

Department of Natural Resources

Division of Mining, Land and Water

Fact Sheet: Public and Charitable Leases AS 38.05.810 (b)-(d)

Alaska Statute (AS) 38.05.810(b)-(d) allow the Department of Natural Resources to negotiate leases of state land for less than fair market value to tax exempt non-profit corporations and associations, clubs, or societies organized and operated exclusively for charitable, religious, scientific, or educational purposes or for the promotion of social welfare. Commercial projects are not eligible for state land leases under the authority of AS 38.05.810 (b)-(d).

How do I qualify?

In addition to the eligibility criteria listed above, the applicant must show the land will be used for an established or proposed project, and that it has the financial ability to carry out the project. This type of lease also requires that the project be open to the use and enjoyment of the general public.

What can the lease be used for?

Leases issued under AS 38.05.810 (b)-(d) must be used for charitable, religious, scientific, or educational purposes or for the promotion of social welfare. Once a lease is issued, the authorized use may not be changed without the prior approval of the Division of Mining, Land, and Water (DMLW).

What is a typical lease term?

Leases are typically issued for a term of 10-25 years, but in certain cases may be available for a maximum term of 55 years. Leases may be renewed at the discretion of DMLW.

What do I need to apply?

Applicants are required to submit an application, a development plan, and an environmental risk questionnaire. The development plan should include both a written description of the type and location of temporary and/or permanent structures and a scaled drawing depicting all proposed structures. The combined analysis of the written description and drawing should provide DMLW with a depiction of the intended access to the site, an explanation of any environmental changes that will be made to the site, a description of the intended power source and fuel storage area, an explanation of the intended solid waste and wastewater disposal method, and any additional elements of the project that may impact the area. The applicant will be required to pay for the cost of the survey, appraisal, and all applicable fees Please visit the <u>DMLW</u> <u>Lands Section Website</u> (dnr.alaska.gov/mlw/lands/leasing/) for more information on our leasing process and applicable application forms.

Can a lease issued under AS 38.05.810 (b)-(d) be subleased or assigned?

Yes, but it may not be assigned or subleased without the consent of DMLW and may only be transferred to a charitable organization qualified under AS 38.05.810 (b)-(d).

What fees can be expected under a lease authorized under AS 38.05.810 (b-)-(d)?

The annual rental fee for leases authorized under AS 38.05.810(b)-(d) may not be less than one percent of the fair market value on land acquired primarily for development, or less than five percent of the fair market value on acquired land. The rate of annual use fees will be determined by the DMLW during the processing of the application.

For additional information please contact one of the Regional Offices:

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