

SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING THE TRANSFER OF APPROXIMATELY 538 ACRES OF STATE-OWNED TIDELANDS TO THE MATANUSKA-SUSITNA BOROUGH, AND SUPPORTING THE ASSOCIATED ORDER AND PLAN AMENDMENT.

AGENDA OF: AUGUST 1, 2017

Assembly Action:

Approved under the Consent agenda

8-1-17 (BOM)

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator	NS	For Assemblymember Kowalke
	Borough Attorney	NS	
	Borough Clerk	Jam	7/24/17

ATTACHMENT (S): Fiscal Note: YES _____ NO X
Resolution Serial No. 17-062 (3pp)
Notice of Proposed Transfer dated 7/7/17 (2pp)
Land Classification Order (2pp)
Plan Amendment with Map of Tidelands Selection to be Conveyed (4pp)

SUMMARY STATEMENT: This resolution is being sponsored by Assemblymember Kowalke.

The State of Alaska has issued a preliminary decision to transfer approximately 538 acres of State-owned submerged tidelands to the Matanuska-Susitna Borough. Along with the transfer, a Land Classification order would be issued and the Southeast Susitna Area Plan would be amended. The State is seeking comment on the proposed actions.

This resolution offers the Assembly's strong support for such a transfer, land classification order, and plan amendment.



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Natural Resources

DIVISION OF MINING, LAND & WATER
Resource Assessment & Development Section

550 West 7th Avenue, Suite 1050
Anchorage, Alaska 99501-3579
Main: 907.269.8534
TDD: 907.269.8411
Fax: 907.269.8915

Matanuska Susitna Borough

JUL 19 2017

Administration

July 7, 2017

John Moosey, Borough Manager
Matanuska-Susitna Borough
350 E Dahlia Ave.
Palmer, Alaska 99645

RE: Proposed Matanuska-Susitna Borough Tidelands to be conveyed within the Cook Inlet and Knik Arm.

Dear Mr. Moosey,

The purpose of this letter is to provide notice to the Mayor's Office of proposed conveyance of state owned tidelands to the Matanuska-Susitna Borough, properly posted, in accordance with AS 38.05.945.

Enclosed is a copy of the public notice that explains the proposed actions. Please distribute this letter to those within your organization that may have an interest and submit your comments, if any, by **August 7, 2017**.

If you should have any questions concerning these actions, you may contact me at (907) 269-6546, or email at mary.hermon@alaska.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary Hermon".

Mary Hermon
Resource and Development Section
Municipal Entitlement

Cc: Jay VanDiest, Planning Board Chair
Vern Halter, Borough Mayor
Colleen Vague, Planning Commission, Chair

Enclosure: 1

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STATE OF ALASKA, DNR

PUBLIC NOTICE, DECISION AND APPEAL PROCEDURES

The public is invited to comment on this Preliminary Decision proposal to transfer ownership of state-owned tide and submerged lands to the Matanuska-Susitna Borough, the accompanying amendment to the Southeast Susitna Area Plan, and Land Classification Order (LCO). Comments may be provided in written form to Mary Hermon, Adjudicator at mary.hermon@alaska.gov or Nina Brudie, Manager at nina.brudie@alaska.gov, mail address: Division of Mining, Land and Water, Resource Assessment and Development Section, 550 West 7th Avenue, Suite 1050, Anchorage, Alaska 99501-3579, or send by fax: (907) 269-8915 **on or before August 7, 2017** in order to ensure consideration.

The postmasters in the following communities will be requested to post the public notice per AS 38.05.945: City of Palmer, City of Wasilla, City of Houston, City of Willow. The public notice is available on the Alaska Online Public Notice System at: <http://dnr.alaska.gov/commis/pic/pubnotfrm.htm>. The Preliminary Decision is available on the Department of Mining, Land and Water, Municipal Entitlement website at: <http://dnr.alaska.gov/mlw/muni/>. Additionally, the public notice will be sent to the Cook Inlet Regional Corporation, Cook Inlet Tribal Council, Knik Tribe, and Knikatu, Inc.

Following the Preliminary Decision (PD) comment deadline, those written responses received will be considered and this PD may be modified to incorporate the public comments into the Final Finding and Decision (FFD). Only persons who comment in writing on the decision, the proposed amendment or LCO during the public comment period will be eligible to file an administrative appeal of the FFD. A copy of the FFD will be sent to any person who comments on the PD. The FFD will include appeal instructions.

The Department of Natural Resources is prepared to accommodate individuals with disabilities by providing auxiliary aids or services when requested. Individuals with audio impairments who wish to respond to this decision by telephone may call the Department of Natural Resources, Public Information Center in Anchorage between the hours of 10:00 a.m. and 5:00 p.m., Monday through Friday at TTY: (907) 269-8411.

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**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER**

**LAND CLASSIFICATION ORDER
SC-08-001A02**

- I. Name: Matanuska Susitna Borough Port MacKenzie Municipal Entitlement
- II. The classification in Part III is based upon the following:
- A. Southeast Susitna Area Plan, adopted on April 28, 2008
 - B. Area Plan Amendment and Map (attached)
 - C. Preliminary Decision issued July 7, 2017

III. Classification

Legal Description	Acreage	Current Classification	Classification by this Action
T014N, R004W Section 35, Seward Meridian That portion of the SE¼ located below Mean High Water within Knik Arm; That portion of the SW¼ located below Mean High Water within Knik Arm	145 acres Tide and Submerged land	Wildlife Habitat Land (WHB)	Waterfront Development Land (WFD)
T014N, R004W Section 36, Seward Meridian That portion of the SW¼ located N & W of MSB boundary line and located below Mean High Water within Knik Arm	75 acres Tide and Submerged land	Wildlife Habitat Land (WHB)	Waterfront Development Land (WFD)
T013N, R004W Section 2, Seward Meridian That portion of the NE ¼ located N & W of MSB boundary line and located below Mean High Water within Knik Arm; That portion of the NW¼ located below Mean High Water within Knik Arm; That portion of the SW¼ located N & W of MSB boundary line and located below Mean High Water within Knik Arm	318 acres Tide and Submerged land	Wildlife Habitat Land (WHB)	Waterfront Development Land (WFD)

- IV. This order is issued under the authority granted by AS 38.04.065 and AS 38.05.300 to the Commissioner of the Department of Natural Resources. The above described lands

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are hereby designated and classified as indicated. Nothing shall prevent the reclassification of these lands if warranted in the public interest.

- V. The classification supersedes and replaces LCO SC-08-001 within the boundary of this amendment.

Classified: _____
Andrew Mack, Commissioner
Department of Natural Resources

_____ Date

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SOUTHEAST SUSITNA AREA PLAN
DRAFT PLAN AMENDMENT
Management Unit TT-01a: Port MacKenzie
Land Classification Order No. SC-08-001A02
ADL 232659
July 7, 2017

The Commissioner of the Department of Natural Resources finds that the attached amendment, described more fully in the Attachment, to the Southeast Susitna Area Plan meets the requirements of AS 38.04.065 and 11 AAC 55.010-030 for revisions to land use plans and hereby adopts the amendment. The attached document, Southeast Susitna Area Plan, Plan Amendment, Management Unit TT-01. The Department of Natural Resources will manage state lands within the area of the new Management Unit TT-01a consistent with this classification and amendment intent.

- Designation: Waterfront Development (Wd)
- Classification: Waterfront Development Land (WFD)
- Management Intent: Multiple uses are allowed within this tideland parcel, including waterfront development activities. Area will be managed to protect wildlife habitat values, specifically Beluga whale feeding and migration areas; consult with U.S. Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS) prior to issuing authorizations. Proposed authorizations are to avoid estuarine wetlands and important recreation and fish and wildlife habitat.

(Note: This amendment to Management Unit TT-01 only affects approximately 538 acres as depicted on Plan Map 10, in the Southeast Susitna Area Plan.)

Concur: _____
Brent W. Goodrum, Director
Division of Mining, Land and Water

Date

Approved: _____
Andrew T. Mack, Commissioner
Department of Natural Resources

Date

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ATTACHMENT
SOUTHEAST SUSITNA AREA PLAN AMENDMENT
Management Unit TT-01a: Port MacKenzie
Land Classification Order No. SC-08-001A02
ADL 232659
July 7, 2017

Name: Matanuska Susitna Borough Port MacKenzie Municipal Entitlement

Location: Located approximately 3.5 miles NW of Anchorage on the north side of Cook Inlet along the Knik Arm, within Seward Meridian Township 14 North, Range 4 West, Sections 35, and 36, and Township 13 North, Range 4 West, Section 2.

Authority: The authority to revise plans derives from AS 38.04.065(b), and 11 AAC 55.030(f) defines when a revision constitutes a plan amendment. The authority to classify and reclassify land is assigned to the Department of Natural Resources under AS 38.05.300.

Current Plan: The area of the plan amendment occupies an area of state-owned tide and submerged land within management unit TT-01 within the Southeast Susitna Area Plan on the north side of the Knik Arm. The area is currently designated Wildlife Habitat (Ha) and classified Wildlife Habitat Land. The unit is managed to protect Beluga whale feeding and migration areas. The management intent for the tide and submerged lands of TT-01 reads as follows:

“Multiple uses are allowed within this tideland parcel. Protect Beluga whale feeding and migration areas; consult US FWS and NMF prior to issuing authorizations. Proposed authorizations are to avoid estuarine wetlands and important recreation and fish and wildlife habitat. Impacts upon the adjacent Palmer Hay Flats LDA should be minimized or mitigated.”

Proposed Plan Revisions: The result of this proposed plan amendment will be the creation of a separate unit, TT-01a, and a reduction in size of the original unit TT-01. The proposed plan amendment will reclassify approximately 538 acres within the original boundary of unit TT-01 with a classification of Waterfront Development Land (WFD), and add a designated use of Waterfront Development (Wd). The existing management intent will be revised to allow for waterfront development within the unit while still maintaining the original protections for beluga whale habitat and migration. The existing classification and management intent for unit TT-01 remains unchanged.

Assessment: The Southeast Susitna Area Plan, which was adopted in April 2008, established land use classifications on state land throughout the borough, and is the basis for DNR decision making on state lands. Under AS 38.05.825(a) “Unless the commissioner finds that the public interest in retaining state ownership of the land clearly outweighs the municipality’s interest in obtaining the land, the commissioner shall convey to a municipality tide or submerged land requested by the municipality that is occupied or suitable for occupation and development if the... (5) land classified for water front development or for another use that is consistent or

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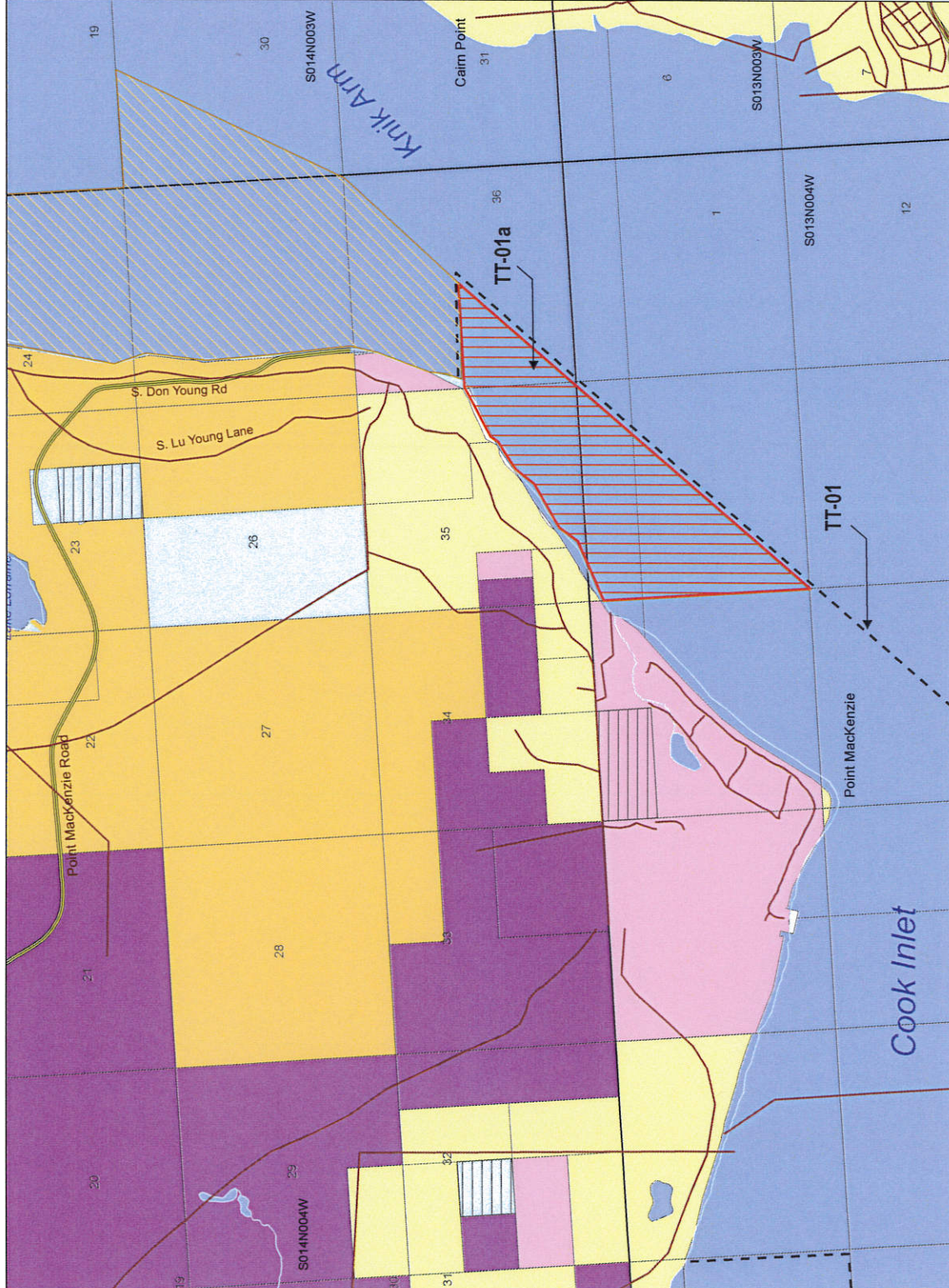
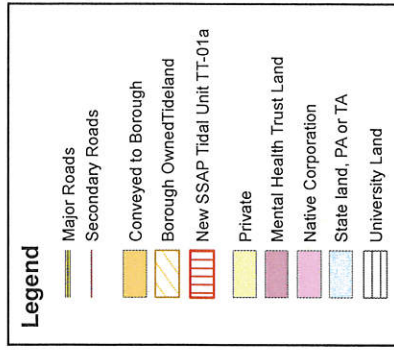
compatible with the use proposed by the municipality, or the proposed use of the land is consistent or compatible with a land use plan adopted by the municipality or the department.”

Assessment: Based on review, this action proposes to amend the Southeast Susitna Area Plan as discussed above to re-classify a portion of state-owned tidelands to Waterfront Development Land, which will allow for the conveyance of this land to the MSB in accordance with AS 38.05.825(a)(5). This action will create a new unit, TT-01a, classified as Waterfront Development Land and designated Waterfront Development. Management intent will allow for multiple uses including waterfront development and wildlife habitat. Collaboration with ADF&G, USFWS, and NMFS should take place to minimize impacts on beluga whales which may be present in the affected area.

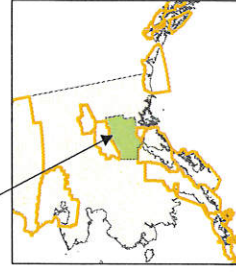
Alaska Statute (AS) 38.04.065(b) requirements: The eight factors identified in AS 38.04.065(b) have been considered in the Amendment Decision for ADL 232659. The proposed amendment is deemed to be consistent with the statute.

Matanuska-Susitna Borough
 Southeast Susitna Area Plan
 Plan Amendment
 SC-08-001A02

ADL 232659



Matanuska-Susitna Borough



This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.

DNR, DMLW, RADS, Municipal Entitlement
 SSAP Amendment July 7, 2017



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 RS17-002