

# Fact Sheet

## **Title: Negotiated Lease Public and Charitable Organizations AS 38.05.810 (b)-(d)**



Alaska Department of  
**NATURAL  
RESOURCES**

Division of Mining, Land & Water  
January 2000

Alaska Statutes allow the Department of Natural Resources to negotiate leases of state land with organizations for less than fair market annual rental for public and charitable uses. The law specifically states that eligible applicants are as follows: non-profit corporations, associations, clubs or societies organized and operated exclusively for charitable, religious, scientific or educational purposes or for the promotion of social welfare (A.S. 38.08.810(b)).

To qualify for the lease under this law the applicant must show the financial ability to carry out the project. The applicant must provide proof of its non-profit standing by providing copies of the articles of incorporation and by-laws, and evidence that it is exempt from the payment of federal income tax. A development plan is also required.

Leases to public and charitable groups may not be used for any commercial development and the use may not be changed without the prior approval of the director.

Leases under this law are available for a maximum term of 55 years and may be renewed at the discretion of the director.

All leases issued at less than fair market annual rental will contain a clause that requires the unrestricted public enjoyment of the benefits of the project and will contain a reverter clause that requires the property to be returned to the control of the State if it has not been used for the specified purpose for a period of two years.

Leases may not be assigned to another party without the approval of the director and may only be assigned to a party that meets the conditions for public and charitable use.

A lease for public and charitable use is not eligible for purchase under preference right law (A.S. 38.05.102).

The applicant will be required to pay for the cost of the survey, appraisal and advertisements.

The development plan that accompanies the application should include the following information:

- A description of the type and location of temporary and/or permanent structures and a scale drawing depicting all proposed structures.
- The intended access to the site.
- An explanation of any clearing or cutting of trees.
- A description of the intended power source and fuel storage area.
- An explanation of the intended solid waste and wastewater disposal method.
- The water source and food service facility (if any).

Applicable statutes for reference:

A.S. 38.05.035	Powers and duties of the director
A.S. 38.05.070 - .105	Leasing of lands other than for the extraction of natural resources
A.S. 38.05.810	Public and charitable use
A.S. 38.05.840	Appraisal
A.S. 38.05.920	Assignment
A.S. 38.05.945	Notice

Additional information may be obtained from the local office of the Division of Land.

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