

# PROTEST ARR LAND GRANT

2 — Anchorage Daily News, Wednesday, December 4, 1963

## Interior Dept. Land Grant In Port Area Annoys City

A port-area land grant from the Interior Department to the Alaska Railroad drew fire today from city officials, who termed it "unfair" and "a serious breach of faith." The city had been trying since 1957 to obtain the land for the port complex.

The 3.2-acre award — which the city protested when the

railroad made application for it — was granted to the railroad in July. City Manager Robert Oldland said the city was promised it would be notified of any action on the application, but that no such notification was given.

HE SAID port officials learned "unofficially" a few days ago that the award had been made and upon investigation found this to be true.

"The city certainly is disappointed in the actions taken — and the manner in which they were taken," Oldland said, "and I think it will be in order that the city take every step to relay our feeling to our congressional delegation."

The land in question — which is north of Standard Oil Co.'s bulk plant near the port access road — formerly was held by the Army. The railroad now leases the land to Standard for the oil company's tank farm.

OLDLAND SAID the city has no issue with Standard's use of the land, but only with the manner in which the land was released by the Army and then filed for by the railroad.

In several letters contained in a file on the matter, the military assured the city it would "receive first consideration" on land to be released. The railroad filed application for the 3.2 acres in early August, 1962 — shortly after the Army had released it. The city was not notified that it had been released.

Oldland said today that the city's objection is still the same as when it filed a brief in protest to the railroad's application. In that brief the city said:

"THE CITY of Anchorage feels that a serious, if unintentional, breach of faith has occurred and that the application of the Alaska Railroad for the land in question should be withdrawn. If the Army reviews its files — if it has not already done so — it will find abundant evidence that the city had been assured that it would be given first priority on any land released by the military . . .

"Therefore, the release of the 3.2 acres by the Department of the Army on June 5, 1962, without notice to the city certainly was a violation of previous commitments, even if those in command were unfamiliar with the agreements made by their predecessors.

"THIS ACTION is particularly irritating to the city because this release was arranged specifically for the benefit of the Alaska Railroad. (Railroad manager) John Manley's letter of June 13, 1962, to Assistant (Interior) Secretary (John) Carver reads: 'The Army has agreed to release the following described area to the Bureau of Land Management in order that the Railroad may apply for the same.'"

"If the railroad needed this land for legitimate purposes, the city would be disappointed but could understand that one federal agency might wish to prefer another over a local subdivision of government, even though that decision might necessitate a certain amount of holding."

"The city cannot understand such action where the railroad already owns hundreds of tax-free acres within the city and receives all the benefits of corporate citizenship, yet seeks to gobble up more land for leasing to private corporation."

"THERE is something inherently evil in using the might and power of federal government to stifle the initiative and enterprise of a city which is trying with its own taxpayers' money to develop a better port facility, a better city and, indirectly, a better Alaska."

The city said in its brief that the port received almost 33 acres less than was requested in the original grant. Therefore, it said, there was "a clear understanding between the city and military authorities that the city would receive first consideration if the Army relinquished any additional land in the port area."

Capt. A. E. Harned, port director, said the land award to the railroad is "to the detriment of possible revenues to the Port of Anchorage."

## Alaska's Delegation Urges Udall Review of 2.3 Acre Award of Port Area Land

Alaska's congressmen have protested to Interior Secretary Stewart Udall about a recent port-area land grant to the Alaska Railroad here.

The 3.2-acre plot was awarded to the railroad in July after it was released by the Army. Learning of the award several months later, city officials complained they had not been notified of the grant. The city desires the land for the port complex.

City officials said the Army had agreed for several years to notify the city when additional land was to be released and that the Bureau of Land Management had promised to notify the city of action on the railroad's application for the land. Neither notification was given, they said.

IN HIS LETTER to Udall, Sen. E. L. Bartlett called for a review of the land grant.

"I know you will agree with me that the decision should be reviewed not only because of apparent procedural defects, but also of the policy matter of federal competition with municipal enterprise," Bartlett told Udall.

Both Sen. Ernest Gruening and Rep. Ralph Rivers supported Bartlett's request for review in their own letters to Udall.

GRUENING CALLED the award "high-handed action of the Interior Department." He told Udall it "appears to be singularly objectionable to the City of Anchorage and particularly to the Port of the City of Anchorage."

"The Port of Anchorage, and the city, on its behalf," he told Udall, "long ago made known its interest in acquiring this property for use of the port. Therefore, the Department of Interior undoubtedly had clear notice that if the land should be released, the port has a well-defined plan for its use for the benefit of the port and the city."

Anchorage Daily Times 3 Thursday, Dec. 19, 1963

## Firms Will List Claims To Tidelands

Council Will Get Two Applications In Mid-January

At least two local firms will present their claims to (local) tidelands to the Anchorage City Council the first of next year, Anchorage city councilmen learned Wednesday night.

Four and possibly five applications are being readied, Harold Strandberg told a joint meeting of the council and the port commission.

The applications of Permanente Cement Co. at Ocean Dock and Alago at Ship Creek should be ready for presentation to council by mid-January, according to Strandberg, chairman of the port commission.

Other applicants are Alaska Fish and Farm Products on Ocean Dock Road, Cook Inlet Tug and Barge at Anderson Dock, and, probably, Union Oil Co.

Strandberg and City Attorney Harland Davis briefed councilmen on the complicated tidelands question.

Present were Mayor George Sharrock and Councilmen Frank Feeman, Chet Hostetter, David Green, E. N. Courtney and Clifford Groh.

Preference rights to portions of Anchorage's tidelands were outlined by Davis.

He said firms or persons who had made substantial improvements to tideland areas prior to Sept. 7, 1957, had a Class I preference and were entitled to receive the land upon which the improvements were made without cost.

He said the council must determine how much adjacent land also should go to the claimants to assure them use of their improved lands.

Davis said cutoff date for submitting applications for tidelands is March 20, 1964.

The city owns the tidelands but must respect the rights of persons or firms with valid claims.

## Port Area Eyed For Centennial

The City Council pledged support last night to a long-range port development program and agreed to consider the port area for part of the city's exposition in the 1967 centennial celebration.

This centennial plan — which already has been endorsed by the Greater Anchorage Chamber of Commerce — would serve two purposes. It would focus attention on the port while providing centennial facilities, which the port would inherit after the celebration were over.

DICK RAND, a member of the zoo committee, suggested instead that centennial facilities be built where they would provide a nucleus for a zoo.

"We feel it would be more likely and more appropriate (than the port) for the exposition," he said.

Rand said centennial facilities should provide the start of a "cultural center . . . a showplace" for Anchorage. He said the zoo group now is ready to select a site for the proposed zoo. That will be done in time to work its development in with the centennial, he said.

THE COUNCIL agreed that the port, the airport, the proposed zoo and all other appropriate locations would be considered as exosition sites.

In its action on the port, the council took no action on specific projects but rather affirmed its overall faith in the port. The resolution calls for long-range study and planning to develop the port area into an industrial complex.

The port commission is negotiating now for a firm to make the long-range economic and development survey. It also is investigating the possibility of a million-dollar bond issue to build a petroleum-oil-lubrication (POL) facility. The money would come from low-interest federal funds and would be paid back with POL revenues.

—IN OTHER business, the council:

—Delayed action on an ordinance to set up regulations for food caterers and catering services. The ordinance is to be rewritten to include suggestions made last night and will be presented again next week.

—Adopted a resolution to direct preparation of an assessment roll for water improvement district No. 227 and set Jan. 14 for a public hearing on the assessments.

—Authorized expenses of \$1,500 for two telephone utility engineers to study central Stromberg - Carlson office equipment for the first phase of its 20-year improvement program.

## Waterfront Tidelands Reviewed by Officials

Council, Port Panel Consider Complex Ownership Question

The City Council and port commission held a joint review last night on the complicated job of determining ownership on tidelands along the city's waterfront.

The job of the commission — and ultimately of the council — is to determine how much of the tidelands should go to the persons who improved them before Sept. 7, 1957.

A federal act ended "squatter's rights" on that date. With statehood, the tidelands were conveyed to the state and in turn to municipalities.

THE AMOUNT of tidelands going to persons who occupied them before the 1957 date will be determined by the extent of improvements they made. This is called a No. 1 preference right and was explained by port commission Harold Strandberg in these words:

"It's not a case of the city giving anything away to these people. They're entitled to it under statute. It's a case of determining how much they're entitled to."

The council and the commission also face the job of determining how much land should be granted along with No. 1 preference rights. This decision mainly is a matter of judgment as to how much additional land is required to successfully use the No. 1 grants.

THE CITY'S patents so far covers tidelands from north of the city dock to about 11th Avenue. It has filed for an additional patent for tidelands from 11th

Avenue to Northern Lights Blvd.

Strandberg called the tidelands "very important to the development of the city." He said it would be a mistake "for the city to sell its equity in the tidelands . . . because they can't be replaced."

City Atty. Harland Davis said March 20 is the deadline for persons to file applications for tidelands. After that, he said, the city is entitled to rent from unclaimed lands.

THE LANDS in question now run roughly from the city dock to Ship Creek. Davis said applications from two companies in that area will be ready to go to council shortly after the first of the year.

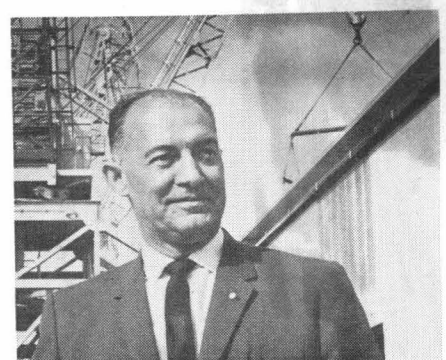
The application procedure now has three steps: Negotiations between the city manager and applicants; review and recommendation from the port commission; and a ruling by the council.

Strandberg and Mayor George Sharrock said last night they believe the council and commission should be brought into the negotiations earlier and council agreed to revise the city ordinance to accomplish this.

Strandberg also said he plans to pre-file a bill in the Legislature that would convey tidelands to cities from annexed areas and to boroughs where they include tidelands.

## New Port Director Enthusiastic About Port Growth

A. E. Harned, new Director of the Port of Anchorage brings the benefits of many years of executive and supervisory experience, working knowledge of Pacific and Alaskan ports and navigation problems and familiarity with ocean shipping concerns to the position of Anchorage Port Director. Recently retired as Captain of the U. S. Coast



Guard after more than 30 years of uniform service. Harned, wife Harriet and two boys, 12 and 15, now make their home in Anchorage.

The new Port Director is not new to Alaska, most recently serving as Chief of Staff of the 17th Coast Guard District in Juneau. He was on the Arctic cruise aboard the Northland in 1935 and 1936 with Charley Brower at Point Barrow when Will Rogers and Wiley Post crashed nearby.

Harned is very enthusiastic about the future of the Municipal Terminal, which has made tremendous strides forward since its official dedication in 1961, particularly with the recently obtained scheduled carrier service to the Municipal Terminal.

Alaska Construction Profile 1963

Anchorage Daily News, Wednesday, January 22, 1964

## City Told ARR Land Award Final

The Interior Department has informed the city that the department's decision in awarding 3.2 acres of port area land to the Alaska Railroad is final.

The city had protested the award because it wanted the land itself and because it was not notified that the land was being released for application.

"WE DEEPLY regret this oversight," John A. Carver Jr., assistant Interior secretary, said in a letter to Harold Strandberg, port commission chairman.

But, he said, "It is the policy of the Department of the Interior to retain in federal ownership lands for which a federal agency has a need, to the exclusion of non-federal interests, everything else being equal, even though competing applications come from state and local agencies."

The railroad is leasing the 3.2 acres to an oil company for a tank farm.

## Port of Anchorage Multiplies Tonnage

ANCHORAGE, Alaska.—The three-year-old Port of Anchorage has increased its tonnage from 38,259 in 1961 to 205,620 in 1963 reports port director A. E. Harned. Harned estimates that tonnage figures for 1964 will reach 346,000. Foreign trade is in its infancy in Alaska. This year three ships arrived from Japan, two from New Zealand, four from Venezuela and one from Liberia. The Port Authority owns and maintains the Municipal Terminal including 97 acres of open storage area. Part of this is leased to private firms including Shell Oil Co., which operates a tank farm and Trans-World Alaska, an import-export firm, which has leased acreage for its bonded storage area. Standard Oil Co. and Shell Oil use the port for tanker discharge operations. At present there are only two discharge lines available for tanker service. However, new tanker facilities should be completed in 1964, reports Harned.