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

FINAL FINDING AND DECISION

Proposed Land Offering
Half Cabin Lake Remote Recreational Cabin Sites - ADL 229474
AS 38.05.035 (e), AS 38.05.045, and AS 38.05.600

RELATED ACTION(S):

Proposed Mineral Order (Closing)

AS 38.05.185 and AS 38.05.300

This Final Finding and Decision complements and updates the Preliminary Decision dated November 19, 2013 for the proposed action(s) incorporated by reference herein.

Attachment I: Preliminary Decision

I. Recommended Action(s)

As detailed in Attachment I: Preliminary Decision, the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW) recommends offering for sale State-owned land for private ownership within the Half Cabin Lake project area (ADL 229474).

DNR DMLW proposes to offer up to 40 authorizations to stake parcels ranging from 5 to 20 acres in this project area, for a maximum of 800 acres sold through this offering under *AS 38.05.600 Remote Recreational Cabin Sites*. Authorizations will be awarded by lottery. When so authorized, entrants may stake a parcel within a defined staking area, lease the staked parcel during the survey, platting, and appraisal process, and convert the lease to a sale at a purchase price established by the appraised value, plus associated fees.

After the staking period closes, DNR DMLW may also identify and survey additional parcels in a staking area known as administrative parcels. Administrative parcels are not restricted to the minimum and maximum acreage listed above. Parcels that are staked but later relinquished, terminated, or expired before converting to sale, and parcels administratively created by DNR DMLW, will be offered at public auction or by another method under *AS 38.05.045 Generally [Sale of Land]*. The number of staked and additional surveyed parcels will not exceed the total number of authorizations offered, or the total number of acres to be conveyed.

There is one associated action with this proposal: a mineral order.

Mineral Order: DNR DMLW proposes to close the project area to new mineral entry.

Public notice for this related action was conducted concurrently with the notice for the primary action's Preliminary Decision. Upon further review and discussion with the Resource Assessment and Development Section (RADS) of DNR, it was clarified that the entire project

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area is already limited to mineral entry by Leasehold Location Order (LLO) #1. The proposed mineral order will supersede the application of LLO #1 within this project area.

II. Authority

DNR has the authority under AS 38.05.045 Generally [Sale of Land] 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. Additionally, AS 38.05.185 Generally [Mining Rights] and AS 38.05.300 Classification of Land allow for closing lands to mineral entry.

III. Traditional Use Finding

The proposed project area is within the Lake and Peninsula Borough and is therefore not subject to a traditional use finding in accordance with AS 38.05.830 Land Disposal in the Unorganized Borough.

IV. Public Notice and Response to Comments

Pursuant to *AS 38.05.945 Notice* the notice appeared on the State of Alaska Online Public Notices website at http://notes.state.ak.us/pn/. Notice also appeared on the Land Sales webpage at http://landsales.alaska.gov/. Additionally, public notices with a request to post for 30 days were mailed to post offices and a library in the general area of the proposed offering. Notices were also mailed to the Lake and Peninsula Borough, local community associations, regional and village corporations; as well as adjacent land owners, permit holders, or managers of record. A public Open House was held on January 15, 2014 in Iliamna to provide information on the proposed project area and answer questions from the public. The public notice stated that written comments were to be received by 5:00pm January 30, 2014 in order to ensure consideration and to be eligible to appeal. Three written comments were received for this proposed action.

<u>Comment from Alaska Mental Health Trust Land Office (MHTLO)</u>: MHTLO indicated that the proposed project area did not impact Alaska Mental Health Trust Land and therefore they had no objections to the proposed offering and Mineral Order (Closing).

Response: We concur. Thank you for your comments.

Comment from Alaska Department of Fish & Game (ADF&G), Division of Wildlife Conservation (DWC): ADF&G DWC indicated that they had no additional comments and that they appreciated their concerns being considered and addressed.

Response: Thank you for your comments.

Comment from Alaska Department of Natural Resources (DNR), State Pipeline Coordinator's Office (SPCO): SPCO indicated that there are no AS 38.35 pipeline right-of-way leases or currently proposed AS 38.35 pipeline rights-of-way in the area and they had no concerns about the project.

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Response: We concur. Thank you for your comments.

V. Modifications to Decision and/or Additional Information

The recommended action has not been modified from the original proposed action(s) described in Attachment I: Preliminary Decision.

A cultural resource survey of the project area was conducted by the DNR Office of History and Archaeology in early September 2013. A report indicating no significant findings was received in late December 2013.

The Lake and Peninsula Borough passed a resolution granting conceptual approval to move forward with the preliminary and final platting processes for the project area on January 21, 2014. The resolution contains several conditions for plat approval from the borough. DNR will continue to work with the Lake and Peninsula Borough to satisfy their conditions for plat approval.

During the Public Notice period, LSCAS corresponded with the Easements Unit of the Department of Natural Resources; Division of Mining, Land, and Water; Southcentral Region Office. Easements sought to clarify language on page 10 of the Preliminary Decision regarding travel across unreserved State lands. They noted that while travel across unreserved State lands is an allowable use under 11 AAC 96 Miscellaneous Land Use, "reliance on the Generally Allowed Usages does not elevate any particular route or alignment to the status of those easements that are considered to be 'legal' by means of legislation (Section Line Easements, RS2477 Easements), patent reservation, plat dedication, ADL reservation, or etc."

Easements also noted that if LSCAS determines to dedicate or apply for the reservation of public access easements within the project area, specific utility easements should also be reserved, separate from and adjacent to the exterior boundaries of those alignments. Should LSCAS determine it is necessary to apply for easements within the project area, we may reserve separate, but adjacent, utility easements. Additionally, LSCAS would like to clarify by means of this decision that necessary easements are an allowable use of land within otherwise restricted setback or reserved areas.

Recommendation and Approval of the Final Finding and Decision follow.

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VI. Final Finding and Decision

The Department recommends proceeding with the proposed action as described in Attachment I: Preliminary Decision and as supplemented, amended, changed, or deleted herein. This action is undertaken under relevant authorities. Offering these parcels for sale will help meet the State's goal to provide land for settlement for sale to the public and raise revenue for the State.

The findings presented above have been reviewed and considered. Public Notice has been accomplished in accordance with AS 38.05.945 Notice and comments received were considered. The project file has been found to be complete and the requirements of all applicable statutes have been satisfied. The recommended actions are consistent with constitutional and statutory intent for State-owned.

It is hereby found to be in the best interest of the State of Alaska to proceed with the recommended action(s) as described and referenced herein.

/s/	May 12, 2014
Recommended: Kathryn Young, Section Manager Land Sales and Contract Administration Section Division of Mining, Land, and Water Department of Natural Resources, State of Alaska	Date
/s/	June 4, 2014
Approved: Brent Goodrum, Director Division of Mining, Land, and Water	Date
Department of Natural Resources, State of Alaska	
/s/	July 31, 2014
Approved: Joseph R. Balash	Date
Commissioner	
Department of Natural Resources. State of Alaska	

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Reconsideration Provision

A person affected by this decision who provided timely written comment or public hearing testimony on this decision may request reconsideration, in accordance with 11 AAC 02. Any reconsideration request must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Ste. 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. If reconsideration is not requested by that date or if the commissioner does not order reconsideration on his own motion, this decision goes into effect as a final order and decision on the 31st calendar day after issuance. Failure of the commissioner to act on a request for reconsideration within 31 calendar days after issuance of this decision is a denial of reconsideration and is a final administrative order and decision for purposes of an appeal to Superior Court. The decision may then be appealed to Superior Court within a further 30 days in accordance with the rules of the court, and to the extent permitted by applicable law. An eligible person must first request reconsideration of this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.