

Land Development for Nenana-Totchaket

FY2022 Request: \$5,000,000
Reference No: 63473

AP/AL: Appropriation
Category: Development
Location: Nenana

Project Type: Life / Health / Safety

House District: Eielson/Denali/Upper
 Yukon/Border (HD 6)

Impact House District: Eielson/Denali/Upper
 Yukon/Border (HD 6)

Contact: Dave Schade

Estimated Project Dates: 07/01/2021 - 06/30/2026 **Contact Phone:** (907)745-7200

Brief Summary and Statement of Need:

This project is the development of a 100,000+ acre agricultural development project in the Nenana-Totchaket region in interior Alaska, increasing both the availability of land and local food security. This project will provide land for agricultural use which has been surveyed and basic access roads installed. This will support the local and regional production of foodstuffs necessary to support the citizens of Alaska now and into the future and will diversify and strengthen the state's economy.

Funding:	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Total
1002 Fed Rcpts							\$0
1004 Gen Fund							\$0
1243 SBR	\$5,000,000						\$5,000,000
Total:	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$5,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> Ongoing
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

Prior Funding History / Additional Information:

Project Description/Justification:

This project is the development of a 100,000+ acre agricultural development project in the Nenana-Totchaket Region in Interior Alaska, increasing the availability of land and increasing local food security.

This project will provide a reserve of land for agricultural use to support the local and regional production of foodstuffs necessary to support the citizens of Alaska now and into the future, and will diversify and strengthen the state's economy.

Background

Providing suitable lands for agricultural development has been the goal of DNR, Division of Agriculture since the mid 1970's. When an abundance of oil revenues came available in the late 1970's, DNR made large investments in the development of Point MacKenzie (focused on dairy) and Delta Junction (focused on barley). Timelines for project development were short. Between 1978 and 1984 approximately 173,000 acres of agricultural lands were sold. Individual owners were contractually obligated to clear 60% of their parcel in 5 years. Interest rates were at historical highs, farmers often had loans of more than a million dollars with 12% interest payments. Economic forecasts for the projects were optimistic and efficiencies in shipping unaccounted for. Large and small farms struggled to meet production goals while also meeting the required development.

Therefore, this agricultural outline was developed to provide for a realistic and long-term plan which supports orderly agricultural development in the NenTot project. This will support an array of diverse agricultural users and producers, which will grow in a sustainable and successful manner.

Goals:

Food Security. Provide a reserve of land for agricultural use to support the local and regional production of foodstuffs necessary to support the citizens of Alaska now and in the future. Known as "food security", this goal recognizes the potential of variabilities of state, national, and worldwide food production and its distribution in the future. It also indicates the state's intent to ensure a continuing agricultural land base.

Economic Development. Diversify and strengthen the state's economy by increasing the availability of Alaskan food, fiber, and energy sources by:

- Encouraging expanded production and availability of farm products from agricultural lands within Alaska.
- Increase the acreage of agricultural land available for private sector development as demand or market opportunities expand.
- Provide the opportunity and lands for Alaskans to pursue an agricultural lifestyle.

Conservation of Agricultural Resources & Protection of local Environment.

Agricultural land disposals shall be designed to maintain or enhance the productivity of the soil:

- The NenTot project area is located upon an ancient sand deposit. Conservation practices to address wind erosion should be addressed.
- Mitigation efforts shall be taken to avoid the spread of invasive plants and animals.
- A Farm Conservation Plan approved by the state shall be provided as a condition of an agricultural sale and shall meet all other requirements of 11 AAC 177.

This project will be incorporated into the workload of the Division of Mining, Land and Water and the Division of Agriculture which are both part of the Department of Natural Resources.