

# Fact Sheet

## Title: Aquatic Farm



Alaska Department of  
**NATURAL  
RESOURCES**

Division of Mining, Land & Water  
December 2008

In 1988, the Alaska Legislature changed the state's aquatic farming laws to allow shellfish and sea plant farming on all state land, except parkland. Additional changes were made in 1997 that allowed the Department of Natural Resources (DNR) to enter directly into a lease for an aquatic farmsite.

In 2002, legislation signed under HB 208 created a one-time disposal program whereby DNR and the Department of Fish and Game (DF&G) are to solicit nominations for 90 sites potentially suitable for aquatic farming activities. The department will conduct a public process of the nominated sites, which will be offered at public auction by February 2004.

For further information please visit our website at: <http://www.dnr.state.ak.us/mlw/aquatic/index.htm>

### ***What is an aquatic farmsite lease?***

It is a ten-year property right granted by DNR that allows a lessee to develop the state's tide and submerged lands into a shellfish or sea plant farm.

### ***How do I apply?***

You must file an aquatic farmsite application with DNR during the filing period and pay a \$100 filing fee. The multi-agency application is used by all applicable state agencies to determine your proposal's feasibility. You may need to submit other applications to other agencies, such as the U.S. Army Corps of Engineers and local cities/boroughs.

### ***How often will a filing period be scheduled?***

A filing period will be scheduled at least every other year from January 1 through April 30.

### ***What authorizations do I need to operate a farm?***

In addition to the lease, you must obtain a coastal consistency determination from the Division of Coastal and Ocean Management; an operations and/or a stock acquisition/transport permit, and possibly a special area permit from the Department of Fish & Game (DF&G); and a water quality classification from the Department of Environmental Conservation (DEC). As stated above, other authorizations may be required. If you propose to use adjacent private uplands in your operations, written permission from the adjacent upland owner is required.

### ***How do I find out about the filing period?***

Notices are published in various newspapers throughout the state. You may also ask DNR to place your name and address on the aquatic farm mailing list so you will be notified directly of the openings.

### ***What costs are associated with a lease?***

The charge for the lease will be based on a fair market value appraisal or the division's current fee schedule. The current fee schedule places the annual lease fee at \$350 for the first acre, or fraction, plus \$100 for each additional acre, or fraction, thereof. Also, if you propose to use related facilities on state owned uplands or floating caretaker facilities, other fees are required. As with any lease, if you do not wish to use the fee schedule, you may hire and pay to have an independent appraisal done. The appraisal is done in accordance with appraisal instructions issued by DNR.

Currently, boundary surveys are not required for negotiated 10-year leases. However, should a boundary dispute arise at any time, DNR retains the right to require one. Should one be required, you will be responsible to pay the survey costs, which would be shared among the disputing parties. Any required survey is done in accordance with survey instructions issued by DNR.

Additionally, a performance bond is required to be posted during the lease term. The bond amount is determined by such factors as location, amount of gear/improvements proposed, and projected site cleanup and restoration should the lessee abandon the site. The minimum bond amount for an aquatic farm lease is \$2,500 and is generally for a 5-acre or less farm. If three or more lessees post an association bond to cover all of their leases, the bond is reduced by 50 percent of the amount individually calculated for each lease. The performance bond is subject to review at year five of the lease.

***Can I get an association bond if I have more than one site?***

You may participate in an association bond if you have more than one site provided you form an association with two other lessees.

***Can I apply for more than one site?***

You may apply for as many sites as you wish. However, The Commissioner of DNR may limit the number of applications and/or the number of sites a person may file on the same application.

***How long will it take to process my application?***

It takes about 8 months to process an application after the filing period closes. A copy of the review schedule will be sent to you when the project review starts so you will be able to anticipate when the decision will be made to approve or deny your application. Generally, decisions are out by December or January following an opening, with the applicable authorizations issued by the state agencies around February.

***Is finfish farming allowed?***

No. Finfish farming is currently not allowed in the state.

***Is state funding available?***

No state funding is available. Aquaculture loans may be available through the U.S. Department of Agriculture, Rural Development, Alaska State Office, 800 W. Evergreen, Suite 201, Palmer, Alaska 99645, phone (907) 761-7705, fax (907) 761-7783.

***Do I need an aquatic farmsite lease from DNR to collect wild shellfish or sea plants for commercial purposes?***

No. However, you do need authorizations from the DF&G and DEC.

***Where can I get more information?***

For information on the Growing Area Classification required to sell an aquatic farm product, please contact the Shellfish Program Coordinator with DEC, Division of Environmental Health at 907-269-7638.

For information on the stock acquisition/transport and operations permits, please contact the Mariculture Coordinator with the DF&G, Commercial Fisheries Division, at 907-465-6150. For information on special area permits that are required within the Kachemak Bay and Fox River Flats Critical Habitat Areas, please contact DF&G, Division of Habitat and Restoration, at 907-344-0541.

In addition, the aquatic farm application packet provides agency contacts who can answer specific questions. For more information regarding the aquatic farm program, please contact the Mariculture Program Manager with DNR at:

Division of Mining, Land and Water  
Southcentral Regional Office  
550 West 7th Avenue, Suite 900C  
Anchorage, AK 99501-3577  
Phone: 907-269-8543  
Fax: 907-269-8913

For other information on state resources, please contact either our Anchorage office at:

Department of Natural Resources  
Division of Mining, Land, and Water  
Public Information Center  
550 West 7th Avenue, Suite 1260  
Anchorage, AK 99501-3557  
Phone: 907-269-8400  
TDD: 907-269-8411  
Fax: 907-269-8901

Or, in Juneau at:

Department of Natural Resources  
Division of Mining, Land and Water  
Southeast Regional Office  
400 Willoughby Avenue  
Juneau, AK 99801-1796  
Phone: 907-465-3400  
Fax: 907-586-2954