

Agriculture Revolving Loan Fund Asset Disposals**FY2001 Request: \$125,000**
Reference No: 6887**AP/AL:** Appropriation**Project Type:** Planning**Category:** Development**Location:** Mat-Su Areawide**Contact:** Nico Bus**House District:** Matsu Areawide (HD 26-28)**Contact Phone:** (907)465-2406**Estimated Project Dates:** 07/01/2000 - 06/30/2001**Brief Summary and Statement of Need:**

The Division of Agriculture has a number of assets, land, and buildings which it is considering for disposal. These assets would need current appraisals and possible cleanup and repair before disposal could occur. Additionally, considerable staff time would be necessary to evaluate, prepare, administer, and comply with any regulations or laws governing a disposal.

Funding:	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	Total
Agric Loan	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$750,000
Total:	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$750,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

Phase 1 of the land sale project included \$250.0 for FY99 funded from the Agricultural Revolving Loan Fund. Ten parcels are being considered for sale. Three were sold December 8, 1998 and four were offered in the March 12, 1999 sale. The total net recovery for the FY99 project is expected to be approximately \$1,674,413. Eight parcels are being considered for spring 2000 sale. The total net from FY00 is expected to be approximately \$1,800,000.

Project Description/Justification:

Project Benefits: Assets put into private ownership enhances agricultural development, state land management responsibilities are decreased, jobs are created, and income and long term budget savings are generated.

Economic Development: Jobs and income for the state and the community in which the assets reside result from transfer of assets into private ownership.

Project Support: Department of Natural Resources, agricultural business community, Matanuska Susitna and Fairbanks North Star Boroughs, and local communities (Palmer, Delta Junction, Fairbanks, Nenana, etc.).

Project Opposition: None expected

Alternative Financing Considered: Financing not available in operating budget.

Specific Spending Detail:

72000 - \$2.1
73000 - \$122.3

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74000 - \$0.6
FY01 total of \$125.0.

The majority of the budgeted expenses would be to have us contract with the private sector to perform repairs, clean-up assets, and prepare current appraisals, and other services as needed.

Projected Revenue to the State: Net Recovery in FY02 approximately \$1,000,000.