

Land management often overlooked

by Bartz Englishoe
for the Tundra Times

Land management is often overlooked as one of the most important aspects in the overall operation of a corporation.

Often, land use decisions are made without the benefit of a land policy.

One village corporation almost lost \$3,400 a year by not having an approved land policy that outlined procedures for the sale or lease of corporate land. An offer was made to purchase a parcel of land within the village for \$3,000. The corporation was in the process of making a final decision to sell the land when it was determined by chance that the price offered was too low.

The corporation hired a professional real estate appraiser to estimate the value of the land. The final appraisal report listed two options: a selling price of about \$35,000 and a yearly lease payment of \$3,400 for the parcel of land.

The corporation decided to lease the land for the recommended yearly payment for a 15-year period. The lease option allowed the corporation to receive a set amount of money each year and still retain ownership of the land.

When a corporation does not have a land policy, decisions that affect land can be made haphazardly. In the above example, a land policy requiring that land be leased and not sold would have helped the board of directors in their decision-making process.

An adopted land policy obligates corporate management, committees and the board of directors to follow certain policy guidelines and procedures. With the large turnover of management and board members on the village corporation level, a land policy helps establish a consistency in

decision making.

The initial stages of implementing a land policy can be a means of keeping shareholders informed and involved. A draft policy could be mailed to shareholders for comment, reviewed in shareholder newsletters and discussed at annual meetings.

Several village corporations' land policies stipulate that the board of directors must keep shareholders informed of land use matters on a continuing basis through newsletters and meetings.

Shareholder input is especially important when a land policy addresses such issues as the selling of land and whether the corporation should have a shareholder land distribution program.

A land policy can cover a broad range of land issues. Trespass, resource use, timber management and use permits are a few areas that can be included. For instance, a village corporation may want to establish a trespass policy where corporate land will be posted with signs at all major entry ways — airports, roads, trails and rivers.

Posting signs helps to mark land boundaries. Signs may also be used to inform individuals that they must contact the land department to review the corporation's land use policies and procedures.

Trespass can also be monitored by requesting that a use permit be obtained for various activities. One village in eastern Alaska requires a permit for hunting and fishing, camping, trapping, firewood gathering and overland

transport of heavy equipment.

With an established land policy to guide management, the land committee or board of directors does not have to be contacted every time a decision needs to be made.

Any individual or corporation that would like to develop a land policy can contact numerous village corporations that already have a policy. Most corporations are willing to share. In fact, a lot of the approved land policies around the state are basically the same.

A second source that may be contacted is the Alaska Native Foundation. The foundation has a library of useful documents that corporations have authorized ANF to disperse to other Native organizations.

The review and development process doesn't have to be expensive.

There is no need to hire someone to develop a policy. Management and the board of directors can work with shareholders to produce a document that is sensitive to village needs.

The final draft should, however, be reviewed by the corporate attorney. A quick review would not cost a lot, and it would allow the document to be checked for provisions that may need to be reworded for clarity or for legal purposes.

Bartz Englishoe is a village land consultant. He is originally from Fort Yukon, and he now lives in Anchorage. He plans to write a monthly land management column and welcomes questions from readers. Those interested may write to him in care of the Tundra Times, Box 104480, Anchorage 99510-4480.