

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

PRELIMINARY DECISION
Chitanana Lake Subdivision – ADL 420359

Proposed Land Offering in the Unorganized Borough
AS 38.05.035 (e), AS 38.05.045

RELATED ACTION:
Proposed Mineral Order (Closing)
AS 38.05.185 and AS 38.05.300

PUBLIC COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, FEBRUARY 13, 2019

I. Proposed Action

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Attachment A: Vicinity Map

Attachment B: Area Data Summary Table

Attachment C: Public Notice

Public is also invited to comment on the proposed related action:

Draft Mineral Order (Closing) MO 1214

Primary Proposed Action: The primary proposed action of this Preliminary Decision of the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW), Land Sales Section (LSS) is to offer for sale State-owned land within the identified project area. If approved, surveyed parcels will be offered for sale.

Located within DNR's Northern Region, approximately 20 miles southeast of Tanana and 34 miles southwest of Manley Hot Springs, the project area is within Sections 10, 11, and 14, Township 1 North, Range 21 West, Fairbanks Meridian, within the Unorganized Borough. The project area consists of approximately 500 acres. See *Attachment A: Vicinity Map* for a depiction of the project area.

In accordance with the governing area plan and proposed related action for the purposes of providing land for settlement, DNR proposes to sell land within the Chitanana Lakes Subdivision project area. In order to offer these lands for sale, if approved and deemed feasible, DNR may develop a subdivision of no more than 20 parcels varying in size no smaller than 5 acres. This proposed project area is located within the Unorganized Borough and therefore survey, platting, and access to and within the project area will be subject to the relevant subdivision standards. The project area may be subdivided and offered in multiple stages.

If this proposed primary action is approved, the actual area offered for sale may consist of all or only a portion of the overall project area. After consideration of public comment, the size and boundaries of the project area will be described in a subsequent Final Finding and

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Decision, if the project proceeds to that step. Additional adjustments may be made prior to subdivision, as described in the applications to the platting authority, as needed to reserve areas for public use, minimize conflicts between uses, or ensure compliance with platting requirements. Although actions under this proposal are limited to the stated maximums, additional offerings may be authorized under future proposals, which could increase the density of privately-owned parcels within or near the project area.

Proposed Related Actions: This related action will be developed separately, however; public notice is being conducted concurrently.

Mineral Order (Closing): DNR proposes a mineral order to close the project area to new mineral entry. There are no active mining claims in the project area. Refer to the *Mineral Activity and Order(s)* subsection of this document for more information on this proposed related action.

This related action will be developed separately.

Public Notice of Proposal: In accordance with *AS 38.05.945 Notice*, during a period of at least 30 consecutive days, the public will have the opportunity to submit written comment on this proposal. Public notice for all actions is being conducted concurrently.

See **Section VIII. Submittal of Public Comments** at the end of this document and *Attachment C: Public Notice* for details on how to submit a comment for consideration. If, after consideration of timely, written comments, DNR moves forward with the proposal, a Final Finding and Decision will be issued.

II. Method of Sale

DNR proposes to offer for sale land within the project area as described herein, through a future offering under *AS 38.05.045 Generally*.

Parcels offered through this action are offered fee-simple for the surface estate only. For more information about the land sales program, please visit the website at <http://landsales.alaska.gov>.

III. Authority

DNR has the authority under *AS 38.05.045 Generally* to sell State-owned land if, on preparation and issuance of a written finding, it is determined to be in the best interest of the State, as required by *AS 38.05.035(e) Powers and Duties of the Director*. Article VIII, Section 1, of the Constitution of the State of Alaska states "It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." In addition, if it is deemed appropriate, DNR has the authority to develop and offer parcels larger than 5 acres under the allowances listed in *AS 38.04.020 (h) Land Disposal Bank*.

For related actions, *AS 38.05.300 Classification of Land*, and *AS 38.05.185 Generally* allow for mineral orders.

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IV. Administrative Record

The project file, Chitanana Lakes Subdivision – ADL 420359, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Yukon Tanana Area Plan for State Lands adopted January 2014 and associated land classification files;
- *Alaska Interagency Wildland Fire Management Plan* (March 2018 review);
- *Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes*;
- Exploratory Soil Survey of Alaska, United States Department of Agriculture, Soil Conservation Service (Issued February 1979)
- Other case files, reports, or documents reference herein.

V. Scope of the Proposal

The scope of this proposal, under the statutes described in the preceding **Section III**.

Authority, is limited and specific to DNR DMLW's proposal to offer State-owned land within the defined project area for disposal and to conduct the mineral order as described herein. The scope of this proposal does not include the control of post-patent use and DNR DMLW does not intend to impose deed restrictions for this purpose. The subdivision may be conducted in multiple stages.

VI. Description

Location: Within DNR's Northern Region, approximately 20 miles southeast of Tanana and 34 miles southwest of Manley Hot Springs, along the shores of Chitanana Lake.

See *Attachment A: Vicinity Map* and *Attachment B: Area Data Summary Table* for additional information.

Platting Authority: The project area is within the Unorganized Borough and is subject to the State of Alaska platting authority.

Native Regional and Village Corporations: The project area is within the boundaries of the Doyon, Limited regional corporation. The village of Tanana is within 25 miles of this proposed action and notice will be sent to the Native Village of Tanana and Tozitna, Limited.

Legal Description: That portion of Section 10 within the protracted NE1/4; that portion of Government Lot 1 of Section 11 within the protracted W1/2, and Government Lots 2 and 3 of Section 11; and that portion of Section 14 within the protracted NW1/4; all within Township 1 North, Range 21 West, Fairbanks Meridian, Manley Hot Springs Recording District, Fourth Judicial District, Alaska, containing approximately 500 acres.

Title: Information from Title Report No. 7574, current as of March 11, 2015 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent 50-91-0326, dated June 4, 1991. The applicable State case file is GS 3422. The

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parcel is subject to the reservations, easements and exceptions contained in the federal patent.

State Reservations of Title:

Retention of and Access to Mineral Estate: In accordance with *Section 6 (i) of the Alaska Statehood Act* and *AS 38.05.125 Reservation [of Rights to Alaska]*, the State retains ownership of the mineral estate that may be in or upon the land that it sells. This retention is for all minerals, including both locatable minerals (such as gold, copper and silver, etc.), and leasable minerals (such as oil, gas, coal, etc.).

The State and its successors reserve the right to enter onto the land for the purposes of exploring for, developing, and producing these reserved mineral resources. Access reserved to these retained interests is superior to any and all surface uses. The State may also lease these retained interests to mineral developers or allow mining locations to be staked. However, *AS 38.05.130 Damages and Posting of Bond* also provides that the land estate owner will be compensated for damages resulting from mineral exploration and development.

Navigable Waters: Per *AS 38.05.126 (b) Navigable and Public Waters*, "...the State has full power and control of all of the navigable or public water of the state, both meandered and unmeandered, and the State holds and controls all navigable or public water in trust for the use of the people of the state." This trust is in accordance with the principles of the Public Trust Doctrine, which are included in Article VIII, Section 14 of the Constitution of the State of Alaska and protected in the United States Constitution. It is vested in the title to this land, is not transferable, and the State's title to submerged lands under navigable waters cannot be relinquished by a transfer of the property. In holding with this concept, navigability determinations are made and access will be reserved per *AS 38.05.127 Access To and Along Public and Navigable Water*. For more information, see [Access To, Within, and Beyond Project Area](#) subsection of this document.

The Bureau of Land Management has determined that Chitanana Lake is the only navigable water within the project area.

Where they exist within the project area, State third-party interests will be described in land sales brochures.

Physical Characteristics and Hazards: Attachment B: Area Data Summary Table describes the project area's physical characteristics. Information about the project area is based on internal research, information received during agency review, and an on-ground inspection conducted on July 21, 2015. This is by no means a complete description of the project area and if this proposal is approved and the area offered for sale, it will be the responsibility of interested parties to inspect individual parcels prior to purchase to familiarize themselves with the physical characteristics of the land.

Soils: Soils within the project area generally consist of poorly drained silty soils. The soils formed mostly in deep silty non-acidic loess, but at higher elevations they are acidic and contain stones and pebbles. Well drained, silty soils, exists on parts of terraces, stabilizing dune and low hills.

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Wetlands: There appears to be freshwater emergent wetlands adjacent to the northern, western and southern lakeshores within the project area. A portion of Section 14, adjacent to the southern shoreline of Chitanana Lake, will be retained due the presence of wetlands and low suitability for settlement.

Geologic Hazards: Geologic hazards are common throughout Alaska. Information gathered during field inspection did not indicate any specific geologic hazards for this area. Should any geologic hazards be discovered in the development of this proposal, information will be included in offering materials.

Fire Information: Fire history indicates that majority of the project area was burned in the 2015 Harper Bend fire. The DNR Division of Forestry (DOF) noted that while the current threat of extreme fire behavior and large fire growth in the area is reduced due to recent burns, fires could still threaten sites during periods of high fire danger. Grasses and fire-killed trees are concerns, especially during pre-green up and in drought conditions.

Potential for wild land fire is high in interior Alaska and other certain parts of the state. Landowners with structures are encouraged to follow the Alaska Wild Land Fire Coordinating Group *Firewise Alaska* recommendations. Offering materials include information regarding wild land fire prevention.

Fire management options and policies for the area are identified in the Alaska Interagency Wildland Fire Management Plan available from DOF. The current fire management option for most of the project area is “Modified.” The policy on areas with the “Modified” management option reads, “fires occurring within Modified will receive priority for allocation of initial action forces after the protection of Critical and Full areas.” It also states that the designation of a fire management option does not ensure protection from wildfire, that a protection response will be based on various factors, and “Ultimately it is the personal responsibility of the [landowner] to mitigate and minimize risk to their property and structures and to be ‘Firewise.’”

Flood Hazard: There is no Flood Insurance Rate Map available for the project area. There is potential for seasonal flooding and erosion of parcels adjacent to water bodies, especially in low-lying areas.

Water Resources: All surface and subsurface waters on all lands in Alaska are a public resource, subject to appropriation in accordance with the Alaska Water Use Act (AS 46.15). No water rights have been identified within the vicinity of the project area. There is no well or water quality information within the area.

Background: The project area was identified pursuant to a recommendation within the Yukon Tanana Area Plan (YTAP). The land surrounding the project area is State-owned and there are no known 3rd party interests or potential conflicts. A field inspection was conducted by air and on the ground on July 21, 2015. The field inspection confirmed the extent of the Harper Bend fire, which burned majority of the project area on July 9, 2015. At the time of the field inspection (several weeks after the fire), vegetation had already begun to return to the area. Due to the remote location of the area, and the presence of wetlands in some locations, LSS proposes offering parcels in excess of 5 acres to ensure that there is

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sufficient buildable area within each parcel. In addition, a portion of lands adjacent to the southern shoreline of Chitanana Lake, will be retained due to the presence of wetlands and low suitability for settlement. There is no road access to the project area, primary access will be by air (float plane) or overland on snowmachine in the winter (there is no current trail system). Field inspectors confirmed that much of Chitanana Lake is shallow; however, the eastern shoreline appeared to be deeper, allowing float planes to pull directly up to, or close to, the shore.

This project area is suited for a small remote subdivision and provides for interior Alaskan lakefront property. The close proximity by air to Fairbanks and smaller communities (Tanana and Manley Hot Springs), yet remote access, provide an excellent remote getaway.

Planning and Classification: The general management intent of the area plan, region, and unit were reviewed for consistency with the proposed offering. The project area is within the YTAP (adopted 2014), Lower Tanana Region, Unit T-11. Lands within this unit are currently designated Settlement, and classified Settlement under Land Classification Order No. CL NC-10-005. The project area consists of the entirety of one of the two sub-units of Unit T-11. The other sub-unit of T-11 is located on a small floatplane accessible lake, approximately 3-miles north of this project area.

Unit T-11 Considerations: The management intent for Unit T-11 is to manage land and retain in state ownership to support the State's land disposal program. The YTAP states that the land may be appropriate for low density small tracts.

Area-wide Considerations: LSS reviewed the area plan's guidelines in Chapter 2 Areawide Land Management Policies regarding Coordination and Public Notice; Cultural Resources; Fish and Wildlife Habitat; Forestry; Material Sites; Settlement; Shorelands and Stream Corridors; Subsurface Resources; and, Public Access. These considerations will be incorporated into the design and development of the project. Lands to be retained in public ownership, conditions, and reservations will be included on the plat and in offering materials as appropriate. Specific area-wide management intent and management guidelines affecting this proposal are discussed below.

Coordination and Public Notice: Management guidelines require notice pursuant to *AS 38.05.945 Notice*; and review of local comprehensive plans. Public notice for this action is being conducted in accordance with *AS 38.05.945 Notice*. The proposed subdivision is in the Unorganized Borough, and there are no local plans affecting the project.

Cultural Resources: Management guidelines provide that if determined by the DNR Division of Parks and Outdoor Recreation, Office of History and Archaeology (OHA) during an agency review of a proposed land disposal that a cultural survey may be required, further coordination between OHA and DMLW prior to the land disposal is warranted; and that cultural surveys should be considered where OHA reported sites exist or where there is a high potential for such sites to exist.

During agency review, OHA indicated that there are no reported cultural resource sites within the identified area; OHA did not determine that a cultural resource survey was required. OHA will be notified should any discovery of cultural resources occur

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during the development of this project, and offering material will include information regarding archaeological sites.

Settlement: This section provides management guidelines regarding planning and coordination with local plans and governments; types of settlement and land offerings; protection, management, and enhancement of other resources; and design. These guidelines have been considered in the development of this proposal.

Fish and Wildlife Habitat: Areawide management guidelines for Fish and Wildlife Habitat do not address any specific management intent or management guidelines specific to settlement. However, management guidelines provide that DNR and the Alaska Department of Fish and Game (ADF&G) will evaluate the use or development of state lands and the benefits or impacts it may have. ADF&G was consulted during agency review and stated no objection to the proposed project.

Forestry: Management guidelines provide that timber harvests are considered appropriate in areas designated Settlement if intended to support the costs of subdivision development, provide access to the subdivision, or for other appropriate purposes. Given the recent fire history and remoteness of the area, LSS is not proposing any timber harvest in advance of subdivision development.

Material Sites: Management guidelines states that generally, if a settlement area contains high value material resources, the material source area should be identified during subdivision design and retained in state ownership for future use. No high value material resources have been identified in the project area.

Stream Corridors, Shorelands, and Wetlands: Management guidelines establish access easements, building setbacks, and buffers in order to ensure opportunities for a variety of recreational activities within publicly owned stream corridors, protect fish and wildlife habitats along waterbodies, protect water quality, and provide for needed water dependent uses. The width of each access easement, building setback, and buffer varies and is specific to its primary purpose and the potentially impacted waterbody. Chitanana Lake is subject to a 50-foot continuous easement upland from the Ordinary High Water mark (OHW) (in accordance with *AS 38.05.127 Access To Navigable or Public Water*) and a minimum 50-foot building setback from the OHW.

Management guidelines provide for an easement or buffer 50-feet on each side of sensitive environmental features such as riverine or lacustrine wetlands. The wetlands adjacent to the shores of Chitanana Lake fall within the 50-foot building setback along the shoreline. Refer to the *Building Setbacks From Public or Navigable Water* section for more information. A portion of the apparent wetland area along the southern end of the lake will be retained in State ownership. LSS does not propose to impose an easement or buffer along these or other wetlands within the project area.

Subsurface Resources: This section provides management guidelines regarding mineral closures and oil and gas resources. The YTAP does not recommend mineral closures prior to land offering. However, in order to avoid potential conflicts between the surface estate and subsurface estate, LSS proposes to close the project

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area to mineral entry. Refer to the *Mineral Activity and Order(s)* section for more information. The attached draft Mineral Order 1214 closes the project area to mineral entry. During the agency review for this project, DNR Division of Oil and Gas (DOG) expressed no objection to the proposed disposal, and noted there are no DOG authorizations or pending applications in the immediate vicinity.

Public Access: Management guidelines cover general public access and management of trails within and between developing areas. In general, before selling State land, DNR will reserve public use easements pursuant to the requirements of *11 AAC 51.015 Standards for Public Easements*. Subdivision design will incorporate the reservation of access in accordance with *11 AAC 51.015*. There are no known existing trails or RS 2477 trails within the project area.

The proposed offering is consistent with area-wide land management policies and general management intent of the YTAP and specific management unit. The unit is designated Settlement and State-owned lands within the unit are appropriate for disposal, including sale, during the planning period.

Mineral Activity and Order(s): No mineral activity has been identified on these lands. The entirety of the project area will be closed to mineral entry (approximately 500 acres) if the mineral order is approved in accordance with *AS 38.05.185 Generally* and *AS 38.05.300 Classification of Land* for a land disposal. The proposed mineral order, if approved, will close the area to new mineral entry only and will not affect current existing mining claims.

Mineral orders which close an area to mineral entry, close the applicable area to new exploration and development of locatable minerals. Such mineral orders do not apply to leasable minerals (such as: oil, gas, coal, etc.), or exploration licensing for such, nor do they preclude reasonable surface access to these resources. However, *AS 38.05.130 Damages and Posting of Bond* stipulates that the land estate owner will be compensated for damages resulting from exploration and development.

Mining activity for locatable minerals would be incompatible with the past, current, and proposed land estate uses for land disposals. To allow new mineral location within the boundaries of the parcels encompassed by this decision could create serious conflicts between land estate and mineral estate users. Area plan mineral estate management policy states that, in general, areas scheduled for disposal will be closed to mineral entry prior to sale to minimize potential conflict between land estate and mineral estate users.

Local Planning: The project area is within the Unorganized Borough, and the State does not pursue zoning of private lands.

Traditional Use Finding: The project area is within the Unorganized Borough, and a traditional use finding is therefore required under *AS 38.05.830*. Information obtained from the YTAP, research, Agency Review, and site inspection did not identify any uses of the project area. There are no anticipated significant changes to the use of the land and resources of this area as a result of the proposed action, other than a possible increase in the various traditional activities which may be practiced by private-property owners. Impacts on existing resource users will be minimized by protecting public access along the shore of

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Chitanana Lake and by protecting riparian and shoreline habitat with building setbacks from the lakeshore as directed in the area plan. Additional information on traditional use is welcome during the public comment period and if this proposal is approved, LSS will address the information received in a subsequent Final Finding and Decision, if one is issued. See the **Section VIII Submittal of Public Comments** at the end of this documents and *Attachment C: Public Notice* for details on how to submit comment.

Access To, Within, and Beyond Project Area: Access to the project area is primarily via float plane or ski plane. Overland travel to the project area may be possible in the winter, however, no overland trails appear to exist currently. Subdivision design will take into account topography and access to lands beyond the project area boundaries.

Access To and Along Public or Navigable Waters: In accordance with AS 38.05.127 *Access To Navigable or Public Water*, DNR will determine if a water body is navigable or public and establish easements or rights-of-way as necessary to ensure unobstructed access to and along the body of water. Regulations dictating the creation of easements or rights-of-way under this statute include 11 AAC 51.035 *Determination of Navigable and Public Water*, 11 AAC 51.045 *Easements To and Along Navigable and Public Water*, and 11 AAC 53.450, *Buffer Strips, Reserved Areas, and Public Easements*.

For the purposes of AS 38.05.127:

- navigable waters are generally lakes larger than 50 acres in size or streams larger than 50 feet in average width;
- public waters are generally lakes larger than 10 acres in size or streams larger than 10 feet in average width; and
- waters may be determined public or navigable consistent with AS 38.05.965 (21) *Definitions*.

Chitanana Lake and the smaller unnamed lake to the north have been determined to be public within the project area. Parcels will be subject to access reservations in accordance with AS 38.05.127 *Access to Public or Navigable Water* and a 50-foot building setback from the OHW of the water bodies described, as well as any additional water bodies identified as public or navigable prior to completion of survey, in accordance with the YTAP.

Building Setbacks From Public or Navigable Water: If subdivision is deemed feasible, DNR DMLW proposes to place a note on the final survey plat describing a building setback upland from the OHW of public or navigable water to protect access, fish and wildlife habitat, and personal property. Except for utilities, water-dependent structures whose purpose is access to or across the stream or lake, or minor accessory structures for uses that must be in or adjacent to the water body in order to function, structures and subsurface sewage disposal systems will not be permitted within the building setback.

Easements, Setbacks, and Retained Lands: Subdivision design may include a variety of easements, setbacks, and retained lands, which will be identified on the subdivision plat and included in related informational documents.

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Parcels and subdivision design may be subject to a variety of reservations or restrictions where appropriate:

- public access easements;
- utility easements;
- a 50-foot-wide section line easement on each side of surveyed or protracted section lines on State-owned land in accordance with *AS 19.10.010 Dedication of Land for Public Highways* and *11 AAC 51.025 Section-line Easements*; section-line easements may be vacated under *AS 19.30.410 Vacation of Rights-of-Way* and *11 AAC 51.065 Vacation of Easements* as part of the subdivision development;
- a 50-foot continuous easement upland from the OHW of public or navigable water bodies in accordance with *AS 38.05.127 Access To Navigable or Public Water*;
- a minimum 50-foot building setback from the OHW of public or navigable water bodies, in accordance with the area plan; and,
- a 5-foot survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5' direct line-of-sight easement from the control station to an azimuth mark or other control monument.

Where appropriate, reservations and restrictions will be depicted on the plat and described in plat notes.

Hazardous Materials and Potential Contaminants: During air and ground field inspections conducted on July 21, 2015, field staff did not observe any environmental hazards within the project area. There are no known environmental hazards present within the project area, however, the State makes no representations and no warranties, express or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land here proposed for conveyance. The State further assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances eventually be found. Interested parties are encouraged to inspect the property and familiarize themselves with the condition and quality of the land prior to bid or application submittal.

DNR DMLW recognizes there are potential future environmental risks when previously vacant land is occupied. Many of the activities increasing these potential risks are regulated by other agencies, such as the regulation of septic system installation by the State of Alaska, Department of Environmental Conservation. This risk is no greater than when vacant private land undergoes development. Given that this land was specifically designated Settlement for transfer into private ownership, and given the high degree of interest from both the legislature and citizens in transferring State-owned land into private ownership, DNR is of the opinion that the benefits of offering the land outweigh the potential risks.

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Survey, Platting, and Appraisal: After evaluation of public comment and conditions of the land, DNR will determine if it is in the State's best interest to offer the proposed project area. In order to offer the property, a combination of survey, subdivision, and/or platting actions may be required.

The project area is located within the Unorganized Borough, and therefore survey and platting will be subject to State of Alaska subdivision standards.

In accordance with *AS 38.05.840 Appraisal*, an appraisal meeting DNR DMLW standards will be required within two years of the date fixed for the sale of any parcel developed under this proposed action. Even though the sale of project area parcels in multiple offerings over time will mitigate "flooding" the market, the two year appraisal requirement must still be followed.

Project research and development includes consideration of economic factors utilizing market data and project development costs compiled by DNR DMLW staff, to evaluate the economic feasibility of a project. Since it commonly takes several years for the project development process, AS 38.05.840 ensures the current market conditions are addressed in order to obtain a realistic minimum bid or purchase price for the sale of State land.

VII. DMLW and Agency Review

Information and comments received from multiple sections within DMLW prior to and during agency review have been considered and included in the preparation of this Preliminary Decision. Agency review was conducted from October 22, 2018 through November 5, 2018. Comments pertinent to this proposed action received during agency review have been considered and addressed below. Additional timely comments received during the Public Notice period will be considered and addressed in a subsequent Final Finding and Decision, if one is issued.

DNR DMLW LSS received brief comments of non-objection from the following agencies: Mental Health Trust Land Office; Alaska Department of Transportation & Public Facilities; and, DNR Division of Parks and Outdoor Recreation.

DNR DMLW LSS Response: LSS appreciates your review of the proposal.

Alaska Department of Fish & Game Comment: ADF&G stated that they have no fish or wildlife concerns with the proposed subdivision, and recommended that the 50-foot wide building setback and public access easement be reserved along the lakes to protect riparian habitat and public use as proposed.

DNR DMLW LSS Response: LSS appreciates ADF&G's review of the proposed decision and the feedback. A 50-foot wide building setback and public access easement will be reserved along Chitanana Lake to protect riparian habitat and public use.

DNR Division of Forestry (DOF): DOF noted that the area surrounding the lake burned in the Harper Bend fire in July of 2015 with low to moderate intensity, creating a mosaic of mixed hardwoods and widely scattered patches of unburned Black Spruce. Burned areas immediately surrounding the lake are a mix of standing and down dead trees, grass and

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brush. While the current threat of extreme fire behavior and large fire growth in the area is reduced due to recent burns, fires could still threaten sites during periods of high fire danger. Grasses and fire-killed trees are concerns, especially during pre-green up and in drought conditions. DOF also noted that the area is located within a “Modified” fire protection area and fires within “Modified” areas are typically suppressed early in the fire season, but allowed to burn after a conversion date, usually around July 10th. Fire Suppression and site protection on private property is provided by BLM/Alaska Fire Service/Tanana Zone, who provides the service under agreement for the State of Alaska, who has the ultimate jurisdictional authority for fire suppression and protection decisions on State and private lands. Protection of improvements in the area will be conducted according to the State of Alaska Cabin Protection Policy. Threat to firefighter and public safety, cost, resource availability, values at risk and defensible space are all factors that are considered when the decision is made whether or not to protect improvements. There is no guarantee of fire protection for remote parcels or improvements.

DNR DMLW LSS Response: LSS appreciates DOF’s review of the proposed decision and the feedback. This information has been incorporated into this document will be made available to potential land purchasers through offering materials.

DNR Division of Oil and Gas (DOG) Comment: DOG expressed no objection to the proposed disposal, and noted there are no DOG authorizations or pending applications in the immediate vicinity. DOG appreciates LSS alerting potential purchasers that the State reserves oil, gas, minerals, fissionable material, geothermal resources, and fossils that may be in or upon the land that it sells in accordance with Section 6(i) of the Alaska Statehood Act and AS 38.05.125. The State also reserves the right to enter the land for the purposes of exploring for, developing, and producing these mineral resources. DOG notes that a mineral order closing the area to locatable mineral entry does not apply to leasable mineral resource exploration, development, or production.

DNR DMLW LSS Response: LSS will continue to provide information about State reservations of title and the applicability of mineral orders on the mineral estate in decision documents and the sales materials if the proposed land offering proceeds.

DNR Office of History and Archaeology (OHA) Comment: OHA noted that state law requires all activities requiring licensing or permitting from the State of Alaska to comply with the Alaska Historic Preservation Act, which prohibits the removal or destruction of cultural resources (historic, prehistoric, and archaeological sites, locations, remains, or objects) on land owned or controlled by the State. Review of the Alaska Heritage Resource Survey (AHRs) database indicated there were no known cultural resource sites within the identified subdivision area. However, only a very small portion of the state has been surveyed for cultural resources and therefore the possibility remains that previously unidentified resources may be located within the project areas. As such, should inadvertent discoveries of cultural resources occur during the duration of the project, OHA should be notified so that they may evaluate whether the resources should be preserved in the public interest (as specified at Section 41.35.070[d]).

DNR DMLW LSS Response: LSS appreciates OHA’s review of the proposed decision and the feedback provided. OHA will be contacted should any discoveries be made

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during development. Potential bidders are notified of archaeological requirements in the land sale offering materials as well.

The following agencies or groups were included in the agency review but no comment was received:

- Department of Commerce, Community, and Economic Development;
- Department of Environmental Conservation;
- Department of Natural Resources;
 - Division of Agriculture
 - Division of Geological & Geophysical Surveys;
 - Office of Project Management and Permitting;
 - State Pipeline Coordinator's Section;
 - Alaska Association of Conservation Districts;
 - Fairbanks Soil and Water Conservation District;
 - University of Alaska; and
 - Alaska Railroad.

VIII. Submittal of Public Comments

See Attachment C: Public Notice for specific dates and conditions.

Pursuant to *AS 38.05.945 Notice*, DNR is issuing public notice inviting comment on this Preliminary Decision and draft mineral order.

In accordance with *AS 38.05.946 (a) Hearings*, a municipality or corporation entitled to receive notice under *AS 38.05.945 (c)* may hold a hearing within 30 days after receipt of the notice. If a hearing is held, the Commissioner (or representative) shall attend the hearing. The Commissioner has discretion whether or not to hold a public hearing.

LSS will consider all timely, written comments received. If analysis of such comments indicates the need for significant changes to the Preliminary Decision or draft mineral order, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to any of the proposals will not be considered significant changes requiring additional public notice.

If the proposals are approved and no significant change is required, the Preliminary Decision and draft mineral order including any deletions, minor changes, and summary of comments and LSS responses will be issued as a subsequent Final Finding and Decision and Mineral Order 1214 without further notice. All related actions will be developed separately.

Only persons from whom DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file a request for reconsideration of the Final Finding and Decision, and Mineral Order 1214. Upon approval and issuance of these actions, a copy of the decision and orders will be made available online at <http://landsales.alaska.gov> and sent with an explanation of the request for reconsideration process to any party who provides timely written comment.

DNR is prepared to accommodate individuals with disabilities by providing auxiliary aids, services, or special modifications in order to participate in this review. Individuals who may

Preliminary Decision

Chitanana Lake Subdivision – ADL 420359

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need such assistance should contact the Department’s Public Information Center. For more information refer to *Attachment C: Public Notice*.

DEADLINE TO SUBMIT WRITTEN COMMENT IS

5:00 PM, WEDNESDAY, FEBRUARY 13, 2019

X. Alternatives and Discussion

DNR DMLW is considering the following alternatives:

Alternative 1: (Preferred) Survey and plat a subdivision consisting of no more than 20 parcels varying in size, no smaller than 5 acres, and offer those parcels for sale. The development and offering of these parcels may be completed in multiple stages. This proposal includes the mineral order.

Alternative 2: (Status Quo) Do not offer this project area for private ownership. Retain the land in State ownership.

Article VIII, Section 1 of the Alaska Constitution states, “it is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest.” Furthermore, *AS 38.05.045 Generally* has placed this charge with DNR, and the legislature has provided funding to administer the land sale program.

Alternative 1 provides a method for DNR to meet the obligations laid out in the Constitution and statute, and maximizes public interest. This offering provides an opportunity for the public to obtain land for settlement in a desirable area. This proposal, if approved in a subsequent Final Finding and Decision, will allow DNR DMLW to create and design a subdivision which will provide for the best use and development of the land and financial return to the State.

Alternative 1 provides the greatest opportunity for more Alaskans to purchase land within this area. Due to the unique amenities of the area, the recreational opportunities available, as well lakefront viewshed and bush-plane access; the project area is better suited to subdivision prior to offering. Alternative 1 is preferred.

Alternative 2 is not preferred. The Legislature and the public have indicated a desire for DNR DMLW to offer State-owned land for private ownership. Retention of this land would inhibit DNR DMLW from meeting its constitutional, statutory, and legislative obligations. Not offering the project area would deny many Alaskans the opportunity to obtain land in an area that is suited to settlement.

For the aforementioned reasons, Alternative 1 is the preferred alternative. Recommendation follows.

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IX. Recommendation

This Preliminary Decision for the proposed disposal of state lands and Mineral Order (Closing) 1214 described throughout this document and its attachments are consistent with the overall management intent for State-owned land. Alternative 1 is the preferred alternative because it provides the maximum opportunity for offering State land to the public and helps meet the mission of the land sales program. The Preliminary Decision described above, as represented by the preferred alternative, has been reviewed and considered. I find that the recommended action may be in the best interest of the state and that it is hereby approved to proceed to public notice.

This is a Preliminary Decision, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed disposal of state lands and/or Mineral Order (Closing) 1214. If the decision is approved, Mineral Order (Closing) 1214 will accompany and precede any Final Finding and Decision issued.

(signature on file)

Prepared by: Kaitlyn Fuqua
Natural Resource Specialist II
Land Sales Section
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

1/4/2019

Date

(signature on file)

Approved by: Kathryn Young
Section Manager
Land Sales Section
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

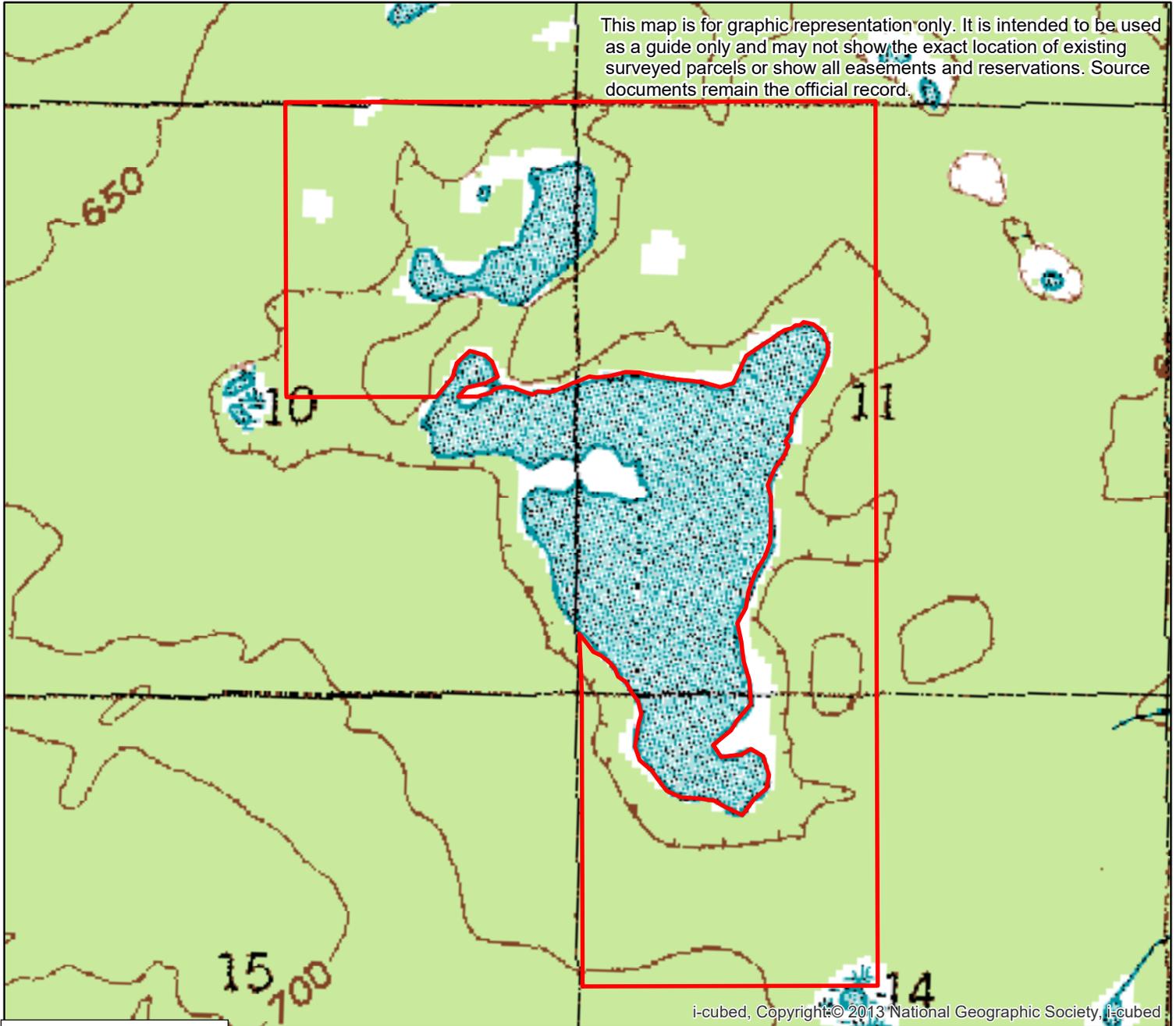
1/4/2019

Date



Attachment A: Vicinity Map Chitanana Lake Subdivision ADL 420359

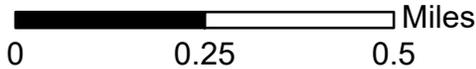
This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.



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Legend

 Project Area



KNF 12/11/2018

Township 1 North, Range 21 West,
Fairbanks Meridian

USGS QUAD 1:63,360

Kantishna River D-4
For more information contact:
Kaitlyn Fuqua
Department of Natural Resources
Division of Mining, Land, and Water
Land Sales & Contract Administration Section
Phone 907.451.3011
Fax 907.451.2751
Email: land.development@alaska.gov



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

ATTACHMENT B: AREA DATA SUMMARY TABLE

to the
Preliminary Decision

for a
**Proposed Land Offering in the Unorganized Borough
Chitanana Lake Subdivision – ADL 420359**

Offering Information	
Proposed Number of Parcels	Up to 20 parcels
Proposed Parcel Size	No smaller than 5 acres
Proposed Related Action	Mineral order (closing)
Project Area	
Location	The project area is approximately 34 miles southwest of Manley Hot Springs and 20 miles southeast of the village of Tanana, Alaska.
Project Area Acreage	Approximately 500 acres.
USGS Topography Map	USGS Quad Kantishna River D-4.
Legal Description	That portion of Section 10 within the protracted NE1/4; that portion of Government Lot 1 of Section 11 within the protracted W1/2, and Government Lots 2 and 3 of Section 11; and that portion of Section 14 within the protracted NW ¼; all within Township 1 North, Range 21 West, Fairbanks Meridian, Manley Hot Springs recording District, Fourth Judicial District, Alaska, containing approximately 500 acres.
Title	Patented State-owned land (Patent No. 50-91-0326), under General Grant (GS 3422).
Area Plan and Classification	Yukon Tanana Area Plan (YTAP) (adopted 2014), Management Unit T-11/Lower Tanana Region. The area is included within CL NC-10-005. Lands are classified Settlement.
Mineral Orders	The project area is covered by LLO No. 33. LSS proposes to close the project area to mineral entry.
Physical Characteristics	
Access	Primarily via float plane or ski plane.
Terrain and Major Features	Elevation is approximately 600 feet above sea level. The terrain is generally flat.
View	View of lake and surrounding hill sides.

Attachment B: Area Data Summary Table

for a Proposed Land Offering in the Unorganized Borough

Chitanana Lake Subdivision – ADL 420359

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Soils	The area is comprised of poorly drained silty soils. The soils formed mostly in deep silty non-acid loess, but at higher elevations they are acid and contain stones and pebbles. Well drained, silty soils, exists on parts of terraces, stabilizing dune and low hills. Known soil concerns will influence the project's design and feasibility and such features will be described in the project file and offering materials where relevant.
Wetlands	Some areas immediately adjacent to the lake shore on the north, west, and south shores of the lake appear to contain freshwater emergent wetlands. There is a small portion of freshwater forested/shrub wetland in the lower southern portion of the area and no wetlands are shown along the eastern side of the lake.
Vegetation	The Harper Bend fire burned the project area in July of 2015 and a field inspection was conducted shortly after. Vegetation appeared to include stands of deciduous trees along the lake, with typically black spruce dominated areas further back. An inspection has not been conducted since immediately after the fire, and regrowth after the fire is unknown.
Water Source	Water quality on site is unknown.
Anadromous Waters	None. Should anadromous waters be identified throughout the design phase, DNR DMLW will evaluate the appropriateness of buffers for such water bodies.
Local Management Information	
Fire Protection	Modified Fire Management Option. The entirety of the project area was burned in the Harper Bend fire in 2015.
Game Management Unit	20C
Local Authority	The project area is within the Unorganized Borough and subject to the State of Alaska platting authority.
Flood Zone	Flood Insurance Rate Maps are not available for the project area.
Utilities	No known services exist within the project area.
Waste Disposal	All on-site waste water disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.
Setbacks, Reserved Areas, Easements, and Conditions	
Building Setbacks	Parcels will be subject to a 50-foot building setback from the ordinary high water (OHW) of water bodies determined to be public or navigable. Water-dependent structures may be allowed within the building setback.

Attachment B: Area Data Summary Table

for a Proposed Land Offering in the Unorganized Borough

Chitanana Lake Subdivision – ADL 420359

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Easements	Parcels may be subject to the following: <ul style="list-style-type: none">• public access easements;• utility easements;• a 50-foot-wide section line easement on each side of surveyed or protracted section lines on State-owned land in accordance with <i>AS 19.10.010 Dedication of Land for Public Highways</i> and <i>11 AAC 51.025 Section-line Easements</i>; section-line easements may be vacated under <i>AS 19.30.410 Vacation of Rights-of-Way</i> and <i>11 AAC 51.065 Vacation of Easements</i> as part of the subdivision development;• a 50-foot continuous easement upland from the OHW of public or navigable water bodies in accordance with <i>AS 38.05.127 Access To Navigable or Public Water</i>, and• a 5-foot survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5' direct line-of-sight easement from the control station to an azimuth mark or other control monument
Retained Lands	A portion of Section 14, adjacent to the southern shoreline of Chitanana Lake, will be retained due to wetlands and low suitability for settlement.
Public or Navigable Water Bodies	Chitanana Lake and the unnamed lake north of Chitanana Lake. If any additional water bodies are deemed public or navigable within the project area prior to platting, DNR DMLW will comply with statutory requirements to provide access to and along said water bodies.
Additional Information	
Native Regional Corporations	Doyon, Limited
Villages and Tribal Councils	Native Village of Tanana, and Tozitna, Limited (Tanana)
Oil and Gas Activity	None known.
Mining Activity	None known.
Comments	None.

STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND, & WATER
LAND SALES SECTION

ATTACHMENT C: PUBLIC NOTICE

Requesting Input for
a Proposed Land Offering:
Chitanana Lake Subdivision – ADL 420359

COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, FEBRUARY 13, 2019

This proposed project includes offering for sale surveyed parcels in a future offering under the method and the related actions as described in the Preliminary Decision document. The project may be subdivided and offered in multiple offerings over time.

The project area is approximately 34 miles southwest of Manley Hot Springs and 20 miles southeast of the village of Tanana, Alaska.

Project size: approximately 500 acres

To obtain the notice, Preliminary Decision, Mineral Order or instructions on submitting comment, go to <http://landsales.alaska.gov/> or <http://aws.state.ak.us/OnlinePublicNotices/>. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 10AM and 5PM in Anchorage at 907.269.8400 (TDD for the hearing impaired: 907.269.8411) or Fairbanks at 907.451.2705 (TDD for the hearing impaired: 907.451.2770), or the Southeast Land Office in Juneau at 907.465.3400 (TDD for the hearing impaired: 907.465.3888), or go to <http://dnr.alaska.gov/commis/pic/> for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, WEDNESDAY, FEBRUARY 13TH, 2019.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment on either the Preliminary Decision or Mineral Order 1214 for which notice is being conducted concurrently. If commenting on more than one proposed action, separate comments should be submitted for each. **The deadline for public comment is 5:00PM, WEDNESDAY, FEBRUARY 13TH, 2019.** Only persons from whom DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Written comment may be received by fax, email or postal mail. To submit comments or for direct inquiries, contact Kaitlyn Fuqua, 3700 Airport Way, Fairbanks, AK , 99709, fax # 907.451.2751, land.development@alaska.gov. If you have questions, call Kaitlyn Fuqua at 907.451.3011.

If no significant change is required, the Preliminary Decision, including any minor changes and a summary of comments and responses, will be issued as the final finding and decision without further notice. A copy of the final finding and decision will be sent to any persons who commented timely on the preliminary decision.

Attachment C: Public Notice

to the Preliminary Decision and its Related Actions
for a Proposed Land Offering in the Unorganized Borough
Chitanana Lake Subdivision – ADL 420359
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DNR reserves the right to waive technical defects in this notice.