



MATANUSKA-SUSITNA BOROUGH

PLANNING DEPARTMENT

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TO: Planning Commission

FROM: John Duffy, Director of Planning

SUBJECT: Application to Purchase -- Trygstad

DATE: January 16, 1997

The purpose of this memorandum is to provide the Planning Commission with supplemental information relevant to a pending application to purchase Borough land which is being considered by the Planning Commission, Resolution 96-58. The additional information consists of some background material that has been obtained regarding: golf courses in general, the standards used by Heritage Land Bank for review of a golf course proposal and a discussion of some points that were either raised at the Commission's last meeting or since that time. The applicant's Concept Development Plan was to be included with this package but was not delivered as of this date, 4:00 p.m.

Planning Commission Authority There have been statements made that the Planning Commission consideration of a proposed conveyance is somehow limited "only" to the classification of the subject parcel. The classification decision, however, requires a thorough review and analysis and is anything but limited. A short review of a few of the provisions of Title 23 will indicate the breadth of the Commission's authority when recommending a particular classification. The broad discretion the Commission has in carrying out its planning authority is not discussed here for the sake of brevity.

Per Title 23 of the borough code, all borough real property must be classified prior to any conveyance. When a parcel needs to be classified or re-classified the Planning Commission is required by Title 23 (23.05.030(B)) to consider and make recommendation to the Borough Assembly on the appropriate classification of the parcel.

"Classified Lands" means lands selected or owned by the Borough that have recognized potential suitable uses and have been designated by assembly ordinance accordingly as to the recommend best use (23.05.005(A)(10)).

"Best Use" means 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 result in the highest value or most beneficial use (23.05.005(A)(8)).

Lastly 23.05.010 defines the management policies relating to the management of borough land. Determining whether or not a parcel should be conveyed and how it should be classified is a management decision and these policies should therefore be considered as part of these decisions.

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 nonfinancial 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.

In determining the appropriate classification of a parcel of land the Commission may consider whether or not a proposed use is financially feasible, how potentially adverse environmental impacts will be minimized, the economic return to the borough, etc. The Commission may also recommend that conditions be placed on a proposed conveyance or that a conveyance be subject to a number of performance requirements or both. The classification decision should not be thought of as a "limited" action but actually as one that is quite broad.

Level of Review The question has been raised about why it appears that this application to purchase is receiving a different level of review than other applications. The Department is conducting a review that is consistent with the proposed use and scale of development and because of the following:

- (1) The application seeks a non-competitive sale;
- (2) The size of the parcel;
- (3) The community interest in the proposed conveyance and proposed use as evidenced by public notice comments, petitions and public testimony;
- (4) Previous interest from other members of the public to purchase the property;
- (5) The potential for adverse environmental impacts;
- (6) The potential need for public facility improvements (e.g., roads);
- (7) The proposed uses.

The vast majority of applications to purchase borough lands are for relatively small parcels, 40 acres or less, and for residential purposes. The impacts to the community and immediate

environment from a single family residence are believed to be much different than from the existing proposal which is for a golf course, related resort development and residential development. Therefore, a higher level of review is appropriate especially since the parcel is public land.

Background Material A copy of all but the appendices of the Request-for-Proposals used by Heritage Land Bank, Municipality of Anchorage, for the Girdwood Alaska Golf Course Development is included to provide information about the items the Municipality of Anchorage considered important in reviewing golf course proposals. Also included is a report from the Community and Environmental Defense Associates which discusses golf courses and aquatic resource protection. Lastly an excerpt from Three Case Studies of Local Government Real Estate Asset Management in the Southern California Region is included as it describes the City of Long Beach, California considerations about whether to sell land or lease it.

Comprehensive Planning It has been remarked that since the Butte community has yet to start the community comprehensive planning process that it may not matter, or matter as much, as to what kind of development occurs on the subject parcel. The lack of an updated comprehensive plan for the Butte community does not relieve the borough from fulfilling its duty to manage the land in the public interest. As the steward of the public's land the borough is justified to take those actions necessary to ensure, to the extent feasible, that incompatible land uses do not result from borough land conveyances nor that borough lands are obtained for one purpose and used for another or held for speculation.

Method of Conveyance The Borough Manager in both a memorandum and letter dated December 23, 1996, directed the Department to take measures to adequately protect the borough's interest. The Manager has requested a lease be used as the means of conveyance along with the use of performance requirements, a non-fundable deposit, etc.

Public Hearing As part of its deliberations on the proposed application, the Commission should consider the testimony received at the public hearing held on January 6, 1997. The following is a summary of the main topics of the testimony presented:

- (1) The parcel contains a popular and highly used recreation trail;
- (2) Concern about the proposed use's impact on the area's groundwater and McRoberts Creek;
- (3) Potential need for additional emergency services due to the proposed development;
- (4) Lack of a development plan for community review;
- (5) The parcel is utilized for a variety of recreational uses.

Performance Conditions The following list of performance standards was obtained from other commercial leases and from the Girdwood Golf Course Request-for-Proposals issued by the Heritage Land Bank, Municipality of Anchorage. This information is provided for the

Commission's information.

- ▶ A preliminary economic feasibility study to include estimated cash flow and profit and loss projections for the first ten years of the project.
- ▶ A preliminary marketing plan.
- ▶ A projected investment schedule for the project.
- ▶ A projected development schedule for the project.
- ▶ Evidence of credit worthiness, letters of reference from financial institutions, proof of ability to finance the project and obtain bonds or any other relevant documentation.
- ▶ Proof of the ability to obtain performance bonds and insurance.
- ▶ Evidence of the ability to secure relevant permits for the project, including U.S. Army Corps of Engineers 404 permit.
- ▶ A plan for limiting harmful effects on aquatic resources, surface water and groundwater. This plan must address: the use or management of fertilizers and pesticides, storm water control, and erosion and sediment control.
- ▶ A traffic impact analysis.
- ▶ Master development plan that provides a detailed schematic and narrative description of the planned development.
- ▶ Site rehabilitation plan describing how sites disturbed by construction or development activities will be rehabilitated.

Recommendation Because of the potential economic impact of the proposed project, the Department continues to recommend a classification of "General Purpose Lands", a non-competitive conveyance and that the conveyance follow the direction of the Borough Manager as outlined in his memorandum and letter of December 23, 1996.