

Fact Sheet

Title: Donating Private Land for Public Use



Division of Mining, Land & Water
February 2005

Many citizens have donated private land to the state for public use in past years. Donated land has been used for parks, wildlife habitat and public facilities. This fact sheet answers the most frequently asked questions about donating land to the state.

What Are the Benefits of Donating Land?

Tax Benefits: The IRS may consider donating real property to the state or a non-profit organization a charitable donation. Check with a financial advisor about the tax advantages that apply to you. You must arrange and pay for any appraisal necessary for tax benefits. In addition to any IRS benefit, you will no longer be liable for any property taxes.

Personal Pleasure: Knowing that the property is being used for a worthwhile purpose, for example, a play-ground or view site along a highway, or for construction of a public building, such as a library can be a source of personal satisfaction and pleasure.

Civic Pride: You may want to give something back to a community or state that has benefited you.

Special Projects: You may want to support a project of special interest to you by providing the land necessary to its development, such as a campground, picnic site or access to a fishing spot.

Memorial to a Relative or Friend: You may dedicate land for use a scenic wayside, trail or park in memory of a relative or friend.

What Kind of Land is Appropriate to Donate?

One person's swamp may be another person's waterfowl habitat. Considering the many ways public lands are used, there is a broad range of characteristics that are desirable in donated land.

Within or Adjacent to Public Land: Private lands within or adjacent to public areas that would, if donated, expand or allow for more comprehensive management of the area, are high on the list for desirable donations. Examples include lands that may provide access to or within a park or refuge, or allow for expansion of a school playground or university.

Recreational or Scenic Value: Land can be used for access to park lands, rivers, and coastal areas; it may offer a special view or protect a view by not

being developed; it may be right for neighborhood or downtown playgrounds or parks; or it could be used for boating, clamming, and fishing areas.

High Wildlife Habitat Value: Areas, including wetlands, that offer special protection to wildlife, such as grazing, breeding, or calving areas, and migratory paths may be used as waterfowl sanctuaries or to protect valuable fisheries.

Financial Value: Donated land may be sold by the state, at the direction of the person making the donation, for immediate revenue or leased to provide steady cash income for a specific project.

Historic, Archaeological, or Geologic Value: Land on which a historic event took place, or people from an earlier culture lived can be donated to commemorate that event or culture. Areas with significant geologic features, such as fossils or unique land formations can be donated to protect them and make them accessible to the public.

Are There Restrictions on Land That Can be Donated to the State?

Yes. Land donated to the state must have:

- Clear title, with no liens or payments outstanding;
- No restrictions placed on it that the state cannot legally uphold or agree to;
- No hazardous waste or material (e.g. leaking oil tanks, pesticides, or PCBs); and
- No safety or health hazards (e.g. land in an avalanche zone or a building containing asbestos).

How Can I Donate My Land for Public Use?

First, you may want to consult a financial adviser or attorney to determine if a donation is in your best interest, and to discuss any restrictions that you may want to place on the land.

Next, if you decide to donate your land, consider whether the state is the appropriate public land manager for your property. You may find other

agencies or organizations whose purposes or goals are more consistent with your own, for example:

- Public or private schools or universities;
- Hospitals, nursing homes, hospices;
- The National Park Service or other federal agencies; organizations such as Ducks Unlimited or the Nature Conservancy; or
- A municipality or borough.

What is the Process for Donating Land to the State?

1. Contact the state agency you think might be best to manage the land to see if they are interested in the land (for example, Alaska Department of Fish & Game would manage critical habitat areas). That agency will work with the Department of Natural Resources as necessary to accept title to the land. If no specific manager is obvious, contact the Department of Natural Resources.

2. Write to the agency and/or the Department of Natural Resources, Division of Mining, Land and Water, Realty Services Section, 550 W 7th Ave., Suite 1050A, Anchorage, AK 99501. Your letter should include:

- A description of the land's characteristics (include a photo if available);
- The reason you want to donate the land;
- A legal description of the land; and
- A description of any covenants you may want in the deed (e.g. life estate, use restrictions).

You should also enclose a copy of your deed and title report or abstract, if available.

3. After your letter proposing the land donation has been received either by the Department of Natural Resources or another appropriate agency, your proposal will be evaluated for compatibility with various state land management objectives the Department of Natural Resources and/or the agency that will be responsible for managing the land. Unless the proposal is rejected:

- Representatives from the Department of Natural Resources and other appropriate agencies, such as the Department of Fish & Game for wildlife habitat or the Department of Transportation and Public Facilities for a scenic wayside will meet to review the proposed donation.

- A decision will be made among the involved agencies with regard to the donation proposed.
- If the decision is positive, the Department of Natural Resources' staff will make a site inspection.
- If the site inspection shows the land to have the expected characteristics and is free of hazardous wastes or other hazards, a letter tentatively accepting the donation will be sent to you.

4. Before the state can accept title to the land:

- If you have a title report, and you have not already sent it the Department of Natural Resources, you should forward it to the Department of Natural Resources Realty Services Section for review. If a title report is not available, the Department of Natural Resources Realty Services Section will examine the chain of title. You will be informed of any missing information or other possible defects in the title so that they can be cured.
- If the land is not surveyed and platted, the Department of Natural Resources will determine whether the legal description is adequate to convey the title, or if additional platting and surveying is necessary. Each parcel will most likely be different, and negotiations regarding costs will be on a case-by-case basis.

Once the Department of Natural Resources determines that title is clear and the legal description or survey is adequate, you may execute a deed giving title to the State.

While these seem like a lot of steps to complete, the State must be sure that the land can be properly managed as a state asset.

For Further Information:

Department of Natural Resources
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Anchorage, AK 99501-3557
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