

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

Southeast Regional Land Office

Renewal Decision

ADL 108372

Northern Star Lodge, LLC dba Waters Edge Lodge

Application for Lease

AS 38.05.075(e)

Requested Action

Northern Star Lodge, LLC., doing business as (dba) Waters Edge Lodge (“applicant”), applied to the Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW) to renew a tideland lease for a 10-year term on November 12th, 2024. The renewal authorizes the continued use of the leasehold on state-owned tide and submerged lands. The continued use of the area includes accessing the lodge on private uplands and the waters of Elfin Cove. The leasehold contains a pier, ramp, finger dock, main dock, pilings, floating fish cleaning station, 400-gallon double-walled fuel cube on float, deck, and two storage buildings.

Existing improvements within leasehold:

- Storage shed – 45-feet long x 25-feet wide
- Storage shed – 40-feet long x 25-feet wide
- Deck – 75-feet long x 25-feet wide
- Pier – 35-feet long x 7-feet wide
- Ramp – 40-feet long x 5-feet wide
- 240-volt, 100-amp power pedestal at head of dock
- Finger dock – 32-feet long x 5-feet wide
- Main dock – 60-feet long x 8-feet wide
- Float with fish cleaning station and 400-gallon double-walled fuel cube – 50-feet long x 14-feet wide. Fish cleaning station contains 1-inch plastic water line.
- (3) creosote-soaked pilings – standard 12-inch dock pilings placed along main dock section

This lease renewal is subject to the DMLW-approved Development Plan dated October 19th, 2018, included as Attachment 1. This renewal is subject to all terms and conditions laid forth in the existing lease held by the applicant serialized as ADL 108372.

In order to qualify for a renewal, a lessee must be in “good standing.” Good standing refers to the fact that the lessee’s accounts are current, that there are no outstanding compliance issues, and that the lessee maintains a healthy business relationship with the lessor. Northern Star Lodge, LLC has maintained the leasehold interest with no compliance issues and is considered to be in good standing with DNR-DMLW.

Authority

Under AS 38.05.070(e), leases may only be renewed once and for a duration that is not longer than the original lease term. DNR-DMLW will renew this lease under the authority of AS 38.05.035(b)(3), AS 38.05.070(e), and AS 38.05.075(c). The lease term will be renewed for another 10-year term.

Administrative Record

Case file ADL 108372 is the administrative record for this case. Also incorporated by reference is the *Northern Southeast Area Plan* – October 2002 (NSEAP).

Scope of the Decision

The scope of administrative review for this authorization [AS 38.05.070(e)] is limited to (1) reasonably foreseeable, significant effects of the uses to be authorized; (2) applicable statutes and regulations; (3) the facts pertaining to the land or resources; and (4) issues that are material to the determination that issuing the authorization will best serve the interest of the State of Alaska.

Description**Geographic Location**

This parcel is located in Elfin Cove, Alaska; approximately 70-miles west of Juneau, Alaska.

Legal Description

C042S055E25, Township 42 South, Range 55 East, SW ¼ Section 25, Copper River Meridian. Leasehold adjacent to Lot 20 depicted on US Survey (USS) 2947 Sitka Recording District, on approximately 0.45 acres of state-owned tide and submerged lands. 58°.1927 N, 136°.3434 W (WGS84)

Other Land Information

Municipality: Hoonah-Angoon Census Area

Regional Corporation: Sealaska Corporation

Village Corporation: N/A

Federally Recognized Tribe: The Central Council of Tlingit and Haida Indian Tribes of Alaska

Title

The State of Alaska holds title to lands beneath tidally influenced and navigable waterways within its jurisdiction, including lands underlying Elfin Cove in the section(s) referenced above, on the basis of the Equal Footing Doctrine, The Submerged Lands Act of 1953 and AS 38.04.062 (Identification of State Submerged Lands). A DNR Title Report RPT-24099 was requested on September 22nd, 2025, from DMLW Realty Services Section. A Title Report issued from Realty Services Section will state whether the State of Alaska holds title to the subject tidelands under the Equal Footing Doctrine and Submerged Lands Act of 1953. The Southeast Regional Office (SERO) reserves the right to modify the Final Finding and Decision based upon the information contained in the Title Report upon completion.

Planning and Classification

The site is subject to the *Northern Southeast Area Plan* – October 2002 (NSEAP) and is located within Management Unit CT-009 – Elfin Cove. The designated land use is Waterfront Development (Wd) and Shoreline Use (Sd). “Wd” converts to land classification “Waterfront development land” and “Sd” converts to land classification “Settlement land” (NSEAP 3-326 & 4-5).

According to 11 AAC 55.202, Settlement Land, “An upland area classified settlement land that is, by reason of its physical qualities and location, suitable for year-round or seasonal residential or private recreational use or for commercial or industrial development. Tidelands are to be managed to support those existing or proposed upland settlement uses.”

According to 11 AAC 55.215, Waterfront Development Land, “Land classified waterfront development is tideland, submerged land, or shoreland that is suitable to be used for commercial or industrial activities such as fish processing, aquatic farming, mineral and log transfer facilities, or commercial recreation.”

According to 11 AAC 55.040(c), “A classification identifies the primary use for which the land will be managed, subject to valid existing rights and to multiple use.”

Management Intent

“Tidelands are to be managed for intensive use and are designated Waterfront Development (Wd) in SW ¼ of section 25. Limited tidelands use (primarily docks) is appropriate in the remainder of Elfin Cove (SE ¼ section 25 and section 36) and is designated Sd (NSEAP 3-326).”

Resources and Uses

...Development authorization should be limited to the smallest practicable area given the small size of the cove and the need to retain the residential, low intensity use characteristic of its southern part. Commercial harvest of red King and tanner crab occur in this area. Significant harvest of demersal shelf rockfish, lingcod, pollock, sablefish, Pacific Cod, flounder, and other rock and ground fish are commercially harvested in statistical area 365804 which is located in this unit. A state owned seaplane base is located in the outer harbor (NSEAP 3-326).

Per the NSEAP, the continued use of the leasehold is allowed. Tide and submerged lands will continue to be used for access to and from the water, and access for lodge members and employees to access Water’s Edge Lodge. The proposed area is consistent with the designated land uses in the area which include Waterfront Development (Wd) and Shoreline Use (Sd).

Mineral Orders

The proposed leasehold does not fall within the areas delineated in Administrative Mineral Closing Order (MCO) No. 770 (NSEAP, Appendix B – B-1). Neither an MCO nor a leasehold location order is necessary to or appropriate for this proposed leasehold.

Local Planning

Elfin Cove is not in an organized municipality. The lease area is within an unorganized borough, and not subject to local planning zoning ordinances.

Traditional Use Finding

Pursuant to AS 38.05.830, and after due consideration, we find that renewal of this lease is likely to have little to no effect on the density of the population in the immediate vicinity and that there is little potential for conflict with the known traditional uses of the land.

Access**Physical and Legal Access**

Physical access to the lease site is via state-owned tide and submerged lands in Elfin Cove. Additional access to the leasehold is through applicant's private upland Lot 20 depicted on USS 2947 Sitka Recording District.

Access To and Along Public Waters

Pursuant to AS 38.05.126(a), the public has a constitutional right to free access to, and use of, navigable or public waters of the State of Alaska. Under 11 AAC 51.045 and AS 38.05.127, DMLW is required to reserve specific public-access easements to and along these waters. Unless comments and other information submitted to DMLW provide justifiable and convincing evidence to do otherwise, this disposal of state interest will be subject to a public-access easement seaward and landward of the line of mean high water.

According to Project No. 67619/STP-0003(56), Recording Number 1305 Sitka Recording District, Declaration of Public Right of Way, signed June 30th, 1999, upland Lot 20 is subject to a public right of way, known as the "boardwalk" of Elfin Cove. According to 11 AAC 51.045(c)(1)(B), the public access easement on the tidelands extends at least 50-feet seaward from the mean high-water line.

Environmental Risk

It is DMLW's management responsibility to protect the overall public interest if there is a reasonable expectation that a hazardous condition, or hazardous, toxic or radiological material or contamination from such material exists or is known to exist on the land being disposed of. No hazardous material or contamination from hazardous material is known to exist on the land for lease authorization. Environmental risk associated with this proposed authorization and mitigation measures will be included within the stipulations of this lease agreement.

During adjudication, DMLW learned that the leasehold contains a 400-gallon, double-walled fuel cube on the float that contains the fish cleaning building. This tank is emptied and removed every winter and stored on the private uplands of Lot 20. DMLW will allow this use if stipulations within the Lease Agreement are followed by the applicant during operating seasons.

Department of Environmental Conservation (DEC) and Statewide Abatement of Impaired Land (SAIL) were consulted about any concerns about the fuel cube being placed within the leasehold, no comments were received.

Background

- April 20th, 2015 – Application received for 10-year commercial tideland lease
- January 16th, 2016 – Final Finding and Decision signed
- April 19th, 2016 – 10-year tideland lease issued
- October 19th, 2018 – Amendment application received to include floating fish processing building
- May 1st, 2019 – Amendment signed
- November 12th, 2024 – Renewal application received
- September 22nd, 2025 – Active adjudication begins

Application Reviews

Agency Review

An Agency Review was conducted from September 23rd, 2025, to October 23rd, 2025.

The following organizations were included in this review:

- Alaska Association of Conservation Districts (AACD)
- Department of Fish and Game (ADFG) – Division of Habitat and Division of Wildlife Conservation – Access Defense Program
- Department of Environmental Conservation (DEC) – Commissioner’s Office and Division of Water – Wastewater Discharge Authorization Program
- DNR – Division of Parks and Outdoor Recreation (DPOR) – Office of History and Archaeology (OHA)
- Department of Transportation and Public Facilities (DOT&PF) – Design and Engineering Services – Right of Way Office

Agency Review Comment and Response:

ADFG – Access Defense Program

Summary: ADF&G has no objection to the issuance of this lease; however, we offer the following comments and recommendations:

1. Marine Mammal Considerations:
 - a. There is no marine mammal critical habitat designated within the leasehold. There are several marine mammals with ranges overlapping the leasehold area, including humpback whale, Steller sea lion, Dall’s porpoise, gray whale, harbor porpoise, harbor seal, killer whale, minke whale, Pacific white-sided dolphin, and northern sea otter.
 - b. As soon as possible please report an injured, entangled, or dead marine mammal to the NOAA Fisheries Alaska Statewide 24-hour Stranding Hotline: (877) 925-7773. If the stranded animal is a sea otter, please call the US Fish and Wildlife Service (1-800-362-5148, business hours) or the Alaska SeaLife Center Hotline (1-888-774-7325, 24-hours).

- c. If the lodge has documented any negative marine mammal interactions, we request to be kept informed of them. Please direct any relevant information to Alaska Department of Fish and Game Marine Mammal Program at dfg.dwc.mmcomments@alaska.gov
 - d. To reduce risks:
 - i. Keep lines used to tether vessels taut and out of the water whenever possible to reduce the risk of entanglement.
 - ii. Dispose of food waste and garbage properly to avoid attracting marine mammals to the area.
 - iii. Store fuel securely to prevent entry into the marine environment. A spill kit should be kept on-site for any potential spills.
2. Public Use: Activities within the lease area should avoid interfering with public use of state waters, including recreations, fishing, and general access.
3. Avoiding Conflict with Wildlife:
- a. **Wildlife Safety & Attractants:** All fuel, trash, food, fish waste, gray water, and other potential wildlife attractants (including petroleum-based products) must be securely stored in bear-resistant containers. These containers should be made of durable materials such as metal or hard-sided plastic and have tight-fitting lids with secure latches. Only containers specifically designed and approved for bear resistance should be used. Where feasible, electric fencing should also be installed around food and waste storage areas. Camps must be kept clean at all times to minimize odors and food sources, and none may be left unattended overnight. Failure to properly secure attractants as described may be considered negligent and unlawful feeding of wildlife, subject to enforcement under applicable state regulations.
 - b. **Bear Safety**
Guidance on staying safe in bear country and avoiding negative interactions, including the use of bear-resistant containers and electric fences, is available on the ADF&G website:
<http://www.adfg.alaska.gov/index.cfm?adfg=livingwithbears.main>
 - c. **Reporting Wildlife Interactions**
Any human-wildlife conflicts should be reported to ADF&G's Division of Wildlife Conservation:
<https://www.adfg.alaska.gov/index.cfm?adfg=reportwildlifeencounter.main>
 - d. **Disposing of Fish Remains**
 - i. If cleaning fish on-site, chop remains into small pieces and discard them in fast-moving water.
 - ii. If processing fish elsewhere, dispose of waste at a waste transfer station or landfill (if permitted), or freeze it to eliminate odors and place it out with the trash only on pickup day (not the night before).
 - iii. Do not dispose of waste in slow-moving or still water, as it can attract wildlife.
 - iv. Use bear-resistant containers and follow local waste disposal guidelines.

e. **Gray Water & Wastewater Management**

Dispose of gray water responsibly to protect fish habitat and reduce wildlife encounters. Gray water should never be dumped into or near waterbodies as it can degrade water quality and harm sensitive aquatic ecosystems. Improper disposal can also attract wildlife, including bears, increasing the risk of dangerous encounters. To minimize impacts, manage gray water away from cabin or campsites and follow all Alaska DNR stipulations for wastewater disposal in remote areas.

f. **Defense of Life or Property (DLP)**

Shooting bears that access camp supplies does not qualify as a Defense of Life or Property (DLP) action unless all attractants were properly secured.

g. **Feeding Wildlife**

Feeding wildlife is illegal in Alaska and poses serious safety risks. Doing so to get pictures or for any other reason is strictly prohibited. It can lead to aggressive animal behavior and often results in the animal being killed.

h. **Responsible Wildlife Viewing**

For guidance on responsible wildlife viewing, see ADF&G's Wildlife Viewing Ethics page:

<https://www.adfg.alaska.gov/index.cfm?adfg=viewing.ethics>

DMLW Response: DMLW will supply the applicant with the detailed information provided by ADF&G.

Discussion

This renewal is in the best interest of the State as the leasehold will continue to enhance public recreation and enjoyment of Alaska's waters for fishing and recreation. The dock and ramp continue to provide access to and from private uplands to state-owned tide and submerged lands.

During the adjudication process DMLW discovered that a 400-gallon double-walled fuel tank is stored on a float within the leasehold. The fuel tank is emptied during winter months and stored on private upland Lot 20 depicted on USS 2947 Sitka Recording District. After consideration and Agency Review comments received, DMLW will allow this float to be authorized within the leasehold. There will be stipulations included within the Lease Agreement to ensure the safety of general public, environment, and habitat. Any additional proposed improvements within the leasehold must be approved by DNR-DMLW before construction and installation.

Recommendation and Preliminary Decision

Authorization Type and Term

As provided by AS 38.05.070(e), DMLW has determined that it is appropriate to renew the expired lease issued to Northern Star Lodge, LLC dba Water's Edge Lodge for a consecutive 10-year term, subject to the terms and conditions of the Lease Agreement (Attachment 2) and the following.

Performance Guaranty

Performance guaranties are a means to encourage compliance with the terms and conditions of a lease and provide for a way to pay for corrective action should the user of state-owned land fail to meet those requirements. The amount of a Performance Guaranty (PG) should equal the possible costs the state would incur to terminate an agreement authorizing use of state land, and return the land to marketable and environmentally sound condition.

The previous bond amount was \$7,600.00; the current performance guaranty will increase an additional \$6,000.00. The total PG amount is now \$13,600.00.

Fuel storage near or on state-owned waters increases the bond amount due to risk of contamination to the environment; although DMLW does not object to the fuel storage within the leasehold, DMLW requires an additional bonding amount.

Insurance

The applicant holds and maintains an insurance policy that meets DNR requirements, as required by Condition #24 of the lease document.

Compensation and Appraisal**Annual Land Use Fee**

Pursuant to 11 AAC 58.410(b), AS 38.05.075(f) and AS 38.05.840(b), the annual lease compensation will be \$1,000.00.

Periodic Rate Adjustment

In accordance with AS 38.05.105, the annual rent payment will be subject to adjustment at five-year intervals after the issuance of the lease renewal.

Survey

Pursuant to AS 38.04.045, official cadastral surveys are not required for a lease of 10 years or less.

However, a DMLW-approved updated, current development diagram will be required for final issuance of this lease. This diagram must show all improvements within the leasehold area with accurate measurements of said improvements.

Pursuant to 11 AAC 51.045 and AS 38.05.127, a 50-foot public-access easement seaward of the line of mean high water must be included.

Entry Authorization

No Entry Authorization period is required for this renewal. DMLW recommends suspending issuance of the final Lease Agreement until the additional required PG amount is posted.

Adjudicator Recommendation

Based on the information provided by the applicant and other agencies, as well as review of planning documents, statutes, and regulations, I recommend approving the renewed lease.



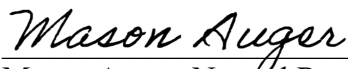
11/18/2025

Quinn McClurg, Natural Resource Specialist III

Date

Unit Manager Concurrence

The file has been reviewed and found to be complete. It is the finding of the Division of Mining, Land and Water that the renewal of this lease is appropriate. If no appeal is filed by the appeal deadline, this decision goes into effect as a final administrative order and decision of the Department on the 21st day of issuance.



11/18/2025

Mason Auger, Natural Resource Manager II

Date

ATTACHMENTS:

Attachment 1. Development Plan

Attachment 2. Standard Lease Agreement draft

PUBLIC NOTICE AND APPEAL PROCESS:

An eligible person affected by this decision, and who provided timely written comment or public hearing testimony to the department, may appeal the decision to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department. Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a)-(b). A copy of 11 AAC 02 is available on the department's website at <https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.