# BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL BY THE COMMISSIONER OF TRANSPORTATION & PUBLIC FACILITIES

CROW CREEK HOLDING COMPANY, LLC	)	
	)	
V.	)	
	)	
STATEWIDE AVIATION LEASING	)	
	)	OAH No. 22-0478-APT
	)	Agency No. Lease ADA-09410

### **RECOMMENDED DECISION**

### I. INTRODUCTION

Crow Creek Holding Company, LLC ("Crow Creek") applied to lease a tract of land at the Girdwood Airport that has not previously been designated for leasing. With its application, Crow Creek described plans to remove an existing access road within the proposed lease area and install various infrastructure outside the lease area. The Department of Transportation and Public Facilities ("DOT&PF"), Division of Statewide Aviation ("SWA") denied the application, but its reasons are either premature or not supported by the record.

A central concern was the suitability of land outside the lease area for potential improvements. But by regulation, what SWA is considering here is only the suitability of leasing land within the proposed lease area. It is not authorizing or approving Crow Creek to install any particular improvements on the lease. And it certainly is not authorizing improvements outside the lease. Concerns about prospective improvements is premature.

SWA also raised concerns about an existing utility permit within the lease area, finding that this permit made part of the land unavailable for lease. But State land, including within an airport, is generally provided for lease or permit on a non-exclusive basis, allowing multiple parties to concurrently use the same tract of land. The utility permit here is in fact non-exclusive. The prospective lease too would be non-exclusive. Thus the utility permit does not preclude a lease.

Finally, SWA raised legitimate concerns about land erosion, supported by evidence in the record — except all of this evidence pertains to land *outside* the proposed lease area. The record does not indicate whether SWA considered the conditions of land within the lease area or whether that land is at risk of flooding or erosion. Because it is unclear whether SWA considered that

issue, this decision recommends remanding to SWA for further consideration consistent with this decision.

## II. BACKGROUND

Crow Creek applied for a rural airport lease on the southwest edge of the Girdwood Airport in July 2020.<sup>1</sup> The land Crow Creek wants to lease is not designated on the Airport Layout Plan as available for lease or development, and SWA has never leased it.<sup>2</sup>

An airport lease confers a property interest to use a particular tract of land for a particular purpose. It does not authorize improvements to the land. DOT&PF authorizes improvements through airport building permits.<sup>3</sup> The anticipated investment in improvements, however, is a factor in determining the lease term.<sup>4</sup> Thus lease applications ask applicants to describe anticipated improvements, even though the only approval at this stage is a lease.<sup>5</sup>

With its application, Crow Creek described improvements both on and off the lease and provided the drawings below depicting the area before and after certain proposed improvements. <sup>6</sup> The land Crow Creek wants to lease abuts the airport boundary and currently contains a fence, a maintenance and operations road— owned and maintained by DOT&PF — for accessing the taxiway from Mt. Hood Drive, and utilities that run along or under the access road: <sup>7</sup>

Stipulated Statement of Facts ("Stip.:) ¶¶ 1, 5.

<sup>2</sup> Stip. ¶ 5.

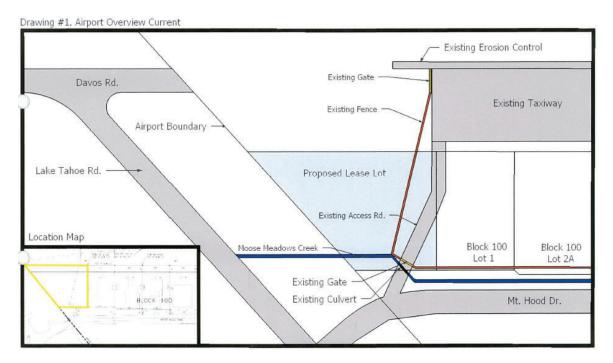
<sup>&</sup>lt;sup>3</sup> 17 AAC 45.280.

<sup>&</sup>lt;sup>4</sup> 17 AAC 45.225.

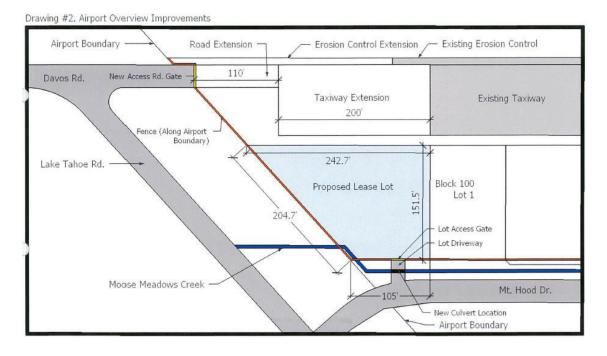
<sup>&</sup>lt;sup>5</sup> R. 000063.

<sup>6</sup> R. 000064-65

<sup>&</sup>lt;sup>7</sup> R. 000064; Stip. ¶ 24. DOT&PF owns and maintains the portion of the Mt. Hood Drive that is within airport boundaries. Stip. ¶ 12.



Within the proposed lease area, Crow Creek would like to relocate the fence, remove the access road, and install a hangar for operating an aircraft maintenance business. Off-lease, Crow Creek would like to extend the erosion control barrier, extend the taxiway, and extend Davos Road — a road maintained by the Anchorage municipality — for the airport to use as its access road. The drawing below shows Crow Creek's on- and off-lease proposals:



<sup>8</sup> R. 00060, 000065-66; Stip. ¶ 6.

<sup>&</sup>lt;sup>9</sup> R. 000065; Stip. ¶¶ 6, 13, 23.

DOT&PF has no plans to extend Davos Road or the taxiway. Neither extension appears in the current Girdwood Airport Master Plan. While Crow Creek states that it will install erosion, road, and taxiway extensions at its own expense, DOT&PF would be responsible for ensuring these extensions comply with state and FAA requirements and for the cost and liability of maintaining this infrastructure.

The potential taxiway and Davos Road extensions are next to Glacier Creek. <sup>12</sup> In early October 2020, several months after Crow Creek submitted its lease application, heavy rains eroded eight to ten vertical feet of Glacier Creek, including a portion of the land for the proposed taxiway and Davos Road extensions. <sup>13</sup> The erosion did not impact existing airport infrastructure and development, which remains protected by the airport's erosion barrier. <sup>14</sup>

Members of a Lease Application Review Committee ("LARC") weighed in on Crow Creek's application, with three recommending approval and four recommending disapproval. Considering those recommendations, SWA Leasing Central Region denied Crow Creek's application as not approvable on October 13, 2020. The Central Region raised concerns that the taxiway extension would give Crow Creek an improper exclusive use, that the taxiway and road extensions created an unfunded maintenance obligation for DOT&PF, that the land had eroded and was likely to continue eroding, and that Davos Road was eroding and not under DOT&PF control. Control.

Days later, ENSTAR Natural Gas Company applied to amend a utility permit to respond to the Glacier Creek erosion. <sup>18</sup> The amendment sought approval for emergency repairs and to relocate a length of underground pipeline to run along the access road instead of the creek. <sup>19</sup> SWA approved the amendment on October 22, 2020. <sup>20</sup>

<sup>&</sup>lt;sup>10</sup> Stip. ¶ 14.

<sup>11</sup> Stip. ¶ 15.

See R. 000236, R. 000474 for location of Glacier Creek relative to proposed lease area.

<sup>13</sup> Stip. ¶¶ 11, 16.

<sup>14</sup> Stip. ¶ 11.

<sup>15</sup> R. 37.

<sup>&</sup>lt;sup>16</sup> Stip. ¶ 16.

<sup>17</sup> R. 000016-17.

<sup>18</sup> Id

<sup>19</sup> *Id.*; R. 000235-36.

<sup>20</sup> Stip. ¶ 16.

Crow Creek protested SWA's denial of its lease application.<sup>21</sup> In its protest, Crow Creek offered an alternative plan that would leave the existing access road intact for continued maintenance access, eliminating the need to extend Davos Road or the taxiway.<sup>22</sup>

SWA rejected some of the Central Region's bases for rejecting Crow Creek's application, but ultimately denied Crow Creek's protest.<sup>23</sup> In particular, SWA rejected Central Region's argument that a taxiway extension would create an exclusive use for Crow Creek, pointing out that taxiways are by definition non-exclusive and are intended to be used and available to all airport users.<sup>24</sup> SWA also rejected Central Region's argument that the lease application creates an unfunded maintenance obligation, observing that "each and every improvement placed within our airports creates additional maintenance and/or management responsibility for the department and potentially increased costs (either directly or indirectly). Our goal is to serve the transportation needs of the public and to create economic opportunity for the local community and businesses while being mindful of the costs associated with doing so."25 SWA denied the lease application because (1) the land is eroding, and DOT&PF had determined that additional development or stream bank protection there was not appropriate; and (2) some of the proposed acreage was unavailable because of ENSTAR relocating its underground pipeline within the proposed lease area. 26 SWA acknowledged that Crow Creek's alternative plan to develop the lease area without removing the access road or extending the taxiway would address many of its concerns with the proposed lease, but that SWA was "not able to approve or deny" those plans in the context of a protest decision.<sup>27</sup>

Crow Creek appealed.<sup>28</sup> The Commissioner remanded for SWA to further develop the record.<sup>29</sup> SWA denied the application on remand, again finding that the land is inappropriate for development because of erosion and because some of acreage was unavailable for lease, primarily due to the ENSTAR underground pipeline.<sup>30</sup> Crow Creek then filed this appeal. DOT&PF referred this matter to OAH to provide a recommended decision to the Commissioner.

<sup>&</sup>lt;sup>21</sup> *Id*.

<sup>&</sup>lt;sup>22</sup> R. 000166.

<sup>&</sup>lt;sup>23</sup> Stip. ¶ 16; R. 000009-11.

<sup>&</sup>lt;sup>24</sup> R. 000010.

<sup>&</sup>lt;sup>25</sup> Id

<sup>&</sup>lt;sup>26</sup> R. 000009-10.

<sup>&</sup>lt;sup>27</sup> R. 000010.

<sup>&</sup>lt;sup>28</sup> Stip. ¶ 16.

<sup>&</sup>lt;sup>29</sup> *Id.*; R. 128-33.

R. 000068-69.

#### III. DISCUSSION

There are numerous steps to developing land at a rural airport. First, a prospective lessee applies to lease land and SWA determines if the lease is "approvable." If approvable, the proposed lease is then subject to public notice and comment and competing proposals for the same property. Once awarded, a lease confers "the privilege of using or improving" the land, but does not authorize the lessee to begin exercising these privileges. Before clearing the land, moving dirt, or installing any improvements, the lessee must obtain an airport building permit for those activities. It is at the permit application stage that SWA approves specific plans for developing the land.

This matter concerns the initial stage: whether Crow Creek's proposed lease is approvable. By regulation, all proposed leases are approvable unless the agency makes certain findings.<sup>36</sup> The March 22, 2022 SWA decision on appeal here made two of those findings: (1) that Crow Creek's application is inconsistent with sound airport planning or considerations of security, safety, maintenance or operations of the airport; and (2) that the proposed lease is inconsistent with the state's best interest.<sup>37</sup> Crow Creek has the burden of showing these findings are incorrect and its proposed lease is approvable.<sup>38</sup>

# A. Crow Creek's Prospective Improvements are Beyond the Scope of Lease Approvability.

A primary focus of the SWA decision and both parties' arguments on appeal is Crow Creek's prospective plans for developing the lease and whether those plans are consistent with sound airport planning or considerations of security, safety, maintenance, or operations. But the lease, if issued, will not authorize these improvements — both because they are off-lease and

<sup>&</sup>lt;sup>31</sup> 17 AAC 45.210(b).

<sup>&</sup>lt;sup>32</sup> 17 AAC 45.210(c), (d).

AS 02.15.090.

<sup>&</sup>lt;sup>34</sup> 17 AAC 45.280(a).

<sup>&</sup>lt;sup>35</sup> 17 AAC 45.280(b), (d).

<sup>&</sup>lt;sup>36</sup> 17 AAC 45.210(b) (a lease application is approvable unless the proposed used is inconsistent with the state's obligations under a covenant, an exclusive right granted to another person, sound airport planning or considerations of security, safety, maintenance, or operations of the airport, applicable statutes or regulations, applicable FAA grant assurances, or the state's best interest, or because DOT&PF has leased the land to another party, received an approvable application for the same property with a higher priority use, the applicant fails to establish financial responsibility, or the applicant have violated certain regulations or contractual terms).

<sup>&</sup>lt;sup>37</sup> R. 000068-75.

<sup>&</sup>lt;sup>38</sup> 17 AAC 45.920(j).

because leases do not authorize improvements. Consideration of these improvements is premature and unrelated to whether the land itself is approvable for lease.

When determining if a lease is approvable, SWA looks at whether "the proposed use is prohibited by" factors including sound airport planning and security, safety, maintenance, and operations concerns.<sup>39</sup> If a lease is issued, the proposed use will be set forth in the lease as the scope of how a lessee may use the land. On its application, Crow Creek listed its proposed use as "[o]peration, maintenance and parking of company aircraft; parking and maintenance of company aircraft; customer and employee vehicle parking; rental of tiedown spaces." That is the "proposed use" at issue here. Thus SWA's task was to determine whether using this land for an aircraft maintenance business is contrary to sound airport planning or other relevant factors.

The lease application also asks applicants to describe proposed improvements because an applicant's investment in developing the property is a factor in determining the lease term. 41 Crow Creek did so and provided the drawings included above. But SWA does not review or consider particular improvements at this stage. SWA is merely determining whether a lease is approvable. If it is, the lease then goes out for public comment and competing proposals. 42 Thus even if Crow Creek's proposed lease is found approvable here, there is no guarantee Crow Creek will end up being the lessee. Another entity could submit an application to lease the same land. Nor has Crow Creek committed itself to particular building plans with its lease application. If Crow Creek is awarded the lease, it would then apply for an airport building permit for specific improvements. 43 It is at that point that SWA examines whether proposed improvements are consistent with sound airport planning and safety, security, maintenance, and operations concerns. 44 But at the lease approval stage, it is premature to consider whether an improvement is consistent with sound airport planning. The inquiry at this stage is simply whether the leasing of the land itself for its stated purpose — an aircraft maintenance business — is inconsistent with sound airport planning. 45

<sup>&</sup>lt;sup>39</sup> 17 AAC 45.210(b).

<sup>&</sup>lt;sup>40</sup> R. 000063.

<sup>&</sup>lt;sup>41</sup> See 17 AAC 45.225(j); R. 63.

<sup>42 17</sup> AAC 45.210(d), (e).

<sup>43 17</sup> AAC 45.280(a).

<sup>&</sup>lt;sup>44</sup> 17 AAC 45.280(d)(5)(6).

If, for example, an applicant proposed leasing land for the purpose of building a skyscraper, that might be inconsistent with sound airport planning. But if an applicant proposes leasing land for an aircraft business and wants to build a skyscraper on top of its hangar, it is not leasing the land for an aircraft business that is inconsistent with sound airport planning, it is the prospective improvement. SWA can review the skyscraper hangar plans when the lessee submits a permit application and make a finding about consistency with sound airport design then.

Making findings about certain infrastructure at this stage could also complicate SWA's ability to consider that same infrastructure at the permitting stage. For example, if SWA found that installing a road is consistent with sound airport planning when approving a lease, it will have to contend with that finding when considering a permit for that same road. A permit application involves more detailed information about an improvement than the leasing stage, where an applicant need only describe the improvement and generally predict its cost. When SWA receives more specific information about the road with a permit application, its opinion on whether the road is consistent with sound airport planning may change. Yet it would already have a final decision finding that the road is consistent with sound airport planning. That prior finding would not necessarily bind SWA from later finding that the road is inconsistent with sound airport planning, but it would certainly make the process more complicated and vulnerable to appeal.

There could be circumstances where an improvement should be considered at the leasing stage. For example, if removing the access road was essential to Crow Creek's willingness to lease this property, it could have included language to that effect in its proposed use. SWA would then be considering whether a lease for this property without the access road was approvable. But that is not what Crow Creek did here. Crow Creek applied for a lease to operate an aircraft maintenance business on a tract of land that contains an access road. SWA's responsibility is to determine if a lease at this particular location for this particular purpose is approvable. Whether specific improvements are also consistent with sound airport planning and other factors will come later when a lease has been issued and the lessee applies for an airport building permit. Crow Creek might end up being that lessee. It might not. Crow Creek might seek a permit for the improvements as described in its lease application. It might seek a permit for different improvements, such as for a project that does not include a taxiway and Davos Road extension, as Crow Creek described in its protest. Hose are all considerations for another day.

It is also worth noting that much of the infrastructure Crow Creek described on its lease application — and the infrastructure SWA raised concerns with — is off-lease. As the drawing above shows, the Davos Road extension would be off-lease. The taxiway extension would be off-lease. The erosion control extension would be off-lease. Portions of the relocated airport fence and Moose Meadows Creek drainage ditch would be off-lease. Leasing the land to Crow Creek

<sup>46</sup> R. 000166.

would confer no property interest in this off-lease land, let alone any authorization to install improvements there. Only improvements to the lease area itself are pertinent to determining the lease term.<sup>47</sup> Thus if and when its lease application moves forward, Crow Creek should correct its cost estimate to address only anticipated improvements within the lease area itself.

# B. Concerns About Acreage Availability Are Not Supported by the Record or Related to the State's Best Interest.

SWA's decision found that Crow Creek's proposed lease was not in the state's best interest because not all proposed acreage is available for lease, citing the ENSTAR utility permit and maintenance road on the property as well as a setback from the airport's Building Restriction Line.<sup>48</sup> This finding is not supported by the record and does not fall within the meaning of state's best interest.

ENSTAR's permit authorized it to install and use a six-inch buried gas line along the existing airport fence that transects Crow Creek's proposed lease area. The permit does not grant ENSTAR a property interest in the land or confer an exclusive license to use of the land. Rather, the permit explicitly "reserves [for DOT&PF] the right to use, occupy and enjoy its property for a public transportation system and for public transportation purposes in such as manner and at such times as it deems necessary, the same as if this instrument had not been executed by [DOT&PF]." DOT&PF's right to use the land covered by the permit would include the ability to lease it. Such is the nature of concurrent land use. DOT&PF might consider lease terms that address utility permits within the lease area. But the existence of ENSTAR's permit does not make the land covered by that permit unavailable for lease, as SWA's decision states. S1

The same is true of the access road. Crow Creek has suggested removing the road. But as it stands, this tract of land has an access road running through it. That does not make the acreage where the road sits unavailable for lease. Airport leases do not confer exclusive rights.<sup>52</sup> A lease could be drafted to include the maintenance road within a larger lease area, with lease language that ensures Crow Creek's non-exclusive rights do not impede use of the road for maintenance access. A lease could also be drafted that more generally addresses concurrent uses of the lease

AS 02.15.210.

See 17 AAC 45.210(d) (referring to development "on the premises").

<sup>&</sup>lt;sup>48</sup> R. 000069.

<sup>&</sup>lt;sup>49</sup> R. 000178.

<sup>50</sup> Id

Crow Creek argued the ENSTAR permit violates Alaska law and SWA pointed out flaws in that argument. The permit itself is not on review, though, so its validity is not addressed here.

area by the airport or permittees. Or if SWA prefers, it could draft a lease that carves out the road and leases the remainder of the lease area. But the existence of this road does not render acreage unavailable.

SWA also identified acreage between the lease line and a building restriction line as unavailable for lease. <sup>53</sup> As depicted on Crow Creek's application drawings, this area appears to be a setback. <sup>54</sup> Acreage within a building setback is not unavailable for lease — it is at most unavailable for whatever uses are restricted within the setback, such as installing permanent infrastructure. As SWA stated in an earlier denial of Crow Creek's lease application, "setbacks within a lease lot can be dealt with during the building permit portion of the process (if the lease was approved) and in and of itself is no reason for denial of a lease application." <sup>55</sup>

SWA's finding that not all proposed acreage is available for lease is also unrelated to the factors for determining whether a lease is in the state's best interest. The best interest factors are (1) safe, effective, and efficient airport operation; (2) airport, aircraft, and human safety; (3) encouragement of economic development; (4) continued development of airports and aviation business and services; (5) protection of state resources, public health and the environment, and lessee and permittee rights; (6) compliance with state and federal laws and legal obligations; (8) sound airport planning and security, maintenance, and operation of the airport; and (9) whether the proposed lease exceeds an applicant's needs or creates a monopoly. <sup>56</sup> SWA did not identify or discuss any these factors in its decision. Nor did is conduct any analysis balancing these factors. It merely stated that Crow Creek's proposed lease is inconsistent with the state's best interest because some acreage is supposedly unavailable. Unavailability of acreage is not one of the best interest factors. If acreage is truly unavailable — because leasing it is prohibited by law or legal obligation or because someone else has already leased or is in the process of leasing it — then DOT&PF could find Crow Creek's proposed lease not approvable.<sup>57</sup> But those considerations are separate from the state's best interest and not included in the best interest factors.<sup>58</sup> The record here shows neither a legal prohibition nor conflicting property interest that would make the acreage unavailable. SWA's finding that acreage is unavailable and therefore the lease is contrary to the state's best interest is not supported by the record or law.

Recommended Decision

<sup>&</sup>lt;sup>53</sup> R. 000069.

<sup>&</sup>lt;sup>54</sup> See R. 0000 66.

<sup>&</sup>lt;sup>55</sup> R. 000010.

<sup>&</sup>lt;sup>56</sup> 17 AAC 45.900(c).

<sup>&</sup>lt;sup>57</sup> 17 AAC 45.210(b)(1), (3), (4).

<sup>&</sup>lt;sup>58</sup> See 17 AAC 45.210(b)(2).

### C. SWA Did Not Address Erosion Risk for the Lease Area Itself.

SWA also found the lease is not approvable because of existing erosion and risk of further erosion. The parties stipulated that floods in 2020 and 2021 caused significant erosion damage along Glacier Creek and that the creek has already eroded part of the land Crow Creek wants to extend the taxiway and Davos Road. <sup>59</sup> The SWA decision found that a "significant portion of the area" for the taxiway extension "is now within Glacier Creek." Davos Road is immediately adjacent to Glacier Creek, putting it at risk of further erosion by the creek. The SWA decision found that the creek's "bank is not considered stable and future erosion at this location is expected." The record includes photos showing the existing erosion. The parties further stipulated that Davos Road is in a FEMA 100-year food plain.

These are all legitimate concerns — concerns that fall squarely within the scope of sound airport planning and the security, safety, maintenance, or operations of the airport. Crow Creek counters by arguing that it will extend the erosion control barrier to make it safe to extend the taxiway and Davos Road and use Davos Road for maintenance access. The problem with both parties' positions? All the evidence about erosion, erosion risk, and erosion control — as well as the issues both parties raise about erosion — relate to land *outside* the proposed lease area.

All the SWA decision mentions about the lease area itself is that it is "in proximity to a FEMA 100 year flood zone and therefore vulnerable to flooding." The same would be true of adjacent land SWA has already leased. Is this tract somehow more at risk? At greater risk than when those other leases were approved? The record does not specify.

The parties have stipulated that the airport's existing erosion controls protect all the airport's existing public infrastructure and other developments. <sup>66</sup> Presumably that means the access road within the lease area is protected. Hence part of the proposed lease area must be protected. What about the rest of the lease area? Is some of it at risk of erosion? At risk of flooding? What portions of the lease area? How significant is the risk? If there is a risk, is the

<sup>&</sup>lt;sup>59</sup> Stip. ¶ 11, 21.

<sup>60</sup> R. 000069.

<sup>61</sup> Stip. ¶ 13.

<sup>62</sup> R. 000069.

R. 000071, 000088-09, 000111-13, 000119, 000121-24.

<sup>64</sup> Stip. ¶ 13.

<sup>65</sup> R. 000069.

<sup>66</sup> Stip. ¶ 11.

risk to the lease area sufficient to conclude the lease area is not approvable for lease? The SWA decision and record do not address this.

It is understandable that SWA looked at the area north of the proposed lease area. That area has experienced erosion and Crow Creek came in with an application that depicted both on- and off-lease improvement projects. But what SWA is reviewing here is just the lease area and whether that specific land is approvable for leasing. Its decision and the record itself simply do not address whether there are concerns about leasing the land within the proposed lease.

If SWA had considered evidence about the lease area, but then denied Crow Creek's application solely based on off-lease concerns, that might have supported reversing SWA's decision. But here, it is unclear from the record whether SWA ever considered the lease approvability criteria in relation to the lease area itself. The record does offer sufficient facts for the Commissioner to make findings about the erosion or flooding risk in the lease area. Further hearing could be held on this appeal to take evidence on the erosion risk and the Commissioner could then make findings based on that evidence. But the Commissioner would not have the benefits of the agency's experts — SWA and the LARC Committee — first reviewing and providing its analysis. Accordingly, this decision recommends remanding this matter for SWA to consider the lease approvability criteria as they apply to the proposed lease area itself.

## IV. CONCLUSION

Crow Creek has expansive plans for how this largely undeveloped land could be used for an aircraft maintenance business, thereby contributing to the airport's overall development. It is understandable that Crow Creek came in telling SWA about all its plans. It is equally understandable that SWA looked at Crow Creek's entire plan when reviewing its application. While understandable, however, that is not what the regulations provide for here. SWA's task is solely to determine whether the proposed lease area is suitable for leasing. That area contains an access road. It contains a non-exclusive utility permit for an underground pipeline. Those existing uses do not preclude a lease; they are concurrent uses a lessee would need to be prepared to work around. If a lease issued and Crow Creek is the lessee, it can apply for airport building permits to remove the access road and build road and taxiway extensions outside the lease area. And SWA might continue to find those improvements inconsistent with the state's best interest, sound airport planning, and other criteria. But that is a determination to be made when reviewing a permit application, not here where the only question is suitability of the land for leasing. SWA

did not make any findings about the land conditions within the lease area, nor does the record indicate it was considered. The Commissioner could make those findings, but would lack the benefit of a SWA decision in the first instance, applying its expertise to new evidence. Accordingly, this decision recommends remanding this matter to SWA to apply the 17 AAC 45.210 criteria to the proposed lease area, consistent with this decision.

DATED: July 31, 2023.

By:	Signed	
•	Signature	
	Rebecca Kruse	
	Name	
	Administrative Law Judge	
	Title	

### Commissioner's Order on Recommended Decision

Having reviewed and considered the contents of the Administrative Law Judge's Recommended Decision in Matter of Crow Creek Holding Company, LLC, OAH No. 22-0478-APT, and accompanying materials:

I accept and adopt the Administrative Law Judge's assessment, conclusions, and/or recommendation, in whole or in part, and instruct the Review Officer to take further action as I have outlined below:

- I find this lease application approvable in accordance with 17 AAC 45.210, and remand to Statewide Aviation for public notice, comment and final consideration in accordance with 17 AAC 45.215.
- 2. Update Policy and Procedure 01.03.060 to ensure procedures in evaluating leasing applications address the individual requirements of 17 AAC 45.280 and 17 AAC 45.215 as described in the Administrative Law Judge recommendation. Address the differences in evaluating airport lease applications and building permits, considering sound airport planning, the State's best interest, and other factors.

	•	assessment, conclusions, and/or recommendation, in ficer to take further action as I have outlined below:
1.		
2.		
3.		
Dated:	7/21/2024	Signed
Daicu.		Ryan Anderson, Commissioner

[This document has been modified to conform to the technical standards for publication. Names may have been changed to protect privacy.]

Department of Transportation & Public Facilities