

**Public Notice** 

US Army Corps of Engineers Alaska District

Regulatory Branch (1145b) Post Office Box 6898

Elmendorf AFB, Alaska 99506-0898

Date: December 29, 2006

Reference No: POA-2006-545

In reply refer to above

## INCREASE IN FEE IN LIEU OF MITIGATION RATES IN ANCHORAGE

In the Municipality of Anchorage the Great Land Trust, a non-profit land conservation organization, receives fees in lieu of mitigation for the discharge of fill in wetlands and other waters of the United States authorized by the Alaska District. The Great Land Trust is one of four recipients of fees from the Alaska District. The Great Land Trust is responsible for providing mitigation credits via preservation, restoration and/or enhancement of wetlands to offset the debits associated with the adverse aquatic and wetland impacts of permittees. The Great Land Trust determines the fee amounts necessary to provide those credits. This responsibility was agreed upon in the July 16, 1998 agreement between the Great Land Trust and the U.S. Army Corps of Engineers (available upon request from the Alaska District) when the fee-based compensatory mitigation program was established. The debits and credits are determined using "The Anchorage Debit-Credit Method: A Method for Determining Development Debits and Compensatory Mitigation Credits for Aquatic Areas in Anchorage, Alaska," December 12, 2000 (also available upon request).

On October 27, 2006, the Great Land Trust announced that the fees they charge for fee-based compensatory mitigation within the Municipality of Anchorage have changed for the two categories of higher ecological value wetlands and aquatic habitat: Relative Ecological Value (REV) 1 and 2. The new fee for REV 1 and REV 2 areas is now \$113,742.00 per debit. Although the fee for REV 1 and REV 2 areas is the same per debit, projects in REV 2 areas accrue debits at two-thirds the rate of those in REV 1 areas. In general, the fee for loss of an acre of REV 2 would equal \$75,827.

BACKGROUND: The original cost of \$54,785 per debit for REV 1 and REV 2 dates from July 1999. It was determined using the average cost per debit calculated for the sale of twelve different parcels containing wetlands.

Since 1999, property values in the Municipality of Anchorage have risen rapidly. Therefore, the in-lieu fees received by the Great Land Trust have been insufficient to purchase, manage and preserve wetland credits equal to the debits accrued. The Great Land Trust decided to use the available data supplied by the Municipality of Anchorage to determine the average increase in lot value from 2003-2006 in the Municipality of Anchorage, i.e., 11%, to adjust the fees. At 11% growth the 1999 REV 1 and REV 2 value of \$54,785 is \$113,742 in 2006. It is anticipated that the REV 1 and REV 2 values will be updated now on an annual basis using the yearly increase or decrease in the average residential lot value supplied by the Municipality.

The Great Land Trust is currently working to update the REV 3 values. At this time the REV 3 fee continues to be \$13,878.00 per debit.

Please contact Dr. Mary Lee Plumb-Mentjes or Mr. Hank Baij at 753-2712, or by email at Mary.Plumb-Mentjes@poa02.usace.army.mil, if further information is desired concerning this notice. For additional information about our Regulatory Program, visit our web site at www.poa.usace.army.mil/reg.

District Engineer
U.S. Army, Corps of Engineers