL OF AGRICULTURAL RIGHTS ONLY IN THESE LANDS AND AUTHORIZING THE BOROUGH MANAGER TO HOLD A SALE AT PUBLIC AUCTION.

WHEREAS, the Planning Commission by Resolution 83-46 has recommended public sale of certain Borough lands; and

WHEREAS, the Assembly approval is in accordance with MSB Code 13.28.050 (B), (F) and (K); and

WHEREAS, the Assembly has determined disposal is in the best interest of the public.

BE IT ENACTED:

1. Classification. This is a non-code ordinance.

2. Classifcation of Lands. The lands indicated on Exhibit "A" are hereby classified as "agricultural".

3. Approval of Disposal. The Assembly of the Matanuska-Susitna Borough does hereby approve disposal of lands attached on Exhibit "A" under terms set out in Exhibit "C" and authorizes the Borough Manager to hold public auction for the disposal of agricultural rights only on Saturday, November 5, 1983, at the Borough Administration Building, Palmer, Alaska.

4. Effective date. This ordinance becomes effective upon its adoption by the Borough Assembly and signature of the Borough Mayor.

Introduction: Sept 6, 1983
First reading: Sept 6, 1983
Public hearing: Sept 20, 1983 Sept. 28, 1983

ADOPTED by the Assembly of the Matanuska-Susitna Borough this 4th day of October, 1982.

ATTEST:

Evelyn Thompson
Evelyn Thompson, Borough Clerk

Edna Armstrong
Edna Armstrong, Borough Mayor

REVIEWED AND APPROVED:

Gary Thurlow
Gary Thurlow, Borough Manager

AM-355
83-355

EXHIBIT " A "

Parcel #		Acreage
1.	16N 4W Sec. 32 & 33	286
2.	21N 5W Sec. 36 NE¼ Lots 1 and 2	210.18
3.	21N 5W Sec. 36 SE¼ Lots 3 and 4	214.11
4.	24N 4W Sec. 19	111
5.	24N 4W Sec. 23 N½ and N½ S½	480
6.	24N 4W Sec. 26 & 23	640
7.	24N 4W Sec. 26 & 35	640
8.	24N 4W Sec. 22 & 27	480
9.	24N 5W Sec. 13	77
10.	24N 5W Sec. 13	194
11.	24N 5W Sec. 15 & 22	214.4
12.	24N 5W Sec. 23	274.5
13.	26N 5W Sec. 21	160
14.	25N 5W Sec. 21 SE¼	160
	Total	4,141.19

EXHIBIT "C"

General Information.....

Terms.....

Farm Development Plan.....

GENERAL

1. This is a sale of leases with option to purchase. The lease is for agricultural rights only. Upon exercise of option to purchase, agricultural rights only and not fee simple interest will be sold.
2. If a personal check is used as payment for the required first year's lease payment, the successful bidder is not considered to have leased the right to the property until sufficient time has elapsed to insure the check is not returned for any reason. The lease of a parcel under this sale will become effective upon receipt of payment of deposit on successful bid and the execution of a written lease. Payment is deemed received upon acceptance by the Borough of a good cashier's check, cash or upon clearing of a personal check with the bank.
3. Some parcels are subject to obtaining patent to the Matanuska-Susitna Borough. Final acreage amounts may be different from the estimates indicated in the brochure. When the final determination of acreage size is completed, any variances will be incorporated into the sale documents by addendum and the sales prices will be adjusted higher or lower as the case may be.
4. A preference right to match the highest bid exists to any adjacent farmer/owner of an existing farm. In case of two or more adjacent farmer bidders, the one who makes the highest bid will be considered the successful bidder.
5. Those interested in bidding should carefully read the terms and conditions that follow.

6. Access to some parcels has not been physically constructed and physical clearing of up to 1.5 miles may be necessary by the successful bidder.

FARM DEVELOPMENT PLAN

Each successful bidder will be required to submit a Farm Development Plan to the Land Management Officer within 30 days of Notice of Bid Acceptance. This plan will be reviewed by the Agricultural Advisory Board at its next regularly scheduled meeting following the plan submission. The farm plan will be in the form of conditions, covenants and restrictions which run with the land, can be separately enforced, but which can be removed by action of the Borough. (See the attached form for conditions, covenants and restrictions). The two major reasons for a farm plan:

1. If the bidder for land restricted to agriculture should bid in an amount close to the fair market value of the land unrestricted, there is very little monetary incentive to earn credits to reduce annual payments.
2. After all financing conditions have been met, there is no monetary incentive to continue to apply the land to agricultural purposes. This would be especially true after the indebtedness has been paid off.

The agricultural Advisory Board will recommend approval or disapproval of the farm plan. If the Farm Development Plan is disapproved, the reason will be indicated, and the successful bidder will have an additional 30 days to resubmit a revised Farm Development Plan.

The Farm Development Plan must include the following as a minimum requirement for approval:

1. No specific amount of clearing will be required for the first year;
2. A minimum of 70% of estimated Class II and III soils must be cleared and in production by the end of the sixth year;
3. The type of production (ex: dairy farming, grain production, hay production, hog farming) should be identified.

11. In the event that unforeseen circumstances render the completion of a Farm Plan impossible and consequently the exercising of the option to purchase, the farmer will be allowed to request from the Assembly an extension of time, not to exceed one year, for completion of the Farm Plan.

In so doing, the farmer must show reasonable cause for the delay and reasonable diligence in attempting to meet all required minimums. The burden of proof will be on the farmer.

12. The farmer may elect to remain on a lease basis for the 20 year period. However, in such cases the land will be revalued at the end of the sixth year and the lease payments will be adjusted accordingly.

13. Definitions:

A. Project - means the parcels sold by the Matanuska-Susitna Borough at a sale of Borough parcels scheduled for approximately_____. These parcels are described in an instrument recorded on_____ in Book _____, Page ____, Office of the Recorder, Palmer Recording District, Third Judicial District, State of Alaska. The project can be enlarged by the Assembly at its discretion by adding parcels leased/sold or to be offered for sale by the Borough in future Borough land sales, which parcels, in the Assembly's discretion, may be made also subject to these same restrictions.

B. Restrictions - mean these conditions, covenants and restrictions.

C. Subject Property - the property sold by the Borough to a particular owner.

D. Land Clearing - means removing trees, stumps, and other vegetation from wooded areas. Cleared land shall be left in a condition that will facilitate its planned use and treatment, as identified by the approved farm plan.

TERMS

1. Basic Lease with option to purchase. The l nd may be purchased at the end of the sixth year with no further payments due if 50% of the purchase amount has been paid and if the minimum required acreage (no less than 70% of Class II and III soils) is in production according to the Farm Plan. This constitutes a forgiveness of the remaining balance due. Basically the lease payments are applied to the financing terms. If these minimum conditions have been met prior to the end of the sixth year, then the purchase option may be exercised at such time.
2. The lease term will be for twenty (20) years.
3. The Bid Price will be the purchase price.
4. The lease payment will be 8% of the purchase price and will be an annual payment.
5. The first lease payment must be made in advance.
6. There will be no clause allowing for automatic renewal of the lease.
7. If the Farm Plan and/or the required amount of land cleared and in production has not been adhered to by the end of the sixth year, the option to purchase will not be allowed.
8. No later than the end of the third year, a review of progress will be required.
9. No later than the end of the fifth year a subsequent inspection and review of progress will be required. A letter to the successful bidder will be forwarded indicating the status of the Farm Plan compliance and reminding the farmer of the upcoming purchase option. The letter will also inform the farmer of possible lease termination in case of non-compliance with production or payment requirements.
10. The successful bidder will have 30 days from notification to present an acceptable Farm Plan. If the Farm Plan is rejected by the Agricultural Advisory Board, the reason will be given and an additional 30 days will be allowed for resubmission and/or appeal to the Assembly.

E. Land Breaking - means the tillage of lands, following clearing, that are cropland use (including hay and pasture). Following breaking, the land must be in a condition so that conventional farm equipment can be used to carry on normal farming operations fo given site.

F. In Production - means the application of cleared land into planting of crops using good agricultural practices, such as grains, oil seeds, vegetables or grasses of commercial value at seeding rates recommended for the area by the University of Alaska such that the crops will harvest an annual yield which can reasonably be expected, based on Matanuska Valley Statistics as prepared by the U. S. Department of Agriculture. The term can also mean the application of the cleared land in a manner so as to produce a yield in animal units or animal products of commercial value within a range which can be reasonably expected for the area. Reasonable harvested yields may be determined by referencing the U. S. Department of Agriculture, State Division of Agriculture, the State Agriculture Action Council and the University of Alaska. Only acreage which has been cleared and prepared for agriculture through land breaking can be included within the acreage claimed as being "in production". The term "production" may be further defined in the farm plan so long as the above requirements are satisfied.

11. There shall be no repayment of prepaid annual lease payment to the lessee for termination whether voluntary or otherwise.

12. As a condition of lease/sale, the successful bidder must dedicate a 300 foot public recreation and public use easement along the Susitna River as indicated on the cover sheet of parcels 2 "A", 3 "A", 11 "A" and 12 "A".

MATANUSKA-SUSITNA BOROUGH INFORMATION MEMORANDUM IM NO. 99-122

SUBJECT: Revise the procedures to sell borough-owned land having been classified "agricultural lands" as authorized by MSB code 23.05.030(e) and 23.10.150.

AGENDA OF: June 1, 1999

ASSEMBLY ACTION:
OR 99-104 Adopted as amended w/o 7/20/99

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY MICHAEL J. SCOTT, BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator L. Kelley		x864
1	Land Management Officer		5-20-99
2	Comm. Development Dir.		5/20/99
	Planning Director		
3	Finance Director	RF acting	5/20/99
4.	Attorney		
	Assistant Manager		
5	Borough Clerk		

ATTACHMENT(S): Fiscal Note: Yes ____ No X
Ordinance Serial No. 99-104 10 pp
APAB Review Recommendation 2pp
Revised Procedure (Changes Marked Up) 6pp
Original Procedure 4pp

STAFF RECOMMENDATION:

Staff respectfully requests adoption of the revisions to the procedures for agricultural land sales to be more consistent with Title 23 policy of conveying the fee simple estate and using restrictions that promote agricultural use and development of the land.

0 0 1 1 0 1 3

SUMMARY STATEMENT:

A procedure for Agricultural Land Sales was adopted in 1984 when Title 23 was also adopted. The procedure adopted was similar to procedures used by the State of Alaska, Division of Agriculture (SDA/DOA) prior to 1984. Subsequent to the adoption of Title 23, the state legislature made substantive changes to State of Alaska agricultural land sale policies and the interest in the land sold in the belief that less regulation of the farm programs would create more successes.

Although adopted several years earlier, the agricultural land sale section of Title 23 was adopted for similar reasons. The policy states that the fee simple estate (instead of agricultural rights) in lands classified or zoned as "agricultural lands" will be conveyed with the provision that conditions of sale may be established to promote the agricultural use and development of the land.

BACKGROUND:

While preparing for a new borough agricultural land sale program it became apparent the sale procedure adopted under Title 23 needed clarification in several important areas and would be costly to implement and enforce if used.

MSB 23.05.005 defines agriculture as "the production and harvest or care of plants, animals, birds, fish, bees and other organisms by humans for use in providing food, feed, fiber, shelter, clothing, energy and aesthetics. Kennels and catteries are not considered as an agricultural use."

This definition is broad and does not restrict the use of agriculture to only cropland and animal unit production as earlier borough agricultural programs did. As an example, the commercial sale of timber harvested from the farm unit is an agricultural use. Another example would be a slaughterhouse and processing facility that harvests animals for food, clothing, etc. The basic policy definition has been used to refine the procedures and to develop the upcoming agricultural land sale.

Several areas of the existing procedure needed revision. The interchangeable usage of the words "farm development" and "conservation" plans creates immediate confusion. The standards and approval process of the plan(s) development are vague. The requirement that it be "incorporated into the sale contract and conveyance document" creates a scenario of continual oversight and the need for an approval process for amendments by the borough. Inclusion of these requirements are diametrically opposed to the opinion held by many that the involvement of the borough in the day to day details of a farm's development was a major obstacle in previous farm programs. This opinion stemmed primarily from the inability of the bureaucracy to react quickly when changes needed

to be implemented from the business perspective of the farmer.

The revised procedure will assist in offering lands for sale that have the potential for agricultural uses while protecting the "agricultural potential" of the land from being diminished by other uses. Under the revised procedure and resulting sale programs the primary restrictions to protect the agricultural potential will be:

Limit the ability to subdivide the original farm unit that is sold. The revised procedure prohibits any subdivision for 10 years and restricts the total number of parcels that may be created out of the boundary of the original farm unit to four (4) parcels and all must be at least 40 acres in size.

Limit the location and size of the area where real property improvements and non-agricultural activities can occur. The revised procedure limits real property improvements and non-agricultural activities to designated sites of no more than five (5) acres, except that larger sites can be approved by the borough manager due to need of the agricultural development.

While many people may not consider commercial sand, gravel, rock, or peat extraction to be an agricultural use, during the review of this procedure several individuals have mentioned it as a possible farm development activity. This particular activity has not been addressed in the procedure, however it can be addressed on a case by case basis as farm sale programs are developed.

Other conditions may also need to be imposed in some sales based upon the individual farm units being sold or the public comments received when the parcels are reviewed. These conditions can be included based on the borough manager's authority in MSB 23.10.150 (C) to establish conditions of sale which are best designed to promote the agricultural use and development of the subject lands.

Examples of the type of additional conditions that may be prudent to impose based on review of the parcel:

Prohibit the development of quarries and pits on the property for the excavation and removal of sand, gravel, rock, or peat from the property whether for commercial sale, barter or trade.

Restrict the siting of sawmills and similar commercial timber operation facilities to the designated development site approved for the farm unit.

Require non-development greenbelts or screening buffers between the farm unit and adjacent property or roadways.

Any of these restrictions will be implemented by use of a declaration of covenants, conditions, and restrictions or deed restrictions to run with the land. In the future zoning may be

used to implement agricultural use rules in some areas of the borough.

The revised procedure does not require a farm development plan, farm development schedule, or an approved farm conservation plan. These requirements were used in the earlier agricultural sale programs and proved to be very time consuming and costly to develop, approve, and administer. If utilized in this new program the farmers and the borough will once again be buried in an administrative process.

A brief process has been developed to define the location and calculate the acreage of the areas in a parcel that can be used for real property improvements and non-agricultural activities. The areas are designated sites and are limited to a total of 5 acres within one parcel. Flexibility has been built into the process by allowing the borough manager to authorize relocations and enlargement of the areas based on agricultural development needs. This is a very different concept than the lengthy process that was required in earlier agricultural land sales when approval for farm development plan and development schedule amendments were requested.

The buyers will be notified that the United States Department of Agriculture, Natural Resource Conservation Service (USDA/NRCS) is available to assist with soil and water conservation planning and farming techniques and practices used in Alaska. The USDA/NRCS does not permit its farm conservation plans or the expertise of its personnel to be used to measure farm development in third party contracts.

The revised procedure also provides for an over the counter sale when an agricultural parcel is offered in a competitive sale and not sold. The terms and conditions attaching to the parcel would remain the same as the competitive sale, however the parcel would be sold for the minimum bid price to the first qualified applicant.

The revised procedure has been written using the concept that fewer rules will prevent the borough from micro-managing the decisions of the buyers and therefore creating more development of various agricultural uses based on the landowners own choices. It also recognizes that some residential and limited non-agricultural business uses, when restricted to specific areas, are desirable.

Except for the few restrictions of the procedure and sale program, once the sale is closed, the buyers will not be treated differently than any other buyer of borough land. If the borough finances the purchase price then the provisions of the deed of trust and note will also apply.

MATANUSKA-SUSITNA BOROUGH
COMMUNITY DEVELOPMENT DEPARTMENT
LAND MANAGEMENT DIVISION
350 East Dahlia Avenue, Palmer, Alaska 99645-6488
Phone: (907) 745-4801 Fax: (907) 745-9876

DATE: April 29, 1999

TO: Agricultural and Forestry Advisory Board

THROUGH: Ron Swanson, Community Development Director

THROUGH: Jill Parsons, Land Management Officer

FROM: Linda Kelley, Real Property Analyst

SUBJECT: Revised Procedure – Agricultural and Forestry Advisory Board
Draft April 29, 1999

Late last year the Agricultural and Forestry Advisory Board reviewed the first draft of a revised procedure for the sale of borough-owned land for agricultural purposes. During the earlier review several board members expressed concern that the requirement for a farm development plan would be difficult to enforce in any circumstance, and should not be required at all after the purchase contract was paid off. In an effort to further streamline the policies, the requirement has been removed from this latest version of the procedure.

The objective is to develop a program that offers lands for sale that have potential for agricultural development while protecting the "agricultural potential" of the land. The previous philosophy of continual oversight by the borough based on contractual demands for agricultural production within a specified time and in a particular manner is changing to one of "less is more".

Under the revised procedure and the resulting sale programs the primary restrictions to protect the agricultural potential will be:

> Limit the ability to subdivide the original farm unit that is sold. A limit would be placed on how soon any subdivision could occur (10 years) and also restrict the total number of parcels that could be created from the original farm unit (4) and require the size of all parcels to be at least 40 acres in size.
>
> Limit the location (designated sites) and size (5 acres unless approved by the manager due to need of the agricultural development) of the area where real property improvements and non-agricultural activities can occur.

These restrictions would be implemented by use of a declaration of covenants, conditions and restrictions to run with the land. In the future zoning may be used instead to implement

IM99-122
DR 99-104

0 0 1 1 1 2

the rules on sales that take place at that time. The procedure is written to include that eventuality.

The Land Management Division respectfully requests the AFAB concur with the provisions of the revised procedure. The procedure will be forwarded to the borough assembly for introduction at the assembly meeting following the AFAB's May meeting.

____ No Comments

____ Concur with staff recommendations

X Concur with staff recommendations with the following modification:

Other Comments: _____

5-10-99
Date

Chairman

Im 99-122
OR 99-104

Agricultural Land Sales: Agricultural Disposal

1.1 Authority: 23.05.030 (E)
23.10.150

2.1 Classification. The land shall first be classified per classification procedure as "Agricultural lands".

3.1 Sale Notice. The offering of borough-owned land in an agricultural disposal will be published in a descriptive brochure containing at a minimum:

(A) the date, time and place of awarding/naming the successful bidder/buyer for the parcel(s) in the disposal;

(B) the period during which bids/applications will be accepted;

(C) a statement of the interest to be conveyed, terms and conditions of disposal, the terms of payment and length of contract, purchaser and borrower qualifications required, contract performance requirements, and any other special conditions or limitations; and

(D) Maps for each parcel identifying the vicinity where the parcel is located and the immediate area; and

(E) Additionally, the following information will also be provided for each parcel:

(1) [illegible] also offered;
(2) minimum sale price;
(3) any special reservations and conditions, such as easements or non-development buffers, which will be imposed upon the parcel at time of conveyance.

DRAFT

4.1 Purchaser qualification.

(A) In addition to meeting the qualifications of applicants and bidders required by MSB 23.10.099, in order to be eligible to purchase at an agricultural sale, a prospective purchaser must register prior to the sale and must sign a statement worded substantially as follows:

IM 99-121
OR 99-104

"I hereby acknowledge and affirm that if I am the successful purchaser, I will use the land acquired at this sale for agricultural purposes as required by the sale program set forth in the covenants, conditions and restrictions, if any, and all agricultural land use district regulations in which boundary the parcel is located, if any, and which have been disclosed to me. I further acknowledge and affirm that I will abide by the provisions of applicable federal, state and borough laws, and regulations. I understand that if I am the successful purchaser, I will be required to submit information required by the program and meet the borough's lending requirements to qualify for any financing offered by the borough to purchase the parcel.

(B) The borough manager may require a prospective purchaser to provide evidence that would establish the purchaser's:

1) level of previous training and experience in farm management for more than one year by submittal of resume or educational transcript; or recent participation in farm management by providing a copy of Schedule F filed with IRS Form 1040;
2) ability to obtain financing and repay debt, including credit reports and income verification;
3) net worth;
4) intent of Alaska residency by providing the physical location of Alaska residence and by submitting a copy of one of the following:

(a) current Alaska voter registration card issued for more than 30 days; or
(b) current Alaska driver's license issued for more than 30 days; or
(c) current Alaska hunting or fishing license issued for more than 30 days; or
(d) current year Alaska permanent fund filing receipt; or

(e) an affidavit signed by two individuals who swear and attest they have known the individual to be a resident of Alaska for more than the 30 previous days.

DRAFT

IM 99-122
DR 99-104

(i) United States citizenship by submission of a copy of one of the following:

(a) certified copy of certificate of birth in U. S. or U. S. possession
(b) U. S. passport
(c) U. S. Immigration Service issued form for one of the following:
(i) certificate of U. S. citizenship; or
(ii) certificate of naturalization; or
(iii) U. S. citizen ID card; or
(d) certification of birth abroad issued by U. S. Department of State
(e) Native American tribal document
(f) Current voter's registration card

(C) The borough manager will require proof of the authority to conduct business in the state of Alaska if the prospective purchaser is a corporation, partnership, limited liability company, joint venture or some other entity which is not acting in the capacity of an individual, and proof that the individuals have authority to act on behalf of the entity.

(D) The borough manager may refuse to approve borough financing based on the analysis of the prospective purchaser's ability to repay debt which may take into consideration or for delinquency in payment of taxes, rentals, default in payments toward any contracts or loans, or for other good cause.

2.1 Sale Method. Agricultural land sales may be by outcry or sealed bid auction, lottery or any other method allowed by law. The sales will be conducted according to the relevant procedure for the particular disposal method. Parcels that have been offered in a competitive agricultural disposal program and have not been sold may be placed in an over the counter sale. The method of conducting the sale will change to the over the counter process, however the terms and conditions attaching to the parcel under the agricultural land sale program and financing qualifications will remain the same as the competitive agricultural land sale program.

DRAFT

IM 99-122
OR 99-104

6.1 Soil and Water Conservation Plan.

(A) The prospective purchasers will be informed that technical planning assistance is available through the local soil and water conservation districts in cooperation with the United States Department of Agriculture, Natural Resource Conservation Service.

7.1 Construction of Real Property Improvements.

(A) Each agricultural land sale program will disclose terms and conditions under which construction of real property improvements will be authorized. The agricultural land sale programs will encourage responsible development and may authorize the construction of fixed, permanent, or immovable structures reasonably required for or related to agricultural production, within designated areas.

(B) The designated areas when calculated together may not exceed five acres in size, except as set forth below. The areas may include building sites, well and septic locations, and the farmstead area normally required for yards, driveways, parking, barns, animals pens, outbuildings, and other similar uses.

(C) Areas larger than 5 acres may be authorized by the borough manager and designated for unusual or large scale real property improvements are necessary for agricultural development of the parcel conveyed.

(D) Changes in the location or size of the designated real property improvement area are subject to approval of the borough manager. The borough manager may approve a change if the change is consistent with the agricultural use of the property.

(E) The method for designating and amending the real property improvement sites will be set out in the terms and conditions of the agricultural land sale program and will be enforced by covenants, conditions and restrictions.

IM 99-122
DRAFT 99 104

(F) Processing and recording fees may be charged to the owners that request the designated improvement sites be amended.

9.1 Subdivision and Sale.

(A) A parcel sold in a borough agricultural land sale authorized under Title 29 is considered to be a single farm unit. It may not be divided for a period of 10 years from the date the quitclaim deed from the borough conveying the property to the buyer is recorded.

(B) After 10 years, the farm unit may be divided provided no parcel so divided is less than 40 acres in size, and no more than four (4) parcels may be created from the original farm unit boundary. Any such division must meet the subdivision code and regulations of the Matanuska-Susitna Borough Platting Division.

(C) Upon division of the farm unit, designated real property improvement areas will remain in the location and size most recently authorized by the borough manager unless amended as provided under the terms and conditions of the farm sale program.

(D) The terms and conditions of the financing offered by the Matanuska-Susitna Borough to purchase borough-owned land, among other things, prohibits the property from being subdivided or the ownership being transferred without the specific consent of the lender during the loan term. If the loan term is longer than ten years then the restrictions under the loan would survive the expiration of the 10 year rule set forth in 9.1(A).

10.1 Enforcement of agricultural use and program requirements.

(A) The requirements of agricultural use and the terms and conditions of the agricultural land sale programs will be enforced by the use of contractual covenants, conditions, and restrictions, or by adoption of an Agricultural Land Use District for

IM99-104
OR99-122

the area prior to the sale, or any combination of the two methods deemed appropriate for the particular program.

(B) The requirements of any financing offered by the Matanuska-Susitna Borough to purchase the agricultural parcels will be enforced based on the terms and conditions of the deed of trust and note secured.

(C) In the event the parcel is located within the boundary of an Agricultural Land Use District, or such other zoning which may exist, all development, including construction of real property improvements, will conform to the adopted regulations for the district or zone.

DRAFT

Im 99124
OR 99-104

Agricultural Land Sales: Agricultural Disposal

1.1 Authority: 23.05.030 (E)
23.10.150

2.1 Classification. Agricultural land shall first be classified per classification procedure.

3.1 Sale Notice. Before offering a borough agricultural disposal, the land management division will publish a descriptive brochure containing:

(1) the date, time and place of disposal;

(2) the period during which applications will be accepted;

(3) a statement of terms and conditions of disposal, including the terms of payment and length of contract, purchaser qualifications, contract performance requirements, and any other special conditions or limitations; and

(4) for each parcel:

(A) size;
(B) appraised value;
(C) interests to be conveyed;
(D) farm conservation plan requirements;
(E) farm development plan requirements; if any; and
(F) any special conditions that may be imposed upon the conveyance.

4.1 Purchaser qualification.

(a) In order to be eligible to purchase at an agricultural sale, a prospective purchaser must register at the sale location and must sign a statement worded substantially as follows: "I understand that if I am the successful purchaser, I intend to use any land acquired at this sale only for agricultural purposes. I am familiar with the provisions of applicable state and borough laws, regulations, and the sale brochure. I understand that if I am the successful purchaser, I will be required to submit a farm development and conservation plan before consummating the sale."

(b) The borough manager or his/her designee may require a prospective purchaser to qualify by providing evidence that would establish the purchaser's:

(1) ability in farm management;

IM 99-122
DR-99-104

(2) ability to obtain financing and repay debt;
(3) agricultural training and experience;
(4) net worth;
(5) evidence of Alaska residency;
(6) United States citizenship; and
(7) authority to conduct buisness in the state of Alaska, if the prospective purchaser is a corporation.

(c) The borough manager may disqualify a prospective purchaser for prior delinquency in payment of taxes or rents, for default in payments toward contracts or loans, including any loan under the Alaska Agricultural Revolving Loan Fund, or for other good cause.

5.1 Sale Method. Agricultural disposals may be by outcray or sealed bid auction, lottery or any other method prescribed by law. The diposals will be conducted according to the relevant procedure for the particular disposal method.

6.1 Farm Development/Conservation Plan.

(a) An approved farm conservation plan will be reuqired as a condition of sale. The successful purchaser must submit an approved conservation plan before consummation of the sale. For each disposal the borough manager may accept, reject, or modify the farm conservation plan after consultation with the local soil and water conservation district.

(b) If the successful purchaser submits an acceptable conservation plan within the time specified in the sale notice, the plan will be incorporated into the sale contract and the conveyance document as a covenant and a condition subsequent, and will be recorded in that form.

(c) If a successful purchaser fails to provide an acceptable farm conservation plan within the time specified in the sale notice, or within an extension of time granted by the borough manager for good cause shown, he forfeits his bid deposit and the tract may be offered to the next highest bidder, or next qualified applicant, with the secondary award conditioned upon the submission of a farm conservation plan, within a time period equal to the time originally allowed.

(d) A previously approved farm conservation plan may be modified at the request of the purchaser. The borough manager may approve, reject, or modify the farm conservation plan modification after consultation with the local soil and water conservation district.

IM99-122
OR99-104

7.1 Contents of Farm Development Plan. The farm conservation plan must include:

(1) a map of the farm showing:

(A) the planned location of any clearing and breaking of ground;

(B) location and size of the farm's real property improvements (if authorized);

(C) location of windbreaks, farm ponds, and similar conservation measures and improvements;

(2) planned soil conservation measures.

(3) The borough manager may require a schedule of planned agricultural development where such performance is in the borough's best interest. The borough manager may require evidence that the plan is economically sound.

(4) Construction of Real Property Improvements.

(A) In conjunction with a conveyance of an agricultural parcel, the borough manager will authorize the construction of fixed, permanent, or immovable structures reasonably required for or related to agricultural production, within designated areas not over five acres, including a homesite, including that farmstead area normally required for yards, driveways, parking, barns, animals pens, other outbuildings, and other similar uses. However, a maximum of 20 acres may be authorized and designated if unusual or large scale real property improvements are necessary for agricultural development of the parcel conveyed.

(B) All real property improvements must be depicted and described in the farm conservation plan and must be incorporated into the sale contract and the conveyance document.

(C) Changes in the location or size of the area designated for real property improvements are subject to approval of the borough manager. The borough manager may approve a change if:

(i) the maximum area specified under (a) of this section is not exceeded; and

(ii) the change is consistent with the approved farm conservation plan.

IM 99-122
DR 99-104

8.1 Subdivision, Sale, Reclassification. No resale, subdivision of less than 40 acres or reclassification of an agricultural parcel is allowed without the approval of the borough assembly by ordinance upon recommendation of the borough manager.

IM 99-122
OR 99-104

NON-CODE ORDINANCE

By: M. Scott
Introduced: 6/1/99
Public Hearing: 6/15/99
Postponed To: 7/20/99
Amended: 7/20/99
Adopted: 7/20/99

MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 99-104(AM)

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY REVISING THE PROCEDURES TO SELL BOROUGH-OWNED LAND HAVING BEEN CLASSIFIED "AGRICULTURAL LANDS" AS AUTHORIZED BY MSB CODE 23.05.030(E) AND 23.10.150.

WHEREAS, the need to revise the procedures for the sale of borough-owned land classified as "Agricultural lands" has been established; and

WHEREAS, the revised procedure has been reviewed by the Agricultural and Forestry Advisory Board, and public notice has been given; and

WHEREAS, the changes will facilitate the preparation of an agricultural land sale to be held this summer.

Be It Enacted:

Section 1. Classification. This is a non-code ordinance.

Section 2. Approval. The Matanuska-Susitna Borough Assembly authorizes the revisions that replace the procedure, Agricultural Land Sales: Agricultural Disposal, in its entirety, for the sale of borough-owned land classified as "Agricultural lands" as follows:

1.1 Authority: MSB 23.05.030 (E)

MSB 23.10.150

2.1 Classification. The land shall first be classified per classification procedure as "Agricultural lands."

3.1 Sale Notice. The offering of borough-owned land in an agricultural disposal will be published in a descriptive brochure containing at a minimum:

(A) the date, time and place of awarding/naming the successful bidder/buyer for the parcel(s) in the disposal; and

(B) the period during which bids/applications will be accepted; and

(C) a statement of the interest to be conveyed, terms and conditions of disposal, the terms of payment and length of contract, purchaser and borrower qualifications required, contract performance requirements, and any other special conditions or limitations; and

(D) Maps for each parcel identifying the vicinity where the parcel is located and the immediate area; and

(E) Additionally the following information will also be provided for each parcel:

(1) approximate size in acres;

(2) minimum sale price;

(3) any special reservations and conditions, such as easements or non-development buffers, which will be imposed upon the parcel at time of conveyance.

4.1 Purchaser qualification.

(A) In addition to meeting the qualifications of applicants and bidders required by MSB 23.10.090, in order to be eligible to purchase at an agricultural sale, a prospective purchaser must register prior to the sale and must sign a statement worded substantially as follows:

"I hereby acknowledge and affirm that if I am the successful purchaser, I will use the land acquired at this sale for agricultural purposes as required by the sale program set forth in the covenants, conditions and restrictions and all agricultural land use district regulations in which boundary the parcel is located and which have been disclosed to me. I further acknowledge and affirm that I will abide by the provisions of applicable federal, state and borough laws, and regulations. I understand that if I am the successful purchaser, I will be required to submit information required by the program and meet the borough's lending

requirements to qualify for any financing offered by the borough to purchase the parce I further underetand that the classification ot the property as "agricultural land" only identifies the land as being "presently or potentially valuable for production of agricultural crops" and the borough makes no warranties, either express or implied, nor assumes any liability whatsoever regarding the social, economic, or environmental aspects of the property, to include, without limitation, the soil conditions, water drainage, physical access, availability of personal use wood supplies now or in the future, or natural or artificial hazards, which may or may not exist, or merchantability, suitability, or profitability of the property for any use or purpose."

(B) The borough manager may require a prospective purchaser to provide evidence that would establish the purchaser's:

(1) ability to obtain financing and repay debt, including credit reports and income verification; or

(2) net worth;

(3) evidence of Alaska residency by providing the physical location of Alaska residence and by submitting a copy of one of the following:

(a) current Alaska voter registration card issued for more than 30 days; or

(b) current Alaska driver's license issued for more than 30 days; or

(c) current Alaska hunting or fishing license issued for more than 30 days; or

(d) current year Alaska permanent fund filing receipt; or

(e) an affidavit signed by two individuals who swear and attest they have known the individual to be a resident of Alaska for more than the 30 previous days.

(4) United States citizenship by submission of a copy of one of the following:

(a) certified copy of certificate of birth in U. S. or U. S. possession

(b) U. S. passport

(c) U. S. Immigration Service issued form for one of the following:

(i) certificate of U. S. citizenship; or

(ii) certificate of naturalization; or

(iii) U. S. citizen ID card; or

(d) certification of birth abroad issued by U. S. Department of State

(e) Native American tribal document

(f) Current voter's registration card

(C) The borough manager will require proof of the authority to conduct business in the state of Alaska if the prospective purchaser is a corporation, partnership, limited liability company, joint venture or some other entity which is not acting in the capacity of an individual, and proof that the individuals have authority to act on behalf of the entity.

(D) The borough manager may refuse to approve borough financing based on the analysis of the prospective purchaser's ability to repay debt which may take into consideration prior delinquency in payment of taxes, rents, default in payments toward any contracts or loans, or for other good cause.

5.1 Sale Method. Agricultural land sales may be by outcry or sealed bid auction, lottery or any other

method allowed by law. The sales will be conducted according to the relevant procedure for the particular disposal method. Parcels that have been offered in a competitive agricultural disposal program and have not been sold may be placed in an over the counter sale. The method of conducting the sale will change to the over the counter process, however the terms and conditions attaching to the parcel under the agricultural land sale program and financing qualifications will remain the same as the competitive agricultural land sale program.

6.1 Soil and Water Conservation Plan.

(A) The prospective purchasers will be informed that technical planning assistance is available through the local soil and water conservation districts in cooperation with the United States Department of Agriculture, Natural Resource Conservation Service.

7.1 Construction of Real Property Improvements.

(A) Each agricultural land sale program will include terms and conditions under which construction of real property improvements will be authorized. The agricultural land sale programs will encourage responsible development and may authorize the construction of fixed, permanent, or immovable structures reasonably

required for or related to agricultural production, within designated areas. This designated improvement area(s) must be identified by the purchasers or owners who shall submit a location map(s) on a form approved by the manager and acceptable for recording, prior to construction of any such improvements within the area(s); however, the purchasers or owners shall not be required to designate the area(s) by a specific time frame under the terms and conditions of the sale.

(B) The designated areas when calculated together may not exceed five acres in size, except as set forth below. The areas may include homesites, well and septic locations, and the farmstead areas normally required for yards, driveways, parking, barns, animal pens, outbuildings, and other similar uses.

(C) Areas larger than five acres may be authorized by the borough manager and designated if unusual or large scale real property improvements are necessary for agricultural development of the parcel conveyed.

(D) Changes in the location or size of the designated real property improvement area are subject to approval of the borough manager.

The borough manager may approve a change if the change is consistent with the agricultural use of the property.

(E) The method for designating and amending the real property improvement sites will be set out in the terms and conditions of the agricultural land sale program and will be enforced by covenants, conditions, and restrictions.

(F) Processing and recording fees may be charged to the owners that request the designated improvement sites be amended.

8.1 Subdivision and Sale.

(A) A parcel sold in a borough agricultural land sale authorized under Title 23 is considered to be a single farm unit. It may not be divided for a period of ten years from the date the sale documents from the borough conveying the property to the buyer is recorded.

(B) After ten years, the farm unit may be divided provided no parcel so divided is less than 40 acres in size, and no more than four parcels may be created from the original farm unit boundary. Any such division must meet the subdivision code and regulations of the Matanuska-Susitna Borough Platting Division.

(C) Upon division of the farm unit, designated real property improvement areas will remain in the location and size most recently authorized by the borough manager unless amended as provided under the terms and conditions of the farm sale program.

(D) The terms and conditions of the financing offered by the Matanuska-Susitna Borough to purchase borough-owned land, among other things, prohibits the property from being subdivided or the ownership being transferred without the specific consent of the lender during the loan term. If the loan term is longer than ten years then the restrictions under the loan would survive the expiration of the ten year rule set forth in 9.1(A).

9.1 Enforcement of agricultural use and program requirements.

(A) The requirements of agricultural use and the terms and conditions of the agricultural land sale programs will be enforced by the use of contractual covenants, conditions, and restrictions, or by adoption of an agricultural land use district for the area prior to the sale, or any combination of the two methods deemed appropriate for the particular program.

(B) The requirements of any financing offered by the Matanuska-Susitna Borough to purchase the agricultural parcels will be enforced based on the terms and conditions of the deed of trust and note secured.

(C) In the event the parcel is located within the boundary of an agricultural land use district, or such other zoning which may exist, all development, including construction of real property improvements, will conform to the adopted regulations for the district or zone.

Section 3. Effective date. This ordinance shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this 20th day of June, 1999.

DARCIE K. SALMON, Borough Mayor

ATTEST:

SANDRA A. DILLON, Borough Clerk

(SEAL)

MATANUSKA-SUSITNA BOROUGH
PLANNING COMMISSION RESOLUTION NO. 98-28

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH PLANNING COMMISSION RECOMMENDING CLASSIFICATION UNDER TITLE 23 OF BOROUGH OWNED LANDS LOCATED IN A PORTION OF SECTION 5, TOWNSHIP 16 NORTH, RANGE 4 WEST, SEWARD MERIDIAN; AND A PORTION OF TRACT I (ALSO DESCRIBED OF RECORD AS TRACT C, AND AS SECTION 30 AND 31) TOWNSHIP 16 NORTH, RANGE 4 WEST, SEWARD MERIDIAN; AND SECTION 14, TOWNSHIP 19 NORTH, RANGE 5 WEST, SEWARD MERIDIAN; AND A PORTION OF SECTION 23, TOWNSHIP 19 NORTH, RANGE 5 WEST, SEWARD MERIDIAN. RE: MSB#002755 AGRICULTURAL LAND SALE.

WHEREAS, the borough is preparing an agricultural land sale and has reviewed various parcels recovered by default under previous agricultural programs; and

WHEREAS, the division of the larger parcels into small to mid-size parcels should meet a current demand for agricultural parcels that are economically feasible for individuals and families to develop; and

WHEREAS, public notice has been provided as required by Title 23 and a highest and best use analysis has been prepared and reviewed by the Agricultural and Forestry Board; and

WHEREAS, review of the parcels indicate 15 parcels can be created from the parent parcels by the 40 acre exemption process under Title 16; and

WHEREAS, review of the soils and location of each parcel indicate reclassification as "agricultural lands" is supported for 13 of the parcels, identified as AG 98-001; AG 98-002A; AG 98-002B; AG 98-003; AG 98-004; AG 98-005A; AG 98-005B; AG 98-005C; AG 98-006A; AG 98-006C; AG 98-007A; AG 98-007B; and AG 98-008; and

WHEREAS, review of the soils and location of the parcel identified as AG 98-006B indicates reclassification as "reserve use" is supported based on the growth and expansion in the immediate area to meet the future needs of the community; and

WHEREAS, one (1) residual parcel lying north of AG 98-002A and AG 98-002B will be created from the parent parcel and it has not been reviewed for classification and should remain unclassified.

NOW THEREFORE BE IT RESOLVED that the Matanuska-Susitna Borough Planning Commission does hereby recommend the thirteen (13) parcels identified as AG 98-001; AG 98-002A; AG 98-002B; AG 98-003; AG 98-004; AG 98-005A; AG 98-005B; AG 98-005C; AG 98-006A; AG 98-006C; AG 98-007A; AG 98-007B; and AG 98-008 be reclassified as "Agricultural Lands" under Title 23.

BE IT FURTHER RESOLVED that the one (1) parcel identified as AG 98-006B be reclassified as "Reserve Use Lands" under Title 23 to meet future public facilities needs in the area.

ADOPTED by the Matanuska-Susitna Borough Planning Commission this 3rd day of May, 1999.

CRAIG SAVAGE, Chair

ATTEST:

PRISCILLA M. GOFF, Planning Clerk
(SEAL)

MATANUSKA-SUSITNA BOROUGH

Resolution No. 67-1

A RESOLUTION SETTING FORTH THE POLICY OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY WITH REGARD TO AGRICULTURE AND ASSOCIATED BUSINESS WITHIN THE CONFINES OF THE BOROUGH, AND OUTLINING ACTION TO BE TAKEN

WHEREAS, the Matanuska-Susitna Borough Assembly recognizes an inherent interest in the economy of the Borough, and a responsibility to the State and federal governments in this area, and

WHEREAS, the economic welfare of the residents of the Borough must be a primary concern of this Assembly, and

WHEREAS, expert opinion holds that the day of agricultural surpluses is gone, that these surpluses in the past have provided the supply for importation of feed into Alaska to sustain the needs of the population, and that Alaska must begin to develop the capability to grow those food-stuff which it can produce, if future needs are to be met, and

WHEREAS, the Matanuska-Susitna Borough recognizes that a healthy agricultural segment is of vital importance to the State, and

NOW THEREFORE, BE IT RESOLVED, that this Assembly recognize agriculture as a basic resource industry of vital interest to the economy and the future well being of the population, and shall take such steps as shall promote and encourage development of agriculture within the Borough, and

BE IT FURTHER RESOLVED, that this Assembly shall work through the economic development ties with other Boroughs and the State to promote development of agriculture on a state-wide basis, and shall accept any opportunity to take specific actions which will accomplish these purposes, and

FURTHER RESOLVED, that the Governor and the Legislature of the State of Alaska be respectfully urged to take cognizance of the importance of agriculture in the State and to take necessary steps to vigorously promote its welfare and development.

ADOPTED BY THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH this 8th day of March, 1967.

Harold S. Newcomb

HAROLD S. NEWCOMB
ASSEMBLY PRESIDENT

ATTEST:

Mary E. Martin

MARY E. MARTIN
BOROUGH CLERK

Robert H. Vroman

ROBERT H. VROMAN
BOROUGH CHAIRMAN

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 70-23

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH PROVIDING FOR THE DISPOSAL OF CERTAIN BOROUGH LANDS CLASSIFIED FOR HIGHEST AND BEST USE AS AGRICULTURAL LANDS; PROVIDING FOR FIRST OPTION TO PURCHASE TO PERSONS ELIGIBLE AND INDICATING A NEED TO USE SUCH LANDS FOR AGRICULTURAL PURPOSES; PROVIDING FOR A TEN (10) YEAR CONTRACT PURCHASE AGREEMENT OR LEASE FOR GIVEN TERM; AND PROVIDING FOR SUCH LANDS TO BE MANAGED UNDER THE MANAGEMENT AGREEMENT WITH THE STATE OF ALASKA, DIVISION OF LANDS; PROVIDING FOR DISPOSAL PROCEDURES IN ACCORDANCE WITH CERTAIN LAND REGULATIONS; AND PROVIDING DEFINITIONS.

WHEREAS, the Matanuska-Susitna Borough, in accordance with Resolution Serial No. 67-1 stated public policy regarding the recognition of the importance of agriculture as a basic industry and expressing the diligent pursuit to improve and promote agriculture as a viable industry, and

WHEREAS, the need for sufficient land base is necessary to encourage viable economic units and promote expansion of on-going agricultural pursuits for the production of food for animal and man, and

WHEREAS, land suitable for agricultural use is extremely limited and lands for other uses are extensive, both in area and location, such as to require classification of suitable lands expressly for agricultural use and restrict their disposal for purposes exclusive to agricultural needs, and

WHEREAS, many agricultural units are in need of land base to make them economic and viable units and such units are encouraged to continue operation, then

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become part of the Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application thereof to other persons or circumstances shall not be affected thereby.

Section 3. Adopting of Amended Sections. Sections 15.35.010 through Section 15.35.050 are hereby adopted and coded as Chapter 35 of Title 15 of the Code of Ordinances of the Matanuska-Susitna Borough.

Section 4. Effective Date. This ordinance shall become effective thirty (30) days after its adoption.

Introduction: December 15, 1970

First Reading: December 15, 1970

Public Hearing: April 5, 1971

ADOPTED BY THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH, ALASKA, this 5th day of April, 1971.

Harold Newcomb
Assembly President

ATTEST:

Evelyn Thompson
Borough Clerk

Robert H. Vroman
Borough Chairman

(SEAL)

MATANUSKA-SUSITNA BOROUGH

TITLE 15 - PUBLIC LANDS

Chapter 35
Disposal of Lands and Other Resources

Sec. 15.35.010. Disposal of Borough land. Disposal of Borough land shall be in accordance with State regulations except in the instance where the Assembly, by resolution, provides that such State regulations shall not apply to Borough lands.

Sec. 15.35.020. Assembly regulations. The Assembly may substitute, by ordinance, its own regulations for disposal of Borough lands.

Sec. 15.35.030. Management and disposal of Borough lands. Management and disposal of Borough lands, under Land Management Agreement, shall adhere to the Borough regulations as expressed by ordinance.

Sec. 15.35.040. Preference to persons for agricultural purposes.

(a) If the Assembly determines that the highest and best use for unoccupied Borough-selected land is for agricultural purposes, upon recommendation of the Planning and Zoning Commission in accordance with the official and adopted "Comprehensive Plan, Land-Use Guide", as expressed by resolution, together with authorization for disposal, then the Borough shall make available said lands according to the following:

1. To a person owning and using, or leasing and using land for agricultural purposes, a sixty (60) day first option from the date the land becomes available to the public or ninety (90) days from the effective date of this section, whichever comes later, to purchase or lease unoccupied land classified for agricultural purposes, situated adjacent to his presently held and utilized land.

2. A second sixty (60) day first option period shall immediately follow in case the lands are not transferred to adjacent owners for those persons owning and using or leasing and using land for agricultural purposes, exclusive of lands classified for grazing, within the designated agricultural land use districts in accordance with the official land use guide of the Borough.

3. Such available lands that are not purchased or leased during these option periods may then be placed at general auction to all persons previously qualified as to ability and intent predicated upon a farm development plan and schedule for agricultural purposes. The aggregate number of acres purchased or leased under these procedures shall not exceed 640 acres. Where tracts of agricultural lands exist in a single tract suitable as an economic unit for a particular agricultural purpose, such lands shall not be further reduced into smaller tracts for disposal as separate units, but shall be considered as a single unit to the maximum of 640 acres permitted. Portions of such units may be leased only from time to time under these procedures. Purchase shall be confined to the entire tract considered necessary as an economic single farm unit. Land sold under these procedures shall be used for agricultural purposes for at least ten (10) years, conditional sales contracts shall be so drawn to provide for these terms as a requisite for receiving patent to be issued upon completion of said term.

(b) Disposal of Borough-selected lands classified as suitable for agricultural land use shall be at their fair market value for that purpose and sale or lease restrictions shall ensure that land sold or leased under this chapter is for bonafide agricultural purposes and not for speculation. Failure to carry out the farm development plan and schedule shall result in the cancellation of leases or sales contracts unless amended by mutual consent or if the lands are utilized for another purpose not within the definition of agricultural purpose.

(c) If more than one (1) person applies for a first option under (a) of this section, priority shall be determined by granting preference first to the person who demonstrates the greatest need in accordance with the following:

1. Provide a current Farm-Use Plan and Implementation Schedule as endorsed by Agricultural Agent for lands presently owned or controlled to indicate willingness to pursue good conservation practices.

2. Provide evidence that presently owned or controlled lands are used in accordance with such Farm-Use Plan and Implementation Schedule.

3. Provide evidence that the present extent of utilization is not less than sixty (60) percent of the total of presently owned or controlled lands contained in a single operating unit suitable for which the plan is drawn.

4. Provide evidence that lands applied for are necessary and planned to create a minimum economic unit for the particular agricultural enterprise. Such evidence to indicate review by appropriate agency. If additional land is not vital to forming an economic unit preference shall be given to that need, all other things being equal.

5. Provide evidence that land applied for is adjacent and is accessible directly from present operating unit. Land not directly accessible shall be considered as not adjacent for purposes of first option determination.

6. Provide evidence that financing necessary to initially prepare the land for the proposed agricultural enterprise may be forth-coming in accordance with Farm Use Plan and Implementation Schedule.

(d) Disposals under this section shall follow the procedures of the State of Alaska, Division of Lands, prevailing at the time regarding fixing sale (SLA 38.05.050), sale procedure (SLA 38.05.055, rejection of bids (SLA 38.05 .060), terms of contract (SLA 38.05.065), leasing generally (SLA 38.05.070), leasing procedures (SLA 38.05.075), rejection of bids (SLA 38.05.080), terms of leases (SLA 38.05.085), removal or reversion of improvements upon termination of leases (SLA 38.05.090), renewal of lease (SLA 38.05.100), periodic rental adjustments (SLA 38.05.105). A lease may be transferred upon approval of the Borough Chairman providing the individual person receiving the lease to be transferred meets all the qualifications required of the original lessee, including that which governed the first option, if any. These lands may be managed under the Management Agreement with the State of Alaska, Division of Lands, in accordance with this chapter for the purposes of this chapter.

Sec. 15.35.050. Definitions.

(a) "Agricultural purpose" includes farming for purpose of providing foodstuffs for animal or man, ranching, storage necessary for use to the immediate production of agricultural crops or livestock. Storage or warehousing

pertinent to food processing, storage, shipping or distribution shall not be construed as agriculture and designated for these purposes.

(b) "Adjacent to his presently held and utilized land" is strictly construed to include only those lands abutting, touching or in contact with available lands by common boundary.

(c) "Within the designated agricultural land use districts in accordance with the Official Land Use Guide" includes those lands as designated by the Borough Planning and Zoning Commission upon the advice and evidence of suitability provided by the United States Soil Conservation Service and contained in a Resolution of the Planning and Zoning Commission, concurred in by the Borough Assembly, which describes the outer limits of an area within which the majority of soils and topography lend themselves best to the production of foodstuffs for animal or man. Agricultural pursuits within districts which the prevailing

nification is not for agricultural purposes shall not be construed to be a part of such district, but shall be considered as satellites of the nearest designated agricultural district for purposes of first option priority of this chapter, so long as they are continued for agricultural pursuits.

(d) "Economic unit" is that aggregate of lands operated as a single enterprise that, when exercised with ordinary managerial skill, will produce sufficient income to pay all costs on investment, labor and management necessary to produce the product, and provide a net income to the operator and his family of not less than $0,000 over and above farm perquisites; as illustrated in the study New Land Development in Matanuska-Susitna Borough (page 46-48).

(e) "Leases", as so cited in this ordinance, are deemed to be defined as leases in writing and signed by the parties involved.

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 72-3

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH AMENDING ORDINANCE SERIAL NO. 70-23.

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become part of the Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Amended Sections. The following sections, 15.35.010, 15.35.020, 15.35.040, 15.35.050, are hereby amended and hereby adopted as a part of Title 15 of the Code of Ordinances of the Matanuska-Susitna Borough.

Section 4. Effective Date. This ordinance shall become effective thirty (30) days after its adoption.

Introduction: February 15, 1972

First Reading: February 15, 1972

Public Hearing: March 21, 1972

ADOPTED BY THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH, ALASKA, this 21st day of March, 1972.

Paul A. Hubbert
Assembly President

ATTEST:

Evelyn Thompson
Borough Clerk

(SEAL)

MATANUSKA-SUSITNA BOROUGH

TITLE 15 - PUBLIC LANDS

Chapter 35
Disposal of Lands and Other Resources

Sec. 15.35.010. Disposal of Borough land. Disposal of Borough land shall be pursuant to Borough regulations except in the instance where the Assembly, by resolution, provides that specific State regulations shall apply.

Sec. 15.35.020. Assembly regulations. The Assembly shall provide and publish regulations for disposal of Borough lands, pursuant to this chapter.

Sec. 15.35.040. Preference to persons for agricultural purposes.

(a) If the Assembly determines that the highest and best use for unoccupied Borough-selected land is for agricultural purposes, upon recommendation of the Planning and Zoning Commission in accordance with the official "Comprehensive Development Plan: Phase II: Recommendations" and as expressed by resolution of the Assembly together with authorization for disposal, then the Borough shall make available said lands according to the following schedule:

1. To a person owing and using, or leasing and using land for agricultural purposes, a sixty (60) day preference period measured from the date of the last publication of the offering to lease or sell or ninety (90) days from the effective date of this section, whichever comes later, to purchase or lease unoccupied land classified for agricultural purposes, situated adjacent to his presently held and utilized land.

2. In case the lands are not transferred to aujacent owners as provided for in "1." directly above, there shall follow immediately a second sixty (60) day preference period for those persons owning and using or leasing and using land for agricultural purposes, exclusive of lands classified for grazing, within the designated agricultural land use districts in accordance with

WILLIAM F. TULL
ATTORNEY AT LAW
P.O. BOX 886
PALMER, ALASKA 99645

the official Comprehensive Development Plan: Phase II; Recommendations of the Borough.

3. Such available lands that are not purchased or leased during these preference periods of "1." and "2." noted immediately above may then be placed at general auction to all persons previously qualified as to ability and intent predicated upon a current Farm Use Plan and Implementation Schedule for agricultural purposes.

4. The aggregate number of acres purchased or leased these procedures shall not exceed 640 acres. Where tracts of agrucultural lands exist in a single tract suitable as an economic unit for a particular agricultural purpose, such lands shall not be further reduced into smaller tracts for disposal as separate units, but shall be considered as a single unit to the maximum of 640 acres permitted. Portions of such units may be only leased from time to time under these procedures. Purchase shall be confined to the entire tract considered necessary as an economic single farm unit.

(b) Disposal of Borough-selected lands classified as suitable for agricultural land use shall be at their fair market value for that purpose, and sale or lease restrictions shall ensure that land sold or leased under this chapter be for bonafide agricultural purposes and not for speculation. Land sold under these procedures shall be used for agricultural purposes for at least ten (10) years and be pursuant to the Farm Use Plan and Implementation Schedule. Conditional sales contracts shall be so drawn to provide for such a term and conditions as a requisite for receiving patent to be issued upon completion of said term. Failure to carry out the Farm Use Plan and Implementation schedule as may be amended by mutual consent may result in the cancellation and forfeiture of leases or sales contracts.

(c) If more than one (1) person applies for a preference under (a) or (b) of this section, priority shall be determined by granting preference to the person who demonstrates the greatest need in accordance with the total following evidence which is to be submitted by the applicant:

1. Current Farm Use Plan and Implementation Schedule as endorsed by the Soil Conservation Service Agent and University of Alaska Extension Agent for lands presently owned or controlled.

2. Evidence that presently owned or controlled lands are used in accordance with such Farm Use Plan and Implementation Schedule.

3. Evidence that the present extent of utilization is not less than sixty (60) percent of the total of presently owned or controlled lands contained in a single operating unit for which the Plan is drawn.

4. Evidence that lands applied for are necessary and planned to create a minimum economic unit for the particular agricultural enterprise. Such evidence to indicate review by the Soil Conservation Service and University of Alaska Extension Service.

5. Evidence that land applied for is adjacent and is accessible directly from present operating unit. Land not directly accessible shall be considered as not adjacent for purposes of preference determination.

6. Evidence that financing necessary to initially prepare the land for the proposed agricultural enterprise will be forthcoming in accordance with progress under the Farm Use Plan and Implementation Schedule.

(d) Disposals under this section shall follow procedures and regulations approved by the Assembly prevailing at the time of disposal. Such procedures and regulations may include reference to the time, place and notice of sale, purchase and lease terms, cancellation and forfeiture provisions, contract and lease forms, re-entry and reservations, among others.

ORD 72-3

Sec. 15.35.050. Definitions.

(a) "Agricultural purpose" includes farming for purpose of providing foodstuffs for animal or man, ranching, storage necessary for use to the immediate production of agricultural crops or livestock. Storage or warehousing pertinent to food processing, storage, shipping or distribution shall not be construed as "agriculture purposes".

(b) "Adjacent to his presently held and utilized land" is strictly construed to include only those lands abutting, touching or in contact with available lands by common boundary.

(c) "Within the designated agricultural land use districts in accordance with the Official Comprehensive Development Plan: Phase II; Recommendations" includes those lands so designated by the Borough Planning and Zoning Commission upon the advice and evidence of suitability provided by the United States Soil Conservation Service and contained in a Resolution of the Planning and Zoning Commission, concurred in by the Borough Assembly, which describes the outer limits of an area within which the majority of soils and topography lend themselves best to the production of foodstuffs for animal or man. Agricultural pursuits within districts which the prevailing classification is not for agricultural purposes shall not be construed to be a part of such district, but shall be considered as satellites of the nearest designated agricultural district for purposes of first option priority of this chapter, so long as they are continued for agricultural pursuits.

(d) "Economic unit" is that aggregate of lands operated as a single enterprise that, when exercised with ordinary managerial skill, will produce sufficient income to pay all costs on investment, labor and management necessary to produce the product.

(e) "Lease" is that enforceable agreement in writing for the use and occupancy of identified land for a determinate period.

PROCEDURES AND REGULATIONS REGARDING SALE AND LEASE OF MATANUSKA-SUSITNA BOROUGH LANDS PURSUANT TO MATANUSKA-SUSITNA BOROUGH, TITLE 15, CHAPTER 35, "DISPOSAL OF LANDS AND OTHER RESOURCES", SECTIONS 15.35.010 - 15.35.050

1. The Borough Manager shall fix the time and place of sale or lease, and shall publish notice of such sale once a week for 4 consecutive weeks in a newspaper of general circulation, in addition to any other notice given.

2. The sale shall take place at the time and location specified in the notice of sale.

3. All sales and leases shall be made and awarded pursuant to preferences stated in the Code, where applicable. All other sales and leasing shall be made at public auction.

4. An aggrieved bidder may appeal to the Assembly within five days after the sale or lease for a review of the Manager's determination. The sale or lease shall be conducted by the Manager or his representative.

5. At the time of lease or sale, the successful bidder shall deposit an amount equal to one-tenth of the purchase price, or one year's rental if leased.

6. A Contract of Sale or lease approved by the Borough Attorney shall be signed by the purchaser or lessee, and after approval by the Assembly shall be signed by the Assembly President and Borough Clerk on behalf of the Borough.

7. Before signing the formal conveyance, the Assembly may reject all bids when the best interest of the Borough justify this action.

8. The Contract of Sale shall require the remainder of the purchase price to be paid in annual installments of not less than 10% of the purchase price with interest at the rate of not less than 5% per year.

9. The Manager may also impose conditions, limitations and terms which he considers necessary and proper to protect the interests of the Borough.

10. Violation of any provisions of this chapter or of the terms of the Contract of Sale or lease may subject the purchaser or lessee to appropriate legal action including forfeiture or cancellation of his interest in accordance with State law.

Agricultural land
Changes - 12-16-74

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 74-52

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH AMENDING ORDINANCE SERIAL NO. 72-3.

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Amendments. Ordinance No. 72-3 is hereby amended in its entirety.

Section 4. Effective Date. This ordinance shall become effective upon its adoption by the Borough Assembly and signature of the Mayor.

Introduction: November 6, 1974

First Reading: November 5, 1974

Public Hearing: November 19, 1974

ADOPTED by the Assembly of the Matanuska-Susitna Borough, Alaska, this 17th day of December, 1974.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

(SEAL)

Section 1. Agricultural land policy. It is the policy of the Borough to encourage and facilitate the agricultural use of land to which the Borough has title when such land is suitable, or potentially suitable, for agricultural purposes and to assure that such land is put to no use which will diminish its agricultural worth unless it is clearly demonstrated that retaining such land for agriculture is not in the public interest.

Section 2. Agricultural land classification. Borough land in parcels 40 acres or larger which consist of forty (40) per cent or more Soil Conservation Service capability classes II and III shall be classified agricultural unless the Assembly finds that such land is unsuitable for agricultural purposes due to location or climate.

Section 3. Sale of agricultural land. Agricultural classified Borough land, or rights in land, shall not be sold, or granted except for agricultural use unless retaining such land for agriculture is not in the public interest.

Section 4. Persons eligible to acquire or lease agricultural land. Borough agriculture classified land shall be sold only to persons who have pre-qualified by the Assembly to purchase agricultural classified Borough land and are otherwise qualified as a bidder for purchase as required by MSB 13.28.020. To prequalify, an applicant must submit an application in proper form and a $10 nonrefundable qualifying application fee not less than thirty (30) days prior to the date of sale and prove to the Assembly:

(1) That he has a farm plan and development schedule which has been endorsed by the University of Alaska Agriculture Extension Service as realistic and workable for the amount and type of land which he proposes to acquire from the Borough. The plan for such land may include its use in combination with other lands.

(2) That he can provide or acquire the management, labor and capital to carry out the farm use plan and development schedule.

Section 5. Size of parcels. Agricultural classified land, or rights in land, shall be offered for sale in acreages of not more than 640, nor less than 40, except smaller parcels which are isolated from other available Borough property,

0010

Section 6. Sale initiation. Agricultural classified land may be offered for sale in response to an application from a person qualified by the Assembly or at the initiative of the Assembly. Applications for purchase shall be filed on forms prescribed by the Borough Manager and shall be accompanied by a non-refundable ten (10) dollars filing fee.

Section 7. Sale price. All land shall be appraised within four (4) months prior to being offered for sale. The sale price of land, or rights in land, by virtue of its agricultural use restriction shall be ten percent of its full and true value. The value shall be called its "agricultural value."

Section 8. Public Notice. All public notice of any sale of lands or any interest therein, shall be substantially as follows:

Notice shall be published once a week for three consecutive weeks preceding the time of sale stated in the notice in at least one newspaper of general circulation in the vicinity in which the land or interest therein is to be sold. In no event shall the sale be held less than thirty (30) days or more than sixty (60) days following the last date of publication. In addition to the newspaper publications, a notice of sale shall also be posted in three public places. Such notice shall set forth a description of the land and the interest therein to be sold and the time, place and general terms of the sale and limitations, including those relating to the number of tracts which can be sold to one person.

Section 9. Sale Procedure. The Borough Assembly, with the advice of the Planning Commission, shall approve, by resolution, the parcels to be sold and the date and place of such sale. If there is more than on qualified applicant, the sale shall be by public auction to the highest bidder. If there is only one qualified applicant, the land shall be sold to the applicant. Public auction shall be held by the Manager or his representative. At the completion of the auction of each tract, the Manager, or his representative, shall indicate the apparent high bidder.

Persons purchasing property shall, at the time of sale or auction, pay to the Borough not less than ten (10) percent of the agricultural value of the property. Terms of sale may provide for the payment of the remaining

principal to the Borough in equal annual installments over a term not to exceed twenty (20) years with six (6) percent interest, or at such other interest rate as may from time to time be set by the Assembly, on all unpaid balances. The purchaser may pay principal in advance of the dates set by the terms of the sale without penalty, in which event interest shall be due on unpaid balances only.

The terms of sale shall provide that principal payments only during the three years immediately following the date of sale may be deferred and paid over the remaining life of the contract in an amount equal to the cost incurred by the purchaser for developing land for agriculture and/or making agriculture related improvements each year at least equal to the amount of each annual payment.

Prior to sale, the managermay impose conditions, limitations and terms which he considers necessary and proper to protect the interest of the Borough.

Violation of any provisions of this chapter or of the terms of the sale may subject the purchaser to appropriate legal action, including forfeiture of purchase interest, termination, or cancellation of his interest in accordance with State Law.

It shall be the responsibility of the purchaser to properly locate himself and his improvements on the purchased land.

Section 10. Rights in land to be sold. The following rights in agricultural classified land shall be sold: all rights except mineral rights and development rights. Development rights are the rights to subdivide or use the surface of the land for residential, commercial or industrial uses which are not a part of the farming enterprise conducted on the land.

Section 11. Partial release. Upon proper application by the purchaser, the Assembly may grant a release from the terms of the sale an amount of land sufficient for a farm residence and/or farm related facilities, provided that the land is situated so as to conform to all planning, platting, subdivision and other regulations of the Borough if severed from the parent parcel. Such land shall then be sold and granted to the purchaser in fee simple at current full and true value for cash paid at the time of sale.

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 75-15

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH RESCINDING ORDINANCE NO. 74-52 AND READOPTING AN ORDINANCE TO PROVIDE FOR THE SALE OF AGRICULTURAL LAND.

WHEREAS, the Borough Assembly has considered the existing agricultural land sale ordinance and has found that said ordinance should be changed;

NOW THEREFORE, BE IT ORDAINED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Ordinance rescinded. Ordinance No. 74-52 is hereby rescinded and a new agricultural land sale ordinance is hereby adopted.

Section 4. Effective Date. This ordinance shall become effective upon its adoption by the Borough Assembly and signature of the Borough Mayor.

Introduction: March 18, 1975

First Reading: March 18, 1975

Public Hearing: March 27, 1975

ADOPTED by the Assembly of the Matanuska-Susitna Borough, Alaska, this 27th day of March, 1975.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

(SEAL)

Section 1. Agricultural land policy. It is the policy of the Borough to encourage and facilitate the agricultural use of land to which the Borough has title when such land is suitable, or potentially suitable, for agricultural purposes and to assure that such land is put to no use which will diminish its agricultural worth.

Section 2. Agricultural land classification. Borough land in parcels 40 acres or larger which consist of forty (40) percent or more Soil Conservation Servite capability classes II and III shall be classified agricultural unless the Assembly finds that such land is unsuitable for agricultural purposes.

Section 3. Sale of agricultural land. Agricultural classified Borough land, or rights in land, shall not be sold, or granted except for agricultural use.

Section 4. Persons eligible to acquire or lease agricultural land. Borough agriculture classified land shall be sold only to persons who have been qualified by the Assembly to purchase agricultural classified Borough land and are otherwise qualified as a bidder for purchase as required by MSB 13.28.020. To qualify, and applicant must, not less than thirty (30) days prior to the date of sale:

(1) Submit an application in proper form and a $10 non-refundable qualifying application fee;

(2) Submit a farm plan and development schedule which has been endorsed by the University of Alaska Cooperative Extension Service, or other agency or committee as may be designated by the Assembly, as realistic and workable for the amount and type of land which he proposes to acquire from the Borough and which indicates his ability to carry out said farm use plan and schedule.

Section 5. Size of parcels. Agricultural classified land, or rights in land, shall be offered to sale in acreages of not more than 640, nor less than 40, except smaller parcels which are isolated from other agricultural classified Borough property.

Section 6. Purchase limitation. No person, partnership or corporation may purchase more than 640 acres of agricultural classified Borough land in the aggregate.

Section 7. Sale Initiation. Agricultural classified land may be offered for sale in response to an application from a person or at the initiative of the Assembly. Applications for purchase shall be filed on forms prescribed by the Borough Manager and shall be accompanied by a non-refundable ten (10) dollar filing fee.

Section 8. Sale price. All land shall be appraised within four (4) months prior to being offered for sale to determine its unrestricted full and true value. The sale price of land, or rights in land, by virtue of its agricultural use restriction shall be ten (10) percent of its full and true value. The value shall be called its "agricultural value".

Section 9. Public Notice. All public notice of any sale of lands or any interest therein, shall be substantially as follows:

Notice shall be published once a week for three consecutive weeks preceding the time of sale stated in the notice in at least one newspaper of general circulation in the vicinity in which the land or interest therein is to be sold. In no event shall the sale be held less than thirty (30) days or more than sixty (60) days following the last date of publication. In addition to the newspaper publications, a notice shall also be posted in three public places. Such notice shall set forth a description of the land and the interest therein to be sold and the time, place and general terms of the sale and limitations, including those relating to the number of acres which can be sold to one person.

Section 10. Sale Procedure. The Borough Assembly, with the advice of the Planning Commission, shall approve, by resolution, the parcels to be sold and the date and place of such sale. If there is more than one qualified applicant per parcel, the sale shall be by public auction or sealed bid as directed by the Assembly for said sale to the highest bidder. If there is only one qualified applicant per parcel, the land may be sold to the applicant. Public auction or sealed bid opening shall be held by the Manager or his representative. At the completion of the auction or bid opening of each tract, the Manager, or his representative, shall indicate the apparent high bidder.

Persons purchasing property shall, at the time of sale bid or auction, pay to the Borough not less than ten (10) percent of the purchase price of the property. Terms of sale shall provide for the payment of the remaining

principal to the Borough in equal annual installments over a term not to exceed twenty (20) years with six (6) percent interest, or at such other interest rate as may from time to time be set by the Assembly prior to each sale, on all unpaid balances. The interest rate set for the sale shall remain in effect for the term of the mortgage or contract. The purchaser may pay principal in advance of the dates set by the terms of the sale without penalty, in which event interest shall be due on unpaid balances only.

A payment of principal in advance of the date set by the terms of the sale shall not diminish the purchaser's obligation to carry out the grantee's farm use plan and implementation schedule. Any deed issued prior to the grantee's compliance with the farm use plan and implementation schedule shall be subject to the conditions that the real estate conveyed shall be utilized in accordance with the grantee's farm use plan and implementation schedule.

The terms of sale shall provide that principal payments only during the three years immediately following the date of sale may be deferred and paid over the remaining life of the contract in an amount equal to the cost incurred by the purchaser for developing land for agriculture and/or making agriculture related improvements each year at least equal to the amount of each annual payment.

Prior to sale, the manager may impose conditions, limitations and terms which he considers necessary and proper to protect the interest of the Borough.

Violation of any provisions of this chapter or of the terms of the sale may subject the purchaser to appropriate legal action, including forfeiture of purchase interest, termination, or cancellation of his interest in accordance with State law.

It shall be the responsibility of the purchaser to properly locate himself and his improvements on the purchased land.

Section 11. Rights in land to be sold. The following rights in agricultural classified land shall be sold: all rights except mineral rights and development rights. Development rights are the rights to subdivide or use the surface of the land for residential, commercial or industrial uses which are not a part of the farming enterprise conducted on the land.

Section 12. Partial release. Upon proper application by the purchaser, the Assembly may grant a release from the terms of this sale an account of land sufficient for a farm residence and/or farm related facilities, provided that the land is situated so as to conform to all planning, platting, subdivision and other regulations of the Borough. Such land shall then be sold and granted to the purchaser in fee simple at current full and true value for cash paid at the time of sale.

0 0 0 0 4 0

Amended 5/20/75

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 75-23

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH AUTHORIZING THE BOROUGH MANAGER TO SELL THE PARCELS OF LAND AS SHOWN ON THE ATTACHED ADDENDUM A, UNDER THE PROVISIONS OF ORDINANCE 75-15.

WHEREAS, it is the policy of the Borough Assembly to promote the orderly development of agriculture within the Borough, and

WHEREAS, in keeping with this policy, it is the desire of the Assembly to classify a number of parcels of Borough land as agricultural, and to offer the same for sale under the Agricultural Preference Act, and

WHEREAS, the Planning Commission has recommended, by Resolution 75-23 that the parcels of land as recommended be so classified and sold,

NOW THEREFORE, BE IT ORDAINED:

Section 1. This is a non-code ordinance.

Section 2. That the parcels of land as listed on the attached Addendum A be classified as agricultural, and the Borough Manager is hereby authorized to sell the same at auction July 30, 1975 under the provisions of Ordinance 75-15. In addition to regulations governing such sales as set forth under Ordinance 75-15, the following specific regulations are hereby adopted for this one auction.

1. Terms shall be 10% down at time of sale with the balance over a period of 20 years with simple interest at 6%.

2. The auction shall be by sealed bid.

3. Applicants seeking to qualify to bid shall have their proposed farm plan reviewed by the District Conservationist, Cliff Marcus; the Agricultural Resource Management Extension Agent, Earl Bracewell; and Institute of Agricultural Sciences Economist, Charles Marsh. Such applications to qualify to bid shall contain:

   a. A Farm Use Plan. It is required that this Plan show the acreage to be kept permanently in trees, either as windbreak or woodlot or both.

   b. A realistic and balanced progressive Development Schedule showing substantial completion at the end of 10 years.

   c. A showing of ability to finance the Development Schedule.

   d. A showing of the necessary managerial skill or the ability to obtain the same.

4. The Farm Use Plan, after review by the three named above, shall be examined for feasibility by an Eligibility Committee, appointed by the Assembly. Applications to qualify shall be received by the Eligibility Committee through 5:00 p.m. June 30, 1975. No later than July 7, 1975 the Eligibility Committee shall determine which applicants shall be recommended by the Committee to the Assembly as qualified. Applicants not judged qualified shall be notified by mail not later than July 9, 1975 and shall have through July 16, 1975 to supplement their applications.

not later than July 18, 1975, the Committee shall notify each applicant by mail of its recommendation to the Assembly and shall forward the Assembly its recommendation. Such notice shall inform each applicant that the Committee recommendation shall be considered by the Assembly on July 23, 1975.

5. The Borough Assembly shall consider the Committee recommendations on July 23, 1975 and qualify bidders not later than July 28, 1975.

6. Before selling Commercial timber off any parcel, the purchaser shall first obtain the written consent of the Borough Manager. The Manager shall issue such permit after ascertaining the amount to be thus sold is in keeping with the orderly carrying out of the Development Schedule. The Purchaser shall be permitted to sell timber only from land being prepared for clearing in accordance with the approved Farm Use Plan and Development Schedule.

7. The Purchaser shall develop a Conservation Plan with the Soil Conservation Service and carry out said plan.

8. Easement for public access, greenbelt, public utilities, and rights of way, shall be as shown on Addendum B attached.

Section 3. Effective Date. This ordinance shall become effective upon its adoption by the Borough Assembly and signature of the Borough Mayor.

Introduction: May 6, 1975

First Reading: May 6, 1975

Public Hearing: May 20, 1975

ADOPTED by the Assembly of the Matanuska-Susitna Borough this 20th day of May, 1975.

Ronald L. Larson
Borough Mayor

ATTEST:

Ronald L. McNeese
Deputy Clerk

(SEAL)

ADDENDUM A

UNIT	ACRES	LEGAL DESCRIPTION
1.	80	S½SE¼ of Sec. 13, T17N, R2E, S.M.A.
2.	313	SE¼SW¼, S½SE¼, S½ of Lot 7, all in Sec. 6, & NE¼NW¼, N½NE¼, & Lot 1, all in Sec. 7, T18N, R1E, S.M.A.
3.	20	N½S½NE¼NW¼, N½N½SW¼NE¼, Sec. 13, T18N, R2E, S.M.A.
4.	80	NE¼NE¼, N½NE¼SE¼, N½SW¼NE¼, Sec. 5, T18N, R1E, S.M.A.
6.	360	NW¼NW¼ of Sec. 3, & N½ of Sec. 4, T18N, R1E, S.M.A.
7.	150±	Begin at Corner #1 of Lot 1 of USS 4668, THENCE; proceed southerly along the easterly boundary line of said Lot 1 a distance of 126.06 ft. to a pt. where said easterly boundary line of Lot 1 intersects the south boundary line of Lot 3, USS 4668 which is the P.O.B. Corner #1. THENCE; proceed easterly along the south boundary line of lots 3,4, 5,6,7, of USS 4668 to a pt. where said south boundary line intersects the south r/w of the Cache Creek Road, Corner #2. THENCE; proceed easterly along the south r/w line of the Cache Creek Rd. to a pt. exactly 660 ft. west of the north-south centerline of Sec. 25, T26N, R6W, Corner #3. THENCE; proceed south on a line parallel to and exactly 660 ft. west of said north-south centerline to a pt. which is exactly 69° 49' east of Corner #3 of Lot 1 of USS 4668, Corner #4. THENCE; proceed south 69° 49' west to said Corner #4 of Lot 1 of USS 4668 which is Corner #5 of parcel being described. THENCE; proceed north 19° 58' west for a distance of 2508.66 ft. to Corner #1, P.O.B. All located in sections 25 & 26 of T26N, R6W. S.M.A. Consisting of 150 Acres, more or less.
8.	250±	S½S½NE¼, the North 1120 ft. of NW¼SE¼, N½SW¼, SW¼SW¼, NW¼SE¼SW¼, & that pt. S½NW¼ which lies south & east of the east fork of Government Creek, all located in Sec. 5, T18N, R1E, S.M.A. Consisting of 250 acres, more or less.
9.	160	SE¼NE¼, E½SE¼, SW¼SE¼, of Sec. 33, T17N, R2E, S.M.A.
10.	40	NE¼SE¼, Sec. 14, T19N, R2E, S.M.A.
11.	640	All of Sec. 31, T16N, R4W, S.M.A.
14.	80	S½SE¼, Sec. 12, T18N, R4W, S.M.A.
15.	80	SE¼NE¼, SW¼NE¼, Sec. 12, T19N, R4W, S.M.A.
17.	640	All of Sec. 14, T19N, R5W, S.M.A.
18.	140	E½NW¼, & that Pt. W½NE¼ which is west of ARR & NW¼NE¼SW¼, all in Sec. 29, T22N, R4W, S.M.A.
19.	265±	Pt. SW¼ east of r/w, W½SE¼, S½NE¼, S½S½S½NW¼ east of R/W in Sec. 20, T23N, R4W, S.M.A. Consisting of 265 acres, more or less.
20.	320	S½ of Sec. 10, T24N, R4W, S.M.A.
21.	480	SE¼ of Sec. 15, & N½ of Sec. 22, T24N, R4W, S.M.A.
23.	240	SW¼, W½SE¼, Sec. 17, T2EN, R4W, S.M.A.

ORD 75-23

Page 41 of 8
75-23

ADDENDUM A (cont.)

UNIT	ACRES	LEGAL DESCRIPTION
26.	185+	N½SW¼, SW¼SW¼ of Section 21 & that Pt. W½NW¼ north of Petersville Road in Section 28, T26N, R5W, S.M.A. and consisting of 185 acres, more or less.
27.	320+	N½SW¼SE¼ of Section 19 and those Pts. of NW¼SE¼ of Section 19 and the W½ of Section 19 which lie south and east of Trapper Creek & N½NE¼NW¼ of Section 30, all located in T26N, R5W, S.M.A. and consisting of 320 acres, more or less.
29.	180±	That Pt. W½W½ & W½W½E½W½ which is north of Petersville Rd. & the NE¼NW¼ all in Sec. 28, T26N, R5W, S.M.A. and consisting of 180 acres, more or less.
31.	569±	S½ of Sec. 18, that Pt. SW¼ of Sec. 17 which lies west of Highway #3, & that Pt. N½ of Sec. 19 which lies north & east of Trapper Creek, all located in T26N, R5W, S.M.A. and consisting of 569 acres, more or less.
32.	590±	That Pt. of Section 17 which is east of the Anchorage-Fairbanks Highway and that Pt. of section 16 which is west of the west bank of the Chulitna River excluding Islands.
34.	480±	Pts. of Sections 5 & 6 which lie between the Anchorage-Fairbanks highway R/W and the Chulitna River, located in T26N, R5W, S.M.A. Consisting of 480 acres, more or less.
35	500±	N½ of Section 8 and that Pt. of the N½ of Section 9 west of the Talkeetna River in T26N, R4W, S.M.A. Consisting of 500 acres, more or less.
36.	640±	S½ of Section 8 & that Pt. of the S½ of Section 9 west of Talkeetna River & those Pts. of Sec. 16 & 17 north and west of the Talkeetna River, All located in T26N, R4W, S.M.A. Consisting of 640 acres, more or less.
37.	40	S½SW¼SE¼ of Sec. 19 & N½NW¼NE¼ of Sec. 30, all located in T26N, R5W, S.M.A.

CIRD
75-23

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 75-15

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH RESCINDING ORDINANCE NO. 74-52 AND READOPTING AN ORDINANCE TO PROVIDE FOR THE SALE OF AGRICULTURAL LAND.

WHEREAS, the Borough Assembly has considered the existing agricultural land sale ordinance and has found that said ordinance should be changed;

NOW THEREFORE, BE IT ORDAINED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Ordinance rescinded. Ordinance No. 74-52 is hereby rescinded and a new agricultural land sale ordinance is hereby adopted.

Section 4. Effective Date. This ordinance shall become effective upon its adoption by the Borough Assembly and signature of the Borough Mayor.

Introduction: March 18, 1975

First Reading: March 18, 1975

Public Hearing: March 27, 1975

ADOPTED by the Assembly of the Matanuska-Susitna Borough, Alaska, this 27th day of March, 1975.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

(SEAL)

Section 1. Agricultural land policy. It is the policy of the Borough to encourage and facilitate the agricultural use of land to which the Borough has title when such land is suitable, or potentially suitable, for agricultural purposes and to assure that such land is put to no use which will diminish its agricultural worth.

Section 2. Agricultural land classification. Borough land in parcels 40 acres or larger which consist of forty (40) percent or more Soil Conservation Service capability classes II and III shall be classified agricultural unless the Assembly finds that such land is unsuitable for agricultural purposes.

Section 3. Sale of agricultural land. Agricultural classified Borough land, or rights in land, shall not be sold, or granted except for agricultural use.

Section 4. Persons eligible to acquire or lease agricultural land. Borough agriculture classified land shall be sold only to persons who have been qualified by the Assembly to purchase agricultural classified Borough land and are otherwise qualified as a bidder for purchase as required by MSB 13.28.020. To qualify, and applicant must, not less than thirty (30) days prior to the date of sale:

(1) Submit an application in proper form and a $10 non-refundable qualifying application fee;

(2) Submit a farm plan and development schedule which has been endorsed by the University of Alaska Cooperative Extension Service, or other agency or committee as may be designated by the Assembly, as realistic and workable for the amount and type of land which he proposes to acquire from the Borough and which indicates his ability to carry out said farm use plan and schedule.

Section 5. Size of parcels. Agricultural classified land, or rights in land, shall be offered to sale in acreages of not more than 640, nor less than 40, except smaller parcels which are isolated from other agricultural classified Borough property.

Section 6. Purchase limitation. No person, partnership or corporation may purchase more than 640 acres of agricultural classified Borough land in the aggregate.

C-RD
25-15

Section 7. Sale initiation. Agricultural classified land may be offered for sale in response to an application from a person or at the initiative of the Assembly. Applications for purchase shall be filed on forms prescribed by the Borough Manager and shall be accompanied by a non-refundable ten (10) dollar filing fee.

Section 8. Sale price. All land shall be appraised within four (4) months prior to being offered for sale to determine its unrestricted full and true value. The sale price of land, or rights in land, by virtue of its agricultural use restriction shall be ten (10) percent of its full and true value. The value shall be called its "agricultural value".

Section 9. Public Notice. All public notice of any sale of lands or any interest therein, shall be substantially as follows:

Notice shall be published once a week for three consecutive weeks preceding the time of sale stated in the notice in at least one newspaper of general circulation in the vicinity in which the land or interest therein is to be sold. In no event shall the sale be held less than thirty (30) days or more than sixty (60) days following the last date of publication. In addition to the newspaper publications, a notice shall also be posted in three public places. Such notice shall set forth a description of the land and the interest therein to be sold and the time, place and general terms of the sale and limitations, including those relating to the number of acres which can be sold to one person.

Section 10. Sale Procedure. The Borough Assembly, with the advice of the Planning Commission, shall approve, by resolution, the parcels to be sold and the date and place of such sale. If there is more than one qualified applicant per parcel, the sale shall be by public auction or sealed bid as directed by the Assembly for said sale to the highest bidder. If there is only one qualified applicant per parcel, the land may be sold to the applicant. Public auction or sealed bid opening shall be held by the Manager or his representative. At the completion of the auction or bid opening of each tract, the Manager, or his representative, shall indicate the apparent high bidder.

Persons purchasing property shall, at the time of sale bid or auction, pay to the Borough not less than ten (10) percent of the purchase price of the property. Terms of sale shall provide for the payment of the remaining

000047

principal to the Borough in equal annual installments over a term not to exceed twenty (20) years with six (6) percent interest, or at such other interest rate as may from time to tire be set by the Assembly prior to each sale, on all unpaid balances. The interest rate set for the tale shall remain in effect for the term of the portgage or contract. The purchaser may pay principal in advance of the dates set by the terms of the sale without penalty, in which event interest shall be due on unpaid balances only.

A payment of principal in advance of the date set by the terms of the sale shall not diminish the purchaser's obligation to carry out the grantee's farm use plan and implementation schedule. Any deed issued prior to the grantee's compliance with the farm use plan and implementation schedule shall be subject to the conditions that the real estate conveyed shall be utilized in accordance with the grantee's farm use plan and implementation schedule.

The terms of sale shall provide that principal payments only during the three years immediately following the date of sale may be deferred and paid over the remaining life of the contract in an amount equal to the cost incurred by the purchaser for developing land for agriculture and/or making agriculture related improvements each year at least equal to the amount of each annual payment.

Prior to sale, the manager may impose conditions, limitations and terms which he considers necessary and proper to protect the interest of the Borough

Violation of any provisions of this chapter or of the terms of the sale may subject the purchaser to appropriate legal action, including forfeiture of purchase interest, termination, or cancellation of his interest in accordance with State Law.

It shall be the responsibility of the purchaser to properly locate himself and his improvements on the purchased land.

Section 11. Rights in land to be sold. The following rights in agricultural classified land shall be sold: all rights except mineral rights and development rights. Development rights are the rights to subdivide or use the surface of the land for residential, commercial or industrial uses which are not a part of the farming enterprise conducted on the land.

Section 12. Partial release. Upon proper application by the purchaser, the Assembly may grant a release from the terms of the sale an amount of land sufficient for a farm residence and/or farm related facilities, provided that the land is situated so as to conform to all planning, platting, subdivision and other regulations of the Borough. Such land shall then be sold and granted to the purchaser in fee simple at current full and true value for cash paid at the time of sale.

0 0 0 0 4 0

Recommended by: K. Johnson
Drafted by: Manager
Subject: Lease of Agricultural land

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 75-44

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH AMENDING TITLE 13 OF THE BOROUGH CODE TO PROVIDE FOR LEASE OF AGRICULTURAL LANDS.

WHEREAS, the Borough Assembly wishes to make agricultural land within the Borough available to persons for agricultural use;

NOW THEREFORE, BE IT ORDAINED:

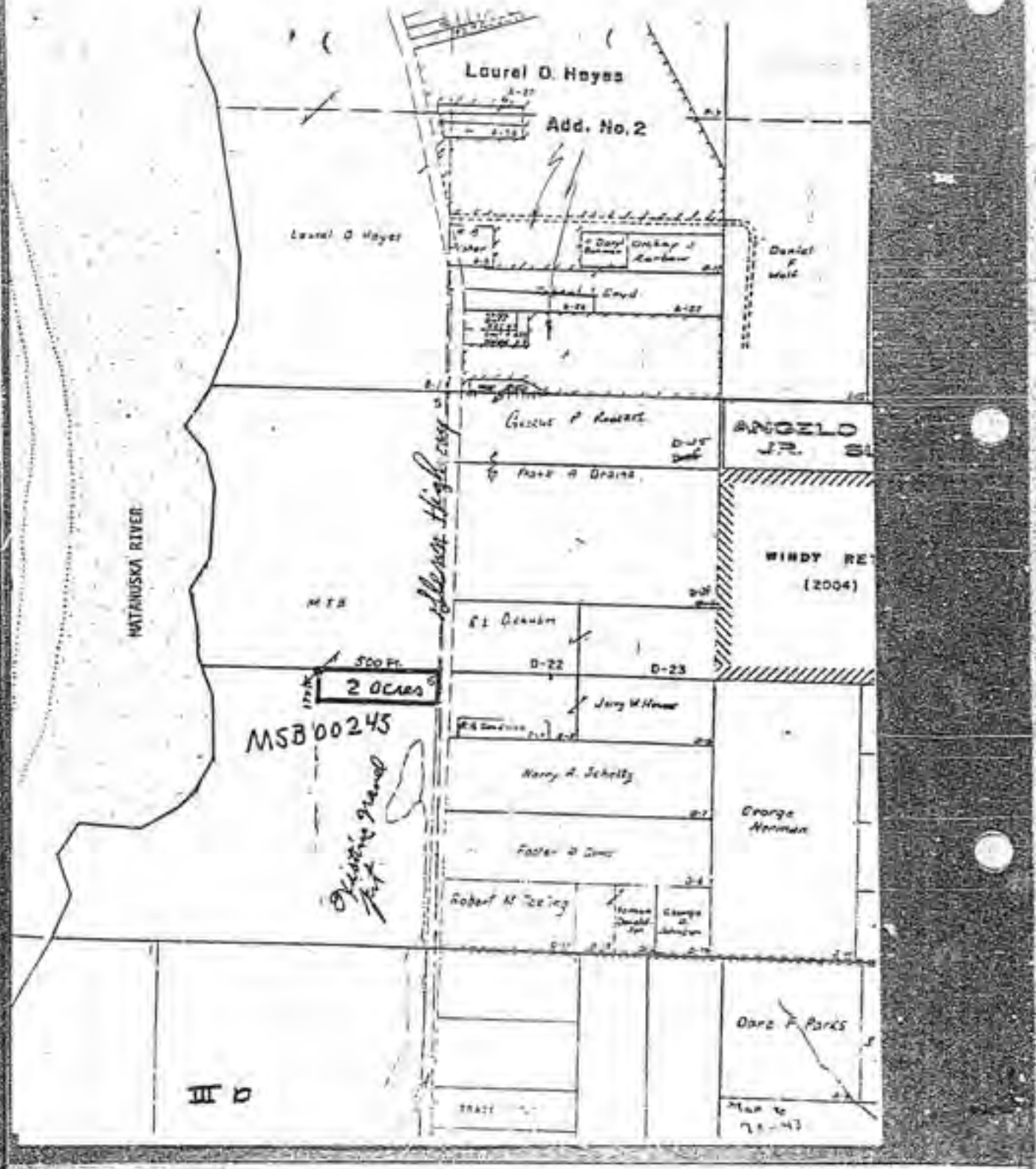
Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Agricultural Leases. The Assembly, in order to make land available for agriculture, may, without public auction or sealed bids and without regard to the value of the transaction, lease agricultural classified land, as defined in Ordinance 75-15, through negotiation, to a person, group, or corporation who agree to operate a farming or agricultural enterprise. In any such case, the Assembly shall hold a public hearing on the proposed lease, notice of which hearing shall be given through a newspaper of general circulation and by posting in three public places.

An applicant for such an agricultural lease shall submit a Farm plan and Development Schedule which has been endorsed by the University Cooperative Extension Service or other agency or committee as may be designated by the Assembly as realistic and workable for the amount and type of land which he proposes to lease from the Borough and which indicates his ability to carry out said Farm Use Plan and Schedule. The Farm Plan and Development Schedule shall accompany an Application to Lease form. Failure to follow and carry out the Farm Plan and Development Schedule may result in cancellation of the lease and forfeiture of any improvements the leasee may have constructed.

The Assembly may, at the time it approves the granting of such a lease, require the applicant to deposit with the Borough the sum sufficient to cover anticipated costs of survey, appraisal, and other work which may be necessary before the lease is consummated as in the case of beneficial or industrial enterprises. MSB 13.28.110B.


Laurel O. Hayes
Add. No. 2
Laurel O Hayes
Daniel F Wolf
ANGELO
JR.
WINDY RE
(2004)
MATANUSKA RIVER
500 Ft.
2 Acres
MSB 00245
George Norman
Oare F. Parks
III D

Section 4. Effective Date. This ordinance shall become effective upon its adoption by the Borough Assembly and signature of the Borough Mayor.

Introduction: August 5, 1975
First Reading: August 5, 1975
Public Hearing: August 19, 1975

ADOPTED by the Assembly of the Matanuska-Susitna Borough, Alaska, this 25th day of August, 1975.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

(SEAL)

MANAGER'S MEMO JOHNSON
Amended: 10/21/75

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 76-65

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH PROVIDING FOR AGRICULTURAL LAND LEASING CRITERIA AND CONDITIONS.

BE IT ORDAINED:

Section 1. Classification. This ordinance is of a permanent nature and shall become a part of the Borough Code.

Section 2. Severability. If any portion of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Terms and Conditions.

1. All leases shall be for a term of 55 years. A lessee or his assign or sub-lessee shall have the right to renew an agricultural lease for an additional term of 55 years on terms and conditions mutually agreed upon by the Borough and the lessee. A lessee shall not sublease, rent, or assign any leased rights without the written permission of the Borough Assembly.

2. No lessee, sub-lessee, or assignee shall lease more than 640 acres in the aggregate.

3. Land shall be leased in 40-acre blocks or combinations of 40-acre blocks, except where smaller parcels have previously been created.

4. A lessee may construct and permit the occupancy of not more than two places of abode.

5. All approved farm plans shall provide that the land, once prepared for production, shall continue in agricultural production through the life of the lease.

6. Each lessee shall submit to the Agricultural Land Committee, annually each October, a report of his activities for the previous year. The Agricultural Land Committee shall review and evaluate the performance of each lessee each November and report its findings of conformance with the terms of this ordinance and the lease to the Assembly.

7. Leases shall prohibit the lessee from removing gravel or minerals, except for use on the lease.

8. Land shall be leased at $10 per acre, including all land in the leased parcel, without regard to agricultural suitability. Lease payments shall be payable semi-annually in advance.

9. An application to lease land shall not exclude the Assembly from consideration of other applicants to lease the same parcel. Each notice of public hearing on a proposed lease shall state that the Assembly invites additional lease proposals within a specified time. In the event more than one applicant is found qualified, with respect to his farm use plan and development schedule to lease a parcel, the Assembly shall determine, by lot, who is to be the lessee.

10. The lessee's rights may be terminated by the Borough Assembly in whole or in part if the leased premises are used in any manner contrary to this ordinance and the terms of the lease.

Section 4. Effective Date. This ordinance shall become effective upon adoption by the Borough Assembly and the signature of the Mayor.

Introduction: _____

First Reading: _____

Public Hearing: _____

ADOPTED by the Borough Assembly of the Matanuska-Susitna Borough this _____ day of _____, 1975.

_____
Ronald L. Larson
Borough Mayor

ATTEST:

_____
Evelyn Thompson
Borough Clerk

(SEAL)

0001

CODE ORDINANCE

Introduced by: Assemblyman Hitchcock

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 78-48

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH PROVIDING FOR RESTRICTION OF LAND TO AGRICULTURAL USES OR THE ACQUISITION OF DEVLEOPMENT RIGHTS TO AGRICULTURAL LAND.

WHEREAS, the Assembly of the Matanuska-Susitna Borough finds that agricultural lands in the Borough should be preserved; and

WHEREAS, the Assembly of the Matanuska-Susitna Valley finds that agricultural lands in the Borough are subject to strong developmental forces;

BE IT ENACTED:

Section 1. Classification. This ordinance is of a permanent nature and shall become a part of the Borough Code.

Section 2. Title 13, Chapter 36. There is enacted a new Chapter 36 of Title 13, which shall read:

13.36.010 Acquisition of Development Rights. The Matanuska-Susitna Borough may acquire development rights to land to preserve agricultural rights by the means provided in this title. The purpose of this chapter is to preserve viable agricultural land, for its economic contribution, aesthetic value, and in recognition of its intrinsic importance to community well-being.

13.36.020 Definitions. A. "Agricultural land" shall mean land which has soil characteristics equal to or better than _____ which is already in some agricultural use.

B. "Agricultural restriction" shall mean that the land has been restricted to use for any agricultural purpose but may not be used for any other purpose and may not be divided into parcels smaller than forty acres by any means.

C. "Agricultural use" means any activity related to agriculture.

D. "Development rights" mean the right to divide the land into parcels smaller than forty acres, or to use the land for other than agricultural purposes, without regard to parcel size.

13.36.030 Authorization of Negotiation by Borough Action or Application.

A. From time to time it may come to the attention of the Borough that agricultural land is about to be developed. When Borough employees become aware of pending development of agricultural land, the Manager shall be informed. A report shall be made to the Assembly, which may by resolution direct that the Manager or his designee contact the landowner and seek to preserve the agricultural lands by means of the process provided in this Chapter. For its determination on said resolution, the Assembly shall be provided with the same

REV 10/12/78

information on the property required of applicants who have applied for restriction under 13.36.040 of this section. Borough staff shall provide this information by report to the Assembly.

B. An owner of agricultural land may apply to the Borough for preservation of his land by means of this Chapter. The Land Management Officer shall devise application forms and proceedures and shall make such forms available at Borough Offices. When the application is complete, it shall be reviewed by the Assembly, which may by resolution authorize negotiations as provided herein.

13.36.040 Application. A. The applicant referred to in 13.36.030(B) above shall furnish:

1. A legal description of his property.

2. A map showing its location and relation to nearby agricultural land uses and road systems.

3. A certified statement of the land's agricultural history and a statement evaluating its future value as agricultural land.

4. A statement of the applicant's estimate of the agricultural value of his land and its developmental value, and its total value, if different.

5. A statement with regard to mortgagees and lienholders who may have an interest in the land and whether such parties having an interest in the land will agree to the applicant's transfer of development rights.

13.36.050 Assembly Determination. A. In considering a resolution authorizing negotiations for obtaining restriction of land to agricultural use only, the Assembly shall review the application or information provided and determine:

1. Whether it is viable agricultural land which should be preserved;

2. The approximate value of the development rights to the land;

3. A parcel or parcels which might be offered to the applicant or landowner in exchange for the restriction of the applicant's or landowner's agricultural land.

B. The Borough Land Management Officer and Planning Staff shall assist the Assembly with regard to the determinations in (A) above.

C. In addition to the information obtained from the application or investigation of Borough staff, the Assembly may authorize the appraisal of the land by an agronomist, real estate appraiser, or other independent expert.

13.36.060 Negotiations. The Borough Manager, or his designee, when authorized by Assembly Resolution, shall contact the applicant or landowner and enter into negotiations for acquisition of the appropriate restriction or of the land itself, if necessary. No offer shall be made to the applicant or landowner that is binding upon the Borough until such offer has been authorized by the Assembly by resolution. Any transfer of Borough land pursuant to this Chapter shall require an ordinance of the Assembly. Only land acquired by the Borough from the State shall be considered for transfer under this Chapter.

13.36.070 Agreement for Transfer. A. Upon Assembly approval of an offer, and its acceptance, an agreement for transfer shall be entered into. The agreement shall be between the Borough and the applicant or landowner, and shall:

1. Provide for agricultural restriction of applicant's or owner's land use or conveyance of the right to develop the land binding upon applicant/owner's heirs, assigns, successors or transferees, in perpetuity, unless the Borough purchases the agricultural rights at a later date, in which case the Borough shall own full title and may remove the agricultural restriction and use and dispose of the land in accordance with law;

2. Provide as a condition of transfer that the acknowledgement, agreement and waiver of any mortgagees or lienholders shall be obtained from them by the applicant or owner prior to the execution of the agreement;

3. Provide that the applicant or landowner agrees not to subdivide his agriculturally restricted land into parcels smaller than forty acres, whether by gift, sale or lease.

4. Provide for transfer of agriculturally restricted land or development land owned by the Borough to the applicant or owner in consideration for the applicant's or owner's alienation of development rights to the Borough.

5. Provide that the agreement of transfer shall be effective only after an appropriate means of restriction is agreed upon.

6. Provide for such other matters as the Assembly deems appropriate.

7. Provide for specific conditions for rescission, frustration of purpose, and breach of agreement.

8. Notwithstanding any negotiations or agreements, written or oral, no agreement for transfer under this Chapter shall be effective until reviewed and approved by the Assembly by ordinance.

0 0 0 6 9

Section 3. Effective Date. This ordinance shall become effective upon adoption by the Borough Assembly.

Introduction: _____

First Reading: _____

Public Hearing: 11/7/78 11/21/78 12/19/78

ADOPTED by the Assembly of the Matanuska-Susitna Borough, Alaska, this ____ day of _____, 1978.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

(SEAL)

APPROVED TO FORM:

Edward J. King
Borough Attorney

000158

Introduced by: Assemblyman Hitchcock

MATANUSKA-SUSITNA BOROUGH

RESOLUTION SERIAL NO. 79-20

A RESOLUTION OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH PROVIDING FOR A COMMITTEE ON AGRICULTURE.

WHEREAS, viable agriculture land in the Matanuska-Susitna Borough is disappearing and it is in the best interest of the Borough to preserve viable agriculture land; and

WHEREAS, agriculture is in economic difficulty in the Matanuska-Susitna Borough and conditions can be improved to the economic benefit of the Borough; and

WHEREAS, a method of protection of agricultural land and enhancement of agriculture through state or borough involvement is in the best interest of the Borough; and

WHEREAS, the Assembly has determined that Ordinance 78-40 requires additional preparation;

NOW THEREFORE, the Matanuska-Susitna Borough resolves:

1. There is hereby established a Matanuska-Susitna Borough Agriculture Committee.

2. The Agriculture Committee shall consist of nine members appointed by the Mayor subject to Assembly approval.

3. The purposes of the Agriculture Committee shall be to study, investigate and make recommendations to the Assembly on the promotion of agriculture . Among its functions ,the Committee shall make a recommendation to the Borough Assembly on a program of agricultural land preservation. The Committee may cooperate with other state, local and national groups for the purposes described herein. The Committee is charged with promoting coordination with other boroughs and governments of the State of Alaska and with making a recommendationto the Borough Assembly on a method by which other governments of the state may be involved. The Committee may recommend persons to represent the Matanuska-Susitna Borough on any state, local or national body which seeks to further the purposes of agriculture in the State of Alaska.

4. In addition to other duties described herein the Committee shall:

a. Determine what agricultural products are viable in the Matanuska-Susitna Borough.

b. Consider market viability of the products.

c. Determine what processing and storage needs are required for the subject products.

d. Accumulate marketing information withregard to the viable products.

e. Examine financing for agricultural development of these products.

f. Determine what farm type is preferable for these products.

g. Shall recommend the appropriate production or producer's association for such products. The Committee shall report to the Assembly its findings.

5. The Committee shall prepare a budget adequate to meet expenses of the Committee and shall submit the budget forthe Assembly for approval and appropriation annually.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 9th day of January, 1979.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

APPROVED TO FORM:

Edward J. King
Borough Attorney

1/5/79

(SEAL)

R-5
79-20

Introduced by: Jim Hitchcock

MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 79-149

A RESOLUTION OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH URGING THE STATE LEGISLATURE TO EXPEDITIOUSLY ADOPT A PLAN TO PURCHASE DEVELOPMENT RIGHTS OF AGRICULTURAL LAND FOR THE PRESERVATION OF AGRICULTURE WITHIN THE STATE OF ALASKA.

WHEREAS, by Resolution No. 79-20, the Borough Assembly established an agricultural committee; and

WHEREAS, the Agricultural Committee has studied and has made recommendations on development of a viable agricultural industry within the Matanuska-Susitna Borough; and

WHEREAS, the Matanuska-Susitna Borough concurs with the State of Alaska in its findings that agriculture is a viable industry within the State of Alaska; and

WHEREAS, agricultural land is being developed for purposes other than agriculture, and once developed for other purposes it cannot be returned to agricultural use; and

WHEREAS, the Agricultural Committee has recommended that the Borough Assembly urge the State Legislature to expeditiously develop a plan to purchase the development rights of privately and municipally owned agricultural land to preclude other developments on agricultural lands and to preserve said lands for economic development of a viable agricultural industry within the Matanuska-Susitna Borough and other areas of the State of Alaska;

NOW, THEREFORE BE IT RESOLVED that the Matanuska-Susitna Borough urge the State Legislature to expeditiously develop a plan to purchase development rights of privately and municipally owned agricultural lands within the Matanuska-Susitna Borough, and other areas of the State of Alaska, to preclude agricultural lands from being developed for other purposes; and

BE IT FURTHER RESOLVED, that this resolution be forwarded to the Governor of the State of Alaska, the Department of Natural Resources and local legislators.

PASSED AND APPROVED by the Borough Assembly of the Matanuska-Susitna Borough this 18th day of December, 1979.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

0126

Revised: 1-28-81 Prepared by: Clerk

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 81-6

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH TO PROVIDE FOR SALE OF AGRICULTURAL LANDS BY AUCTION, SEALED BIDS OR LOTTERY AND PROVIDING FOR DOWN PAYMENT TO BE NO LESS THAN FIVE PERCENT FOR THE AGRICULTURAL LAND SALE TO BE CONDUCTED BY THE STATE OF ALASKA ON MARCH 6, 1981.

WHEREAS, it is the intent of the Matanuska-Susitna Borough to include Borough lands in the State of Alaska agricultural land sales; and

WHEREAS, it is necessary to provide for sale of lands by auction, sealed bids or lottery and to provide for a down payment to be not less than five percent of the purchase price.

BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance and shall be effective only for the agricultural sale to be conducted by the State of Alaska on March 6, 1981.

Section 2. The following procedures shall apply only for said sale:

A. The Borough Assembly, with the advice of the Planning Commission, shall approve, be resolution, the parcels to be sold and the date and place of such sale. If there is more than one qualified applicant per parcel, the sale shall be by public auction, sealed bid or lottery as directed by the Assembly for sale to the highest bidder. If there is only one qualified applicant per parcel, the land may be sold to the applicant. Public auction, sealed bid or lottery shall be held by the Manager or his representative. At the completion of the auction, bid opening or lottery of each tract, the Manager or his representative, shall indicate the apparent high bidder.

Persons purchasing property shall, at the time of sale, pay to the Borough not less than five percent of the purchase price of the property.

AM 81-023

Ordinance 81-6

B. General Procedure. All applications for purchase or lease of Matanuska-Susitna Borough lands shall be filed with the Borough, or State, on appropriate forms. Each application for lease or sale shall be accompanied by a ten dollar ($10.00) filing fee. Filing fees are not refundable.

Section 3. Effective Date. This ordinance becomes effective upon its passage and approval.

Introduction: January 20, 1981

First Reading: January 20, 1981

Public Hearing: February 3, 1981

PASSED AND APPROVED by the Matanuska-Susitna Borough Assembly this 3rd day of February, 1981.

Ronald L. Larson
Borough Mayor

ATTEST:

Evelyn Thompson
Borough Clerk

(SEAL)

APPROVED:

Lee A. Wyatt
Acting Borough Manager

Ord 81-6
AIM 81-023

Introduced by: Manager
Drafted by: Land Management
Subject: Agricultural Land Sale

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 81-7

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH AUTHORIZING THE BOROUGH MANAGER TO GRANT THE STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES, AUTHORITY TO SELL SPECIFIED BOROUGH TENTATIVELY APPROVED AGRICULTURAL LAND BY LOTTERY ON MARCH 6, 1981 OR THE DATE OF THE STATE LOTTERY.

BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance.

Section 2. Authorization. The Borough Manager is hereby authorized to grant the State of Alaska, Department of Natural Resources, authorization to dispose of 833.06 acres of Borough agricultural land, which has been approved for patent, by a lottery sale to be conducted on March 6, 1981.

Section 3. Terms. Within ten days after the date of the lottery, the purchasers shall deposit with the Matanuska-Susitna Borough Finance Director 5% of the total purchase price. Balance shall be paid in equal annual installments for nineteen years with simple interest at 6% on the unpaid balance. On this date, purchasers will secure their obligation by executing a Deed of Trust and Promissory Note in behalf of the Matanuska-Susitna Borough.

Section 4. Conditions. The State Division of Agriculture, Alaska Agricultural Action Council and the U. S. Soil Conservation Service will monitor and enforce the Borough agricultural land sale to ensure conformance with the applicant qualification process, soil conservation and farm development plan which shall be in conjunction with the State Point MacKenzie Agricultural Project.

Section 5. Restrictions. Continued use of the existing road trending northwesterly through Tract 30 as identified on ASLS No. 80-111 "100 foot centerline right-of-way access ADL 17932", is ensured until alternate access is constructed as specifically outlined on Exhibit "A", attached hereto.

AR 81-019

0012

Section 6. Legal Description, Sale Price.

Tract 30 (531.18 acres) sale price	$53,180
Tract 31 (301.26 acres) sale price	$30,126

ASLS 80-111 located in Sections 26, 35 and 36, Township 16 North, Range 5 West, Seward Meridian, Palmer Recording District, Third Judicial District, State of Alaska. Containing 833.06 acres more or less.

Section 7. Effective date. This ordinance becomes effective upon adoption by the Borough Assembly.

Introduction: February 2, 1981

First reading: February 2, 1981

Public hearing: February 17, 1981

ADOPTED by the Assembly of the Matanuska-Susitna Borough this 17th day of February, 1981.

ATTEST:

Evelyn Thompson
Evelyn Thompson, Borough Clerk

Ronald L. Larson
Ronald L. Larson, Borough Mayor

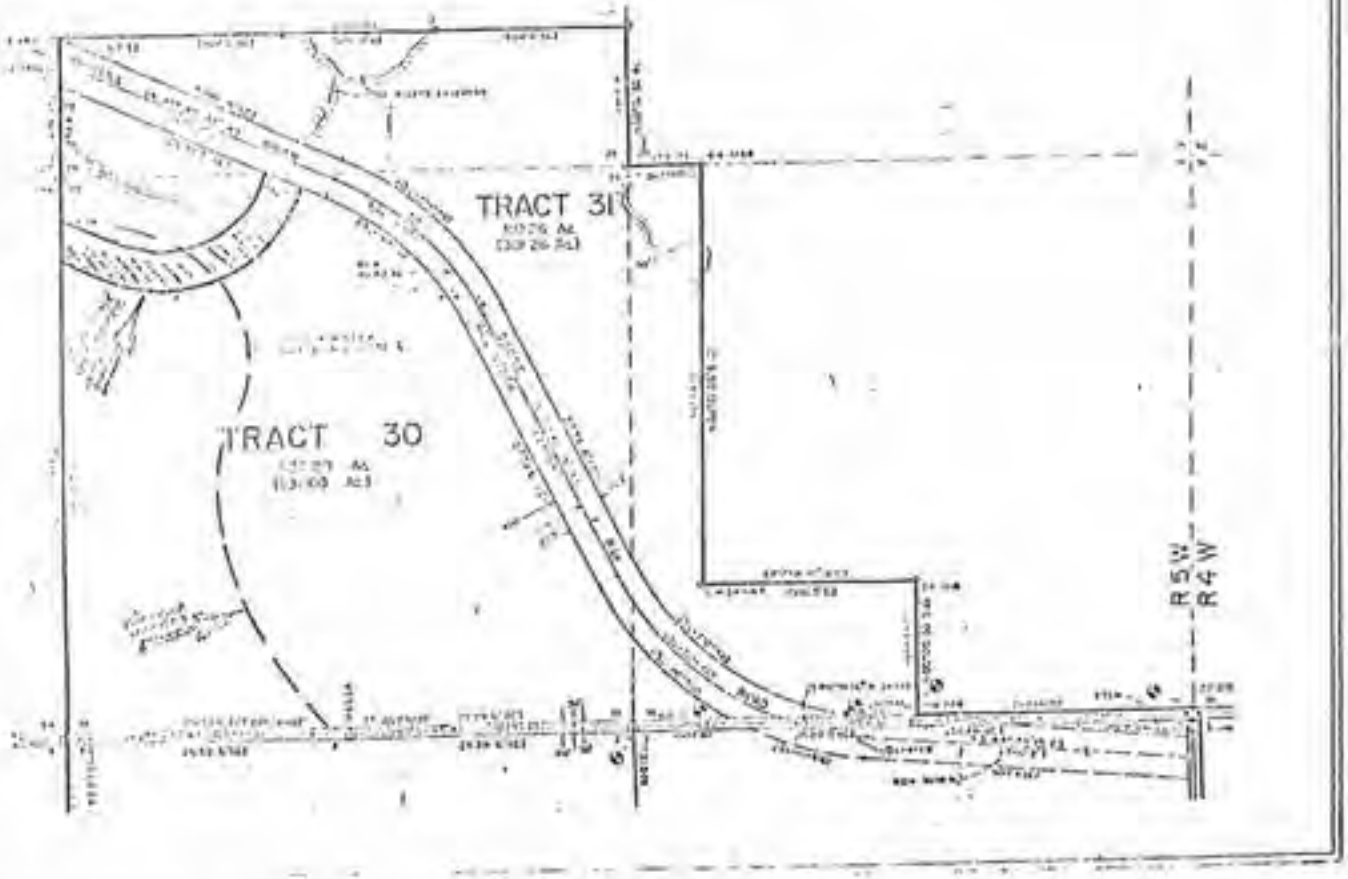
REVIEWED AND APPROVED:

Lee A. Wyatt
Lee A. Wyatt, Acting Borough Manager

Ord 81-307
Sec Ad 81-019

Exhibit "A"

Proposed Alternate Access



Matanuska-Susitna Borough

assembly memorandum

no. AM 81-23

from: Evelyn Thompson, Borough Clerk

date: January 29, 1981

subject: Ordinance No. 81-6

As requested by the Assembly, Ordinance No. 81-6 has been changed to indicate that it is a non-code ordinance that is effective only for this agricultural land sale. Because the State is requiring only a 5% down payment, this has been included in the re-draft of the ordinance.

Since an ordinance can be adopted at the public hearing with or without amendment, it is recommended that the Assembly adopt the ordinance as amended.

Respectfully submitted:

Evelyn Thompson

Evelyn Thompson, Borough Clerk

APPROVED:

Lon A. Wyatt, Acting Manager

See Ord 81-6

212400

Introduced by: Manager
Drafted by: Land Management
Subject: 1982 Agricultural Land Sale

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 82-38 (SUBSTITUTE)

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH CLASSIFYING AGRICULTURAL LANDS AND APPROVING THE DISPOSAL OF AGRICULTURAL RIGHTS ONLY IN THESE LANDS AND AUTHORIZING THE BOROUGH MANAGER TO HOLD A SALE AT PUBLIC AUCTION.

WHEREAS, the Planning Commission by Resolution 82-28 has recommended the classification and disposal of certain Borough lands; and

WHEREAS, the Assembly approval of the classification and disposal is in accordance with Matanuska-Susitna Borough Code 13.28.050 (B), (F) and (K);and

WHEREAS, the Assembly has determined that the proposed disposal of the property is in the best interest of the public.

BE IT ENACTED:

1. Classification. This is a non-code ordinance.

2. Classification of Lands. The lands indicated on attached Exhibit "A" are hereby classified as "agricultural".

3. Approval of Disposal. The Assembly of the Matanuska-Susitna Borough does hereby approve the disposal of those lands shown on attached Exhibit "A" under the terms set out in Exhibit "B" and authorizes the Borough Manager to hold a public auction for the disposal of agricultural rights only on Saturday, October 16, 1982, at the Borough Administration Building, Palmer, Alaska.

4. Effective date. This ordinance becomes effective upon its adoption by the Borough Assembly and signature of the Borough Mayor.

Introduction: July 20, 1982
First reading: July 20, 1982
Public hearing: Aug. 3, 1982

ADOPTED by the Assembly of the Matanuska-Susitna Borough this 7 day of September, 1982.

ATTEST:

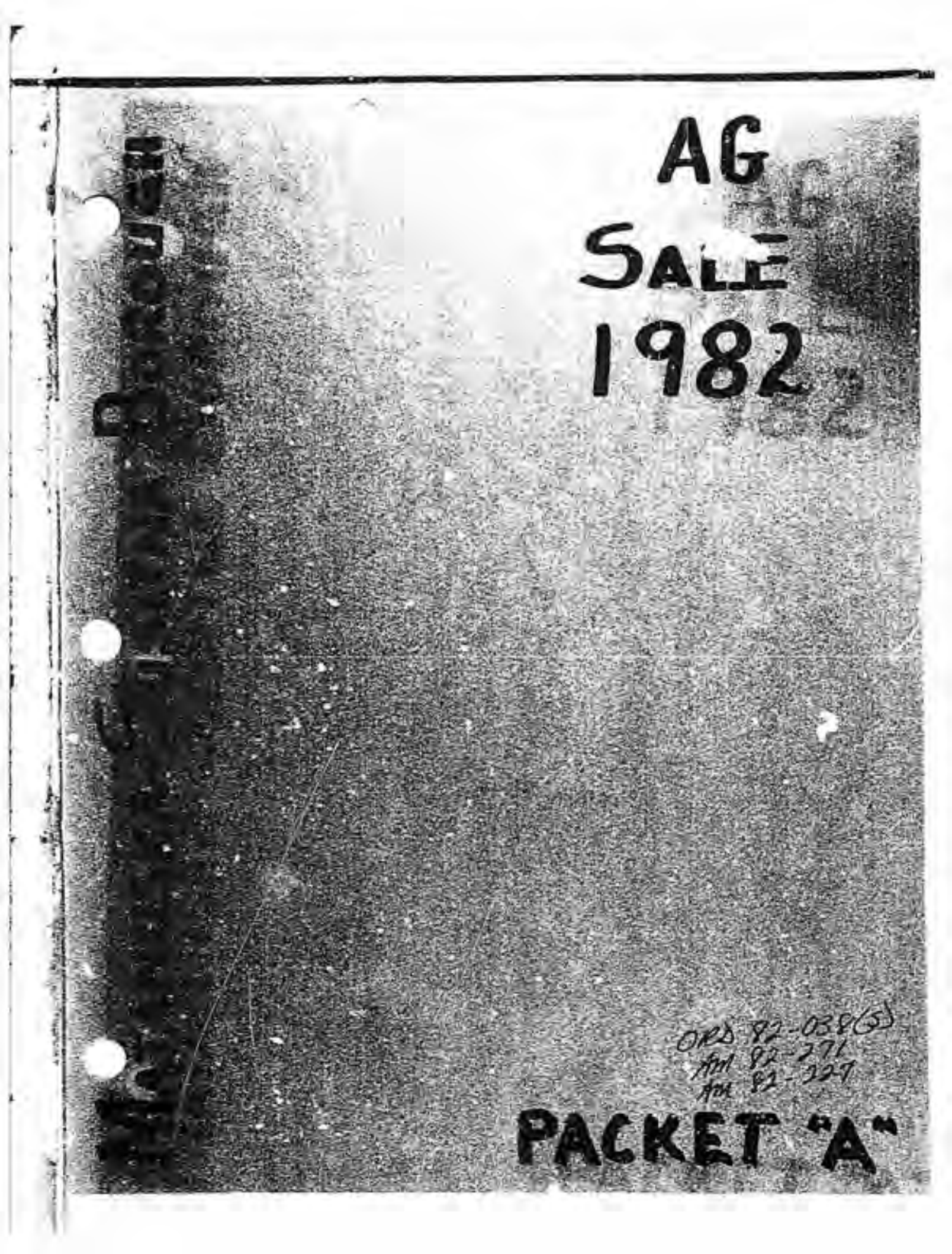
Evelyn Thompson
Evelyn Thompson, Borough Clerk

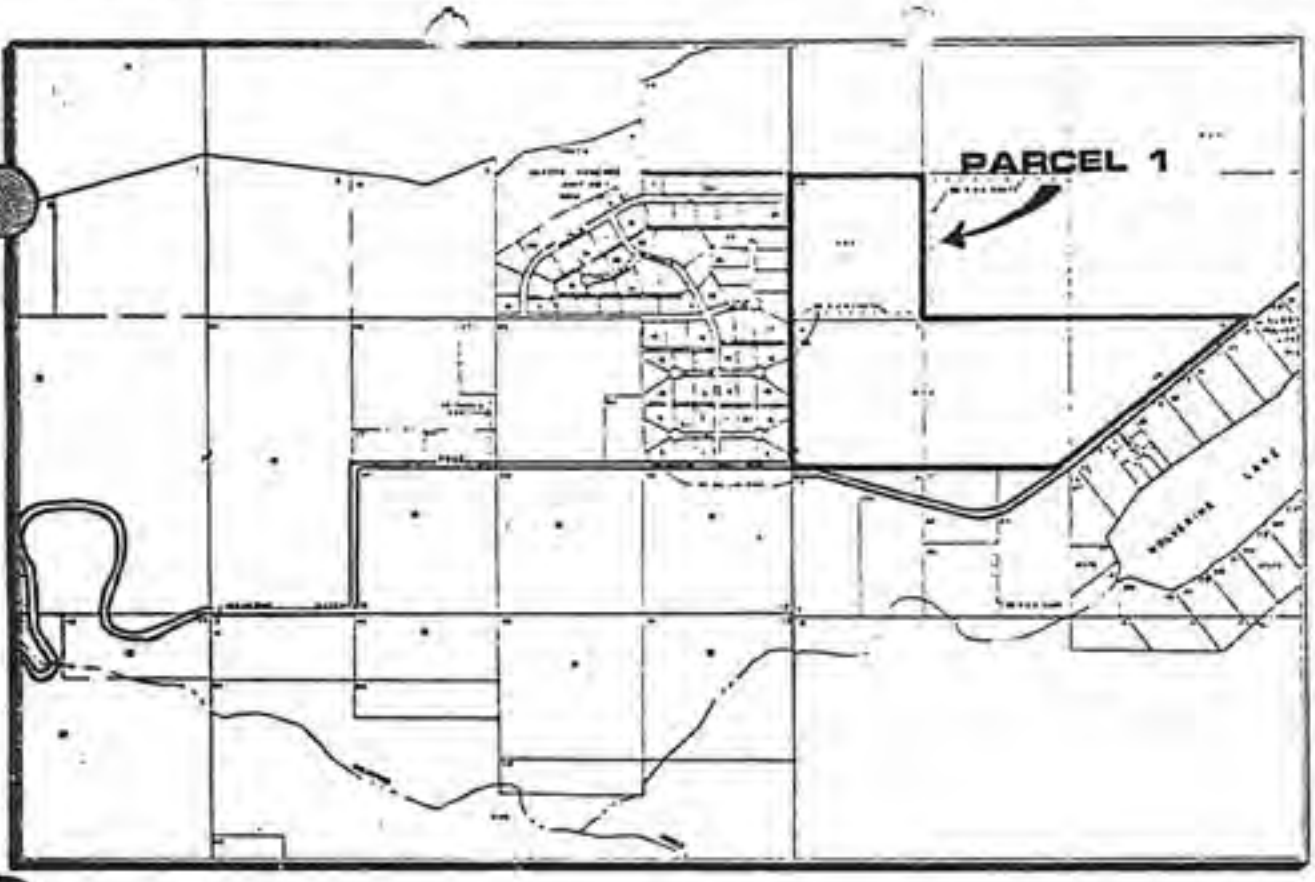
Ronald L. Larson
Ronald L. Larson, Borough Mayor

REVIEWED AND APPROVED:

Gary Thurlow
Gary Thurlow, Borough Manager

ORD 82-038(S)
AM 82-271
AM 82-277


AG
SALE
1982
ORD 82-038(S)
AM 82-271
AM 82-329
PACKET "A"



PARCEL 1

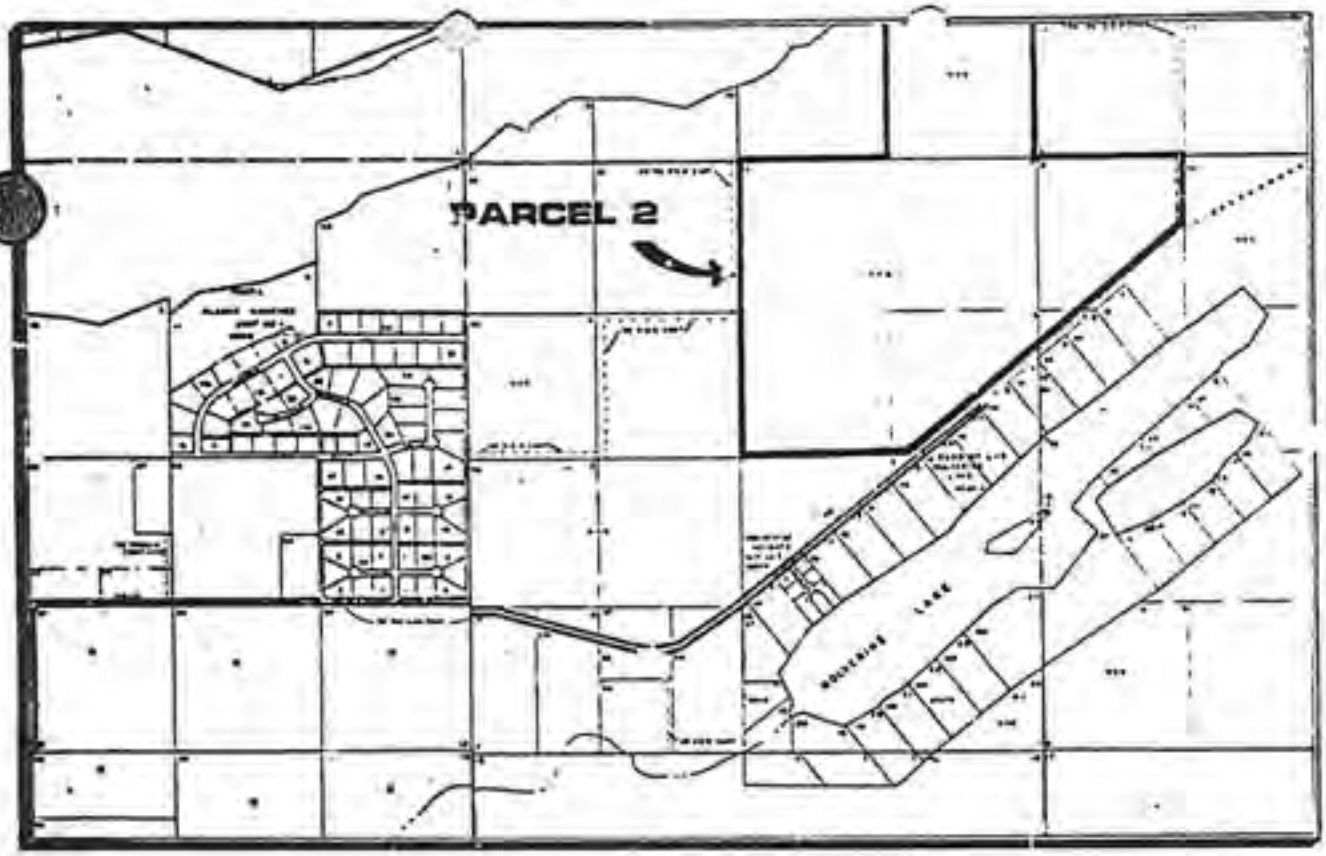
Township 18 North, Range 3 East, Section 7
GLO lot 2, 3, 6 and NE¼SW¼. . . . . 133 acres

58% Knik silt loam, 7-12% slope
20% Knik silt loam, 3-7% slope
12% Doone and Knik silt loam, 30-45% slope
4% Coal Creek silt loam, 0-3% slope
4% Doone silt loam, 7-12% slope
2% Doone silt loam, 3-7% slope

84% Class II and III soils
4% Class IV soils
12% Class VII soils

Reservation of a 60' right of way along the west section line of GLO Lot 3 and the south lot line of GLO Lot 2.

ORS 82-038(5)
AM 82-271
AM 82-227



PARCEL 2

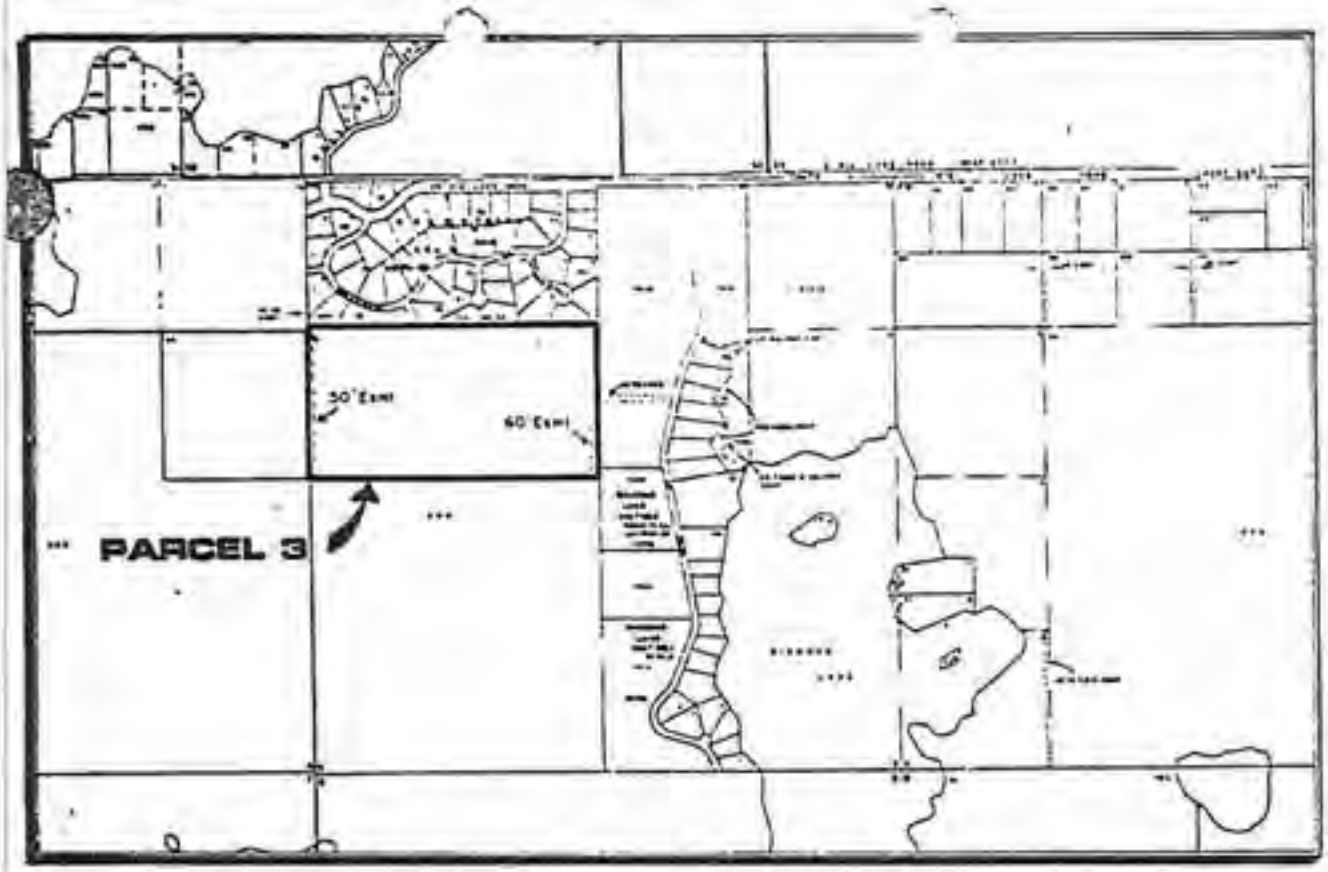
Township 18 North, Range 3 East, Sections 6, 7 and 8
SE¼SE¼ of Section 6; Lot 5 and the W½NE¼, NE¼NE¼ of
Section 7; and that portion of GLO Lots 2 and 3
north of Wolverine Extension Road of Section 8 . . . . . .227.06 acres

30% Knik silt loam, 7-12% slope
22% Knik silt loam, 0-3% slope, 12-24" soil over gravel sand
13% Doone and Knik silt loam, 12-20% slope,
15-20" soil over gravel
13% Knik silt loam, 12-20% slope
8% Doone silt loam, 7-12% slope
6% Knik silt loam, 3-7% slope
5% Doone & Knik silt loam, 30-45% slope
2% Doone silt loam, 3-7% slope
1% Knik silt loam, 20-30% slope

68% Class II and III soils
26% Class IV soils
1% Class IV soils
5% Class VII soils

Reservation of a 50' right of way along the easterly portion of GLO Lot 2

ORD 82-038(S)
Am 82-271
Am 82-227



PARCEL 3

Township 16 North, Range 4 West, Section 5

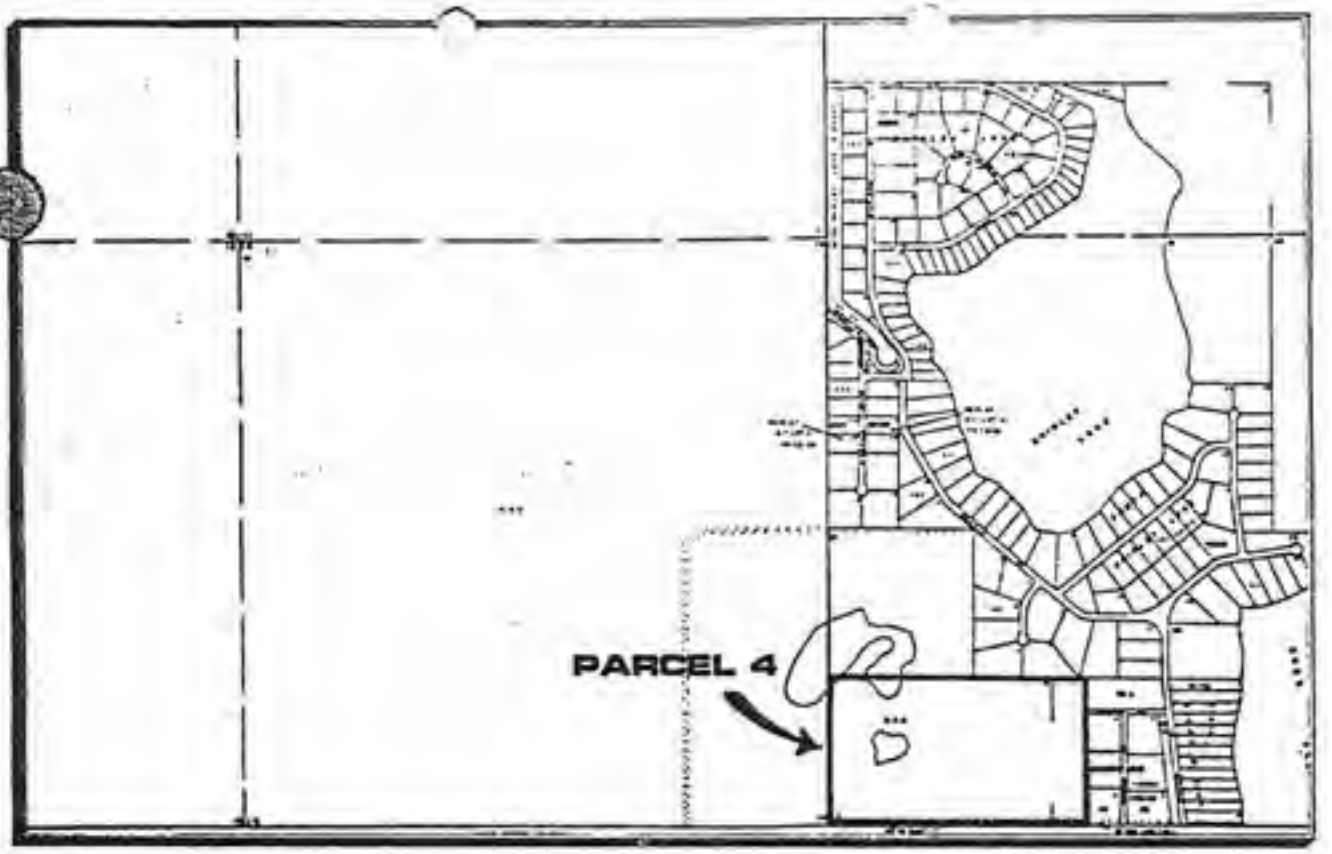
S½NW¼. . . . . .80 acres

93% Homestead silt loam, 0-3% slope, 5-18" soil over gravel
6% Homestead silt loam, very shallow, 12-20% slope
1% Homestead silt loam, very shallow, 20-30% slope

93% Class III soils
7% Class VII soils

Reservation of a 50' public access right of way along the westerly boundary and a 60' public access running northerly approximately 660 feet on the easterly boundary.

ORD 82-038
AM 82-271
AM 82-327



PARCEL 4

Township 19 North, Range 5 West, Section 13
GLO Lot 8, W½E½SE¼SW¼. . . . . .67.96 acres

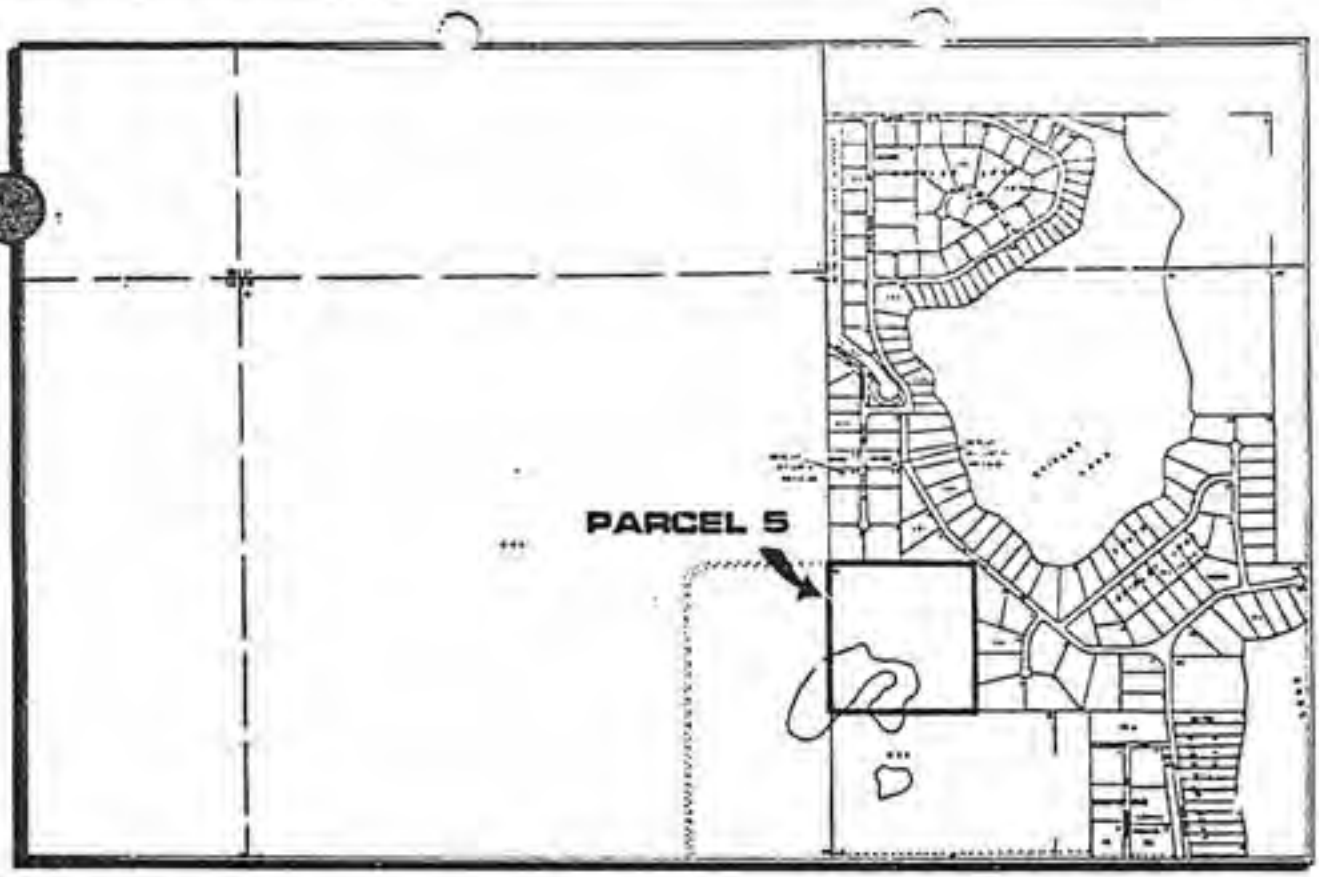
73% Kashwitna silt loam, 0-3% slope, 10-18" soil over gravel
27% Salamatof peat, 0-3% slope

73% Class III soils
27% Class VII soils

Reservation of an existing 50' section line easement along the southerly boundary.

Subject to valid existing trails, roads and easements.

ORD 82-03 PGD
AM 82-27
AM 82-27



PARCEL 5

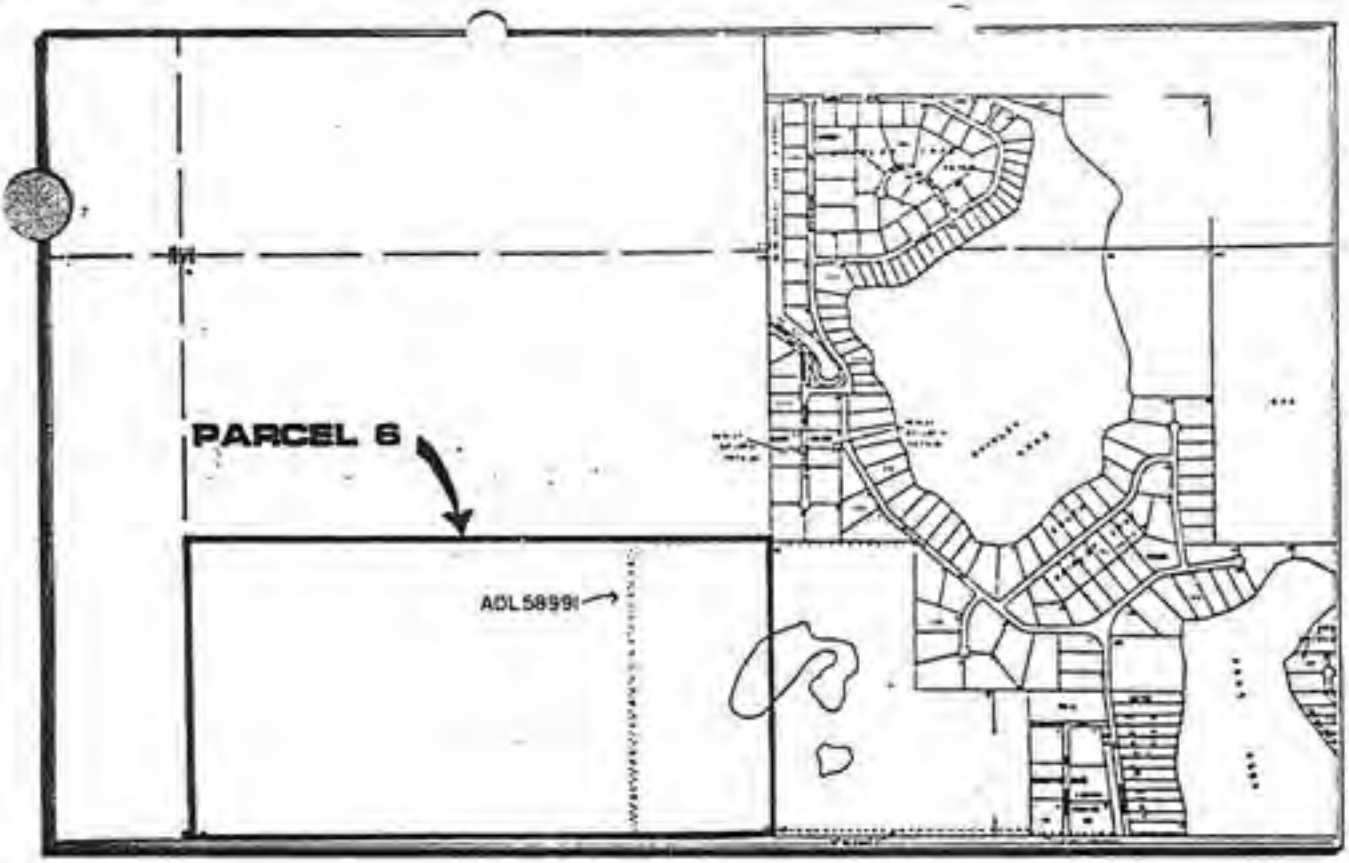
Township 19 North, Range 5 West, Section 13
NW¼SW¼ . . . . . 40 acres

81% Kashwitna silt loam, 0-3% slope, 10-18" soil over gravel
19% Salamatof peat, 0-3% slope

81% Class III soils
19% Class VII soils

Subject to ADL 58991 - 100' right of way along the northerly boundary

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 6

Township 19 North, Range 5 West, Section 14

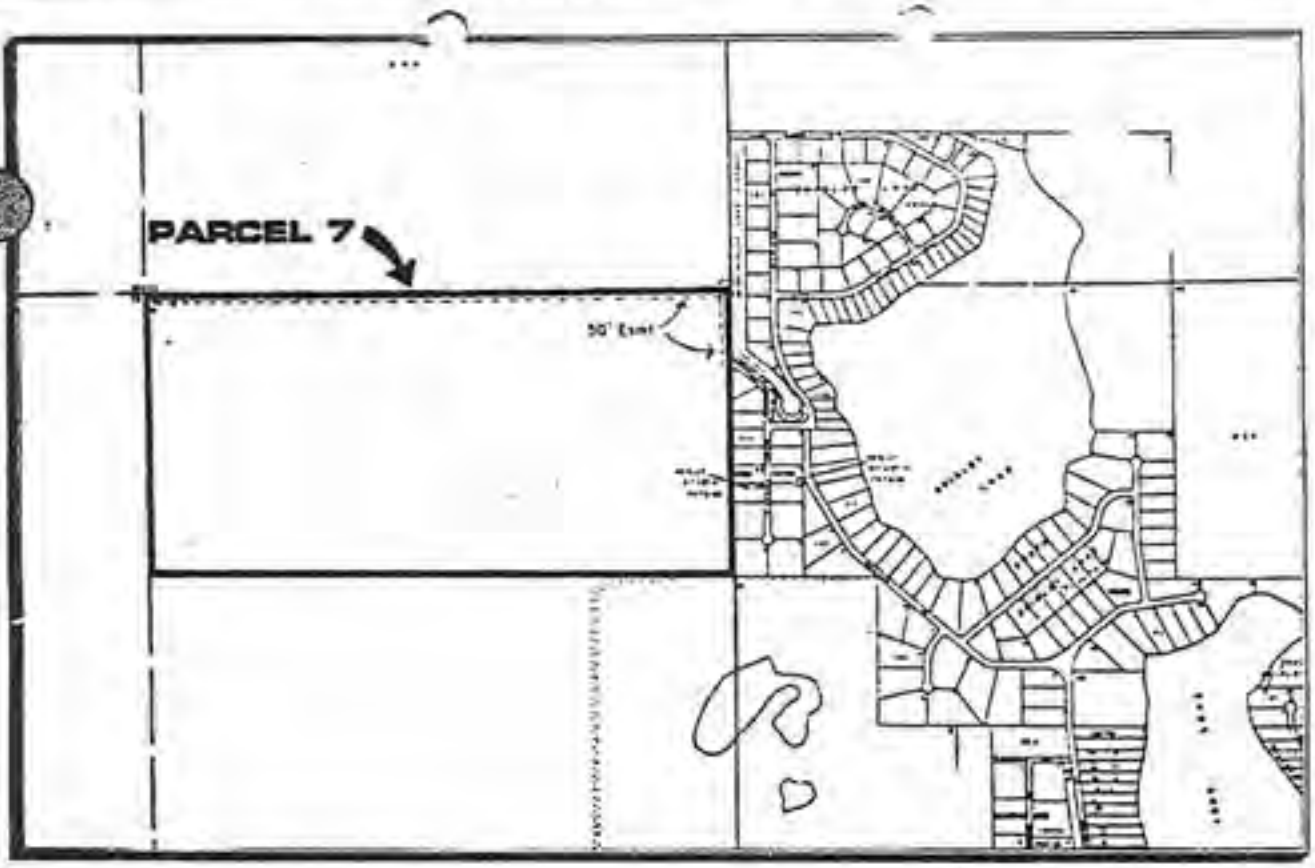
S½. . . . . 320 acres

65% Kashwitna silt loam, 0-3% slope, 10-18" soil over gravel
24% Salamatof peat, 0-3% slope
10% Kashwitna silt loam, 12-17% slope
1% Kashwitna silt loam, 3-7% slope

76% Class II and III soils
24% Class VII soils

Subject to ADL 58991 - 100' right of way

OAS 82-638(S)
AM 82-271
AM 82-227



PARCEL 7

Township 19 North, Range 5 West, Section 14

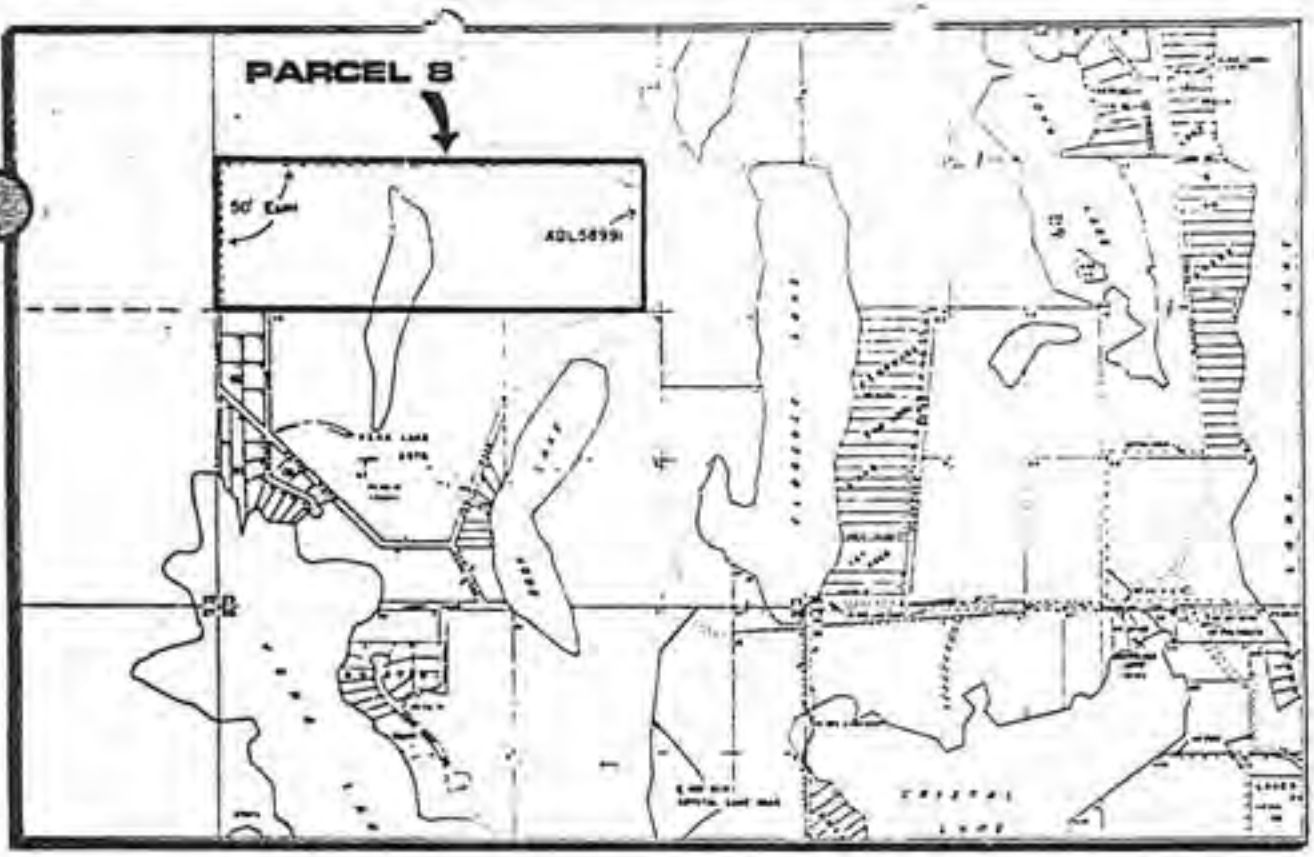
N½ . . . . . .320 acres

64% Kashwitna silt loam, 0-3% slope, 10-18" soil over gravel
17% Nancy silt loam, sandy substratum, 0-3% slope
10% Kashwitna silt loam, 12-17% slope
9% Salamatof peat, 0-3% slope

91% Class II and III soils
9% Class VII soils

Reservation of a 50' right of way along the northern portion of the parcel and from the northeast section corner approximately 660 feet southerly to the intersection of Propwash Road.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 8

Township 19 North, Range 5 West, Section 23
S½NW¼, W½SW¼NE¼, W½E½SW¼NE¼, W½E½E½SW¼NE¼. . . . . .115 acres

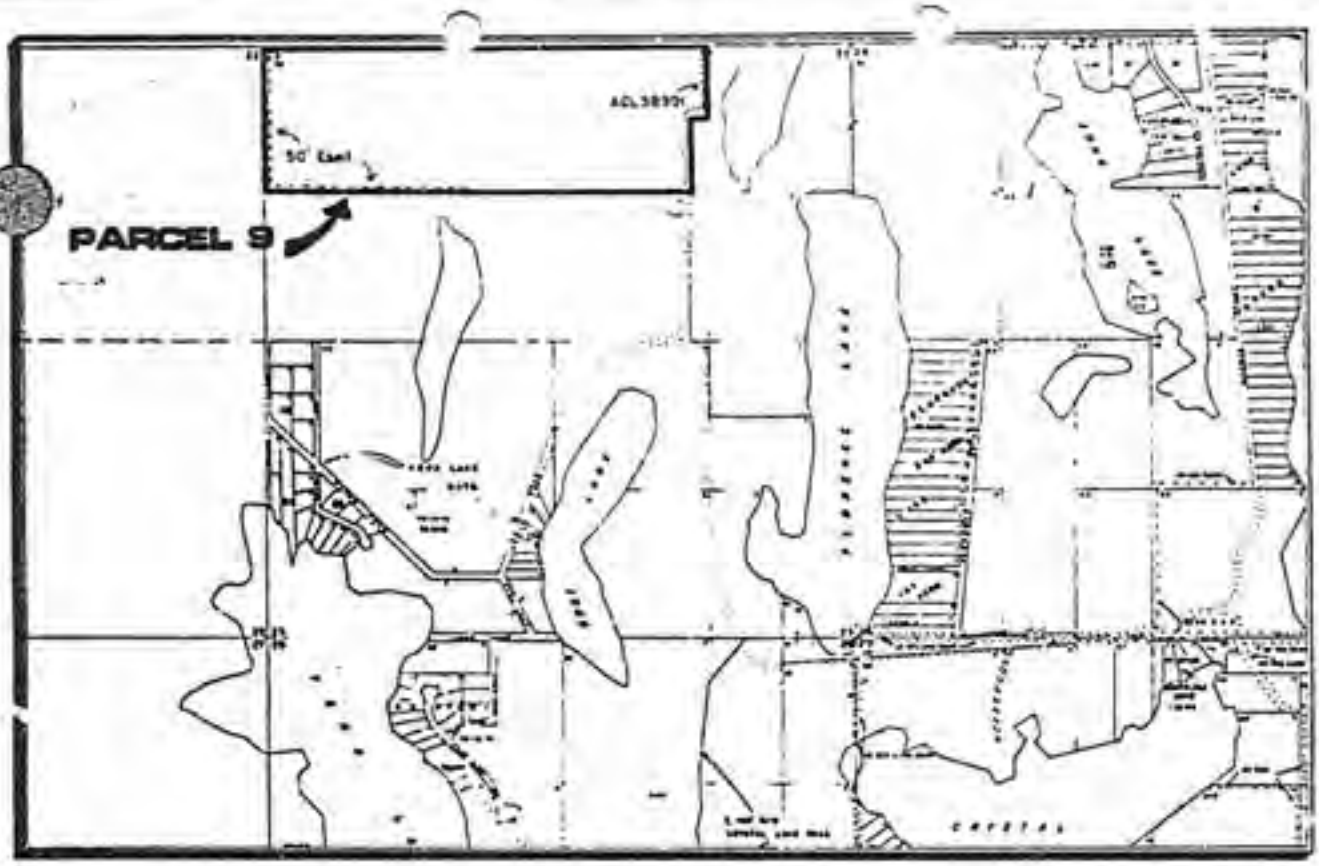
85% Kashwitna silt loam, 0-3% slope, 10-18" soil over gravel
13% Salamatof peat, 0-3% slope
2% Kashwitna silt loam, 12-17% slope

87% Class II and III soils
13% Class VII soils

Reservation of a 50' public right of way along the westerly and northerly boundary.

Subject to valid existing trails, roads and easements and an ADL 58991 right of way for 100 feet along the easterly boundary.

ORS 82-038(5)
AM 82-271
AM 82-227



PARCEL 9

Township 19 North, Range 5 West, Section 23
N½NW¼, W½NW¼NE¼, NE¼NW¼NE¼, W½SE¼NW¼NE¼,
W½E½SE¼NW¼NE¼ . . . . . 117.50 acres

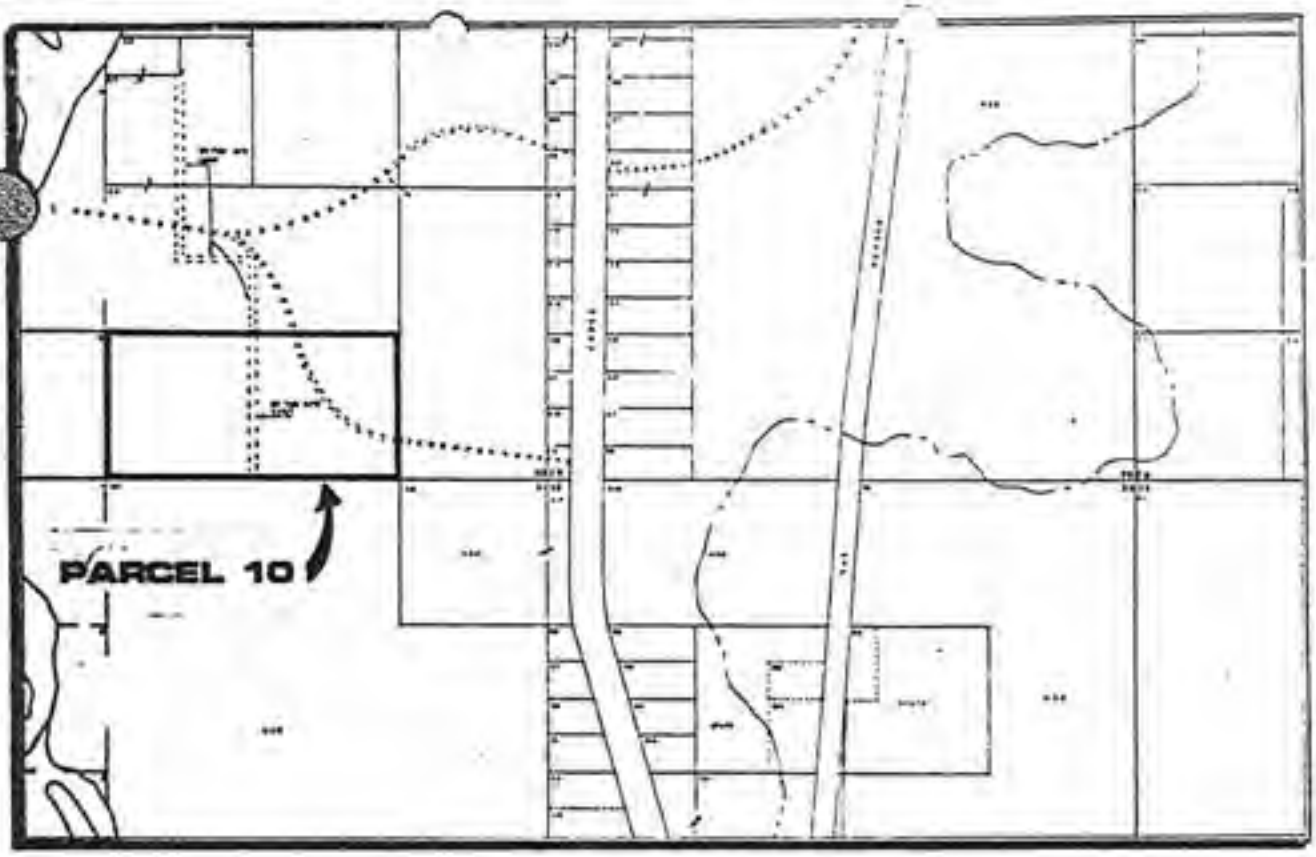
64% KashWitna silt loam, 0-3% slope, 10-18" soil over gravel
21% Salamatof peat, 0-3% slope
11% Kashwitna silt loam, 17-12% slope
4% Nancy silt loam, sandy substratum, 0-3% slope

89% Class II and III soils
11% Class VII soils

Reservation of a 50' public right of way along the westerly and southerly boundary.

Subject to valid existing trails, roads and easements and ADL 58991 right of way for 100' along the easterly boundary.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 10

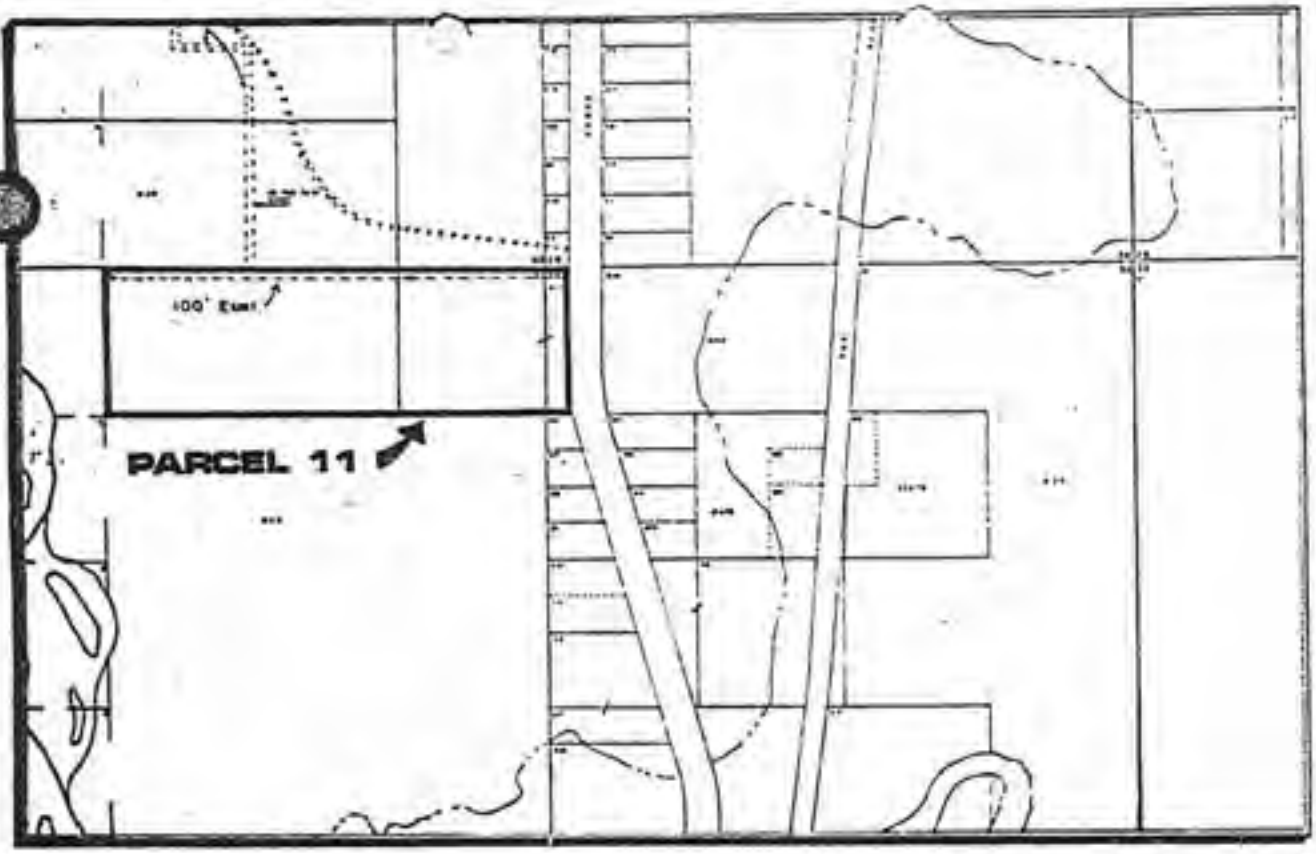
Township 22 North, Range 4 West, Section 30
SE¼SW¼, SW¼SE¼. . . . . 80 acres

88% Lucille silt loam, 0-3% slope
6% Bernice sandy loam, 12-45% slope
6% Salamatof peat, 0-3% slope

88% Class II and III soils
12% Class VII soils

Subject to valid existing roads, trails and easements.

Ord 82-038(S)
Am 82-271
Am 82-227



PARCEL 11

Township 22 North, Range 4 West, Section 31 and 32
N½NE¼, NE¼NW¼, Section 31
W½W½NW¼NW¼ west of the Parks Highway, Section 32. . . . . 140 acres

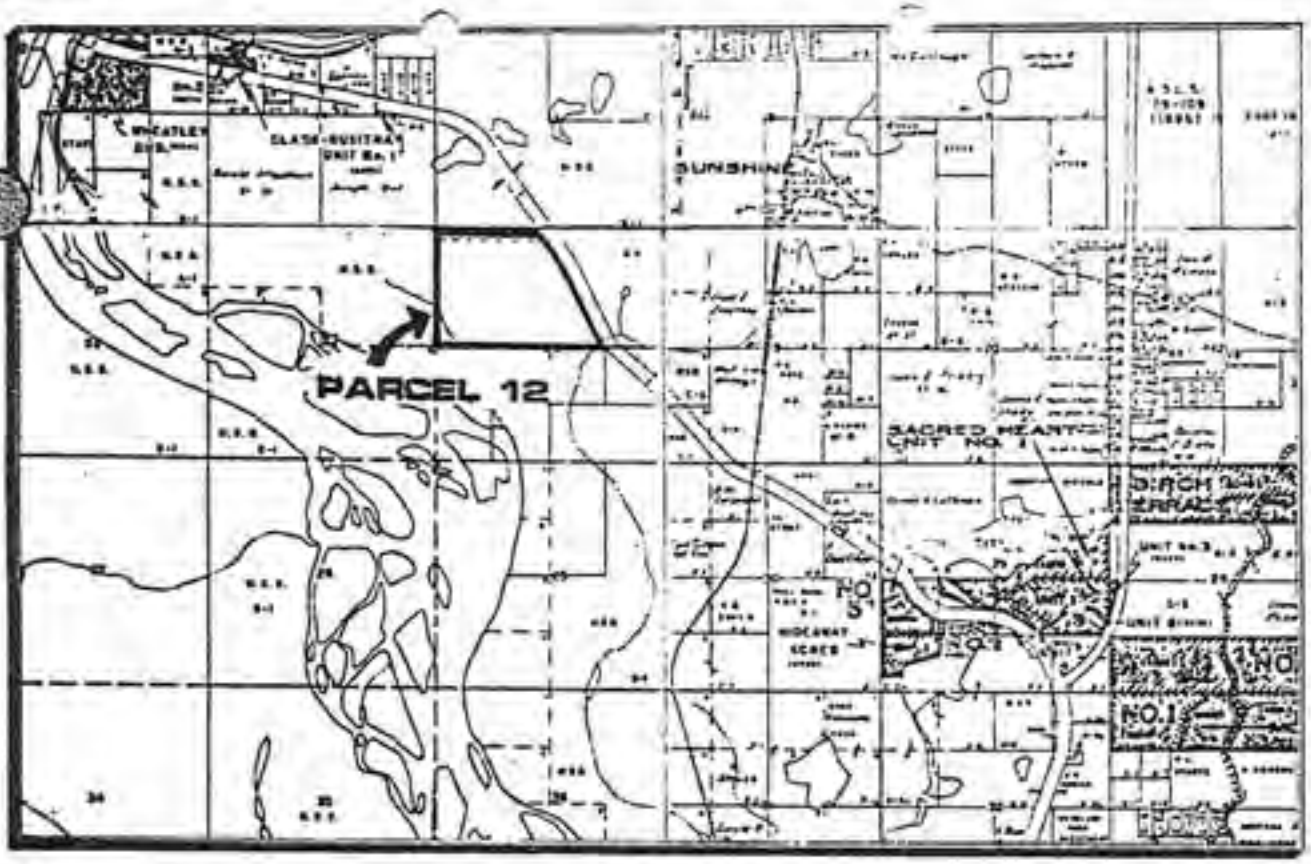
32% Lucille silt loam, 0-3% slope
25% Salamatof peat, 0-3% slope
21% Bernice sandy loam, 12-45% slope
17% Kashwitna silt loam, 0-3% slope
5% Kashwitna silt loam, 3-7% slope

54% Class II and III soils
46% Class VII soils

Reservation of a 100' public right of way along the northerly boundary.

Subject to valid existing trails, roads and easements.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 12

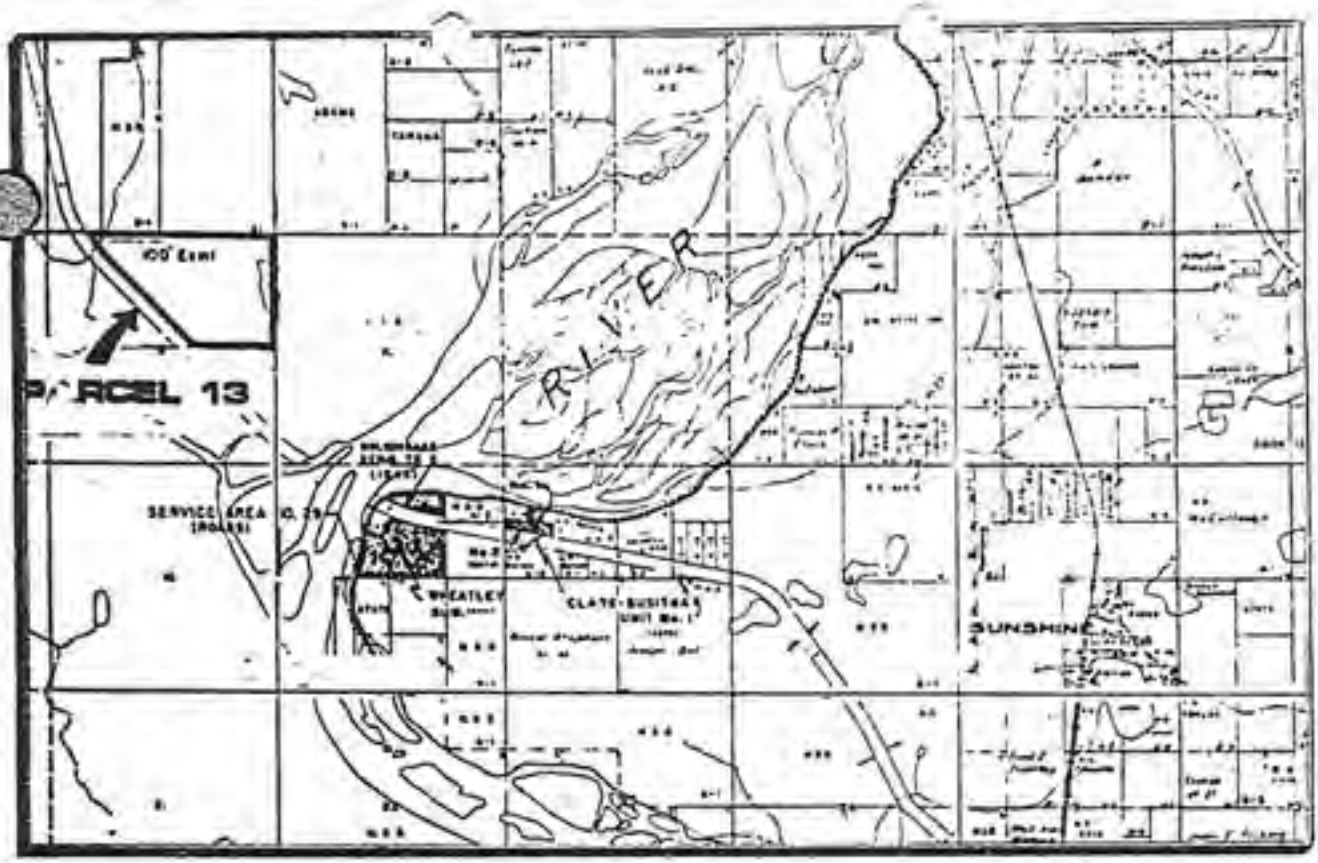
Township 24 North, Range 5 West, Section 24
NW¼, SW¼NE¼, W½NE¼ all west of the Parks Highway . . . . . 225 acres

45% Nancy silt loam, 7-12% slope
20% Nancy silt loam, 0-3% slope, 15-30" soil over gravel
15% Nancy silt loam, 12-20% slope
12% Salamatof peat, 0-3% slope
1% Susitna Series, 0-3% slope, 40-60" soil over gravel

70% CLASS II and III soils
15% CLASS IV soils
3% CLASS VI soils
12% CLASS VII soils

Reservation of a 50 foot section line easement along the northerly boundary.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 13

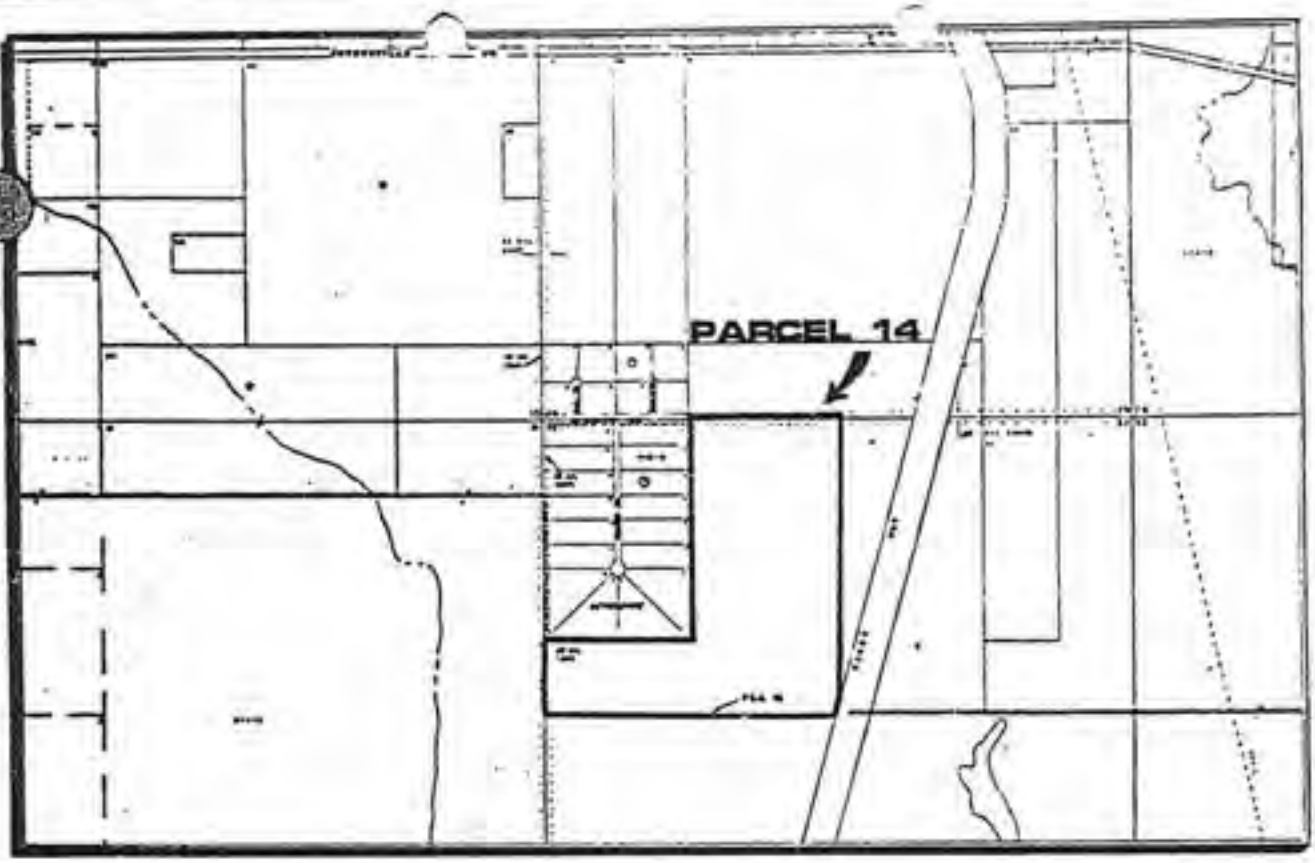
Township 24 North, Range 5 West, Section 9
NE¼, NE¼SE¼NW¼, NE¼NW¼, NE¼NE¼NW¼ all east of the
Parks Highway . . . . . 160 acres

24% Chulitna silt loam, rolling 7-12% slope
22% Salamatof peat, 0-3% slope
13% Rabideux silt loam, shallow, 0-3% slope
8% Rabideux silt loam, 3-7% slope, 15-25" soil over sand
6% Lucille silt loam, 0-3% slope
3% Jacabsen very stoney silt loam, 0-3% slope
1% Rabideux silt loam, 12-20% slope, 15-25" soil over sand
19% Rabideux silt loam, 3-7% slope, 15-20" soil over sand
4% Rabideux silt loam, shallow, 20-30% slope

70% Class II and III soils
1% Class VI soils
29% Class VII soils

Reservation of a 100 foot right of way along the northern boundary starting at the Parks Highway and running easterly approximately 1700 feet.
Subject to valid existing trails, roads and easements.

ORD 82-038(S)
Am 82-271
Am 82-227



PARCEL 14

Township 26 North, Range 5 West, Section 32
E½NW¼, S½SW¼S½, excluding the Parks Highway . . . . . = 100 acres

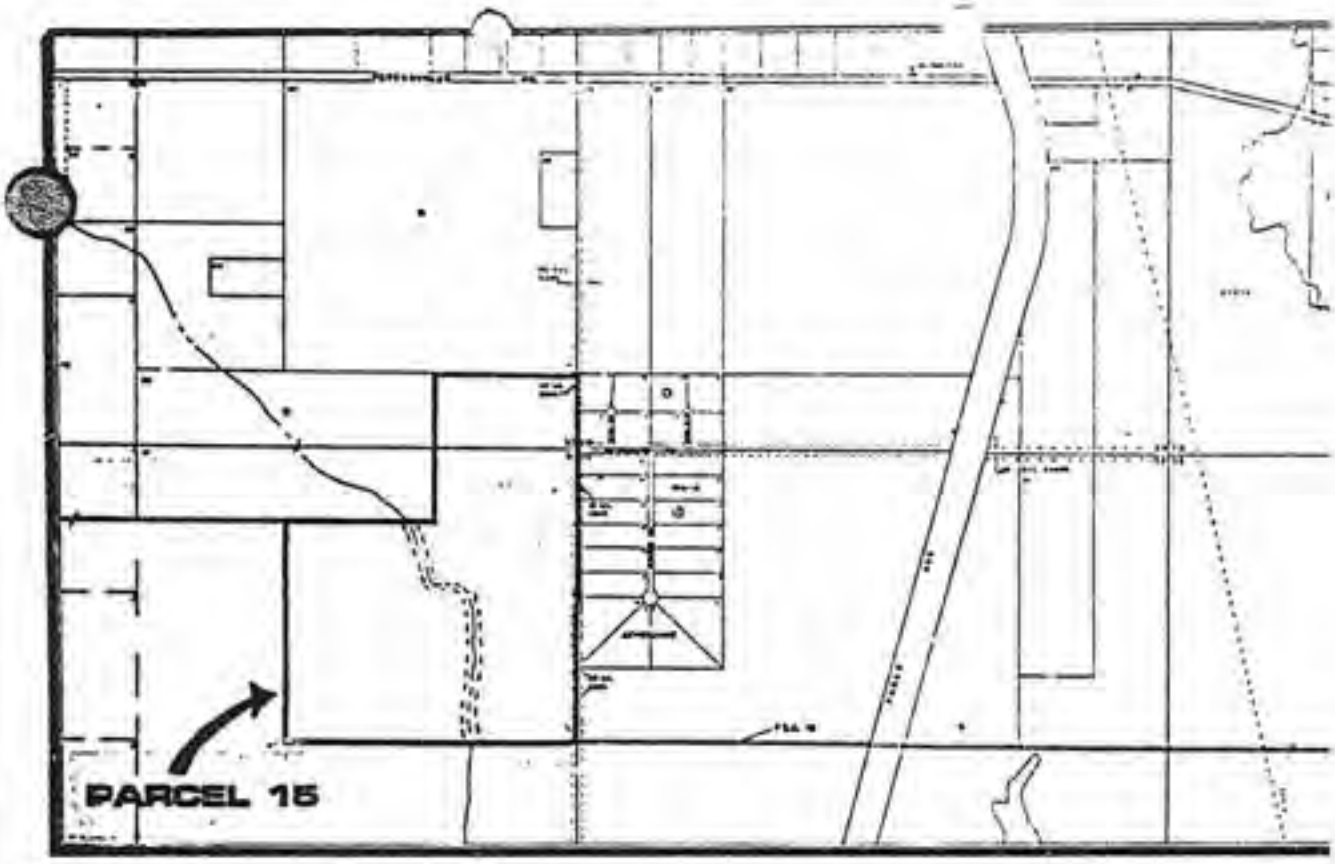
90% Rabideux silt loam, 0-3% slope
10% Rabideux silt loam, 3-7T slope

100% Class II and III soils

Subject to valid existing roads, trails and easements and an existing 50' section line easement.

ORD 82-038(S)
AM 82-271
AM 82-227

0 0 2 3 8 5



PARCEL 15

Township 26 North, Range 5 West, Section 30 and 31
S½SE¼SE¼, Section 30 and the E½NE¼, SW¼NE¼, S½NW¼NE¼, Sec. 31. = 160 acres

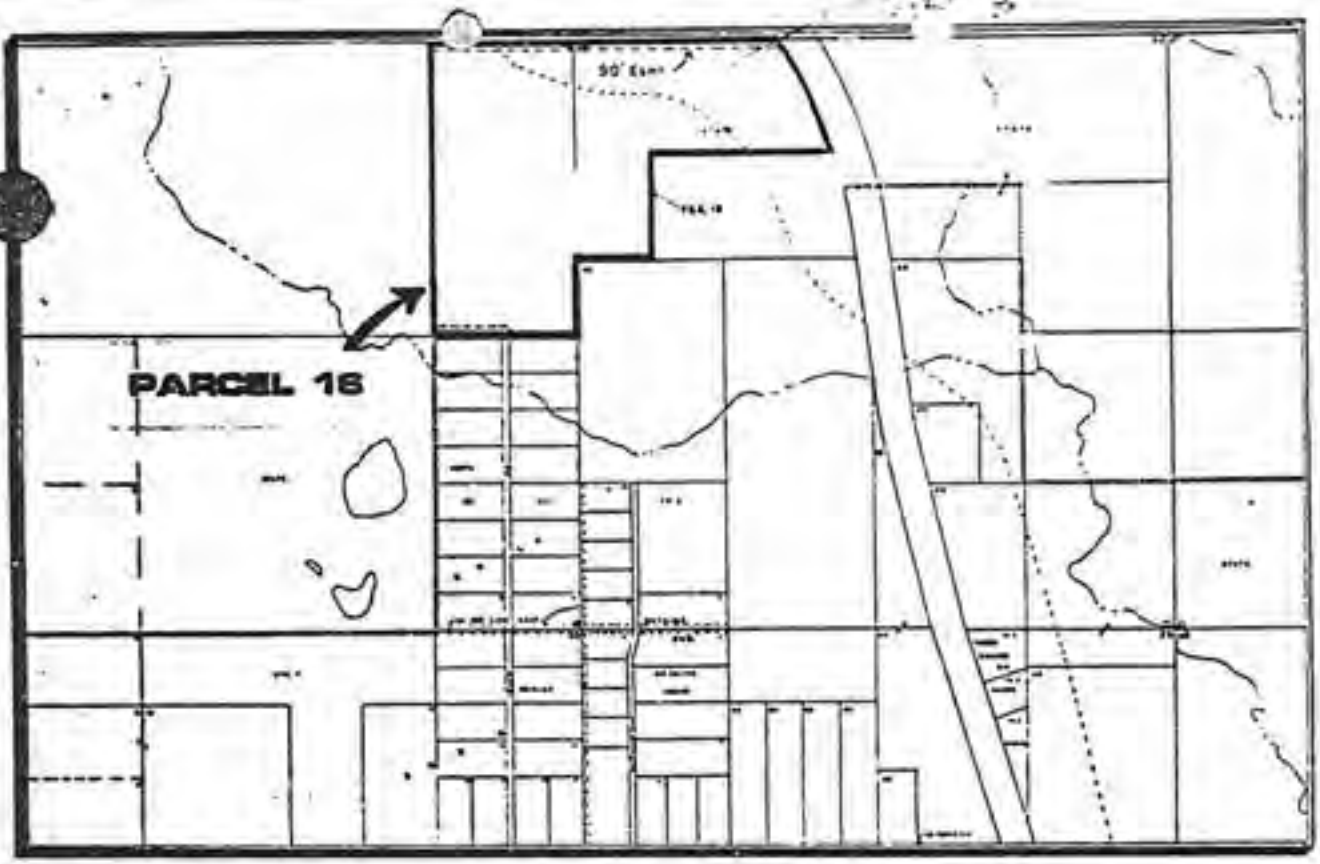
36% Rabideux silt loam, 0-3% slope
29% Salamatof peat, 0-3% slope
20% Lucille Silt loam, 0-3% slope
15% Rabideux silt loam, 3-7% slope

71% Class II and III soils
29% Class VII soils

Subject to valid existing roads, trails and easements.

Subject to 50' public pedestrian easement along the creek.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 16

Township 26 North, Range 5 West, Section 19 and 20
E½NE¼ of Section 19, N½NW¼ west of the Parks Highway and the
N½S½SE¼NW¼ all excluding the material site ADL 45702. . . . . 144.00 acres

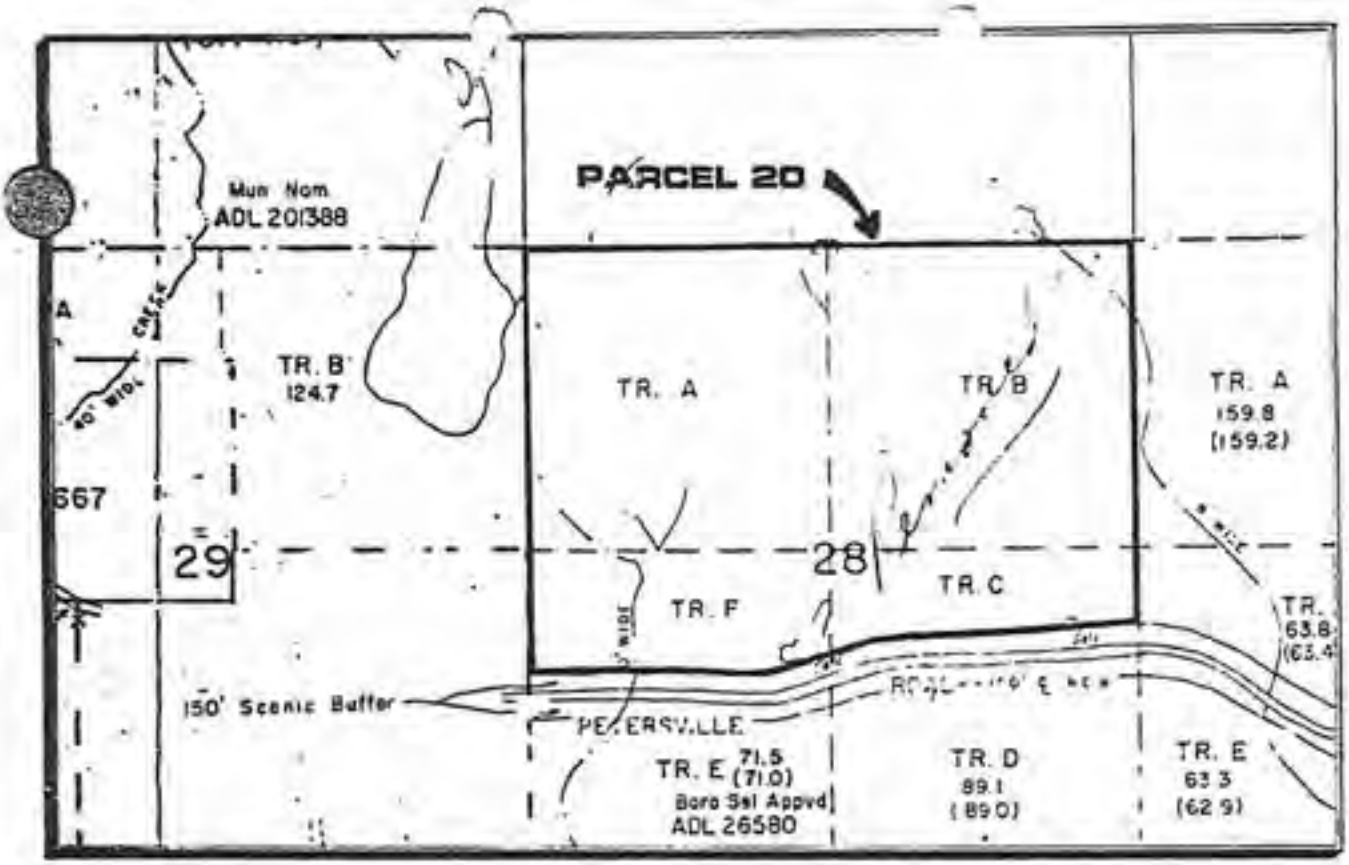
61% Rabideux silt loam, 0-3% slope
15% Rabideux silt loam, 3-7% slope
13% Chulitna silt loam, rolling, 3-7% slope
8% Rabideux silt loam, 7-12% slope
3% Rabideux silt loam, steep

Reservation of a 50' section line easement along the northerly boundary and a 60' public right of way starting at the southwesterly corner and running easterly approximately 660' to Kula Road.

This parcel will be subject to any reservations, trails, easements along creeks, roads or section lines as set forth in the patent.

This parcel is directly below previously disposed Borough Agricultural land which had large rocks. PHYSICAL INSPECTION WOULD BE ADVISED.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 20

Township 26 North, Range 6 West, Section 28
Tracts A, B, C, & F . . . . . 422.50 acres

40% Salamatof peat, 0-3% slope
24% Rabideux silt loam, 0-3% slope
24% Rabideux silt loam, 3-7% slope
7% Kalifonsky silt loam, 0-3% slope
5% Rabideux silt loam, 7-12% slope

60% Class II and III soils
40% Class VII soils

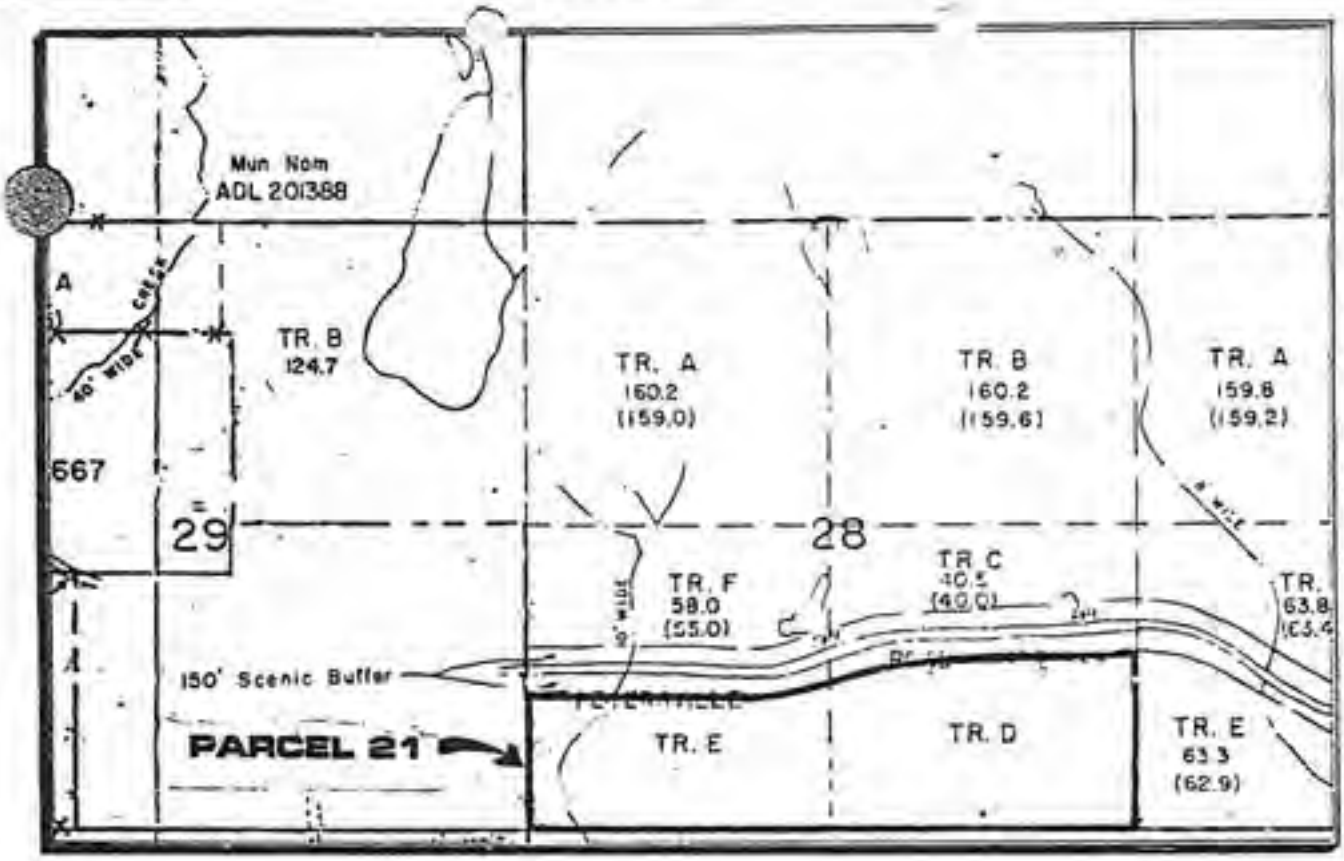
Subject to a 50 foot right of way along the easterly boundary and a 150 foot scenic buffer along the Petersville Road right-of-way. Further, subject to any existing valid roads, trails or easements.

ORD 82-038(S)
AM 82-271
AM 82-227

AG SALE 1982

ORD 82-038(S)
Am 82-271
Am 82-227

PACKET "B"



PARCEL 21

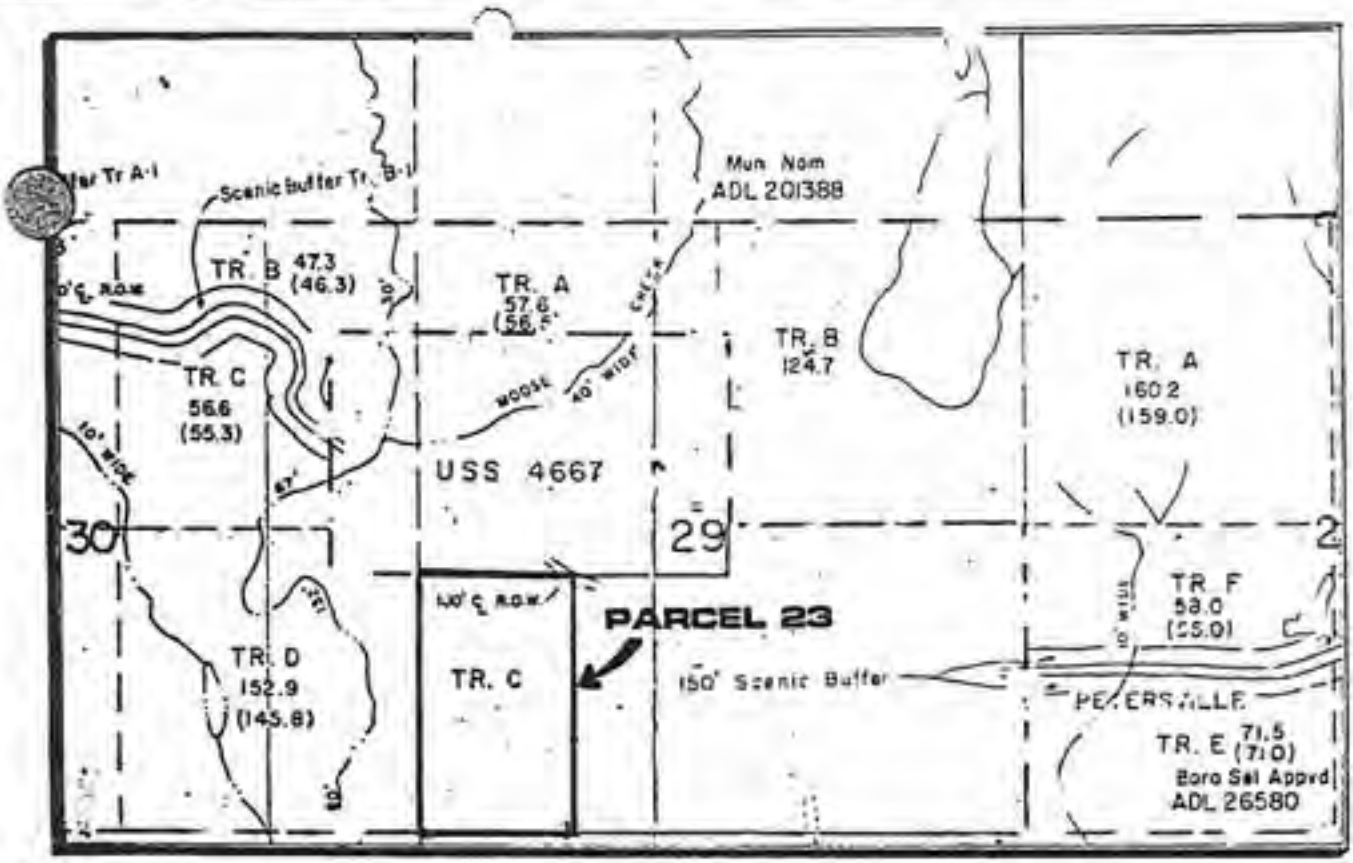
Township 26 North, Range 6 West, Section 28
Tract D & E . . . . . .160.00 acres

24% Rabideux silt loam, 0-3% slope
24% Rabideux silt loam, 3-7% slope
30% Salamatof peat, 0-3% slope
19% Kalifonsky silt loam, 0-3% slope
3% Rabideux silt loam, 7-12% slope

70% Class II and III soils
30% Class VII soils

Subject to a 50' section line easement along the easterly boundary.
Further subject to a 150 foot scenic buffer along the Petersville Road right of way.

ORD 82-038(S)
Am 82-271
Am 82-227



PARCEL 23

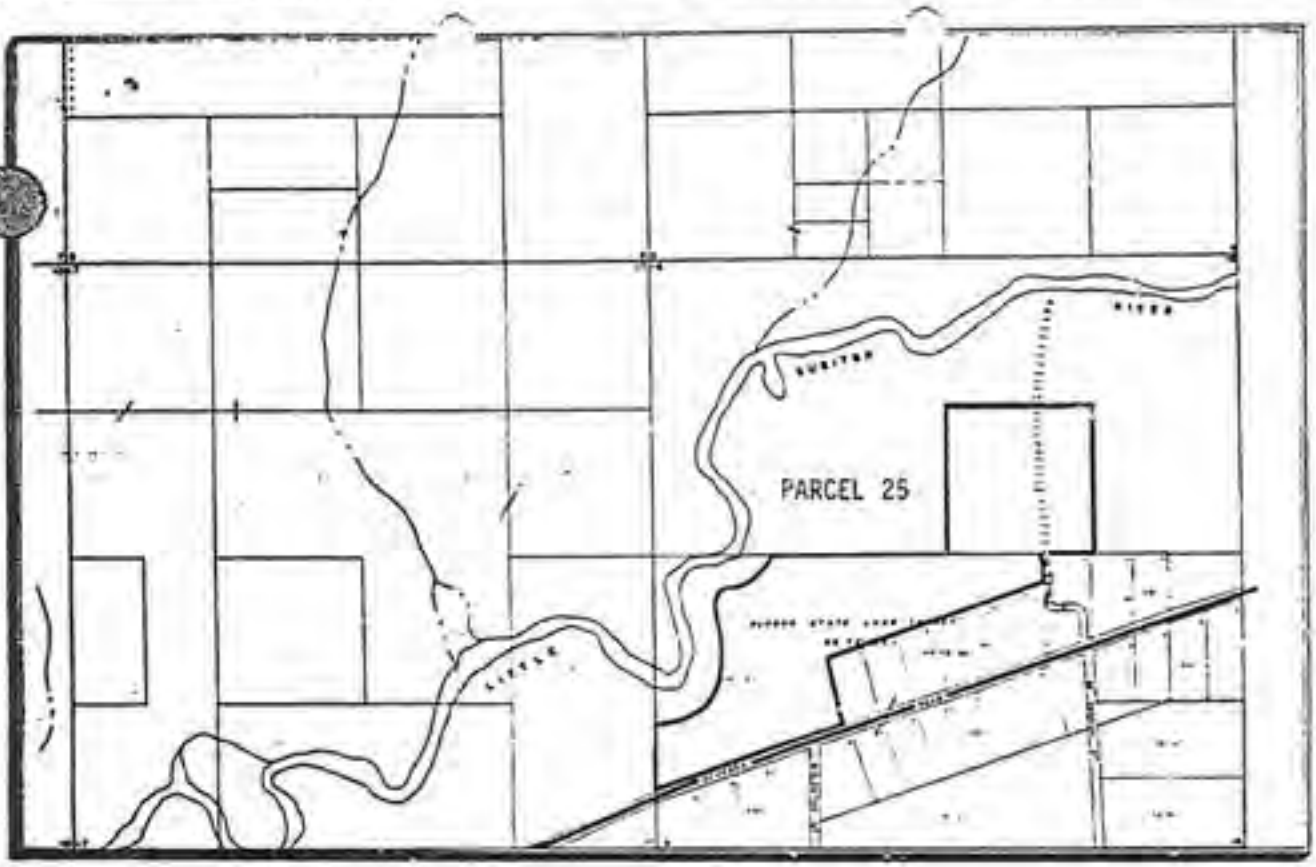
Township 26 North, Range 6 West, Section 29
Tract C . . . . . 65.7 acres

98% Rabideux silt loam, 0-3% slope
2% Kitley-Moose River Complex, 0-3% slope

98% Class II soils
2% Class IV soils

Subject to a 150' buffer along the Petersville Road right-of-way and valid existing roads, trails and easements of record.

ORD 82-038(J)
AM 82-271
AM 82-227



PARCEL 25

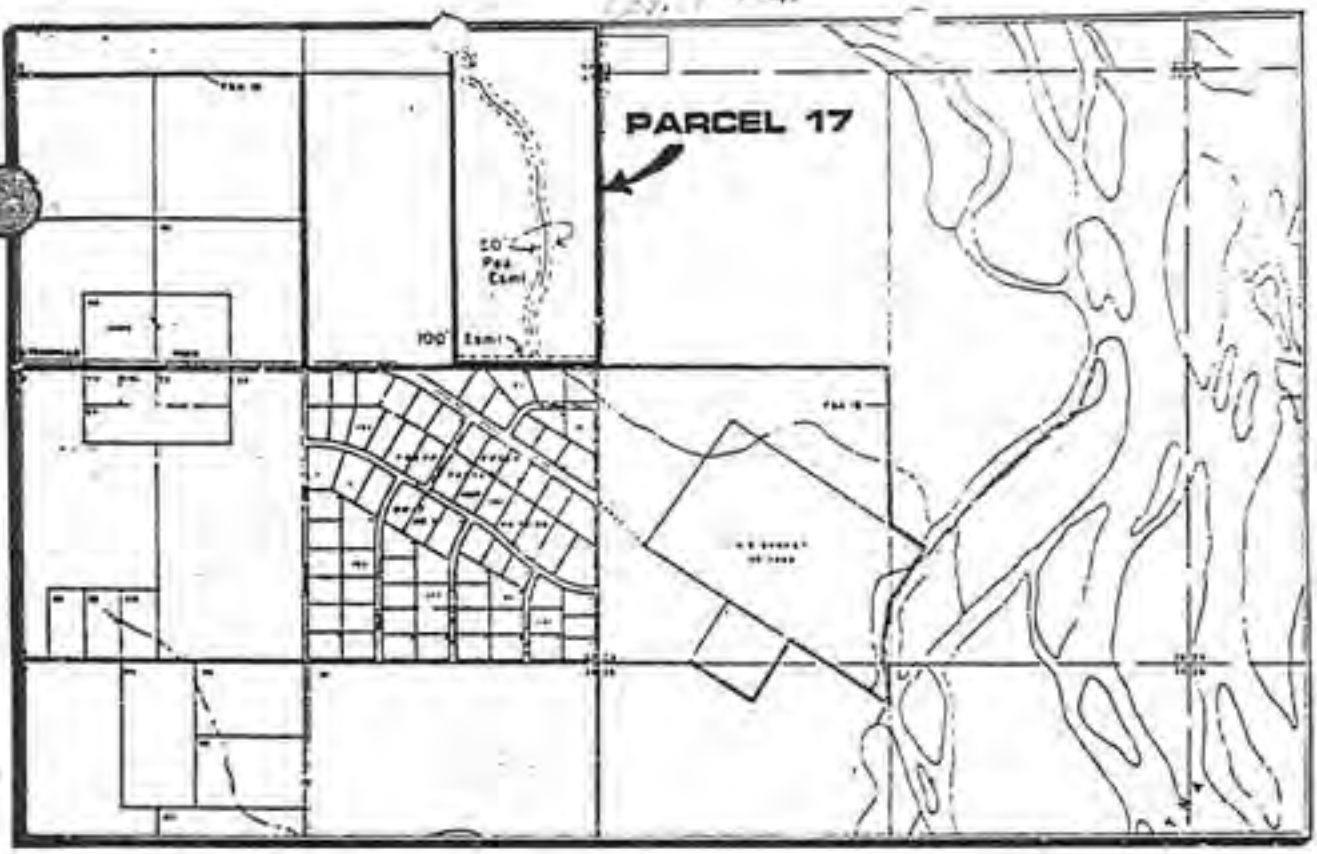
Township 18 North, Range 1 West, Section 16
SW¼NE¼ and Tract D, excluding a 300' wide lineal perpetual public easement along the high water mark of the Little Susitna River on both sides of the River . . . . . 116 acres

73% Schrock Silt loam, 0-3% slope
9% Homestead silt loam, very shallow, 0-3% slope
6% Mixed alluvial land
4% Homestead silt loam, very shallow, 3-7% slope
4% Homestead silt loam, very shallow, 12-20% slope
4% Homestead silt loam, very shallow, 30-45% slope

82% Class II and III soils
14% Class VII soils
4% Class VI soils

Subject to valid existing roads, trails and easements including a 60' right-of-way permit identified by ADL 62086 in the SW¼NE¼ and a Public right-of-way identified by ADL 00450 in Tract D and a 50' section line easement along the western border of Section 16.

ORS 82-038(SA)
AM 82-271
AM 82-277



PARCEL 17

Township 26 North, Range 5 West, Section 22 and 27
E½NE¼ of Section 27 and the S½SE¼SE¼ of Section 22 . . . . 100 acres

100% Susitna Series, 0-3% slope, 40-60" soil over gravel

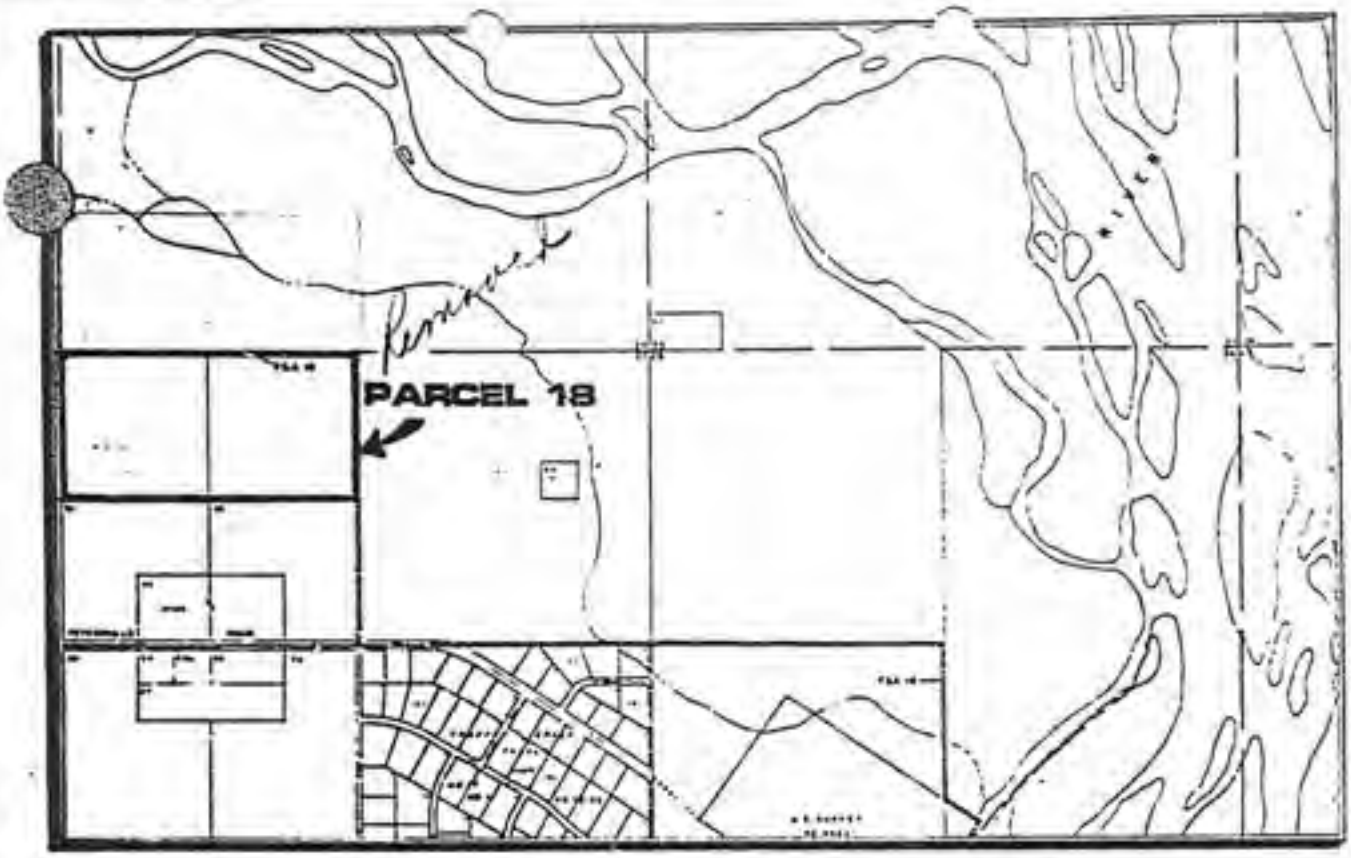
100% Class II soils

Reservation of a 100 foot right of way along the southerly boundary.

Subject to the reservation of a 50 foot wide lineal perpetual public easement along the ordinary high water mark of the unnamed creek as portrayed on the Cadastral Survey Extension Plat of Township 26 North, Range 5 West, Seward Meridian.

Parcel as recommended by the Ag. Advisory Board.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 18

Township 26 North, Range 5 West, Section 27

$N\frac{1}{2}NW\frac{1}{4}$ . . . . . 80 acres

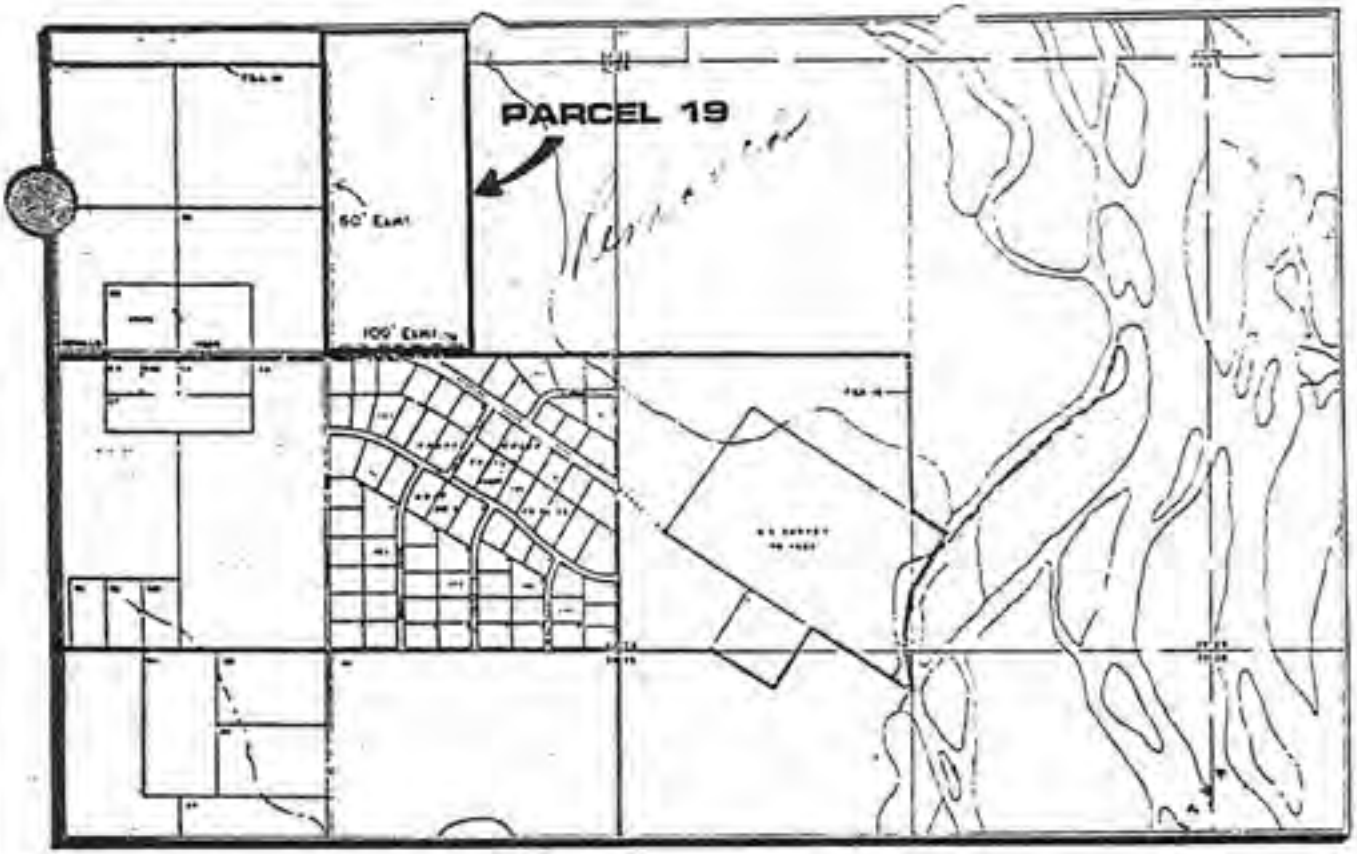
100% Susitna Series, 0-3% slope, 40-60" soil over gravel

100% Class II soils

Subject to valid existing roads, trails and easements.

Parcel as recommended by the Ag. Advisory Board.

ORD 82-038(O)
AM 82-271
AM 82-227



PARCEL 19

Township 26 North, Range 5 West, Section 22 and 27
W½NE¼ north of Petersville Road, Section 27 and the
S½SW¼SE¼ of Section 22 . . . . . 100 acres

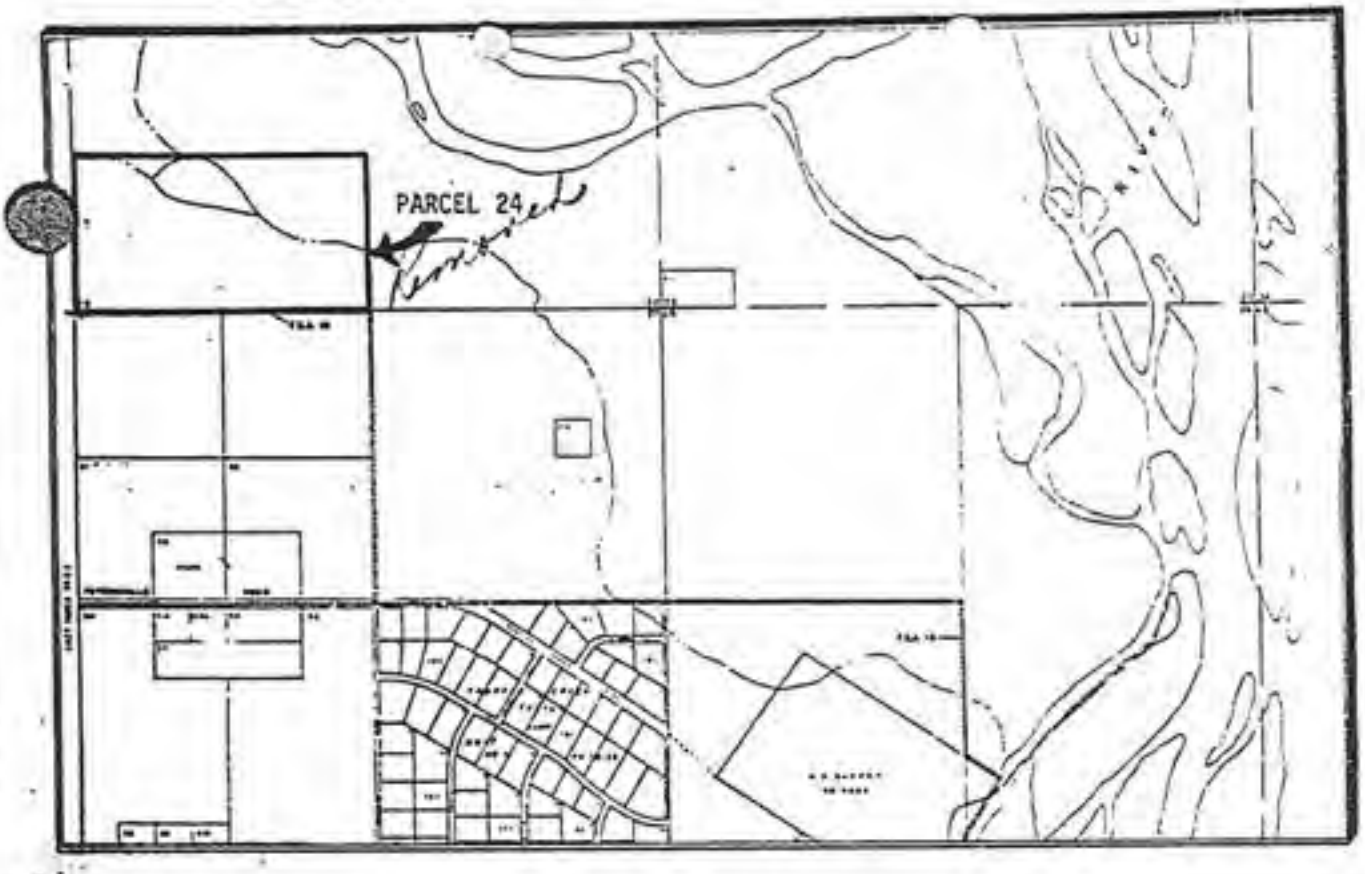
100% Susitna Series, 0-3% slope, 40-60" soil over gravel

100% Class II soils

Reservation of a 60 foot right of way along the westerly boundary and a 100 foot right of way along the southerly boundary.

Subject to valid existing roads, trails, easements and the 150 foot scenic buffer along the Petersville Road right of way.

ORD 82-038(S)
AM 82-271
AM 82-227



PARCEL 24

Township 26 North, Range 5 West, Section 22
S½SW¼ . . . . . 80 acres

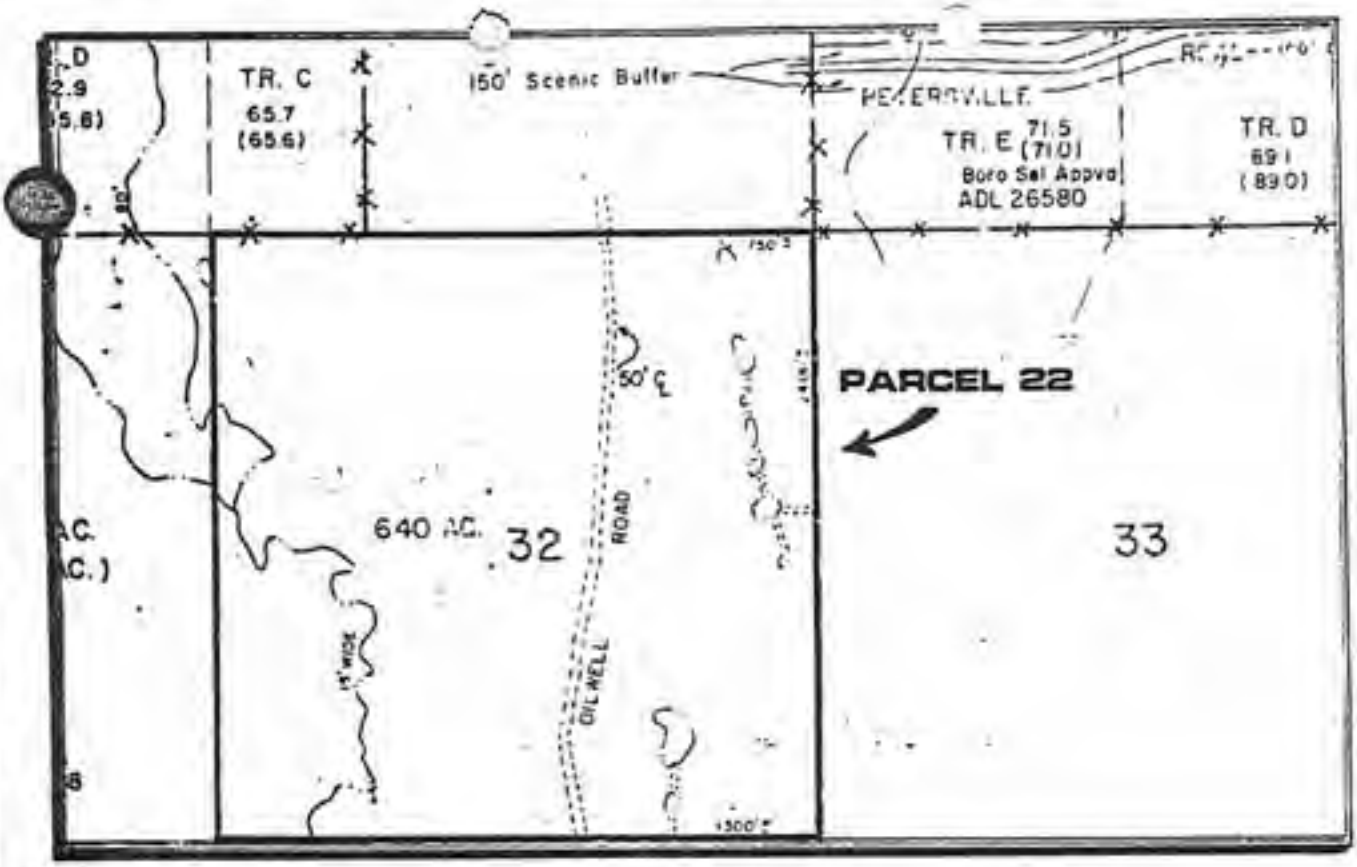
100% Susitna Series, 0-3% slope, 40-60" soil over gravel

100% Class II soils

Subject to valid existing roads, trails and easements.

Subject to section line easements.

ORD 82-038(S)
AM 82-271
AM 82-277



PARCEL 22

Township 26 North, Range 6 West, Section 32
All . . . . . 640 acres

34% Kitley-Moose River complex, 0-3% slope
24% Rabideux silt loam, 0-3% slope
20% Salamatof peat, 0-3% slope
15% Rabideux silt loam, 3-7% slope
5% Kalifonsky silt loam, 0-3% slope
2% Rabideux silt loam, 7-12% slope

46% Class II and III soils
34% Class IV soils
20% Class VII soils

This parcel will be subject to any reservations, trails, easements along creeks, roads or section lines as set forth in the patent.

ORD 82-038(S)
AM 82-271
AM 82-227

EXHIBIT "B"

TERMS AND CONDITIONS OF AGRICULTURAL
RIGHTS LAND SALE FOR FALL, 1982

OKD 82-038(S)
AM 82-271
AM 82-227

GENERAL

1. This is a sale for agricultural rights only. The rights to fee simple will not be sold in this offering except as herein stated. The bidder will bid on the value of agricultural rights only.
2. If a personal check is used as payment for the required down payment, the successful bidder is not considered to have leased the right to the property until sufficient time has elapsed to insure the check is not returned for any reason.
3. Some parcels are subject to obtaining patent to the Matanuska-Susitna Borough. Final acreage amounts may be different from the estimates indicated in the brochure. When the final determination of acreage size is completed, any variances will be incorporated into the sale documents by addendum and the sales prices will be adjusted higher or lower as the case may be.
4. The successful bidder will be required to provide, at his/her own expense, verification by a representative of the Soil Conservation Service or other qualified professional of annual progress and compliance with the farm plan each year in order to obtain the credits toward the market value price as determined by the Land Management Director.
5. A preference right to match the highest bid exists to any adjacent farmer/ owner of an existing farm. In case of two or more adjacent farmer bidders, the one who makes the highest bid will be considered the successful bidder.

ORS 82-038(S)
AM 82-271
AM 82-227

TERMS

1. Basic Lease with option to purchase. The land may be purchased at the end of the sixth year with no further payments due if 50% of the purchase amount has been paid and if the minimum required acreage (no less than 70% of Class II and III soils) is in production according to the Farm Plan. This constitutes a forgiveness of the remaining balance due. Basically the lease payments are applied to the financing terms. If these minimum conditions have been met prior to the end of the sixth year, then the purchase option may be exercised at such time.
2. The lease term will be for twenty (20) years.
3. The Bid Price will be the purchase price.
4. The lease payment will be 8% of the purchase price and will be an annual payment.
5. The first lease payment must be made in advance.
6. There will be no clause allowing for automatic renewal of the lease.
7. If the Farm Plan and/or the required amount of land cleared and in production has not been adhered to by the end of the sixth year, the option to purchase will not be allowed.
8. No later than the end of the third year, a review of progress will be required.
9. No later than the end of the fifth year a letter to the farmer indicating that a minimum of 70% Class II and III soils, or as required from the accepted Farm Plan, must be under production and indicating the terms and conditions of the upcoming purchase option. The letter will also inform the farmer of possible lease termination in case of non-compliance to requirements.
10. The successful bidder will have 30 days from notification to present an acceptable Farm Plan. If the Farm Plan is rejected by the Agricultural Advisory Board, the reason will be given and an additional 30 days will be allowed for resubmission and/or appeal.

ORD 82-038(5)
Am 82-271
Am 82-227

11. In the event that unforeseen circumstances render the completion of a Farm Plan impossible and consequently the exercising of the option to purchase, the farmer will be allowed to request from the Assembly an extension of time, not to exceed one year, for completion of the Farm Plan.

In so doing, the farmer must show reasonable cause for the delay and reasonable diligence in attempting to meet all required minimums.

The burden of proof will be on the farmer.

12. The farmer may elect to remain on a lease basis for the 20 year period. However, in such cases the land will be revalued at the end of the sixth year and the lease payments will be adjusted accordingly.

ORD 82-038(S)
AM 82-271
AM 82-227

FARM DEVELOPMENT PLAN

Each successful bidder will be required to submit a Farm Development Plan to the Land Management Officer within 30 days of Notice of Bid Acceptance. This plan will be reviewed by the Agricultural Advisory Board at its next regularly scheduled meeting following the plan submission. The farm plan will be in the form of conditions, covenants and restrictions which run with the land, can be separately inforced, but which can be removed by action of the Borough. The two major reasons for a farm plan:

(1) If the bidder for land restricted to agriculture should bid in an amount close to the fair market value of the land unrescricted, there is very little monetary incentive to earn credits to reduce annual payments.

(2) After all financing conditions have been met, there is no monetary incentive to continue to apply the land to agricultural purposes. This would be especially true after the sixth year when that land has been paid off.

The Agricultural Advisory Board will recommend approval or disapproval of the farm plan. If the Farm Development Plan is disapproved, the reason will be indicated, and the successful bidder will have an additional 30 days to resubmit a revised Farm Development Plan.

The Farm Development Plan must include the following as a minimum requirement for approval:

1. No specific amount of clearing will be required for the first year.
2. A minimum of 70% of estimated Class II and III soils must be cleared and in production by the end of the sixth year;
3. The type of production (ex: dairy farming, grain production, hay production, hog farming) should be identified.

ORD 82-038(S)
AM 82-271
AM 82-227

CONDITIONS, COVENANTS AND RESTRICTIONS
FOR AGRICULTURAL RESTRICTED PROPERTY

The Matanuska-Susitna Borough, an Alaska municipal corporation, hereinafter declared "declarant" is the owner of all that real property located in the Matanuska-Susitna Borough, State of Alaska, being offered for sale, without development rights, more particularly described in Exhibit "A", attached hereto and incorporated herein by reference.

It is declarant's intention to impose upon the property mutually beneficial restrictions under a general plan of improvement of the properties for the benefit of all the owners thereof; specifically, it is the intent of the owner to restrict development of the property so as to preserve its potential for agricultural development. The Matanuska-Susitna Borough has found, in connection with this declaration of conditions, covenants and restrictions, that the possibility of these properties being developed to their highest and best agricultural use is improved and enhanced, if all of the land therein with good agricultural soils, are applied to agricultural uses, since, with the larger acreage under agricultural production, there will be economies of supply, transportation and marketing, and a better assurance of establishing a stable market for the agricultural products to be produced from such land. These lands were selected for sale, with restrictions as to development, based upon the relative large amounts of Class II and III soils within the lands, which soils are particularly suitable for agriculture. The parcels subject to these restrictions are sold or will be sold at a substantially reduced price with these restrictions than would have been obtained by the declarant if the parcel had been sold without the restrictions.

ORD 82-038(S)
AM 82-271
AM 82-227

NOW THEREFORE, declarant declares that the project is held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the following limitations, restrictions, covenants and conditions, all of which are declared and agreed to be in furtherance of the plan for the improvement of the property and for the purpose of enhancing and protecting the value, desirability and usefulness of the project as an agricultural project, and every part thereof. All of the limitations, covenants, restrictions and conditions run with the real property and is binding on all parties having or acquiring any right, title or interest therein or, any part thereof, and is for the benefit of each owner of each parcel within said project or any interest therein, and inures to the benefit and is binding upon the successor in interest of the owners thereof. In addition, the Matanuska-Susitna Borough are beneficiaries of these covenants.

1. Definitions. The terms used have the meanings given to them in the deed, except as expressly otherwise provided herein. For the purposes of these restrictions the terms used have the following meanings:

A. Project - the parcels sold by the Matanuska-Susitna Borough at a sale of Borough parcels scheduled for approximately _____. These parcels are described in an instrument recorded on _____ in Book ____, Page ____, Office of the Recorder, Palmer Recording District, Third Judicial District, State of Alaska. The project can be enlarged by the Assembly at its discretion by adding parcels sold or to be offered for sale by the Borough in future Borough land sales, which parcels, in the Assembly's discretion, may be made also subject to these same restrictions.

OKD 82-038(S)
AM 82-271
AM 82-327

B. Restrictions. These conditions, covenants and restrictions.

C. Subject property. The property sold by the Borough to a particular owner, as described in Exhibit "A".

2. Use of Property. The property conveyed shall be used only for agricultural purposes. Standing and other timber may be cut and sold, or otherwise used or disposed of, only if the stumps and roots of the cleared area are placed in orderly piles, berms or wind rows, or otherwise disposed of within 18 months of the clearing and, provided further, only if the roots are grubbed, raked or otherwise removed from the cleared area so as to render the cleared area suitable for cultivation within 24 months of the cutting of the particular area cleared. The removal of timber, without removal of stumps, limbs, roots and other debris, is specifically declared to be waste and such waste is hereby prohibited by these covenants.

3. Buildings and Improvements. Only those buildings and improvements which are reasonably required for the development of the property for agricultural purposes are permitted. This includes: one homesite, attached or detached garage for the homesite, and similar residential out buildings, such as an outdoor toilet, smokehouse, sauna, upon a parcel no greater than five acres within the subject property. The owner shall identify such parcel, with sufficient information, so that the parcel can be described in a separate deed of trust, suitable for recordation. The parcel for a residence shall be appropriately located in light of existing or proposed road access to the property, and in light of orderly development and use of the property for agricultural purposes. The location of this parcel to contain the residence may be changed at a later date upon application of the owner and with the consent of the Assembly. Improvements which would ordinarily be classified as being required for agricultural development are barns, wells, septic tanks, fences, pens, silos, garage for storage of farm equipment, and field roads. The following are examples of improvements or

ORS 82-038(D)
Am 82-227 Am 82-271

activities which are not permitted: buildings or yards for commercial sale, repair or storage of equipment or supplies; areas and buildings for retail sales, other than sales of agricultural products; sale of sand and gravel for use off the subject property, except as permitted under a finding of the Assembly that such sale will contribute to the development of agriculture in the area. Home occupations within the residence, such as bookkeeping, are permitted.

4. Waste. Waste of the property, such as removal of the topsoil, is prohibited.

5. Further Subdivision. Further subdivision of the property is prohibited, except where the owner applies to the Assembly for such subdivision and where the Assembly finds that such subdivision, if permitted, could reasonably be expected to increase the agricultural production to be realized from the new parcel to be generated by virtue of the fact that it will be added to an adjacent farm, or a similar circumstance favorably contributing to the economics of agricultural production.

6. Amendment. These conditions, covenants and restrictions may be amended only by ordinance of the Matanuska-Susitna Borough Assembly. Any such amendment or change in the number of parcels subject to these restrictions shall be effective upon recordation in the Office of the Recorder, Palmer Recording District, Third Judicial District, State of Alaska, Palmer, Alaska.

7. Interpretation. The provisions of these restrictions shall be liberally construed to affect its purpose of encouraging the development of agriculture within the project, and within the individual properties of the project. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce such provisions or any other provisions hereof.

OKD F2-038(5)
Am F2-271
Am F2-227

IN WITNESS WHEREOF, the undersigned has executed this instrument this _____ day of _____, 1982.

MATANUSKA-SUSITNA BOROUGH

_____
Gary Thurlow
Borough Manager

ATTEST

_____
Evelyn Thompson
Borough Clerk

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

On this _____ day of _____, 198___, before me, _____, a Notary Public in and for the State of Alaska, personally appeared GARY THURLOW, and EVELYN THOMPSON, known to me to be the Borough Manager and Borough Clerk of the Matanuska-Susitna Borough, an Alaska municipal corporation, that executed the within instrument on behalf of the Borough and acknowledged to me that such Borough executed the same pursuant to the laws of the State of Alaska, the ordinances of the Matanuska-Susitna Borough and a resolution of the Matanuska-Susitna Borough Assembly.

_____
Notary Public for State of Alaska
My commission expires:

ORD 82-038(S)
AM 82-271
AM 82-227

AMENDED
NON-CODE ORDINANCE

MATANUSKA-SUSITNA BOROUGH

ORDINANCE SERIAL NO. 86-78

AN ORDINANCE OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH AUTHORIZING THE BOROUGH MANAGER TO IMPLEMENT CHANGES IN THE BOROUGH'S AGRICULTURAL PROGRAM TO PERMIT DEFERRALS OF DEVELOPMENT AND PAYMENT SCHEDULES.

WHEREAS, the Matanuska-Susitna Borough Assembly has directed the Agricultural and Forestry Advisory Board and Borough Staff to recommend changes in the Borough's agricultural program; and

WHEREAS, input was solicited from agricultural parcel owners, concerned citizens, Agricultural and Forestry Advisory Board members and members of the three Soil and Conservation districts at various public meetings; and

WHEREAS, recommended program changes were developed, based on input from the public meetings, which will provide more flexibility in developing Borough agricultural lands; and

WHEREAS, the program changes recommended by the Agricultural and Forestry Advisory Board will encourage the development of agricultural lands in a reasonable manner.

BE IT ENACTED:

1. Classification. This is a non-code ordinance.

2. Adoption and Authorization to Implement Changes in the Agricultural Program. The Manager is authorized to implement the changes to the Agricultural program of the Borough as set out in Exhibit "A" by executing necessary amendments to agricultural rights leases executed in 1982 and 1983 and to the notes, restrictions, contracts and other documents related to the sale of agricultural rights in 1977 and 1981. Upon the execution of such an amendment, the terms and conditions of the amendment supercede any provision of the Code of Ordinances of the Matanuska-Susitna Borough with which it conflicts. Only those parts of the Code that are in irreconcilable conflict with an approved policy as implemented in an amendment are superceded and only to the extent of the conflict.

3. Effective date. This ordinance becomes effective upon its adoption.

Introduction: 9/2/86
First Reading: 8/19/86
Public Hearing: 9/16/86

ADOPTED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 16th day of September, 1986.

Dorothy A. Jones, Mayor

ATTEST:

Chris Seagraves, Borough Clerk

(SEAL)

Ord 86-78

EXHIBIT "A"

POLICIES FOR AGRICULTURAL RIGHTS PURCHASES
AND LEASES MADE IN 1977, 1981, 1982 and 1983.

The policies set out in this exhibit apply only to agricultural right purchases from the Borough made in 1977 and 1981 and to agricultural rights leases from the Borough made in 1982 and 1983.

Definitions

"Bid Price" is the amount a lessee bid for the right to buy agricultural rights to an agricultural parcel leased under the 1982 or 1983 Borough agricultural lease program.

"Net Purchase Price" is the purchase price less applicable production and development credits.

"Parcel" is the area leased under an agricultural rights lease or the area upon which agricultural rights were purchased under an agricultural rights sale.

"Purchase Price" is the price for which a leased agricultural parcel may be purchased if the development requirements are met. It is the bid price less the forgiveness allowed for meeting the development schedule, but not less production or development credits.

The purchase price for 1977 sales is the amount bid; for 1981 sales it is the purchase price established for the lottery.

"Schedules" includes both the development schedule and the lease or note payment schedule. Schedule refers to the time by which development requirements are to be met or payments are to be made.

1. Deferments

Up to three deferments of one year each may be taken at any time during the lease or contract period. Each deferment extends both payment and development schedules. The first deferment may be taken at the parcel holder's option after review by the Agriculture and Forestry Advisory Board. To qualify for the second deferment, the parcel holder must show a good faith effort to comply with the schedules, show how unforeseen financial or practical circumstances prevented compliance, and have a written plan to bring the schedules current. To qualify for the third deferment, the parcel holder must also show progress since the second deferment or substantiation of extenuating circumstances.

No more than three deferments may be granted under this policy for any given parcel; changes in ownership do not change the total number of deferments to which a parcel is entitled.

Interest on the balance due on notes accrues during deferments and will be added to the principal owing by spreading such interest over the term of the extended payment period; subsequent note payments will be increased accordingly.

The deferments authorized under this section are in lieu of all other deferments authorized as a part of a sale or lease or under the terms of an ordinance. The property of a purchaser or lessee who enters into an amendment implementing the policies set out in this exhibit is entitled to three deferments under this section without regard to whether such property, purchaser or lessee has received a deferment of any nature in the past.

Deferments may be applied to the delinquencies that exist at the time this policy is implemented.

2. Extension of Purchase Options

A lessee qualifies for a 50% forgiveness of the bid price if all development requirements are met by the end of the sixth year or at the end of an approved deferment period during the seventh, eighth or ninth year. A lessee who does not exercise a purchase option at the end of the sixth year or an approved deferment period may purchase the agricultural rights at the bid price at any time up to the end of the twelfth year if the development requirements have been met at the time the option is exercised.

3. Termination or Foreclosure

Failure to pay a scheduled or deferred lease payment within 90 days of its due date shall result in the immediate termination of the lease. The Borough shall institute foreclosure proceedings on deeds of trust for failure to pay a scheduled or deferred payment within 90 days of its due date. The 90 day period begins to run on the effective date of this ordinance for all payments that are delinquent on that date.

4. Price Adjustments for Incorrect Tillable Acreage Estimates

The original bid price may be adjusted upon request if the actual Class II and III soils (based on the SCS system in effect at the time of the sale) on the parcel deviate more than 15% from that represented in the sale brochure. The new price for those acres determined not to be either Class II or III soils shall be the minimum bid per acre price of that parcel. The original bid price, purchase price, and

subsequent payments shall be adjusted accordingly. Overpayments of lease and note payments made prior to the price adjustment under this section will be credited without interest against future lease or note payments.

5. Non-Agricultural and Non-Parcel Holder Businesses

With the annual approval of the Agricultural and Forestry Advisory Board, non-agricultural businesses may be conducted on the homesite only. The business shall be owned and operated by the immediate parcel owner or lessee of record.

With the annual approval of the Agricultural and Forestry Advisory Board of a request by the lessee or owner, a person may operate a business on the parcel processing or selling wood or agricultural products that come from areas other than the parcel. The business may not be on Class II or III soils unless located on the homesite.

The Agricultural and Forestry Advisory Board may not approve a business under this section nor a renewal of a previously approved business unless the parcel is in compliance with its approved development schedule or is in full production.

6. Subdivisions

Agricultural parcels may not be subdivided in a manner that requires additional homesites without prior approval of the Agricultural and Forestry Advisory Board. Only the parent parcel's original homesite is eligible for fee simple purchase; all other homesites shall remain in agricultural rights only status.

7. Homesites and Outbuildings

A request to place more than one dwelling per homesite must be submitted in writing and be reviewed by the Agricultural and Forestry Advisory Board and approved by the Borough Manager prior to construction. The request must include justification showing that the additional dwelling relates to the operation of the farm. The same procedure must be followed for requests and approvals to construct outbuildings (non-residential structures required for agricultural purposes) on land other than the homesite. The request must include financial or practical justification for not placing the structures on the homesite.

NON CODE

Introduced by:

MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 91-054

AN ORDINANCE OF THE MATANUSKA SUSITNA BOROUGH ASSEMBLY AUTHORIZING A BOROUGH FINANCED REORGANIZATION PLAN FOR THE 1982 AND 1983 AGRICULTURAL LEASE/PURCHASE PROGRAMS.

WHEREAS, the Matanuska-Susitna Borough leased with an option to purchase, the agricultural rights to borough owned lands in 1982 and 1983;

WHEREAS, the lease/purchase programs were offered to encourage and facilitate the development and continued agricultural use of Borough owned lands;

WHEREAS, the lessees were required to implement and complete a farm development plan and be current on the lease payments by the end of the sixth year, or seventh year if a deferment was granted, in order to exercise their right to purchase the agricultural rights and a 50 percent discount of the bid price was offered to those lessees who met the purchase requirements;

WHEREAS, during the serious decline in the Alaska economy the assembly adopted Ordinance 86-78, with the intent of providing development and payment deferments which extended the option to purchase the agricultural rights at the discount rate;

WHEREAS, the options provided under Ordinance 86-78 have expired on most parcels and will soon expire for the remainder;

WHEREAS, it is recognized many of the lessees made sizable cash payments in the early years of the leases, as well as, cash investments in building improvements, fencing, property clearing, wells and farm equipment;

WHEREAS, the current economic conditions, provide the most favorable climate in 6 years to replace the 1982 and 1983 leases with a program which conveys an ownership interest to the lessees who have an investment in the land, provides the borough with a method of bringing the delinquent balances into a current status while providing a security interest for the balance due, and creates an incentive for the buyer to complete the producing farms intended.

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and is a non code ordinance.

Section 2. Adoption and Authorization to Implement Changes in the 1982 and 1983 Agricultural Lease/Purchase Programs. The borough manager is authorized to implement the changes to the 1982 and 1983 Agricultural Lease/Purchase Programs as set out in Exhibit "A" by executing the necessary conveyance documents, amendments to covenants, conditions and restrictions, contracts, agreements and other related documents necessary to complete and administer the program, subject to the following conditions:

(A) All 1982 and 1983 agricultural rights lessees, as indicated by the borough records, who have not completed their farm plan, or are delinquent in their lease payments, or both, will be informed of the program changes. The borough will make a diligent effort to notify the lessees of the reorganization program by certified mail and posting of the property in two conspicuous locations. The lessees will have 45 days from date of receipt of notice or property posting, which ever occure first, to advise the Borough, in writing by certified mail, of their intention to purchase the agricultural rights under the terms of this program;

(B) Notice of the reorganization program will be published, once a week for four consecutive weeks, in the legal notices section of the Frontiersman, The Anchorage Times and the Anchorage Daily News.

(C) Notices to terminate the remaining delinquent leases will be accomplished according to the terms and conditions of the leases and applicable Alaska Statutes on the following basis:

(1) Any of the lessees whose certified mail has been returned as undeliverable or refused, and who do not contact the borough within 45 days of posting of the property will be considered to have abandoned the property and the lease will be terminated accordingly.

(2) Any of the lessees who, after receipt of the notice by certified mail, do not reply or decline the program, must pay the lease payments current on or before:

(a) July 1, 1991, if all approved deferments have expired; or

(b) the expiration date of their last approved deferment if later than July 1, 1991.

In the event full payment is not received by the required date, the lease will be terminated for failure to pay the annual lease payments.

(D) Notification by the lessee, in writing, of an intent to purchase, under the terms and conditions of this reorganization program, will constitute

an agreement to purchase. Closing of the transaction shall take place within 90 days of the notification of intent to purchase. Extensions may be granted by the borough manager when title or legal issues prevent closing in the 90 days.

(E) The plan offers a favorable interest rate as well as an opportunity to revise the farm development plan. Under this reorganization plan, participants will no longer be eligible for tillable acreage adjustments nor deferments in time or payments which were offered by the original programs and amendments thereto. A gross acreage adjustment will remain available for parcels which the MSB has not obtained a patent from the state of Alaska because a boundary survey has not been completed.

(F) An amendment to the existing covenants, conditions and restrictions will be executed and recorded in the office of the district recorder for each parcel participating in the reorganization program. Upon execution of such an amendment, the terms and provisions of the reorganization program supersede any provisions of the Matanuska-Susitna Borough Codes or policies and amendments thereto which apply to the subject parcel(s) and which conflict with the program. Only those parts of the codes that are in irreconcilable conflict with the program as implemented are superseded and only to the extent of the conflict on the parcel(s) participating in the program.

Section 3. Effective date. Ordinance serial number 91-054 becomes effective upon adoption by the borough assembly

Introduction: 5/7/91

Public Hearing: 5/21/91

ADOPTED by the Assembly of the Matanuska-Susitna Borough this 21 day of May, 1991.

Dorothy A. Jones

Dorothy A. Jones, Borough Mayor

Attest:

Linda A. Dahl

Linda A. Dahl, Borough Clerk

(Seal)

EXHIBIT "A"

MATANUSKA-SUSITNA BOROUGH

FINANCIAL REORGANIZATION PROGRAM

1982 AND 1983 MSB AGRICULTURAL DISPOSAL

1. The MSB (lessor/grantor/beneficiary) will convey the agricultural rights, by quitclaim deed, to the parcel holder (lessee/grantee/trustor) who qualifies to participate in the program.

2. The grantee will, simultaneously, execute a deed of trust and note in favor of the MSB, the major components of the financing are as follows:

   (A) The principal amount of the Deed of Trust note will be calculated as the difference between the original bid price (or the adjusted bid price if a gross acreage adjustment has previously been approved) plus interest due on the delinquent portion of lease account, less the amount of lease payments received by the MSB.

   (B) The interest rate will be 7 percent per annum.
   Note: This rate is approximately 2 percent below the rate currently offered the MSB by the institution holding the borough contract (April 29, 1991).

   (C) Two options will be offered for amortization schedules and the term of the note will be fixed at 12 years.

      (i) 12 years amortization and term at fixed interest rate;

(ii) 20 year amortization with 12 year payoff (balloon) at fixed interest rate.

(D) Payments will be due annually on November 1, but a more frequent payment schedule could be set up if desired by the borrower. The first payment, if quarterly or annually due, would be calculated as a partial payment when the date of closing to the first payment due date is less than the payment term scheduled.

(E) Delinquent MSB real estate taxes on the parcel, will constitute a default in the terms of the deed of trust and note, unless payment arrangements have been made with the approval of the Finance Director.

(F) The deed of trust will be assumable by a subsequent purchaser upon application to and approval by the MSB of such an assumption. Such purchaser must meet, at a minimum, the qualification requirements of MSB code for bidders and applicants. A fee of $200.00 will be charged to process the assumption.

(G) An incentive to complete the revised farm plan plan will be provided by a sliding scale credit, based on the year in which the revised farm plan is finally completed. The credit amount would first be applied to the outstanding loan balance of the note to the MSB, any amount of credit remaining would be applied to any other outstanding balances due the MSB in taxes or other obligations, and finally any further amount of credit remaining would be applied toward the purchase price of the fee estate of the homesite/ headquarters site available under the original program.

The amount of credit will be calculated by multiplying the original bid price (or adjusted price if other adjustments to price have been approved) by the following percentage:

Completion accepted and approved by A & F Board and the Borough Manager:	Percentage of credit
On or before the 1st November 1 payment date	50 %
On or before the 2nd November 1 payment date	45 %
On or before the 3rd November 1 payment date	40 %
On or before the 4th November 1 payment date	35 %
On or before the 5th November 1 payment date	30 %
On or before the 6th November 1 payment date	25 %
On or before the 7th November 1 payment date	20 %
On or before the 8th November 1 payment date	15 %
On or before the 9th November 1 payment date	10 %

After the ninth November 1 payment is due no further discount will be calculated. When the credit is applied and a principal balance remains due on the note, the scheduled payments will continue to be due until the note is paid off.

3. In order for the lessee to participate in the reorganization program, it will be necessary for the lessee to :

   (A) Either pay all delinquent real estate taxes, or enter into an agreement acceptable to the Finance Director, to pay all delinquent real estate taxes due MSB; and

   (B) Either pay all other delinquent obligations due the MSB, or enter into an agreement acceptable to the Finance Director, to pay all other delinquent obligations due the MSB; and

(C) Either reconfirm the original farm development plan or provide a revised farm plan, for review and approval by the Agricultural and Forestry Board within 20 days from date the lessee notifies the Borough of their intent to participate in the program.

(D) Agree to provide MSB with a mortgagee's title insurance policy, coverage in the principal amount of the deed of trust, which insures the MSB's deed of trust is a 1st lien encumbrances on the subject parcel (except real estate taxes, if arrangements have been made with the Finance Director). A fee of $250.00 (minimum for a preliminary commitment) will be collected from the lessee prior to placing the order, the balance due for the full insurance premium will be collected from the lessee at closing.

(E) Agree to pay closing costs normally associated with this type of transaction, including, but not limited to, recording fees, escrow collection set up fees and annual account collection fees.

EXHIBIT "A"

MATANUSKA-SUSITNA BOROUGH

FINANCIAL REORGANIZATION PROGRAM

1982 AND 1983 MSB AGRICULTURAL DISPOSAL

1. The MSB (lessor/grantor/beneficiary) will convey the agricultural rights, by quitclaim deed, to the parcel holder (lessee/grantee/trustor) who qualifies to participate in the program.

2. The grantee will, simultaneously, execute a deed of trust and note in favor of the MSB, the major components of the financing are as follows:

   (A) The principal amount of the Deed of Trust note will be calculated as the difference between the original bid price (or the adjusted bid price if a gross acreage adjustment has previously been approved) plus interest due on the delinquent portion of lease account, less the amount of lease payments received by the MSB.

   (B) The interest rate will be 7 percent per annum.
   Note: This rate is approximately 2 percent below the rate currently offered the MSB by the institution holding the borough contract (April 29, 1991).

   (C) Two options will be offered for amortization schedules and the term of the note will be fixed at 12 years.

      (i) 12 years amortization and term at fixed interest rate;

AM 91-136
ORD 91-054

(ii) 20 year amortization with 12 year payoff (balloon) at fixed interest rate.

(D) Payments will be due annually on November 1, but a more frequent payment schedule could be set up if desired by the borrower. The first payment, if quarterly or annually due, would be calculated as a partial payment when the date of closing to the first payment due date is less than the payment term scheduled.

(E) Delinquent MSB real estate taxes on the parcel, will constitute a default in the terms of the deed of trust and note, unless payment arrangements have been made with the approval of the Finance Director.

(F) The deed of trust will be assumable by a subsequent purchaser upon application to and approval by the MSB of such an assumption. Such purchaser must meet, at a minimum, the qualification requirements of MSB code for bidders and applicants. A fee of $200.00 will be charged to process the assumption.

(G) An incentive to complete the revised farm plan plan will be provided by a sliding scale credit, based on the year in which the revised farm plan is finally completed. The credit amount would first be applied to the outstanding loan balance of the note to the MSB, any amount of credit remaining would be applied to any other outstanding balances due the MSB in taxes or other obligations, and finally any further amount of credit remaining would be applied toward the purchase price of the fee estate of the homesite/ headquarters site available under the original program.

AM 91-136
ORD 91-054

The amount of credit will be calculated by multiplying the original bid price (or adjusted price if other adjustments to price have been approved) by the following percentage:

Completion accepted and approved by A & F Board and the Borough Manager:	Percentage of credit
On or before the 1st November 1 payment date	50 %
On or before the 2nd November 1 payment date	45 %
On or before the 3rd November 1 payment date	40 %
On or before the 4th November 1 payment date	35 %
On or before the 5th November 1 payment date	30 %
On or before the 6th November 1 payment date	25 %
On or before the 7th November 1 payment date	20 %
On or before the 8th November 1 payment date	15 %
On or before the 9th November 1 payment date	10 %

After the ninth November 1 payment is due no further discount will be calculated. When the credit is applied and a principal balance remains due on the note, the scheduled payments will continue to be due until the note is paid off.

3. In order for the lessee to participate in the reorganization program, it will be necessary for the lessee to :

   (A) Either pay all delinquent real estate taxes, or enter into an agreement acceptable to the Finance Director, to pay all delinquent real estate taxes due MSB; and

   (B) Either pay all other delinquent obligations due the MSB, or enter into an agreement acceptable to the Finance Director, to pay all other delinquent obligations due the MSB; and

AM 91-136
ORD 91-05

(C) Either reconfirm the original farm development plan or provide a revised farm plan, for review and approval by the Agricultural and Forestry Board within 20 days from date the lessee notifies the Borough of their intent to participate in the program.

(D) Agree to provide MSB with a mortgagee's title insurance policy, coverage in the principal amount of the deed of trust, which insures the MSB's deed of trust is a 1st lien encumbrances on the subject parcel (except real estate taxes, if arrangements have been made with the Finance Director). A fee of $250.00 (minimum for a preliminary commitment) will be collected from the lessee prior to placing the order, the balance due for the full insurance premium will be collected from the lessee at closing.

(E) Agree to pay closing costs normally associated with this type of transaction, including, but not limited to, recording fees, escrow collection set up fees and annual account collection fees.

- no SBS on microfilm

CODE ORDINANCE Introduced by: Borough Manager

MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 94-069AM(1)

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY REPEALING TITLE 13 IN ITS ENTIRETY, AND ADOPTING TITLE 23, REAL PROPERTY.

BE IT ENACTED:

* Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the borough code.

* Section 2. Repeal of title. Title 13 is hereby repealed in its entirety.

* Section 3. Adoption of title. Title 23, Real Property is hereby adopted to read as follows:

TITLE 23

REAL PROPERTY

Chapters:

23.05 General Provisions

23.10 Real Property Management

CHAPTER 23.05

GENERAL PROVISIONS

Sections:

23.05.005 Definitions

23.05.010 Policy.

23.05.020 Applicability.

23.05.030 Ownership and methods of disposal.

23.05.040 Inventory.

23.05.050 Use of borough-owned real property.

23.05.060 Fees.

23.05.070 Land management fund.

23.05.080 Cancellation and termination.

23.05.090 Appeals.

23.05.100 Land Classifications

MSB 23.05.005 Definitions.

A. The following definitions shall apply in this title:

(1) "Adjacent" Having a common boundary with another property. Properties having only a corner in common, or separated by a public road, are not adjacent.

(2) "Agriculture" The production and harvest or care of plants, animals, birds, fish, bees and other organisms by humans for use in providing food, fuel, fiber, shelter, clothing, energy and aesthetics. Kennels and catteries are not considered as an agricultural use.

(3) "Appraisal" An opinion as to the fair market value of property or interests therein.

(4) "As-built" A drawing indicating the location of improvements or physical features with reference to the centerline of an existing roadway or with reference to the exterior boundary of a surveyed parcel, both with reference to existing monuments.

(5) "Assessed value" Value placed on property as a basis for taxation.

(6) "Auction" A public sale of title, leasehold or other interests in borough real property by public outcry or sealed bid, or combination of both.

(7) "Beneficial industrial or commercial enterprise" An enterprise which will contribute to the economic well-being of the community without significant adverse environmental impact, and meets the best interest requirements of MSB 23.05.030 (G).

(8) "Best use" The reasonable, probable, potential and legal use of real property which the Soil Conservation Service soil capability class supports, and which is physically possible, appropriately supported, financially feasible, and results in the highest value or most beneficial use.

(9) "Certified valuation" The valuation as of January 1 of each year, established as the tax assessment roll of real estate and certified by the borough Assessor by June 1 of each year.

(10) "Classified lands" Lands selected or owned by the borough that have recognized potential suitable uses and have been designated by assembly ordinance accordingly as to their recommended best use.

(11) "Commercial" Intended for a use which generates a profit.

(12) "Competitive sale" A sale offered through sealed bid or outcry auction or competitive request for proposal.

(13) "Earth materials" Includes but is not limited to those natural resources such as sand, gravel, soil, peat moss, sphagnum, stone, pumice, cinders and clay; also called "materials."

(14) "Easement" Any strip of land reserved for public utilities, drainages, sanitation, access or other specified uses, the title to which shall remain in the property owner, subject to

the right of use designated on the subdivision plat or other document.

(15) "Exchange" To trade real property to another in return for real property and/or other consideration.

(16) "Fair annual rental" The amount paid for use of real property by a tenant in an open market transaction where both tenant and landlord are reasonably well informed and neither is under duress.

(17) "Fair market value" The most probable price, in terms of cash or in terms of financial arrangements equivalent to cash, for which the property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller acting prudently, knowledgeably, and for self-interest, and assuming neither is under duress.

(18) "Force majeure" In the law of insurance a superior or irresistible force; for example, an act of God or war.

(19) "Forest management agreement" A long-term management agreement between the borough and a person whereby borough forest resources are managed by the person in exchange for other considerations including, but not limited to, revenue, infrastructure improvements, employment, forest resource protection, or as otherwise provided for.

(20) "Grazing lease" An agreement authorizing the use of borough-owned real property for the purposes of grazing domestic or semi-domestic livestock.

(21) "Homestead" A parcel of borough real property granted to an individual to be developed as the individual's home, including the land, house and all ancillary structures.

(22) "Interagency agreement" Any management agreement between departments of the borough general government and/or between the borough general government and the Matanuska-Susitna Borough School District for the sole purpose of assigning day-to-day management of a borough facility.

(23) "Land" All real property or any portion thereof, including shores, tidelands, submerged lands, or resources which are part of the land.

(24) "Lease" A contract for possession of land and/or improvements for a specified period of time and under specific terms in consideration of payment of rent.

(25) "Lessee" The tenant in a lease agreement.

(26) "Lessor" The landlord in a lease agreement.

(27) "Lottery" An event at which winners are selected by a chance drawing.

(28) "Management agreement" An agreement between the borough and a person or borough agency wherein the borough transfers some or all of its management authority over real property to the other party.

(29) "Manager" The borough manager.

(30) "Managing authority" A person capable of entering into a contract.

(31) "Materials" Is synonymous with "earth materials."

(32) "May" Denotes a course of action that is not mandatory.

(33) "Multiple use" The management of all the various renewable surface resources of the borough's land so that they are utilized in the combination which will best meet the needs of borough residents, with periodic adjustments in use to conform to changing needs and conditions. Some land will be used for less than all of the resources, without impairment of the productivity of the land, and with consideration being given to the relative values of the various resources, but usually the combination of uses which will give the greatest dollar return or the greatest unit output.

(34) "Multiple use agreement" An agreement between the borough and a person in which the person is authorized to manage borough real property for multiple uses.

(35) "Natural resources" see "Land."

(36) "Negotiated disposal" Any disposal or exchange of borough-owned real property or an interest in real property, which is sold by application and not by auction or competitive request for proposal.

(37) "Non-profit" Not intended to yield a profit.

(38) "Overland access" The use of the surface estate of borough real property for transportation purposes.

(39) "Permit" Permission to use, occupy, purchase or dispose of borough real property.

(40) "Person" Includes any individual, firm, partnership, corporation, company, association, joint venture, estate, trust or any other legal entity and the plural as well as the singular number.

(41) "Property" Real property in which the borough has an interest.

(42) "Public purpose" A specific benefit to the public's health, safety and welfare as determined by the manager and/or assembly.

(43) "Public way" Any street, road, or other public right-of-way over which the borough exercises its jurisdiction.

(44) "Purchase contract" A written, executed contract to purchase or to lease with option to purchase any real property or any interest in real property.

(45) "Qualified appraiser" An appraiser who has met the requirements for licensing established by the state of Alaska for the class of appraisal work to be performed.

(46) "Quitclaim Deed" A deed of conveyance intended to pass and convey any and all interests, claim, or title the seller may have to the real property so conveyed, but which contains no warranty or covenants of title.

(47) "Real property" Land and/or improvements thereon in which the borough has an interest.

(48) "Remote parcel" A lot or tract of land located in a remote area.

(49) "Remote area" Those places of the Matanuska-Susitna Borough outside of a recorded subdivision, outside a city, and located more than one mile from a road which is constructed to local road standards and connected to the public road system, or special or unique areas as determined by the planning department and concurred upon by the planning commission. Boundaries of remote areas change as new roads meeting local road standards are constructed.

(50) "Sale" The transfer or the agreement to transfer for monetary or other consideration, any real property or interest in real property by deed of conveyance or lease.

(51) "Shall" Denotes a required course of action or a set of conditions to be achieved. A guideline modified by the word "shall" is required to be followed or implemented.

(52) "Substantial" Such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.

(53) "Timber sale" An agreement authorizing the harvest of timber from borough real property.

(54) "Unclassified land" All lands not otherwise classified which the borough owns or has selected.

(55) "Utility" Either a company providing public utility services, the utility service provided, or the physical utility lines and other facilities.

MSB 23.05.010 Policy.

(A) Real property in which the borough has an interest shall be managed to:

(1) exemplify good land and water stewardship practices;

(2) minimize adverse environmental impact wherever possible;

(3) maximize revenue to the extent consistent with the borough's financial goals, in balance with the borough's non-financial goals;

(4) develop and implement the borough-owned land and resource management plan;

(5) make vacant borough-owned real property available for development where and when it is feasible to do so;

(6) implement specific goals as the assembly may adopt by resolution;

(7) maximize to the extent feasible or practical the food production capability of class II and class III soils.

(B) In carrying out the borough-owned real property management functions, the manager shall use prudent business practices and adhere to sound real property management principles.

MSB 23.05.020 Applicability.

(A) This title shall govern all acquisitions, disposals and management of borough-owned real property or any interest in real property by the borough.

(B) Borough-owned real property dispositions and acquisitions are unenforceable unless approved in accordance with this title.

NSB 23.05.030 Ownership and method of disposal.

(A) The borough may acquire, manage, control, use, and dispose of any real property or interest in real property in accordance with this title.

(B) The borough may acquire real property by:

(1) purchase or lease of real property for compensation to the owner;

(2) donation or partial donation if the donation will benefit the borough and is accepted by the assembly or manager;

(3) dedication, if the dedication will benefit the borough and the public and meets the borough subdivision regulations;

(4) exchange of real property for equivalent fair market value consideration;

(5) eminent domain, pursuant to A.S. 9.55.240 through 9.55.460;

(6) any other means permitted by law.

(C) The borough may select vacant, unappropriated, unreserved lands of the state of Alaska from time to time as such lands become available to the borough for selection, in accordance with the rules and regulations established under laws of the state of Alaska, and as promulgated by its agencies in accordance with such laws.

(D) The manager may, with the consent of the assembly, negotiate an exchange of real property with the United States of America, the state of Alaska, or other entity where, it is in the

best interests of the borough to do so. The best interests of the borough may include, but are not limited to, obtaining real property in a location better suited for a public facility than real property owned by the borough, or making borough real property available for a purpose of specific benefit to the public.

(E) Borough-owned real property, or any interest in real property, may be conveyed by deed or leased by the manager in accordance with any of the following methods of disposal:

(1) by public auction, whether sealed bid or outcry, to the highest qualified bidder;

(2) by exchange for other real property owned by a person, municipalities, the state of Alaska, the United states of America, corporations, trusts, or ot er legal entity;

(3) by over-the-counter programs;

(4) by lotteries, whether gaming or non-gaming;

(5) by competitive bid via auction or request for proposal;

(6) by agreements by application;

(7) by remote parcel disposal programs;

(8) by homestead program;

(9) through the use of real estate brokers;

(10) by any other means permitted by law.

(F) Borough-owned real property, or an interest in real property, may be dedicated:

(1) for public purposes;

(2) granted or reserved for easements and rights-of-way; and

(3) permitted for utilities or encroachments by the manager.

(G) A best interest finding, approved by assembly resolution, shall be completed when disposing of, exchanging, or otherwise conveying an interest in real property at less than fair market value or waiving of permit fees unless the waiving of permit fees is permitted by this title.

MSB 23.05.040 Inventory.

(A) The manager shall develop and maintain an inventory of all real property in which the borough has, or has had, an interest. The inventory should contain the following information regarding each parcel:

(1) source of the borough's title to the real property and the date of its acquisition or creation by subdivision, and any title restrictions;

(2) legal description and approximate size;

(3) brief description of any improvements;

(4) approximate fair market value;

(5) zoning, classification, or land and resource management plan designation;

(6) all borough actions regarding the parcel;

(7) current use while in ownership;

(8) past uses, where practical;

(9) names and addresses of prior users or parties while in borough ownership, including current leaseholders, and permit/use agreement holders;

(10) date of last inspection;

(11) physical condition of the property at last inspection;

(12) date the real property was transferred out of borough ownership and the consideration received by the borough for the real property; and

(13) such other information as the assembly may require by ordinance.

(B) The manager shall maintain a record of the justification and reasons for selecting or acquiring land for the borough including any consideration paid or exchanged.

(C) Records regarding each parcel shall be retained for a minimum of 25 years after the borough ceases to have an interest in the real property.

MSB 23.05.050 Use of borough-owned real property.

(A) No person shall place improvements or personal property upon, or make unauthorized use of borough-owned real property without written permission from the manager.

(B) No person shall remove timber or other vegetation, natural resources, gravel or other materials from borough-owned real property without written permission from the manager.

(C) Persons violating subsection (A) will be considered in trespass. Persons violating subsections (A) and (B) will be prosecuted in accordance with state law and the borough code of ordinances. The manager may also on behalf of the borough, pursue

all civil remedies available under state law and the borough code of ordinances against a person violating this section.

MSB 23.05.060 Fees.

(A) The manager shall establish a schedule of fees for applications, permits, and other uses of borough-owned real property under this title. The assembly shall approve the fee schedule by resolution.

(B) The manager may, within guidelines approved by the assembly by resolution, waive fees after the manager completes a best interest finding in favor of the borough. The best interest finding shall be forwarded to the assembly for their information.

MSB 23.05.070 Land management fund.

(A) All money derived from the sale, lease or use of real property to which the borough has title, or which the borough has selected, and from the sale of timber, gravel, or other resources taken or extracted from such real property, shall be deposited in the land management fund which is hereby established.

(B) There is established a permanent fund of the Matanuska-Susitna Borough as a subaccount of the land management fund. Annually the assembly shall appropriate to the permanent fund subaccount, prior to appropriating any funds to other accounts, 25 percent of all receipts from the sale, lease, or use of any borough real property asset made in the preceding fiscal year. The assembly may only appropriate interest earnings of the permanent fund, if any, for land management activities within any given year.

(C) There is established a port development fund of the borough as a subaccount of the land management fund. Annually the assembly may appropriate to the port development subaccount a portion of the revenue available for appropriation within the land management fund. Such revenue is to be used to discharge all or a portion of the annual payment for outstanding port-related general obligation bonds.

(D) Land management fund money shall be spent or disbursed as appropriated by the assembly and shall be appropriated for the following purposes only:

(1) funding of the established subaccounts of the land management fund;

(2) capital improvements including, but not limited to, schools, trails, roads, streets, buildings, port infrastructure, harbors, air fields, park acquisition and development, utilities and property acquisition;

(3) for the administration of the borough land selection and real property management program, including survey, engineering, and other costs related to lease, sale, or disposal of such real property; and

(4) the maintenance of real property management records.

(E) The manager shall make public an accounting of the funds deposited into the land management fund from sales, leases, or transfers of borough-owned real property at least once a year, and report to the assembly the total of lands selected, the total of

disposals, and the balance remaining in acreage. The name of this report shall be "Annual Report of the Matanuska-Susitna Borough's Real Property Assets." This report shall be prepared after the end of each calendar year.

MSB 23.05.080 Cancellation and termination.

(A) Upon reasonable notice, conveyed by certified mail, to a person or entity with an interest in borough-owned real property, and notice conveyed by certified mail, to those holding a security interest therein or having a validly recorded lien against the real property, the manager may cancel or terminate the agreement when:

(1) the other party has violated a condition of the agreement, and the violation has not been corrected in accordance with the terms and conditions of the agreement; and

(2) the manager determines there has been a material misrepresentation made to the borough by the other party regarding the agreement.

(B) An agreement regarding borough-owned real property may be cancelled or terminated by mutual agreement of the parties.

MSB 23.05.090 Reconsideration and appeals.

(A) The manager may order a reconsideration of all or part of a decision regarding an application or an existing interest in borough-owned real property on the manager's determination of need or on written petition of the applicant or a person with the existing interest in borough-owned real property. The power to petition for reconsideration expires ten days after delivery of a

certified mailing of a decision to the affected person. If no action is taken by the manager on a petition within ten days following receipt by the manager of the petition, the petition is considered denied. A notice of the denial will be conveyed by certified mail.

(B) The action may be reconsidered by the manager on all pertinent parts of the record and the additional evidence and arguments.

(C) The affected party may appeal the decision of the manager to the Board of Adjustment and Appeals in accordance with Title 15.

(D) An applicant or person with an existing interest in borough-owned real property affected by a decision of the borough may seek judicial review with the superior court of a final administrative order by filing a notice of appeal in accordance with the applicable rules governing appeals in civil matters. The notice of appeal shall be filed within 30 days after the last day on which reconsideration can be ordered, and served on each party to the proceeding. The right to appeal is not affected by failure to seek reconsideration before the borough.

(E) An appeal shall be heard by the superior court sitting without a jury, unless otherwise decided by the judge of the superior court.

(F) Inquiry in an appeal extends to the following questions:

(1) whether the borough has proceeded without, or in excess of jurisdiction;

(2) whether there was a fair hearing; and

(3) whether there was a prejudicial abuse of discretion.

(C) Abuse of discretion is established if the borough has not proceeded in the manner required by law, the order or decision is not supported by the findings, or the findings are not supported by the evidence. The superior court's review is on the record and the decision of the borough must be upheld if it is supported by substantial evidence in light of the whole record.

KGB 23.05.100 Land Classifications.

(A) The following are classifications of borough lands which recognize and depict potential suitable uses of those lands:

(1) "Agricultural lands" Those lands which, because of soils, location, physical or climatic features, or adjacent development, are presently or potentially valuable for the production of agricultural crops.

(2) "Commercial lands" Those lands which, because of location, physical features, or adjacent development, are presently or potentially valuable for trade and commerce.

(3) "Forest management lands" Those lands which, because of physical, climatic, and vegetative conditions, are presently or potentially valuable for the production of timber and other forest products. Forest management shall emphasize the multiple use concept.

(4) "General purpose lands" Those lands which, because of physical features, adjacent development, location, or size of the

area, may be suitable for a variety of uses, or which do not lend themselves to more limited classification under other land designations.

(5) "Grazing lands" Lands which have physical and climatic features which make it primarily useful for the pasturing of domestic or semi-domestic livestock.

(6) "Homestead lands" Lands made available for personal residential use under the borough's homestead program.

(7) "Industrial lands" Lands which, because of location, physical features, or adjacent development, are presently or potentially valuable for industrial, manufacturing, or warehousing purposes.

(8) "Land bank lands" Those lands for which specific long-term uses have not yet been determined but, due to the land's surface and sub-surface resources, are suitable for management utilizing the multiple use concept during the near term.

(9) "Material lands" Those lands which are chiefly valuable for earth materials, including, but not limited to, sand, gravel, soil, peat moss, sphagnum, stone, pumice, cinders, and clay, where the removal of the material would seriously interfere with utilization of the lands for other purposes.

(10) "Mineral lands" Those lands which are chiefly valuable for minerals, including, but not limited to, coal, phosphate, oil, shale, sodium, sulphur, and potash, where the removal of the

material would seriously interfere with use of the surface of the land.

(11) "Private recreation lands" Those lands which, because of location, physical features, or adjacent development, are presently or potentially valuable as outdoor recreational areas and may be best utilized by private development.

(12) "Public recreation lands" Those lands which, because of location, physical features, or adjacent development, are presently or potentially valuable to the public as natural or developed recreational or historic areas.

(13) "Reserve use lands" Those lands which have been transferred, assigned, or designated for present or future public use, or for use by a government or quasi-government agency, or for future development of new town sites, or for future expansion of existing public uses.

(14) "Residential lands" Those lands which, because of location, physical features, or adjacent development, are presently or potentially valuable for either single family or multifamily dwellings.

(15) "Watershed lands" Lands constituting a drainage area which are chiefly valuable as a public water source.

(16) "Resource management lands" Lands which, because of surface or subsurface resources contained within the land or in connection with adjacent lands, are presently or potentially valuable to multiple use management. Such management may be accomplished in whole or in part pursuant to an interagency agreement.

CHAPTER 23.10

REAL PROPERTY MANAGEMENT

Sections:

23.10.010 Authorizations.

23.10.020 Assembly approval of disposal.

23.10.030 Requirements for sale or long-term lease.

23.10.040 Conditions of disposal.

23.10.050 Public notice.

23.10.060 Consideration.

23.10.070 Conditions of disposal.

23.10.080 Applications.

23.10.090 Qualifications of applicants and bidders.

23.10.100 Permits.

23.10.110 Easements and rights-of-way.

23.10.120 Material sales.

23.10.130 Forest management.

23.10.140 Grazing leases.

23.10.150 Agricultural land sales.

23.10.160 Management agreements.

23.10.170 Remote parcel programs.

23.10.180 Leases.

23.10.190 Auctions.

23.10.200 Lotteries.

23.10.210 Over-the-counter.

23.10.220 Tax foreclosed real properties.

23.10.230 Agreements by application.

23.10.240 Homestead program.

23.10.250 Dedication for public purpose.

23.10.260 Competitive agreements by request for proposal.

MSB 23.10.010 Authorization.

(A) All real property in which the borough has an interest may be sold, leased, or otherwise disposed of as provided in this title, when such sale, lease, or other disposal is in the best interest of the borough.

(B) The manager is authorized to manage and control the borough-owned real property in accordance with the provisions of this title and requirements of law. The manager may take such action as may be necessary and lawful to use, manage, or control borough-owned real property and to enforce the laws or policies of the borough. The manager may delegate authority and responsibility for real property management functions.

(C) The manager is authorized to approve all third party assumptions, assignments or subleases for interests in borough-owned real property.

MSB 23.10.020 Assembly approval of disposal.

(A) The manager is authorized to approve all disposals of interest in borough-owned real property (except as otherwise restricted in this title) that has a fair market value equal to or less than $25,000 per transaction; any single disposal transaction

with the fair market value in excess of $25,000 shall be approved by assembly ordinance.

(B) When disposing of any borough-owned real property having a fair market value equal to or less than $25,000 the manager shall comply with the public notice requirements and all other applicable requirements of this title, and at least two weeks prior to the disposal shall inform the assembly by informational memorandum of the proposed action. The informational memorandum shall include, at a minimum the following:

(1) the identity of the applicant;

(2) all essential sale or lease terms;

(3) the price of the transaction; and

(4) comments received from the public and affected community council, if any.

(C) The assembly upon receipt of the informational memorandum may, by approved motion, require the action to proceed by the applicable procedure established for disposals having a fair market value in excess of $25,000.

MSB 23.10.030 Requirements for sale or long-term lease.

(A) Unless otherwise provided by ordinance, no borough-owned real property (except natural resources) may be sold, leased for a term of ten years or longer, or exchanged, unless the same have met all requirements of the borough code regarding division of lands and subdivisions. The applicant shall bear all costs of surveying, platting, or other subdivision processes.

(B) Unless otherwise provided by ordinance or this title, no borough-owned real property may be sold, leased for a term of ten years or longer, or exchanged until the same has been classified in accordance with the provisions of Title 15 of the borough code.

(C) Leases for a term of ten years or more, regardless of value, shall be approved by the assembly by ordinance.

MSB 23.10.040 Conditions of disposal.

(A) The borough may conditionally sell, lease, or otherwise enter into agreements to dispose of interests in land it selects under various state land grants and programs upon the state of Alaska issuing a final decision and prior to actual receipt of title to such lands.

(B) When entering into an agreement to conditionally dispose of interests in land under this subsection, the borough shall disclose to the other party that it does not have title and cannot guarantee that it will receive title. A party entering into an agreement with the borough regarding a conditional disposal shall acknowledge in writing that it has been informed that the borough does not have title to the lands in question and that the borough cannot guarantee that it will receive title.

(C) The borough shall not enter into such conditional agreements unless it has good cause to believe that it will acquire title to the land in question within ten years of entering into the agreement.

(D) In the event that the borough does not acquire title to the land within ten years from the date of the agreement, either the borough or the other party to the agreement may cancel the agreement upon 30 days' written notice to the other party. In the event the borough does not acquire title to the real property, all monies received by the borough in connection with the agreement shall be considered as rent, and shall be retained by the borough.

MSB 23.10.050 Public notice.

Except as otherwise provided in procedures adopted by assembly resolution, public notice shall be given of any sale, lease, exchange, or other disposal of borough-owned real property or any interests therein. A copy of the notice will be mailed to the community council whose area contains the land of the proposed sale, lease, exchange, or other disposal.

MSB 23.10.060 Considerations.

(A) Unless otherwise provided by a best interest finding pursuant to MSB 23.05.030 (G), no borough-owned real property may be sold, leased, exchanged, or otherwise disposed of for less than its fair market value.

(B) Fair market value shall be based on an appraisal prepared in conformance with appraisal instructions issued by the manager. The appraisal:

(1) shall conform to the criteria set forth in the Uniform Standards of Professional Appraisal Practice as published by the Appraisal Foundation; or

(2) with the approval of the manager, fair market value may be based on the value assigned by the certified tax roll of the borough; or

(3) with the approval of the manager, the fair market value of easements may be established by either:

(a) a percentage of the value assigned by the certified tax roll of the borough;

(b) by an appraisal; or

(c) by a fee schedule adopted by resolution of the assembly; or

(4) with the approval of the manager, the fair market value of resource sales may be established by either the fee schedule which sets the minimum prices or by market price trends, the per acre price trends based on past timber sales, or both.

(C) Pursuant to a best interest finding, the minimum fee to be paid to the borough for disposals at less than fair market value shall be $500.

(D) The consideration to be paid to the borough for less than fee simple title interests in borough-owned real property shall be specified in the fee schedule adopted by the assembly in accordance with the MSB 23.05.060.

<u>MSB 23.10.070 Conditions of disposal.</u>

Any sale or other disposition of borough-owned real property or interest therein shall be subject to terms and conditions in this title, adopted procedures, or terms and conditions set forth

in assembly ordinance or resolution when assembly approval is required by this title.

MSB 23.10.080 Applications.

(A) All applications for purchase or use of borough-owned real property shall be filed with the manager according to the procedures adopted by assembly resolution. Each application shall be accompanied by the appropriate fee. The filing of an application shall not in any way vest any right to the applicant in the real property or to the use of the real property applied for. The fee may be waived in accordance with MSB 23.05.060(B).

(B) Except as otherwise provided under this title, the manager shall issue a notice of acceptance or rejection 30 days after receipt of the application.

MSB 23.10.090 Qualifications of applicants and bidders.

(A) A bidder at auction or an applicant to otherwise purchase, lease, or use borough-owned real property must be a legally competent person under the laws of the state of Alaska. A person acting as agent for an applicant or bidder must also be a legally competent person, and must, prior to placing a bid or submitting an application, file with the manager a duly executed power of attorney or other evidence of such agency acceptable to the manager.

(B) A person is not a qualified applicant or bidder if:

(1) the person has failed to pay a deposit or payment, including interest at the legal rate, due to the borough in

relation to borough-owned real property in the previous five years; or

(2) the person is currently in breach or default on any contract or lease for real property transactions in which the borough has an interest; or

(3) the person has failed to perform under a contract or lease involving borough-owned real property in the previous five years and the borough has acted to terminate the contract or lease or to initiate legal action; or

(4) the person has failed to perform under or is in default of a contract with the borough; or

(5) the person is delinquent in any tax payment to the borough; or

(6) the manager has good cause to believe that the person is unlikely to make payment or responsibly perform under the lease or other contract.

(C) No borough-owned real property, nor any interest therein, may be sold, leased, or otherwise transferred to any person who is delinquent in the payment of any obligation to the borough, nor may the borough process the application for the sale, lease, or other disposal of real property, or any interest therein.

MSB 23.10.100 Permits.

(A) In accordance with policies and procedures adopted by assembly resolution and subject to fee payment, the manager may:

(1) grant permits for miscellaneous use of borough-owned real property for a period not to exceed five years;

(2) grant permits for personal use activities on borough-owned land designated by the manager for the collection of cordwood, small quantities of gravel or other earth materials, garden plots, harvesting natural vegetation, or other similar activity for a period not to exceed one year;

(3) revoke a permit issued under this section when it is in the best interest of the borough to do so, or due to failure to comply with permit requirements.

(B) Unless otherwise provided in the permit, the cost of relocation of any utility line or other facility located pursuant to a valid permit as required by the borough for a public purpose shall be borne by the borough. Any relocation required as a result of a violation of permit conditions, or required for a facility without a valid permit or required because the facility does not otherwise meet the requirements of this title shall be borne by the utility or other responsible party.

MSB 23.10.110 Easements and rights-of-way.

(A) In accordance with policies and procedures adopted by assembly resolution, the manager may negotiate the grant reservation, or dedication of permanent easements or rights-of-way for roads, pipelines, electric transmission lines, telecommunication facilities, trails, pathways, alleys, or similar facilities. Within 30 days of acceptance of the easement or right-of-way

application, the manager shall approve reject, or notify the applicant of the discovery of additional requirements of the proposed easement or right-of-way.

(B) Easements or rights-of-way created under this section shall be dedicated, vacated, or terminated in accordance with the provisions of Title 15 and applicable state law.

MSB 23.10.120 Material sales.

(A) In accordance with policies and prccedures adopted by assembly resolution, the manager may negotiate the sale of, or conduct an auction for, and execute an agreement for, the disposal of earth materials from a single parcel of land when the fair market value of the disposal is equal to or less than $25,000 per transaction.

(B) Material sales or auctions in excess of a fair market value of $25,000 per transaction shall be negotiated or conducted by the manager and approved by the assembly by resolution.

MSB 23.10.130 Forest management.

In accordance with policies and procedures adopted by assembly resolution, the manager may negotiate and conduct timber sales and forest management agreements on classified or unclassified lands owned by the borough.

MSB 23.10.140 Grazing leases.

(A) In accordance with policies and procedures adopted by assembly resolution, the manager may negotiate and execute grazing permits for up to 40 acres for up to a five-year period.

(B) Grazing leases, whether negotiated or awarded through a competitive process, for more than 40 acres or for longer than five years, shall be approved by the assembly by resolution.

MSB 23.10.150 Agricultural land sales.

(A) In accordance with policies and procedures adopted by assembly resolution, the manager may conduct agricultural land sale programs.

(B) Land offered for agriculture will be classified or zoned solely for agricultural purposes and the conveyance of agricultural parcels will be by fee simple title.

(C) The manager may establish conditions of sale which are best designed to promote the agricultural use and development of the subject lands.

MSB 23.10.160 Management agreements.

(A) In accordance with policies and procedures adopted by assembly resolution, the manager may enter into a management agreement with the state for purposes of joint use planning or management of borough-owned real property, or for sales, leases, or transfer of borough-owned real property to the general public, private persons, or other agencies, and to manage borough-owned real property or to conduct such sales, leases, and transfers in accordance with procedures set forth under Alaska statutes.

(B) No management agreement shall be binding upon the borough which shall take away the right of the borough to make selection of vacant, unappropriated, unreserved lands within the borough or

which sets aside the borough's right to make final determination in regard to its selected lands or which does not afford the borough an opportunity to terminate such agreement upon proper notice.

(C) In accordance with policies and procedures adopted by assembly resolution, the manager may enter into management agreements with a managing authority for the purposes of joint-use planning or management of borough-owned real property. No management agreement may be entered into with a managing authority if there exists delinquent obligations to the borough by the managing authority or if the managing authority is financially incapable of perforaing the terms of the management agreement.

(D) The manager may direct borough departments to enter into interagency agreements for the management of borough-owned real property in accordance with policies and procedures adopted by the assembly by resolution.

(E) The period covered by any management agreement shall be for a period not to exceed five years unless otherwise expressly approved by the assembly by ordinance.

(F) The manager may enter into a multiple-use management agreement for the management of borough lands in accordance with policies and procedures adopted by the assembly by resolution.

MSB 23.10.170 Remote parcels programs.

(A) The assembly may provide by ordinance for the disposal of one or more remote parcels of borough-owned real property.

(B) Remote parcel programs under this section shall be conducted by the manager in accordance with policies and procedures adopted by assembly resolution.

(C) The sale or lease of remote parcels for fair market value shall be conducted in accordance with the adopted policies and procedures for the method of disposal used.

MSB 23.10.180 Leases.

(A) Leases shall be subject to all requirements and conditions applicable to disposals under this title.

(B) All provisions, stipulations, and conditions contained in any pre-existing lease of borough-owned real property, entered into by the Alaska State Division of Lands acting as agent for the borough, prior to July 1, 1974, shall be binding in all respects on all parties.

(C) Application for a lease for public purposes shall be made in the same manner as other applications and shall contain a plan for development and use of the real property requested. The manager shall, in each case, determine that the proposed usage of borough-owned real property is for worthwhile public service, and that there will be no discrimination in providing service. The manager may make such other requirements as deemed proper before the issuance of such leases. Failure to carry out such plan as submitted and agreed upon may result in revocation of the lease.

(D) The annual rent on a lease for a public purpose to a governmental agency or a not-for-profit corporation formed for the

purpose of carrying on a public service may be at less than fair market value in accordance with MSB 23.05.030 (G), but shall not be less than $500.

MSB 23.10.190 Auctions.

Public auctions shall be held by the manager. At the completion of the auction of each parcel, the manager shall indicate the apparent high bidder. The manager may reject any or all bids.

MSB 23.10.200 Lotteries.

(A) The assembly may provide by ordinance the disposal of one or more parcels of borough-owned real property by gaming or non-gaming lotteries.

(B) Lotteries shall be conducted by the manager in accordance with procedures adopted by assembly resolution.

MSB 23.10.210 Over-the-counter.

(A) The manager may maintain an inventory of real properties for sale, lease, or other disposal over-the-counter. Each parcel in the inventory must meet the following criteria:

(1) The parcel must have previously been made available in a competitively bid disposal program in which no acceptable offers or bids were received for the purchase or use of the parcel; and

(2) notice of the previous disposal availability was made in accordance with the notice provisions of this title.

(B) Parcels in the over-the-counter inventory shall not be sold for less than their fair market value.

(C) Nothing in this section shall require the manager to include all real properties eligible for over-the-counter disposal in the over the counter inventory.

MSB 23.10.220 Tax foreclosed real properties.

(A) Tax foreclosed real properties shall be retained or disposed of in accordance with state law and as provided by the assembly by ordinance.

(B) Unless otherwise provided by ordinance, tax foreclosed real properties will be sold at public auction. The minimum bid for tax foreclosed real properties shall be established by the manager. Tax foreclosed real properties which do not sell at auction may be included in the over-the-counter disposal inventory.

MSB 23.10.230 Agreements by application.

(A) The manager may, with the approval of the assembly by ordinance when required by this title, approve a sale or lease of borough-owned real property by application if the following conditions exists:

(1) the application to purchase or lease borough-owned real property is:

(a) by a public utility for facilities serving the general public; or

(b) for a beneficial new industry; or

(c) for a particular, stated purpose which is found to be in the best interest of the borough; and

(2) all other requirements and conditions applicable to sales or leases under this title are met.

MSB 23.10.240 Homestead program.

(A) In accordance with policies and procedures adopted by assembly resolution, the manager may conduct a homestead program.

(B) The homestead program shall only be conducted on lands classified as "homestead lands" in accordance with procedures adopted by assembly resolution.

MSB 23.10.250 Dedication for public purpose.

In accordance with policies and procedures adopted by assembly resolution, the manager may dedicate lands for public purposes.

MSB 23.10.260 Competitive agreements by request for proposal.

In accordance with policies and procedures adopted by assembly resolution, the manager may dispose of borough property by competitive request for proposal.

Section 4. Effective date. Ordinance Serial No. 94-069 shall take affect upon adoption by the Matanuska-Susitna Borough Assembly.

INTRODUCTION: 9/6/94 PUBLIC HEARING: 9/13/94

ADOPTED by the Matanuska-Susitna Borough Assembly this 20 day of September 1994.

Ernest W. Brannon

ERNEST W. BRANNON, Borough Mayor

ATTEST:

Linda A. Dahl

LINDA A. DAHL, Borough Clerk

(SEAL)

MATANUSKA-SUSITNA BOROUGH
PLANNING COMMISSION RESOLUTION NO. 00-33

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH PLANNING COMMISSION RECOMMENDING CLASSIFICATION OR RE-CLASSIFICATION UNDER TITLE 23 OF TEN (10) PARCELS OF BOROUGH-OWNED LAND LOCATED IN PORTIONS OF SECTIONS 30 AND 31, T22N, R4W, S M; AND PORTIONS OF SECTION 19, 22, 23 AND 27, T24N, R4W, S. M; AND PORTIONS OF SECTION 13, T24N, R5W, SM ALL LOCATED WITHIN THE Y COMMUNITY COUNCIL AREA; AND TRACT A, ALASKA STATE CADASTRAL SURVEY WITHIN SECTION 28, T26N, R5W, SM FILED AS PLAT 95-31 TALKEETNA RECORDING DISTRICT, LOCATED WITHIN THE TRAPPER CREEK COMMUNITY COUNCIL AREA. MSB # 003304 - 2000 AGRICULTURAL LAND SALE PROJECT

WHEREAS, the borough is preparing an agricultural land sale and has reviewed nine (9)) parcels recovered by default under previous agricultural programs; and

WHEREAS, one (1) additional parcel not previously classified or offered for sale was also reviewed due to its size and location; and

WHEREAS, community council notice and public notice has been provided as required by Title 23 and a Preliminary Best Interest Finding Decision has been prepared and reviewed by the Agricultural and Forestry Advisory Board; and

WHEREAS, review of the soils and location of each parcel indicates classification or re-classification, as the case may be, as "Agricultural" lands under Title 23 is supported for the ten (10) parcels identified as 00-56, 00-57, 00-58, 00-59, 00-60, 00-61, 00-62, 00-63, 00-64, and 00-71.

NOW, THEREFORE, BE IT RESOLVED that the Matanuska-Susitna Borough Planning Commission does hereby recommend the parcels identified as 00-56, 00-57, 00-58, 00-59, 00-60, 00-61, 00-62, 00-63, 00-64, and 00-71 be classified "Agricultural" lands under Title 23.

ADOPTED by the Matanuska-Susitna Borough Planning Commission this 7 day of August, 2000.

CRAIG SAVAGE, Chair

ATTEST:

PRISCILLA M. GOFF, Planning Clerk
(SEAL)

Plb\Pln admin\pc-reso\pc 99-33

OR 00-161
MB 00-196

NON-CODE ORDINANCE

By: M. Scott
Introduced: 09/05/00
Public Hearing: 09/19/00
Adopted: 09/19/00

MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. 00-161

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TO CLASSIFY OR RECLASSIFY AND AUTHORIZE THE SALE OF CERTAIN BOROUGH-OWNED LANDS LOCATED IN PORTIONS OF SECTIONS 30 AND 31, T22N, R4W, SEWARD MERIDIAN, ALASKA; AND PORTIONS OF SECTIONS 19, 22, 23, AND 27, T24N, R4W, SEWARD MERIDIAN, ALASKA; AND PORTIONS OF SECTION 13, T24N, R5W, SEWARD MERIDIAN, ALASKA, ALL LOCATED WITHIN THE Y COMMUNITY COUNCIL AREA; AND TRACT A, ALASKA STATE CADASTRAL SURVEY WITHIN SECTION 28, T26N, R5W, SEWARD MERIDIAN, ALASKA FILED AS PLAT 95-31, TALKEETNA RECORDING DISTRICT, LOCATED WITHIN THE TRAPPER CREEK COMMUNITY COUNCIL AREA. (RE: MSB003304 - 2000 AGRICULTURAL SALE PROJECT)

WHEREAS, implementing an agricultural land sale will accomplish goals set forth in Title 23; and

WHEREAS, the demand for small to mid-size acreage for farm use continues; and

WHEREAS, certain properties have been reviewed for potential use as agricultural lands; and

WHEREAS, public notice was provided to adjacent property owners and community councils as required by Title 23; and

WHEREAS, the agricultural and forestry advisory board and the planning commission concurred with the review and recommendations for classification or reclassification, as the case may be, of the various parcels presented by staff; and

WHEREAS, the ten parcels are recognized as having potential for agricultural purposes.

BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance.

Section 2. Land classification. The lands identified as Parcels 00-56 through 00-64, together with Parcel 00-71, are classified or reclassified, as the case may be, as "Agricultural Lands" as defined by Title 23.

Section 3. Approval of sale. The lands classified as "Agricultural Lands" are authorized for sale in accordance with MSB 23.05.030(E), 23.05.010(A), 23.05.100(A)(1), 23.10.150 (A) through (C), and the procedures adopted under Title 23, "Agricultural Land Sales: Agricultural Disposal".

Section 4. Conditions of sale. In addition to the terms and conditions provided by the policy and procedures adopted under Title 23 for sale of agricultural lands, the borough shall retain the scenic highway buffer within Parcel 59 and the public use easements for roads, public utilities, and trails within each parcel approved for sale that were identified during the parcel review process and best interest finding.

Section 5. Effective date. Ordinance Serial No. 00-161 shall take effect upon adoption of the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this 19 day of September, 2000.

DARCIE K. SALMON, Borough Mayor

ATTEST:

ELIZABETH K. MANERED
Acting Borough Clerk

(SEAL)