

MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD

Chairman – Norman Harris (05)	Dick Zobel (02)	Steven Sawyer (06)	Jon Olsen (10)
Vice Chair – James Skinner (09)	Mark Stahl (03)	Derylee “Lee” Hecimovich (07)	Erik “Moe” Johnson (11)
Margaret Adsit (01)	Jenny VanderWeele (04)	VACANT (08)	Braden VanderWeele (12)

AGENDA

REGULAR MEETING LOWER LEVEL CONFERENCE ROOM

**MAY 15, 2019
4:30 P.M.**

- I. CALL TO ORDER; ROLL CALL
- II. APPROVAL OF AGENDA; PLEDGE OF ALLEGIANCE
- III. AUDIENCE PARTICIPATION (Limit 3 minutes)
- IV. APPROVAL OF MINUTES
 - A. March 20, 2019
- V. ITEMS OF BUSINESS
 - A. 2019 NRMU Plan Update Summary
 - B. Ag Board Resolution 19-02 - A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD RECOMMENDING THAT THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ADOPT THE ASSET MANAGEMENT PLAN, NATURAL RESOURCE MANAGEMENT UNITS.
 - C. Ag Board Resolution 19-03 -A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD RECOMMENDING THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORT FULL FUNDING IN FISCAL YEAR 2020 FOR THE ALASKA DEPARTMENT OF NATURAL RESOURCES, DIVISION OF AGRICULTURE
 - D. 2019 PPM Update
 - E. Ag Board Resolution 19-04 - A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD RECOMMENDING THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMEND THE LAND AND RESOURCE MANAGEMENT DIVISION POLICY AND PROCEDURES MANUAL, PART 5, AGRICULTURAL LAND SALES
 - F. Staff Report – Tracy McDaniel

VI. MEMBER COMMENTS (Limit to 3 minutes)

VII. NEXT MEETING

- September 18, 4:30 pm – DSJ Building Lower Level Conference Room

VIII. ADJOURNMENT

MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD

Chairman - Norman Harris (05)	Dick Zobel (02)	Steven Sawyer (06)	Jon Olsen (10)
Vice Chair - James Skinner (09)	Mark Stahl (03)	Derylee "Lee" Hecimovich (07)	Erik "Moe" Johnson (11)
VACANT (01)	Jenny VanderWeele (04)	VACANT (08)	Braden VanderWeele (12)

DRAFT MINUTES

REGULAR MEETING

March 20, 2019

DSJ BUILDING

4:30 P.M.

LOWER LEVEL CONFERENCE ROOM

I. CALL TO ORDER; ROLL CALL

Dr. Harris called the meeting to order at 4:30 p.m.

Members present and establishing a quorum were: Dr. Norman Harris, James Skinner, Derylee Hecimovich, Braden VanderWeele, Jon Olsen, Erik Johnson, Mark Stahl, Jenny VanderWeele.

Members Absent and Excused: Dick Zobel, Steven Sawyer

Staff present: Tracy McDaniel, Asset Manager

Jill Irsik, Dept. Admin Specialist

II. ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

MOTION: Ms. VanderWeele nominated Dr. Harris for Chairperson. Mr. Olson 2nd. Dr. Harries accepted the nomination. No other members were nominated. All in favor.

MOTION: Dr. Harris nominated Mr. Skinner for Vice Chair. Mr. Olson 2nd. Mr. Skinner accepted the nomination. No other members were nominated. All in favor.

III. APPROVAL OF AGENDA; PLEDGE OF ALLEGIANCE

MOTION: Ms. VanderWeele moved, Mr. Skinner 2nd. Agenda approved

IV. AUDIENCE PARTICIPATION (Limit to 3 minutes)

Mr. Donald Ruhoff spoke to attending the meeting to determine if he wanted to apply to fill a board vacancy.

V. APPROVAL OF MINUTES

A. February 20, 2019

MOTION: Mr. Johnson moved, Mr. Skinner 2nd. Minutes approved.

VI. ITEMS OF BUSINESS

A. Brad Pickett, Borough Assessor

- Mr. Pickett attended the meeting to address any questions or concerns the board had regarding assessing Borough agriculture land

B. Response to the Ad Hoc Agriculture Committee Recommendations

- Mr. Olson had questions regarding #2a
 - Felt that "fallow" is not covered very well

- Ms. McDaniel shared concerns regarding being able to work on #5 this session

C. Draft PPMs

- Title 13 PPMs were handed out at meeting
- Current Title 23 PPMs were included in packet
- Ms. McDaniel reviewed with the board the proposed changes to the PPMs. Once legal has had a chance to review the draft, the final version and a resolution will be brought before the board.

VII. MEMBER COMMENTS (limit to 3 minutes)

- Ms. VanderWeele – would like to see a resolution from the board, which will state the board’s disagreement with the Governor’s proposal to cut the Division of Agriculture.
- Ms. Hecimovich – lots of stuff going on at the Experimental Farm
- Mr. Johnson – had staff disseminate to the board an email from the Alaska FFA Association, who were looking for volunteers to help with the State FFA convention.
- Mr. Skinner – appreciates all the work that Ms. McDaniel is doing. Also thanked Mr. Pickett for coming to the meeting.
- Dr. Harris – Thanked staff for the work that they do.

VIII. NEXT MEETING

- A. April 17, 2019 - 4:30 pm - DSJ Building Lower Level Conference Room

IX. ADJOURNMENT

Dr. Harris adjourned the meeting at 6:00 p.m.

Norman Rex Harris, Chairman

ATTEST:

Jill Irsik
Department Administrative Specialist

2019 UPDATE

NATURAL RESOURCES MANAGEMENT UNITS

ASSET MANAGEMENT PLAN UPDATE:

SUMMARY

OVERVIEW

- The Natural Resource Management Unit Plan (NRMU Plan) is the Borough's land management plan that contains goals, guidelines, management intent and land use classification for land and resource use.
- The Plan contains the Borough Forest Management Plan and meets the requirements of MSB 23.20.060.
- The NRMU Plan includes 22 blocks of land totaling about 167,000 acres, all of which are currently in Natural Resource Management Units.
- When this update to the NRMU Plan is adopted, the Fish Creek Management Plan will be repealed and replaced. The Fish Creek Management Unit will be managed similar to other borough owned land.
- Preparation of the plan update included:
 - Scientific and technical review
 - Review of present uses of the lands
 - Analysis of potential material sites
 - Review and incorporation of existing land-use and comprehensive plans
 - 30-day public review/comment period
 - Review by the Agriculture Advisory Board
- The Plan Update included a review and refinement of:
 - Goals
 - Management Intent
 - Land Use Classifications
 - Classification was updated to reflect current classifications
 - Land Use Designations
 - Management Guidelines
 - Best Management Practices
 - Figure numbers were revised to simple sequential numbers for clarity.
 - Appendices were reduced based on relevancy and need.

PLAN CONTENTS

The Plan update is divided into three volumes. The fourth volume of the 2010 plan documented the extensive process used to draft the original plan. While this information is informative and relevant to the original plan, it is no longer considered relevant and has been removed.

The following is a summary of the changes to the plan that provides page numbers to each volume of the plan:

Volume I – Chapter 1

Chapter 1 was updated to reflect the recent change to borough code eliminating reference to “operable timber”. Forest land is now only evaluated on the presence of “commercial timber land”

Clarification was provided on the hierarchy of classification, goals, management, intent, and land use designations. Classification provides the foundation for management decisions on borough land use and development. (page 10)

Volume I – Chapter 2 (page 18)

Chapter 2 was updated to note that the Real Property Asset Management Board no longer exists.

The management guideline for agriculture was updated to expand when and where agricultural sales and leases may occur on borough land. (page 22)

The plan was updated to reflect the Borough no longer has a cultural resources division.

The relationship of the public recreation designation to potential resource extraction was clarified in so far as the two are not mutually exclusive. The intent is to allow for resource extraction when it will not significantly detract from the recreation opportunities; especially when the extraction is in support of forest health, wildlife habitat, or to reduce fire hazard. (page 39)

Clarification was added to allow for material extraction to occur on any parcel designated for resource management. The intent is to help alleviate the shortage of material sites in some parts of the borough. (page 41)

Volume I – Chapter 3 (page 60)

This chapter is the revised Forest Management Plan, required by borough code (23.20.060). The language on the market driven values of timber and non-timber products was simplified. (page 63)
The update seeks to streamline the plan and eliminate unnecessary text.

The example of the value and cost of birch firewood was removed as it was considered unnecessary. (page 68)

The Borough has moved away from a designation of “*operable*” and “*inoperable*” timber or forest land as experience has shown that individual timber operators are better suited to determine what is commercially viable timber stands and what forest land is not economic to harvest. Borough Code was updated in 2016. This Plan Update includes changes to be consistent with Borough Code.

Chapter 3 was updated to remove all reference to “*operable*” forest land.

In addition, many of the instances where information was cut and pasted from *Operable Timber Analysis* were replaced with references to the analysis. The intent was to reduce unnecessary text in the plan.

The reference to State of Alaska Division of Forestry requirement for reforestation was removed as this plan is not the guiding regulation for reforestation and the reference was incomplete. (page 78)

The plan was updated to reflect the current Alaska Wildland Fire Management Plan, as well as the most current Forest Health Conditions in Alaska. (pages 83-84)

Fertilization was removed as a best management practice because experience over the last 8 years has shown it is not an effective practice employed in Alaska. (page 85)

The reference to the appendix containing an excerpt from the Silvics Manual was removed as well as the appendix, as it was unnecessary. (page 87)

Forest management technique for aspen forests was updated based on current best practices. (page 89)

The utility timber guideline appearing to restrict large scale timber harvest to the Chijuk unit was removed to allow for large scale timber harvest in any suitable unit. (page 98)

Figure 1-3-13 was replaced by a text description of the timber sale approval process for clarity. (page 101)

A reference to the current Generally Allowed Uses on Borough Land was inserted. (page 111)

Volume I - Chapter 4 (page 112)

References to the Susitna Area Plan, the Willow Sub-Basin Area Plan, and the Hatcher Pass Management Plan were removed by this update as the State Plans do not apply to borough land.

Reference to the Alaska Coastal Management Program were removed as the program no longer exists. (pages 112-113)

The periodic review requirement of the plan was updated for clarity. (page 114)

The guidance for drafting a best interest finding has been updated to reflect the current Land and Resources Management Division Policy and Procedure Manual, not an appendix in this Plan. (pages 115-117)

The Planning and Land Use Director and the Public Works Director have been removed from the decision making process for this Plan as it is administered under the authority in MSB 23. (pages 116-117)

The recommended code changes were updated to reflect the few code changes noted during the update process for this Plan. Repeal of the Fish Creek Management Plan and the Susitna Area Plan are the two significant changes. This Plan Update is intended to replace the Fish Creek Management Plan. The Fish Creek Management Plan was adopted by non-code ordinance in 2009. The Susitna Area Plan is a State of Alaska plan that has not had any bearing on borough land since the first version of this Plan was adopted in 2010. Repeal of the State's Susitna Area Plan is considered housekeeping. (pages 122-134)

Volume II

Volume II was amended to be consistent with Volume I including the move away from references to operable timber.

Soil capability to support agriculture as determined by the U.S. Department of Agriculture was included as an interpretation of the soil maps for each Natural Resource Management Units. (page 12)

The land use classifications for each unit were updated to reflect the classification that resulted from the Assembly adoption of the 2010 NRMU Plan.

The agricultural and grazing potential for each unit was update to reflect the soil capability to support agriculture maps included in this update.

Limitations on the size of timber harvest in units where it is permissible were removed.

Buffer requirements around wetlands were expanded to include all wetlands within the units and simplified from a special management zone to a simple buffer.

Language limiting the potential for rock, sand, and gravel extraction from units with limited resource data available was replaced with a statement that additional field investigation is required.

Management intent language restricting timber harvest was amended to allow for timber harvest in support of forest health, wildlife habitat, and fire hazard reduction. This change is being made in part to respond to the spruce bark beetle infestation. It has also been noted that in the absence of wildfire, timber harvest is essential to improving forest health and in certain instances improving wildlife habitat. The borough should allow for timber harvest in public recreation areas for these reasons.

All references to the proposed wood-fired boiler at Su Valley High School have been removed as the project is no longer viable.

The Plan was updated to include the Fish Creek Unit. The management intent for this unit was amended to conform to similar units addressed in the NRMU Plan for consistency. The land use classifications and management intent were amended to reflect the current resource and land use potential (pages 87-101).

Land and Resources Management Division staff removed six 10-acre parcels from the Susitna River Corridor Unit whose highest and best use was determined to be for residential or recreational use. The approximately 6,700 acre unit was not significantly affected by this change. The description of the unit has been amended accordingly. (pages 252-258)

Volume III

Earth material definition was added to be consistent with MSB Code. (page 6)

Generally allowed uses definition was amended to be consistent with the current Land and Resources Management Policy and Procedure Manual. (page 7)

Appendices B, C, E, F, H, I, J, K, L, M, N, O, P, and Q, were deleted as unnecessary or outdated information.

Volume IV

This volume documents the agency participation and public outreach conducted prior to the adoption of the 2010 NRMU Plan. The update to the plan did not require extensive agency involvement or a lengthy public outreach campaign. The agency and public involvement from 10 + years ago was determined to be irrelevant and deleted.

**MATANUSKA-SUSITNA BOROUGH
AGRICULTURE ADVISORY BOARD
RESOLUTION NO. 19-02**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD RECOMMENDING THAT THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ADOPT THE ASSET MANAGEMENT PLAN, NATURAL RESOURCE MANAGEMENT UNITS.

WHEREAS, the Agriculture Advisory Board was enacted by Matanuska-Susitna Borough Ordinance 15-050 to review issues specifically related to and affecting borough agriculture lands, and advise the Assembly and Manager on such matter; and

WHEREAS, the "Asset Management Plan, Natural Resource Management Units" identify 22 natural resource management units, including the Fish Creek Unit, and encompasses approximately 128,127 acres of borough-owned lands; and

WHEREAS, the purpose of the "Asset Management Plan, Natural Resource Management Units" is to provide goals, management intent, land use designation, classifications, guidelines, and implements actions for the new Natural Resource Management Units on borough-owned lands; and

WHEREAS, the "Asset Management Plan, Natural Resource Management Units" recognize each unit with multiple resource values and uses for designation and classification of its primary uses and secondary uses; and

WHEREAS, the "Asset Management Plan, Natural Resource Management Units" identify the United States Department of

Agriculture soil capability mapping to support agricultural uses for the production of plants, trees, field crops, and animal grazing; and

WHEREAS, the "Asset Management Plan, Natural Resource Management Units", once adopted, will provide the foundation for present and future decisions on how the management units will be developed and managed.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Agriculture Advisory Board recommends the Matanuska-Susitna Borough Assembly adopts the "Asset Management Plan, Natural Resource Management Units" that provides the tools to manage all the various resources in a compatible manner on borough-owned land.

ADOPTED by the Matanuska-Susitna Borough Agriculture Advisory Board this 15th day of May, 2019.

Norman Rex Harris, Chairman

ATTEST:

Jill Irsik,
Department Administrative Specialist

**MATANUSKA-SUSITNA BOROUGH
AGRICULTURE ADVISORY BOARD
RESOLUTION NO. 19-03**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD RECOMMENDING THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORT FULL FUNDING IN FISCAL YEAR 2020 FOR THE ALASKA DEPARTMENT OF NATURAL RESOURCES, DIVISION OF AGRICULTURE.

WHEREAS, the Agriculture Advisory Board was enacted by Matanuska-Susitna Borough Ordinance 15-050 to review issues specifically related to and affecting borough agriculture lands, and to advise the Assembly and Borough Manager on such matter; and

WHEREAS, in the 1970's, the Borough established a policy of preserving agricultural lands for future generations through its restricted farm sale programs; and

WHEREAS, Alaska residents face a recognized food vulnerability due to the fact that 90 percent of food production for Alaska comes from outside of the state, leaving the population susceptible and dependent on the next shipment of imported food; and

WHEREAS, agriculture continues to be a valuable resource and important business in the Matanuska-Susitna Borough, and Alaska consumers understand the positive economic impact of purchasing Alaska Grown products, and find real value in the goods that are locally available; and

WHEREAS, the Division of Agriculture development goals are to promote a healthy agriculture industry in Alaska with providing

services for marketing "Alaska Grown" products, inspections to meet statutory, federal and international contract requirements, Alaska regulations and USDA requirements, and conduct agriculture land sales for Alaska's future generations; and

WHEREAS, Division of Agriculture's mission through the Plant Material Center is to promote and encourage development of an agriculture industry in Alaska by developing seed and plant materials suitable for Alaska growers, provide recommendations for erosion control, seed production and revegetation and maintain the state's certified seed laboratory for commercial and regulatory seed quality testing; and

WHEREAS, the Agricultural Revolving Loan Program provides for financing agriculture development and expansion by offering moderate interest rate loans for agricultural development in Alaska; and

WHEREAS, this is why both public and private sector supports and promotes the importance of the Division of Agriculture through direct investment and funding of Alaska's many potential agricultural economies.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Agriculture Advisory Board recommends the Matanuska-Susitna Borough Assembly recognize and support fully funding Fiscal Year 2020 for the Alaska Department of Natural Resources, Agriculture Division.

ADOPTED by the Matanuska-Susitna Borough Agricultural
Advisory Board this 15th day of May, 2019.

Norman Rex Harris, Chairman

ATTEST:

Jill Irsik,
Department Administrative Specialist

2019 UPDATE
LAND and RESOURCE MANAGEMENT DIVISION
POLICY and PROCEDURES MANUAL UPDATE
PART 5: AGRICULTURAL LAND SALES SUMMARY

OVERVIEW

- The Land and Resource Management Division, Policy and Procedures Manual (PPM) is the Borough's policy for the disposition of borough-owned lands.
- The policy and procedures specific to agricultural land sales has not been updated since the 1990's.
- Ordinance Serial No. 15-050 established the Matanuska-Susitna Borough, Agriculture Advisory Board to review issues specifically related to and affecting borough agriculture lands.
- The Agriculture Advisory Board will forward its recommendations to the assembly with regard to section of code and adopted procedures.

POLICY UPDATES

Additions to the PPM are shown as **bold and underlined** and deletions are shown as [brackets] within the Matanuska-Susitna Borough, Agriculture Advisory Board, Resolution No. 19-04.

- There were no changes to subpart 2.1. Amendments proposed in the PPM, subparts 1.1, 3.1, 4.1, 5.1, 7.1 & 10.1 are simple housekeeping measures to align the PPM with current code, as well as fixing format and grammar, and providing clarification where needed. In sections clearly deficient of procedures or outdated, more significant amendments were needed and those sections are highlighted below:
- 6.1: Alaska Statute 9.45.235 was recognized in the PPM for all prospective purchasers of the technical planning assistance is available through local soil and water conservation districts and the law governing an agricultural operations as private nuisances that supersede a municipal ordinance, resolution, or regulation.

Other additions include a Borough Farm Conservation Plan, which has been part of previous sale brochures. Recognizing continuous fallow to protect the long-term viability of agricultural soils to safeguard against a “no net loss” of agricultural lands. Leaving land in its natural state or allowing fields to fallow is not considered a breach of any previous borough agricultural land sales.

- 8.1: This subpart was amended from “Subdivision and Sale” to “Sale” only to include the following:
 - To allow for subdivision of 10 acres or greater where the soils are 50 percent or more soils of local importance for agricultural uses.
 - In addition to lands sold fee simple title with agricultural covenants, allowing lands sold as fee simple title conveying agricultural rights only where the borough retains the development rights. For each types of land sales, a minimum value per acre is established.
- 9.1: This subpart “Subdivision” was added as a stand-alone subpart to address future subdivision of a farm unit for both types of land sales (agricultural rights and agricultural covenants).
 - 9.2: An agricultural rights proposed subdivision PPM addresses the 5-acre home site shall be sold with the farm unit to alleviate an agricultural rights only property to have no home site. This is an ongoing issue with the former Title 13 agricultural rights property.
 - 9.3: There are no significant changes to the PPM for agricultural parcel sold with agricultural covenants, conditions and restrictions.
 - 9.4: Identifies the date of adoption of the new PPM. All previous agricultural land sales will adhere to the subdivision policies in place at the time the owner took title to the property.

**MATANUSKA-SUSITNA BOROUGH
AGRICULTURE ADVISORY BOARD
RESOLUTION NO. 19-04**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH AGRICULTURE ADVISORY BOARD RECOMMENDING THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMEND THE LAND AND RESOURCE MANAGEMENT DIVISION POLICY AND PROCEDURES MANUAL, PART 5, AGRICULTURAL LAND SALES.

WHEREAS, the Agriculture Advisory Board was enacted by Matanuska-Susitna Borough Ordinance 15-050 to review issues specifically related to and affecting borough agriculture lands, and advise the assembly and manager on such matter; and

WHEREAS, subdivision, lease, sale, and other business use of agricultural property were issues identified at the Matanuska-Susitna Borough Agriculture Forum on November 10, 2014; and

WHEREAS, the Policy and Procedures Manual, Part 5, Agricultural Land Sales has not been updated since the early 1990's thereby prompting an extensive review of the policy and procedures by the Agriculture Advisory Board and staff; and

WHEREAS, this resolution shall supersedes Resolutions No. 15-04, 15-05, 15-06, 16-03, 16-04, 16-05, 16-06, 16-07, 16-08, 16-09, 16-10, 17-03 and 17-04; and

WHEREAS, this resolution brings together all previous resolutions in a more cohesive manner for future disposition of borough agricultural lands.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Agriculture Advisory Board recommends the Matanuska-Susitna Borough Assembly hereby adopts by Ordinance the Land and Resource Management Division Policy and Procedures Manual, Part 5, Agricultural Land Sales, the following changes:

**TITLE 23
LAND AND RESOURCE MANAGEMENT DIVISION
POLICY AND PROCEDURE MANUAL**

AGRICULTURAL LAND SALES: Disposal
PART 5

- 1.1 Authority: 23.05.030
23.10.070
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; and

4. land capability soils information, if available.

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 property 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 parcel. I further understand that the classification of the property as "agricultural land" only identifies the land as being "presently or potentially valuable for production of agricultural crops." [AND] [T]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 **if borough financing is requested**; or
 - [2. net worth;]
 - 2**[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.

3[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; or
- b. U.S. passport; or
- 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; or
- e. Native American tribal document; or
- f. [Current] 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[.]. [H]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] **Right to Farm Statute and Farm Conservation Plan.**

A. **All agricultural property sold by the borough is intended to maximize agricultural capability to the extent feasible and practical pursuant to Alaska Statute 9.45.235 and borough code.** The prospective purchasers will be informed that technical planning assistance is available through the local soil and water conservation district in cooperation with the United States Department of Agriculture, Natural Resource Conservation Service.

B. **Purchaser submits a Borough Farm Conservation Plan for inclusion in the case file that will run with the land until/unless specifically changed.**

C. **Continuous fallow is recognized as an agricultural use for the protection of the long-term viability of the nation's food supply by preventing conversion of soils of local importance for agricultural uses to non-agricultural uses. Fallow provides a mechanism to prevent the inappropriate conversion of agricultural land into sprawling, low-density development to safeguard against a "no net loss" of agricultural lands.**

1. **Recognized fallow uses and activities are defined as:**

a. **land used for agricultural activities to lie fallow in which it is plowed and tilled but left unseeded; and**

b. **land used for agricultural activities to lie dormant because of adverse agricultural market conditions; and**

c. **allowing naturally occurring grasslands and nonindustrial private forestland.**

7.1 Construction of Real Property Improvements.

A. Each agricultural land sale program [WILL] includes 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 **(5)** acres in size, except as set forth below. The areas may include home site(s), well and septic location(s), and the farmstead areas normally required for yards, driveways, parking, barns, animal pens, outbuildings, and other similar uses.
- C. Areas larger than five **(5)** 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 (MSB) 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 MSB 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).]

A. Borough-owned property 10 acres or greater where 50% or more of the soils are classified by Natural Resource Conservation Service as land capability as class II, class III, class IV, or Natural Resource Conservation Service classified soils of local importance; and where other lands adjoining the property are either classified agricultural lands or in agricultural production, shall be considered for an agricultural classification and an agricultural sale program.

B. Lands sold with an agricultural classification may be sold:

- 1. **As a conveyance of only agricultural rights.**
 - a. **Agricultural rights for parcels will be valued at a minimum of \$250 an acre or as determined by the Borough Assessor.**
 - b. **Under an agricultural rights conveyance, development rights will be retained by the borough to protect and promote the agricultural use and development of the land in perpetuity.**
 - c. **The assembly may establish other conditions of sale which are best designed to promote the agricultural use and development of the subject lands.**
- 2. **As a fee simple conveyance with agricultural covenants.**
 - a. **Fee simple conveyance for parcels with agricultural covenants will be valued at a minimum of \$500 an acre or as determined by the Borough Assessor.**

- b. The agricultural covenant will be perpetual, run with the land, and restrict or limit the use of the land for agricultural purposes.
- c. The assembly may establish other conditions of sale which are best designed to promote the agricultural use and development of the subject lands.

C. A farm unit may consist of more than one parcel of record and is to be considered a single farm unit.

D. The terms and conditions of financing offered by the borough to purchase agricultural parcels shall include, among other things, a prohibition against the transfer of ownership during the term of the loan without the specific written consent of the borough.

9.1 Subdivision of the farm unit previously conveyed by the borough, which includes only agricultural rights land or lands sold with agricultural covenants, conditions and restrictions.

A. Parcels greater than 80 acres and classified as agricultural property shall not be subdivided to less than 40 acres.

1. A farm unit may be subdivided no more than one time with no more than four parcels created from the original farm unit. Any such subdivision must meet the subdivision code and regulations of the Matanuska-Susitna Borough Platting Division.

2. A farm unit consisting of a total aggregate of 40 acres or less may not be subdivided.

3. The terms and conditions of the financing offered by the borough to purchase agricultural parcels shall include, among other things, a prohibition against subdivision or the transfer of ownership without the specific consent of the borough during the duration of the loan term.

9.2 Subdivision of a farm unit previously conveyed by the borough with only agricultural rights for creation of a five (5) acre home site.

A. Parcels sold in a borough agricultural land sale are to be considered a single farm unit as delineated in the sale brochure and accompanying documents.

- B. Subdivision is allowed for a home site if the assembly grants a release from the terms of the sale and shall be for an amount of land sufficient for a farm residence and/or farm related facilities, with a maximum of no more than five (5) contiguous acres, provided that the land is situated and conforms to all planning, platting, subdivision, and other regulations of the borough.
- C. If assembly approval is provided for subdivision, all subdivided home sites shall include a restriction such that any subsequent sale shall require the home site and parcel from which it was created to be sold jointly in order to avoid an agricultural rights only property from having no home site. This provision shall be implemented through the use of covenants and deed restrictions for the home site and remainder parcel.
- D. If assembly approval for subdivision is obtained, the manager shall have the authority to approve applications for the subdivision of agricultural property be submitted to the platting authority and the recording thereof.
- E. The land for the subdivided home site(s) shall then be sold and granted to the purchaser as fee simple for an amount determined by an estimated fair market value appraisal of the fee simple estate (land only) minus the estimated fair market value of the agricultural rights (land only) indicated by the fee appraisal.
- F. Upon subdivision 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 agricultural sale program.

9.3 Subdivision of a farm unit previously conveyed by the borough with agricultural covenants, conditions and restrictions.

- A. Parcels sold in a borough agricultural land sale are considered a single farm unit as delineated in the sale brochure and related documents and shall not be subdivided for a period of ten years from the date the sale documents are recorded.
- B. After ten years, the farm unit may be subdivided provided no parcel so subdivided is less than 40 acres in size and no more than four parcels are to be created from the original farm unit boundary. Any such subdivision must meet the subdivision code and regulations of the Matanuska-Susitna Borough Platting Division.

- C. Upon subdivision 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.

9.4 Property classified agricultural land and sold prior to [INSERT DATE OF ASSEMBLY ADOPTION], shall adhere to the subdivision policies by the instrument that conveyed title, the contractual covenants, conditions, and restrictions, governing legislation and the land sale brochure for the parcel.

[9.1]**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 instrument that conveys title, [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 borough to purchase the agricultural parcels will be enforced based on the terms and conditions of the deed of trust and secured 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] shall conform to the [ADOPTED] regulations applicable to [FOR] the district or zone within which it is located.

ADOPTED by the Matanuska-Susitna Borough Agricultural
Advisory Board this 15th day of May, 2019.

Norman Rex Harris, Chairman

ATTEST:

Jill Irsik,
Department Administrative Specialist

Matanuska-Susitna Borough



MEMORANDUM

TO: Agriculture Advisory Board Members

FROM: Tracy K. McDaniel, Asset Manager *tkm*

DATE: May 6, 2018

RE: Staff Report for the May 15, 2019 meeting

As the staff assigned to the Agriculture Advisory Board, I would like to thank you all for your time, commitment, and dedication this past year to improve the policy and procedures for agricultural land sales. The Land and Resource Division has been working the past few months to refine other policy and procedures in the manual and the plan is to bring all the updates as one document to the assembly for adoption in the months of June and July.

My goal this summer is to work on a policy to streamline the processes for agricultural rights owners for title transfer, subdivision, and home site designations for the agricultural land sales that occurred under former Title 13. This will be brought before the board when we resume our meetings in the fall and winter of 2019/2020.

In closing, I hope you all have a wonderful summer.

Respectfully, Tracy