

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

**PRELIMINARY DECISION**  
**Steele Hollow Subdivision – ADL 420416**

**Proposed Land Offering in the Fairbanks North Star Borough**  
*AS 38.05.035 (e), AS 38.05.045*

**RELATED ACTION(S):**  
**None proposed**

**PUBLIC COMMENT PERIOD ENDS 5:00PM, THURSDAY, DECEMBER 8<sup>TH</sup> 2016**

**I. Proposed Action(s)**

*Preliminary Decision: Steele Hollow Subdivision – ADL 420416*  
*Attachment A: Vicinity Map*  
*Attachment B: Area Data Summary Table*  
*Attachment C: Public Notice*  
*Attachment D: Soils Map*

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 7 miles northeast of Fairbanks, situated 1-mile north of Chena Hot Springs Road between Juniper Drive and ESRO Road, the project area is within Section 23, Township 1 North, Range 1 East, Fairbanks Meridian, within the Fairbanks North Star Borough. The project area consists of approximately 120 acres identified for disposal by this proposed action. See *Attachment A: Vicinity Map* for a depiction of the project area.

In accordance with the governing area plan and for the purposes of providing land for settlement, DMLW proposes to sell land within the proposed project area. In order to offer these lands for sale, if approved and deemed feasible, DMLW may develop a subdivision of no more than 6 parcels no smaller than 10 acres on the west side of Steele Creek, and one large parcel approximately 61 acres in size on the east side of Steele Creek. DMLW may plat additional parcels as necessary for retaining lands in state ownership, dedicating access, or reserving areas for public use. This proposed project area is located within the Fairbanks North Star Borough (FNSB) 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

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size and boundaries of the project area will be described in a subsequent Final Finding and Decision, if the project proceeds to that step. Additional adjustments may be made prior to survey, 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 Action(s): No related actions proposed.

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 Open House: DNR DMLW will be holding a Public Open House to discuss the proposal and share information about the project area. The public Open House will be held on Thursday November 17<sup>th</sup> 2016 from 6pm to 9pm at the DNR building located at 3700 Airport Way in Fairbanks.

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, DMLW moves forward with the proposal, a Final Finding and Decision will be issued.

## **II. Method of Sale**

DMLW 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 provides: "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*.

## **IV. Administrative Record**

The project file, Steele Hollow Subdivision - ADL 420416, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- *Eastern Tanana Area Plan (ETAP), adopted August 28, 2015 and associated land classification files;*
- *Alaska Interagency Wildland Fire Management Plan (amended October 2016);*

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- *Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes;*
- *Flood Insurance Rate Map (FIRM), dated 3/17/2014;*
- *USDA, Natural Resource Conservation Service Custom Soil Report for this project, dated 6/2015; and*
- DNR case files: access easements ADL 45031, ADL 400054, utility easement ADL 416460, prior leases: ADL 64607, 417073, and 417074.

## 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 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 7 miles northeast of Fairbanks, situated 1-mile north of Chena Hot Springs Road between Juniper Drive and ESRO Road, the project area is within Section 23, Township 1 North, Range 1 East, Fairbanks Meridian, within the Fairbanks North Star Borough. See *Attachment B: Area Data Summary Table* for additional information.

*Platting Authority*: The project area is within the Fairbanks North Star Borough and subject to the borough's platting authority.

*Native Regional and Village Corporations*: The project area is within the boundaries of the Doyon, Ltd. Native regional corporation. There are no villages located within 25 miles of the project area.

Legal Description: The NW1/4NE1/4 and N1/2NW1/4 of Section 23, Township 1 North, Range 1 East, Fairbanks Meridian, located within the Fairbanks Recording District, 4<sup>th</sup> Judicial District, Alaska.

Title: Information from Title Report No. 7935, current as of June 22, 2015, indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent #1231061, dated April 5, 1963. The applicable State case file is UNIV 13 and OSL 790. The parcel is subject to the reservations, easements and exceptions contained in the federal patent and Quit Claim Deed (QCD) 584. See the Background section for more information.

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.).

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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 not made a navigability determination for waters within the affected townships for title purposes.

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 field inspections conducted by foot on May 29, 2015, July 7, 2015, and March 17, 2016. 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 the Minto-Chatanika complex and Minto Silt Loam. These soils are moderately well-drained with low to medium run-off. Along Steele Creek, soils are comprised of Goldstream peat, and are generally very poorly drained. A small portion of the project area also consist of Fairbanks Silt Loam, which is well-drained with medium runoff.

The parcel east of Steele Creek contains approximately 50 acres of nonirrigated land capability class 4e, comprised of Minto silt loam soils. These soils are determined appropriate for agriculture. Class 4 soils have very severe limitations that reduce the choice of plants or that require special conservation practices. The capability subclass "e" shows that the main hazard is the risk of erosion unless close-growing plant cover is maintained. Under good management, soils from class 1 to 4 are capable of producing common field crops and pasture plants without reducing the soils long-term productivity. Soils in this area also fall under hydrologic soil group "B". Soils in this group have

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moderately low runoff potential when thoroughly wet. Water transmission through the soil is unimpeded.

*Wetlands:* Wetlands exist along Steele Creek. The majority of the wetlands are along the east side of Steele Creek, with a small portion on the west side. The wetlands mostly consist of freshwater forested/shrub. Most of these wetlands will be captured in the setback proposed along Steele Creek.

*Geologic Hazards:* According to the Department of Geological and Geophysical Surveys, the geology consists of silt-rich eolian loess, especially in the higher areas, and re-transported loess along slopes and lower areas. The loess and re-transported material may be locally ice rich and there is some hazard associated with thawing permafrost and associated slope instability. The valley does appear wet and may be poorly drained but there does not appear to be any evidence of large scale flooding problems. There is evidence of Aufeis along Steele Creek, primarily in the northern-central portion of the project area.

*Fire Hazards:* Observations from the May 29, 2015 field inspection revealed that vegetation in the area is mixed spruce and birch in the west, scrub spruce in the center, and a mixture of spruce, birch and aspen in the east. The Division of Forestry noted that the project area is located within the FNSB's "very high zone of concern" for wildlife fire risk. The Division of Forestry also expressed concern over access, declining state resources, and public and firefighter safety. Following a meeting with Forestry on March 4, 2016, it was determined that these risks can be mitigated by clearing the rights-of-way (ROW) into the western portion of the project area for the proposed subdivision prior to sale of parcels. Fire history information did not display any reported fires within this area. The project area is within the Steese Fire Service area.

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 Wildland Fire Coordinating Group *Firewise Alaska* recommendations. Land Sales offering materials include information regarding wild land fire prevention.

Fire management options and policies for the area are identified in the Alaska Interagency Wildfire Management Plan available from DNR Division of Forestry. The current fire management option for the project area is "Critical". Operational Guidelines on areas with the "Critical" management option reads, "Wildfires occurring in the Critical Management Option or that threaten Critical Sites are assigned the highest priority for suppression actions and assignment of available firefighting resources". The plan also states that there is no guarantee of protection from wildfire in any management option, and that "Ultimately it is the responsibility of the [landowner] to mitigate and minimize risk to their property before it becomes threatened by a wildfire."

*Flood Hazard:* The project area is within FEMA Flood Insurance Rate Map Community Panel 02090C3465J. The majority of the project area is outside of a flood zone. A small portion (approximately 3 acres) along Steele Creek near the southerly boundary is within Flood Zone A. Flood Zone A is defined as a special flood hazard area subject to inundation by the 1% annual change flood or 100-year flood. There are no base flood elevations determined for Flood Zone A.

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*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 project area. There are several existing water rights in the vicinity of the project area; notably within Birchwillow Subdivision to the north, and East Hills Subdivision to the south. Information from well logs indicates that well depths in the vicinity typically range from 60-100 feet. Water quality is unknown.

Background: The land for this proposal was acquired under U.S. Patent #1231061 recorded April 5, 1963. The land was transferred to the University of Alaska via QCD 584 on October 21, 1983, then returned to the DNR via QCD on December 21, 1983. The project area was identified based on a review of available land inventory in the area, past sale of this 120-acre area, and on the subdivision potential close to Fairbanks. The 120-acre area was initially offered for lease at public auction A199 held June 17, 1972 via ADL 64607. It did not receive a bid, and was made available over the counter and a 55-year lease was issued on June 3, 1974. The lease was terminated for default due to nonpayment, but reinstated on December 3, 1980. A preference right application was received on June 14, 1985 and a sales contract was issued on September 3, 1985. This contract was terminated due to nonpayment, and foreclosed on August 17, 1989. On October 24, 1989, a former purchaser applied for a negotiated long term lease, for housing and selective farming purposes. This application was denied on October 30, 1990. In the following years, several public requests to offer the land was documented. On June 23, 2003, three 40-acre aliquot part parcels were proposed for sale but were removed from the pool for Auction 433. This area was currently revisited and identified for disposal by this proposed action. The project area is designated as settlement in Eastern Tanana Area Plan (ETAP). Multiple field inspections conducted by staff on May 29, 2015, July 7, 2015, and March 17, 2016, identified the project as appropriate for further subdivision prior to sale.

The project area was not captured in the Tanana Basin Area Plan (TBAP), but was classified Utility via Classification Order CL 793. This classification reverts to Settlement per 11 AAC 55.277. The project area was captured via the recently adopted ETAP, and classified settlement. Under ETAP, the management intent states that this unit is appropriate for land disposal.

There have been prior state land sales in the area. Tungsten Subdivision was offered in the early 1980's, and is located just northwest of the project area off of Juniper and Tungsten road. There were also 2 odd lot sales northeast of the project area, one in the late 1960's and the other in the early 1980's. The project area is bound on the west by Juniper Drive and ESRO Road (a private road) on the east. Birchwillow Subdivision is located immediately north of the western portion of the project area (accessed via Juniper Drive). Birchwillow Subdivision consists of 16 parcels of approximately 1 to 2 acres. East Hills and East Hills 1<sup>st</sup> Addition Subdivisions, located immediately south of the western portion of the subdivision, consists of 25 parcels varying in size from approximately 1.9 to 5 acres. Other parcels in the vicinity are typically larger, generally from approximately 5 to 80 acres or larger. Parcels along ESRO Road tend toward large parcels. The primary land use in the vicinity appears to be residential, with some agricultural use along ERSO Road, and Chena Hot Springs Road. Active third party interests identified within the project area are: ADL

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45031-public access easement; ADL 400054-public access easement; and ADL 416460-utility easement.

During field site visits staff observed that the project area had good access from Chena Hot Springs Road to Juniper Drive. Juniper Drive consists of chipped-sealed gravel that was recently repaired up to the project area boundary. Adjacent to the project area, Juniper Drive consists of gravel. Vegetation in the area mainly consists of mixed spruce and birch forest. The area along Steele Creek consists of smaller spruce and shrubs. Field inspections revealed that a portion of the area along Steele Creek near the southerly boundary appeared to have deposited material from a former high water event. The banks of Steele Creek were approximately 5 to 10-feet high or higher in most sections, and slightly lower near the northern boundary. During the field visit in March 2016 field visit, staff observed no Aufeis from the creek upwelling, but did observe some glaciation from groundwater from the uplands flowing onto the creek in the northern portion of the project area. Aufeis is a sheet-like mass of layered ice that forms from successive flows of ground water during freezing temperatures. This form of ice is also commonly referred to as overflow. Imagery from recent years appears to confirm overflow/Aufeis along some portions of Steele Creek.

The parcel sizes for this project area is based on topographical data, field report data, development costs, evaluation of nearby development patterns, and comments received during public scoping. LSS recognizes this area as a great opportunity for the public to purchase larger parcels of land closer to town. The soils in the larger parcel on the eastern side have also been identified as suitable for agriculture, which also provides a unique farming opportunity closer to town. In accordance with AS 38.04.020 parcels in excess of 5 acres are appropriate given the topography, access, and development costs.

The project area is located within the Fairbanks North Star Borough, and subject to the platting authority of the borough. The final design of the project, including the dedication of access will be subject to borough ordinances. At this time LSS does not propose to construct the access through the western portion of the project area. In this circumstance, the state's cost to develop access is substantially higher than that of a private individual or private contractor. As such, by not developing access LSS will be able to offer the parcels at a lower cost (reduced development costs), and reduce the State's overall development cost of the subdivision. LSS plans to brush the proposed right-of-way into the western portion of project area prior to sale. This will give potential buyers clear identification of the road way and turn around for fire services.

The DNR Division of Agriculture has noted that the easterly portion of the project area contains approximately 50 acres of Class IV soils suitable for agriculture, and recommended that this portion be sold as an agricultural parcel. Agricultural parcels are sold under the authority of *AS 38.05.045 Generally*; however, they are sold with perpetual agricultural covenants in accordance with *AS 38.05.321 Restrictions on Sale, Lease, or Other Disposal of Agricultural Land*. These covenants, in part, limit the use of the land to agricultural purposes and restrict the future subdivision of the parcel. If this parcel were to be sold subject to agricultural covenants it would not be able to be subdivided any further. Additionally, when lands are sold for agricultural purposes they are subject to clearing and development requirements based on 25% of the cropland.

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Pursuant to public interest in keeping the easterly portion large, the presence of agricultural soils, and given the limited public access to the easterly tract, LSS is considering pursuing a zoning action for the easterly approximately 61-acre parcel. LSS may apply to zone the easterly parcel Rural and Agriculture (RA-40), in accordance with FNSB Code of Ordinance Chapter 18.28. This zoning action would prohibit any further subdivision of this parcel below 1,600,000 square feet (approximately 36.73 acres). The zoning action will allow the use of this parcel for agriculture without the restrictions on title and perpetual agricultural covenants as established through an agricultural sale under *AS 38.05.321 Restrictions on Sale, Lease, or Other Disposal of Agricultural Land*. Additionally, selling the land as settlement land will not require the clearing and development requirements. A zoning action, if pursued, will be a separate action through the FNSB after an approved Final Finding and Decision, if one is issued. LSS proposes to include information in offering materials describing the soils and agricultural potential of this parcel.

A Public Scoping Meeting was held in Fairbanks on March 31, 2016. The scoping meeting provided an opportunity for LSS to share information about the proposed project area, and to receive information about public interests in the area. Information received from the public tended to favor large parcels in the subdivision, especially along ESRO road. Some individuals were supportive of the easterly parcel being sold as an agricultural parcel, while others were opposed to the clearing requirement under the Agricultural covenant. The option of pursuing local zoning (to restrict further subdivision), was discussed as well. There was an expressed interest in reserving a large corridor/setback along Steele Creek to protect wildlife habitat. Local land owners also noted that ESRO road is a private road and not legal public access. This information received has been considered and used in the development of this proposal.

Planning and Classification: The project area was not captured in the Tanana Basin Area Plan (TBAP), but was classified utility via CL 793. This classification reverts to Settlement per 11 AAC 55.277. The project area was captured via the recently adopted Eastern Tanana Area Plan (ETAP), and classified settlement. The following information is a summary from the Public Review Draft (PRD) of the ETAP and the Recommended Revisions to the ETAP, as the final version is yet to be published.

The general management intent of the area plan and management were reviewed for consistency with the proposed offering. The project area is within the Eastern Tanana Area Plan (ETAP, adopted Aug, 2015), Fairbanks Region, Unit F-49. Lands within this unit are currently designated Settlement, and classified Settlement under Land Classification Order No. NC-10-004. The project area consists of a portion of the management unit F-49, approximately 120 acres, located in the Fairbanks North Star Borough.

*Unit F-49 Considerations:* The management intent for this unit states that the unit is appropriate for land disposal during planning period. Portions of this unit are affected by LLO 35. During project development, the wild land fire risk will be evaluated and, if necessary, areas may be restricted, or excluded from, development within the proposed project area. Resource and Uses information notes that the unit contains habitat for moose wintering, calving, and rutting; waterfowl are also present within the unit; and wild land fire risk is considered to be moderate to high in portions of the unit.



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LSS has consulted with the Division of Forestry in the development of this proposal. Fire risk will be mitigated by brushing the proposed ROW and informing potential applicants of the importance of notifying potential applicants of potential fire risks. ADF&G was consulted during Agency Review and provided no specific comments pertaining to wildlife habitat. As the project area is only a portion of Unit F-49, the habitat resource information is applicable to a much larger geographical area. However; impacts to wildlife habitat will be mitigated by retaining a building setback from Steele Creek. Refer to the *Fire Hazards* subsection and Section **VII. DMLW and Agency Review** for more information.

*Area-wide Considerations:* LSS reviewed the area plan's guidelines in Chapter 2 Area wide Land Management Policies regarding Coordination and Public Notice, Cultural Resources, Fish and Wildlife Habitat, Forestry, Material Sites, Public Access, Settlement, and Shorelands and Stream Corridors. 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 provide that public notice will be given for the disposal of land as required under *AS 38.05.945 Notice*, and recommends coordination with the borough and other land owners. Public notice is being issued for this proposed action in accordance with *AS 38.05.945*. Refer to *Attachment C: Public notice* and Section **VIII. Submittal of Public Comments** for more information. LSS has coordinated with FNSB early in the development of this proposed project, and will continue coordination throughout the platting process. LSS has coordinated with the public through a Public Scoping Meeting held in March 2016, and will continue coordination through a planned Public Open House in November 2016 during Public Comment thru early December 2016.

Cultural Resources: Chapter 2 management guidelines provide that if determined by the state Office of History and Archaeology (OHA) during agency review of a proposed land disposal that a cultural survey may be required, further consultation between OHA and DMLW prior to the sale is warranted. Cultural resource surveys should be considered in areas where OHA reports sites exist, or where there is a high potential for such sites to exist. Agency review for this project included OHA. OHA noted that no known cultural sites exist within the project area. Should any such sites be discovered by LSS during the development of this project, OHA will be notified. LSS will make information known to the public during offerings that should inadvertent discoveries of cultural resources by the purchaser, OHA offices should be notified.

Fish and Wildlife Habitat: Chapter 2 guidelines regarding Fish and Wildlife Habitat are specific to areas designated Habitat. Unit specific information describes that the unit contains habitat for moose wintering, calving, and rutting; waterfowl are also present within the unit. LSS has consulted with ADF&G during the development of this proposal. ADF&G provided no objection to the proposed project, and offered no specific recommendations. Refer to Section **VII. DMLW and Agency Review** for more information.

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**Forestry:** Management guidelines provide that timber harvests are considered appropriate in areas designated Settlement if intended to reduce fuel loads to minimize fire potential, support costs of subdivision development, promote forest health, or for clearing a ROW. LSS is proposing to clear the brush within the proposed ROW for access within the subdivision and to mitigate fire risk. Refer to the *Fire Hazards* subsection and Section **VII. DMLW and Agency Review** for more information.

**Material Sites:** Management Guidelines provide that generally if a settlement area contains high value material resources, a material source area should be identified during subdivision design. Soils information does not indicate that there are any particularly high value material resources within the project area.

**Public Access:** Management guidelines provide that prior to disposal of state lands, public access will be reserved in accordance with the applicable regulations, and reasonable access across state land will be retained when lands are sold. The state will dedicate ROWs and reserve public access and/or utility easements as appropriate in order to maintain access through and within the project and retain utility corridors. See the Access To, Within, and Beyond Project Area sub-section for more information.

**Settlement:** Management Guidelines pertaining to settlement include planning and coordination with regard to local governments; local plans, and access; protection of life and property; and protection of resources such as sensitive areas, habitat, scenic features, and other resources. Management Guidelines also provide that design should retain appropriate green belts, public-use corridors, riparian buffers, wildlife migration corridors, and provide an open space system designed to protect or maintain important uses and values. This proposal has considered these guidelines as addressed throughout this document. The subdivision design will take into account site limitations such as slope, drainage, soils and riparian buffers. The proposed project will not interfere with any critical recreation or environmental resources, will be done with coordination with local plans, and DMLW will solicit coordination with local landowners through the public notice and public comment process. See the Coordination and Public Notice subsection for more information.

**Shorelands and Stream Corridors:** Management Guidelines provide that DNR will place a higher priority on protecting public use values in stream corridors than on providing opportunities for private ownership and development of land. DNR recognizes the demand for private land near stream corridors and consults with other agencies and the public prior to disposal of such lands. Management Guidelines also provide for the application, conditions for, and width for buffers, setbacks, and easements.

Steele Creek is located on private property north and south of the project area. Based on field inspection it appears to receive little to no public recreation within the project area. Steele Creek meets the criteria for a public water body, but it is not anadromous or of particularly high value for fish and wildlife habitat or public recreation. Management guidelines provide for a 50-foot building setback landward

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from ordinary high water (OHW) of all public waters except anadromous and high-value resident fish waters. LSS is proposing to expand this building setback to 300 feet landward from OHW for Steele Creek to provide additional protection of wildlife habitat and to provide additional protection from any potential aufeis concerns. Access along Steele Creek will be reserved in accordance with AS 38.05.127. Refer to the *Access To and Along Public or Navigable Waters* subsection for more information.

Wetlands consisting of freshwater forested shrub exist primarily along Steele Creek within with the project area. Management Guidelines provide that DNR have a 100-foot buffer from the OHW along streams and lakes that are considered to have public significance or from the edge of the waterbodies, including wetlands, that are to be protected. Guidelines also provide a 50-foot setback from the edge of sensitive environmental features, which include wetlands. These guidelines will be met since these wetlands will be captured in the setback proposed along Steele Creek.

The proposed offering is consistent with area-wide land management policies and general management intent of the ETAP 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 project area is closed to mineral entry under Mineral Closing Order 239.

Mineral closing orders, where established, close an 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.

Local Planning: The project area is within the Fairbanks North Star Borough and property purchased through this proposed offering will be subject to the applicable zoning, ordinances, and restrictions of the borough. The project area and most of the surrounding area is zoned GU-1, general use. The subdivision to the north of the project area is zoned RR, Rural Residential, and the subdivision to the south is zoned RE-2, Rural Estate. LSS is considering applying for a zoning action for the large easterly parcel. See the Background sub-section for more information.

The project area is within the boundary of the Fairbanks North Star Borough Regional Comprehensive plan. Review of that plan did not indicate any conflicts with proposed land disposal.

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Traditional Use Finding: The project area is located within the Fairbanks North Star Borough (FNSB) and a traditional use finding is therefore not required per *AS 38.05.830 Land Disposal in the Unorganized Borough*. However, information on current or traditional use is welcomed and can be given during the public comment period. 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 Juniper Drive. Individual lots would be accessible via platted easements and right-of-ways. Juniper Drive falls within the Tungsten Road Service Area; however, the project area is immediately outside of the service area and will use access along road service area roads. In accordance with FNSB code (Title 17 Subdivisions) LSS proposes a plat note that the roads in the subdivision were not required to meet FNSB subdivision standards, and that emergency services may be limited. There may be a required payment, by purchasers, to the Tungsten Road Service Area, in lieu of having the payment rolled into taxes or assessment. Subdivision design will take into account topography and access to lands beyond the project area boundaries. The project area is subject to the platting authority of the FNSB. Approval of platting actions and dedication of right-of-ways will require separate processes and public notices through the borough.

ESRO (European Space Research Observatory) Road is a private road located along the easterly boundary of the project area. LSS is not proposing access via ESRO Road. However, LSS does not intend to prohibit any subsequent purchaser from seeking permission or access easements from the applicable land owners for legal access. Legal access to that portion of the project area east of Steele Creek is along a 50-foot wide section line easement along the northerly boundary of the project area, and other internal roads and easement platted as part of the subdivision design. The DMLW Northern Region Lands Section suggested that LSS consider legitimizing ESRO road, where it exists on State land, via the decision process and platting. LSS intends to propose the dedication of that portion of ESRO Road within the project area as part of the platting process.

Other easements within the project area include an easement (ADL 400054) 30 feet in width and 1,481 feet in length for a public access road from approximately the southeast corner of the project area to private property north of the project area; a public easement (ADL 45031) 50 feet in width and 1340 feet in length for a public road along the south 50 feet of the NW1/4NE1/4 of Section 23; and a utility easement (ADL 416460) 30 feet in width and 1319 feet in length along Juniper Drive within the NW1/4NW1/4 of Section 23.

A small trail was located a short distance down the southern border of the project area. The trail was observed to receive little use (both during summer and winter), and looped back towards the southwest portion of the project. The trail appears to terminate at private property on either end, and does not appear to be of local significance. The trail is not captured in the FNSB comprehensive trails plan. No comments about the trail were received during the public scoping meeting. DNR does not propose to reserve public access along this trail.

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 right-of-ways as necessary to ensure unobstructed

## Preliminary Decision

Steele Hollow Subdivision – ADL 420416

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access to and along the body of water. Regulations dictating the creation of easements or right-of-ways under this statute include *11 AAC 51.035 Determination of Navigable and Public Water* and *11 AAC 51.045 Easements To and Along Navigable and Public Water*.

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 (18) Definitions*.

Steele Creek has 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 300-foot building setback from OHW of Steele Creek, and a 100-foot building setback from any additional water bodies identified as public or navigable prior to completion of survey.

*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. Final width and location of easements and reservations will be determined as part of the local platting process, which will include an additional opportunity for public participation.

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

- a public access easement;
- a utility easement;
- 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;

## **Preliminary Decision**

Steele Hollow Subdivision – ADL 420416

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- 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 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;
- a minimum 300 foot building setback from the OHW of Steele Creek;
- a minimum 100-foot setback from any other public or navigable water bodies;
- a building setback from wetland areas as appropriate; and
- additional reservations and/or restrictions required through the local platting authority.

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

Hazardous Materials and Potential Contaminants: During a ground field inspection conducted on May 29, 2016 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, the Department is of the opinion that the benefits of offering the land outweigh the potential risks.

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.

This proposed project area is located within the FNSB Borough, and therefore survey and platting will be subject to the relevant subdivision standards. The borough's platting requirements provide for separate public notice periods and processes for platting actions.

## **Preliminary Decision**

Steele Hollow Subdivision – ADL 420416

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These additional opportunities for public involvement occur after an approved Final Finding and Decision, if one is issued.

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 staff, which determines 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 November 3, 2015 through December 3, 2015 concurrently with other separate, proposed projects. 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.

*Alaska Department of Fish & Game (ADF&G) comment:* ADF&G supports the building setback and public access easement, as proposed in the review. We have no objection to the development of this subdivision.

*DNR DMLW LSS Response:* LSS appreciates your review of our proposal. Of note, LSS is proposing to increase the building setback from 100-feet either side of OHW from Steele Creek (as proposed in Agency Review), to 300-feet.

*DNR Division of Parks and Outdoor Recreation, Office of History and Archaeology (OHA) Comment:* The AHRS database indicates there are no reported cultural resource sites within the proposed subdivision area. However, only a very small portion of the state has been surveyed for cultural resources. As such, should inadvertent discoveries of cultural resources occur during the duration of the project, OHA should be notified.

*DNR DMLW LSS Response:* LSS appreciates your review of our proposal. If any cultural or historical sites are discovered during subdivision development, OHA will be notified. Additionally, offering materials will notify potential purchasers that should any sites be discovered, OHA must be notified.

*DNR, Forestry Comment:* The western portion of the project area is located within the Borough’s “Very High Zone of Concern” for wildlife fire risk. The level of fire risk should be noted in the sale. The Division of Forestry cautions against expansion of new subdivisions in the “zone of concern” unless extensive fuels reduction projects are implemented to mitigate risks.

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Steele Hollow Subdivision – ADL 420416

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*DNR DMLW LSS Response:* After further consultation with the Division of Forestry, they noted that brushing the proposed ROW into the interior of the western portion of the project area, and notifying potential purchasers of the wildfire risk would be sufficient to mitigate their concerns.

*DNR, Division of Oil and Gas Comment:* This project is in an area with no oil and gas resource potential.

*DNR DMLW LSS Response:* LSS appreciates your review of our proposal.

*DNR, Parks and Outdoor Recreation Comment:* State Parks has no objection to the land offer.

*DNR DMLW LSS Response:* LSS appreciates your review of our proposal.

*Alaska Mental Health Trust Land Office Comment:* The proposed land offering does not impact Alaska Mental Health Trust Lands; therefore, MHT has no objections to this proposal.

*DNR DMLW LSS Response:* LSS appreciates your review of our proposal.

*Department of Transportation (DOT) Comment:* No comment.

*DNR DMLW LSS Response:* LSS appreciates your review of our proposal.

*Fairbanks Soil and Water Conservation District Comment (FSWCD):* The FSWCD noted the importance of coordinating with the FNSB Community Planning.

*DNR DMLW LSS Response:* LSS has been coordinating with the FNSB very early in the process of developing this proposal, and will continue to do so throughout subdivision development.

The following agencies or groups were included in the agency review but did not submit comments:

- Department of Environmental Conservation;
- Department of Natural Resources;
  - Division of Agriculture;
  - Office of Project Management and Permitting; and
  - State Pipeline Coordinator's Office;
- University of Alaska- Land Management

## **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.



## **Preliminary Decision**

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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, 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 proposal is approved and no significant change is required, the Preliminary Decision, including any deletions, minor changes, and summary of comments, and LSS responses will be issued as a subsequent Final Finding and Decision without further notice.

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. Upon approval and issuance of these actions, a copy of the decision and order will be made available online at <http://landsales.alaska.gov/> and sent with an explanation of the appeal 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 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, THURSDAY, DECEMBER 8<sup>TH</sup> 2016**

#### **X. Alternatives and Discussion**

DNR DMLW is considering the following alternatives:

Alternative 1: (Preferred) Survey and plat a subdivision consisting of no more than 6 parcels no smaller than 10 acres on the west side of Steele Creek, and one large parcel approximately 61 acres in size on the east side of Steele Creek.

Alternative 2: Do not further subdivide the project area prior to offering. Reoffer the project area as three 40-acre aliquot tracts.

Alternative 3: (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, in part, that. "it is the policy of the State to encourage the settlement of its land..." Furthermore, *AS 38.05.045 Generally* has placed this charge with DNR, and the legislature has provided funding to administer the land sale program.

## **Preliminary Decision**

Steele Hollow Subdivision – ADL 420416

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Alternative 1 provides a method for DNR to help 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, location relative to Fairbanks, and the proximity to existing residential private property; the project area is better suited to subdivision prior to offering. 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*. Parcels in excess of 5 acres are appropriate given the topography, access, development costs, and the possibility for agricultural development. Alternative 1 is preferred.

Alternative 2 does not maximize public interest and financial return to the State. Offering the project area as three 40-acre tracts would limit the offering to fewer potential purchasers, would not maximize the use of the land and return on the state's investment. Additionally, not further subdividing the area would restrict the ability to impose and plat more specific reservations upon the land prior to sale. Alternative 2 is not preferred.

Alternative 3 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 and consistent with the surrounding development.

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

**Preliminary Decision**

Steele Hollow Subdivision – ADL 420416

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**IX. Recommendation**

This Preliminary Decision for the proposed disposal of state lands described throughout this document and its attachments is 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.

/s/

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

October 26, 2016

Date

/s/

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

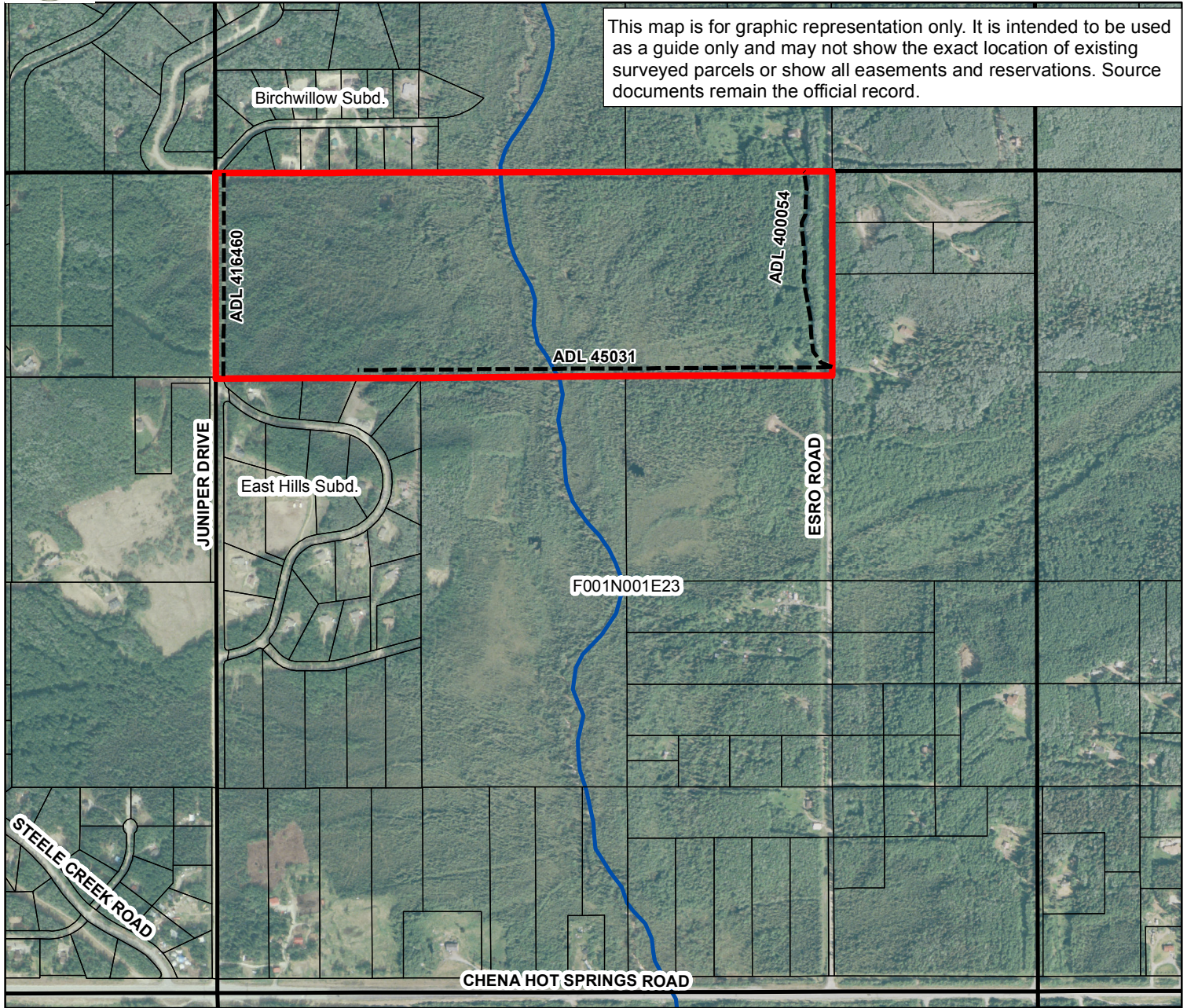
October 26, 2016





Date

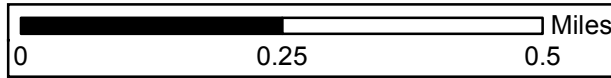


# Steele Hollow Subdivision ADL 420416

## Attachment A: Vicinity Map to the Preliminary Decision for a Proposed Land Offering in the Fairbanks Northstar Borough



-  Project Area
-  Steele Creek
-  Sections
-  Easements



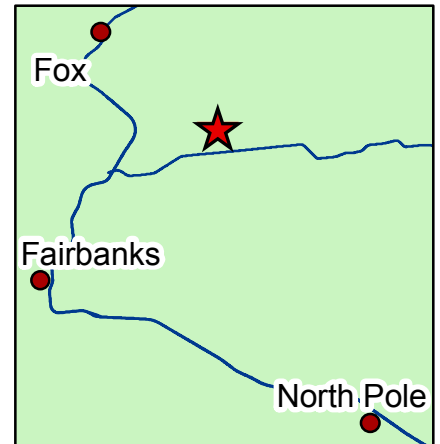
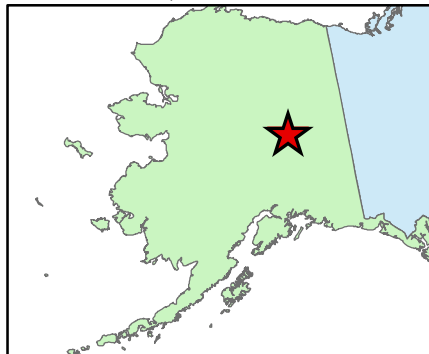
NMP 10/20/2016

### USGS QUAD 1:63,360

Fairbanks D-1 and D-2  
 For more information contact:  
 Nikki Potter  
 Department of Natural Resources  
 Division of Mining, Land, and Water  
 Land Sales & Contract Administration Section  
 Phone 907.451.2730  
 Fax 907.451.2751  
 Email: [land.development@alaska.gov](mailto:land.development@alaska.gov)



Township 1 North, Range 1 East,  
 Section 23, Fairbanks Meridian



**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 Fairbanks North Star Borough  
Steele Hollow Subdivision – ADL 420416**

<b>Offering Information</b>	
<b>Proposed Number of Parcels</b>	No more than 6 parcels on the west side of Steele Creek, and one large parcel on the east side of Steele Creek.
<b>Proposed Parcel Size</b>	No smaller than 10 acres on the west side of Steele Creek, and approximately 61 acres in size on the east side of Steele Creek.
<b>Proposed Related Actions</b>	None.
<b>Project Area</b>	
<b>Location</b>	Approximately 7 miles northeast of Fairbanks, situated 1-mile north of Chena Hot Springs Road between Juniper Drive and ESRO Road.
<b>Project Area Acreage</b>	Approximately 120 acres.
<b>USGS Topography Map</b>	USGS Quad Fairbanks D-1 and D-2
<b>Legal Description</b>	The NW1/4NE1/4 and N1/2NW1/4 of Section 23, Township 1 North, Range 1 East, Fairbanks Meridian.
<b>Title</b>	The project area is patented via U.S. Patent #1231061 recorded April 5, 1963. The land was transferred from the State to the University of Alaska via QCD 584 on December 2, 1983, then returned to the State via QCD on December 21, 1983.
<b>Area Plan and Classification</b>	Eastern Tanana Area Plan, Unit F-49 Designated Settlement Classified Settlement via CL NC-10-004 Leasehold Location Order No. 34
<b>Mineral Orders</b>	The project is currently closed to Mineral Entry via MCO 239.
<b>Physical Characteristics</b>	
<b>Access</b>	Primarily via Juniper Drive. Individual lots would be accessible via platted easements and rights-of-way.

**Attachment B: Area Data Summary Table**

to the Preliminary Decision for a Proposed Land Offering in the Fairbanks North Star Borough

Steele Hollow Subdivision – ADL 420416

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<b>Terrain and Major Features</b>	<p>The project area contains gently sloping hills, sloping from Juniper Drive and ESRO Road down to Steele Creek.</p> <p>Elevations range from approximately 630-680 feet on the east side of the project area and approximately 560-630 feet on the west side. There is approximately a 4-13% slope on the east side and 3-10% slope on the west side. The steepest slopes parallel Juniper Drive.</p>
<b>View</b>	<p>This project area lacks views of the surrounding areas due to the elevation and densely forested area.</p>
<b>Climate</b>	<p>Fairbanks' climate is classified as subarctic with long, very cold winters, and short, warm summers. Winters last from late September/early October until late April/early May. The average winter low temperatures range from -15°F to -25°F, with extremes to -60°F. Summer temperatures can range from the mid 40's to 70's °F. The average annual rainfall is 10.83 inches, while the average snowfall is 65 inches.</p>
<b>Soils</b>	<p>According to the USDA Web Soil Survey – Custom Soil Resource Report, the majority of the project area consist of the Minto-Chatanika complex and Minto Silt Loam. These soils are moderately well-drained with low to medium run-off. Along Steele Creek, soils are comprised of Goldstream peat, and are generally very poorly drained. A small portion of the project area also consist of Fairbanks Silt Loam, which is well-drained with medium runoff.</p> <p>The Minto Silt Loam soils east of Steele Creek have been identified as appropriate for agriculture (non-irrigated land capability classification 4e).</p> <p>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.</p>
<b>Vegetation</b>	<p>Mixed Spruce and Birch forest in the eastern portion, and spruce, birch, and aspen in the eastern portion. The low lying area along Steele Creek is mostly black spruce and shrubs.</p>
<b>Water Source</b>	<p>Common source of water for residents in this area is by personal well or water holding tank; water quality is unknown. Well log information indicates that wells in the area are approximately 60-100 feet deep, with static water levels at approximately 38-65 feet; however, this is variable. DEC requirements must be followed.</p>
<b>Anadromous Waters</b>	<p>None.</p> <p>Should streams be identified throughout the design phase, DNR DMLW will evaluate the appropriateness of buffers for such water bodies.</p>

**Attachment B: Area Data Summary Table**

to the Preliminary Decision for a Proposed Land Offering in the Fairbanks North Star Borough  
Steele Hollow Subdivision – ADL 420416

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<b>Local Management Information</b>	
<b>Fire Management Option</b>	Critical Fire Management Option  The project area is also within the Steese Fire Service Area
<b>Game Management Unit</b>	ADF&G Game Management Unit 20B
<b>Local Authority</b>	The Fairbanks North Star Borough exercises authority for planning, platting, taxes, and zoning.
<b>Flood Zone</b>	The majority of the project area is outside of a flood zone. A small portion (approximately 3 acres) along Steele Creek near the southerly boundary is within Flood Zone A. Flood Zone A is defined as a special flood hazard area subject to inundation by the 1% annual change flood or 100-year flood. There are no base flood elevations determined for Zone A. The relevant Federal Emergency Management Agency Flood Insurance Rate Map is Community Panel Number 02090C3465J.
<b>Utilities</b>	The area is currently served by Golden Valley Electric Association
<b>Waste Disposal</b>	All on-site waste water disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.
<b>Setbacks, Reserved Areas, Easements, and Conditions</b>	
<b>Improvements</b>	Prior to construction of any structure, driveway, or waste disposal system, contact the platting authority for any permits or for required setbacks from water bodies, lot lines, and easements.
<b>Building Setbacks</b>	Parcels may be subject to: <ul style="list-style-type: none"><li>• a 300-foot building setback from the ordinary high water mark (OHW) of Steele Creek;</li><li>• a 100-foot building setback from the OHW of any other public or navigable water body; and</li><li>• a building setback from wetland areas as appropriate.</li></ul> Area plan guidelines and DMLW riparian protection guidelines will be consulted during the decision process to determine additional setbacks and other restrictions.

**Attachment B: Area Data Summary Table**

to the Preliminary Decision for a Proposed Land Offering in the Fairbanks North Star Borough

Steele Hollow Subdivision – ADL 420416

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<b>Public Access and Utility Easements</b>	Parcels may be subject to the following: <ul style="list-style-type: none"><li>• a public access easement;</li><li>• a utility easement;</li><li>• 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;</li><li>• 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>;</li><li>• 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;</li><li>• additional reservations and/or restrictions required through the local platting authority.</li></ul>
<b>Public or Navigable Water Bodies</b>	Steele Creek.  If additional water bodies are deemed public or navigable, DNR DMLW will comply with statutory requirements to provide access to and along said water bodies.
<b>Additional Information</b>	
<b>Native Regional Corporations</b>	Doyon, Ltd. Native Regional Corporation
<b>Villages and Tribal Councils</b>	None.
<b>Oil and Gas Activity</b>	None.
<b>Mining Activity</b>	None known.
<b>Comments</b>	The project area is within the Fairbanks North Star Borough Steese Fire Service Area, but is not in a road service area. Juniper Drive, which is the primary access to the project area, is within the Tungsten Road Service Area.



## ATTACHMENT C: PUBLIC NOTICE

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

#### PUBLIC NOTICE

Requesting Input for a Proposed Land Offering:  
**Steele Hollow Subdivision – ADL 420416**

**COMMENT PERIOD ENDS 5:00PM, THURSDAY, DECEMBER 8, 2016**

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.

Located within DNR's Northern Region, approximately 7 miles northeast of Fairbanks, situated 1-mile north of Chena Hot Springs Road between Juniper Drive and ESRO Road, the project area is within Section 23, Township 1 North, Range 1 East, Fairbanks Meridian, within the Fairbanks North Star Borough.

Project size: Approximately 120 acres, up to 6 parcels on the west side of Steele Creek no smaller than 10 acres, and one large parcel on the east side of Steele Creek approximately 61 acres in size.

To obtain the notice, Preliminary Decision, 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, Tuesday, November 29, 2016.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment on the Preliminary Decision, 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, THURSDAY, DECEMBER 8, 2016.** 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 Nikki Potter, 3700 Airport Way, Fairbanks, AK 99709, fax # 907.451.2751, phone # 907.451.2730, [land.development@alaska.gov](mailto:land.development@alaska.gov).

Public Open House: DNR DMLW will be holding a Public Open House to discuss the proposal and share information about the project area. The public Open House will be held on **Thursday November 17<sup>th</sup> 2016 from 6pm to 9pm** at the DNR building located at 3700 Airport Way in Fairbanks.

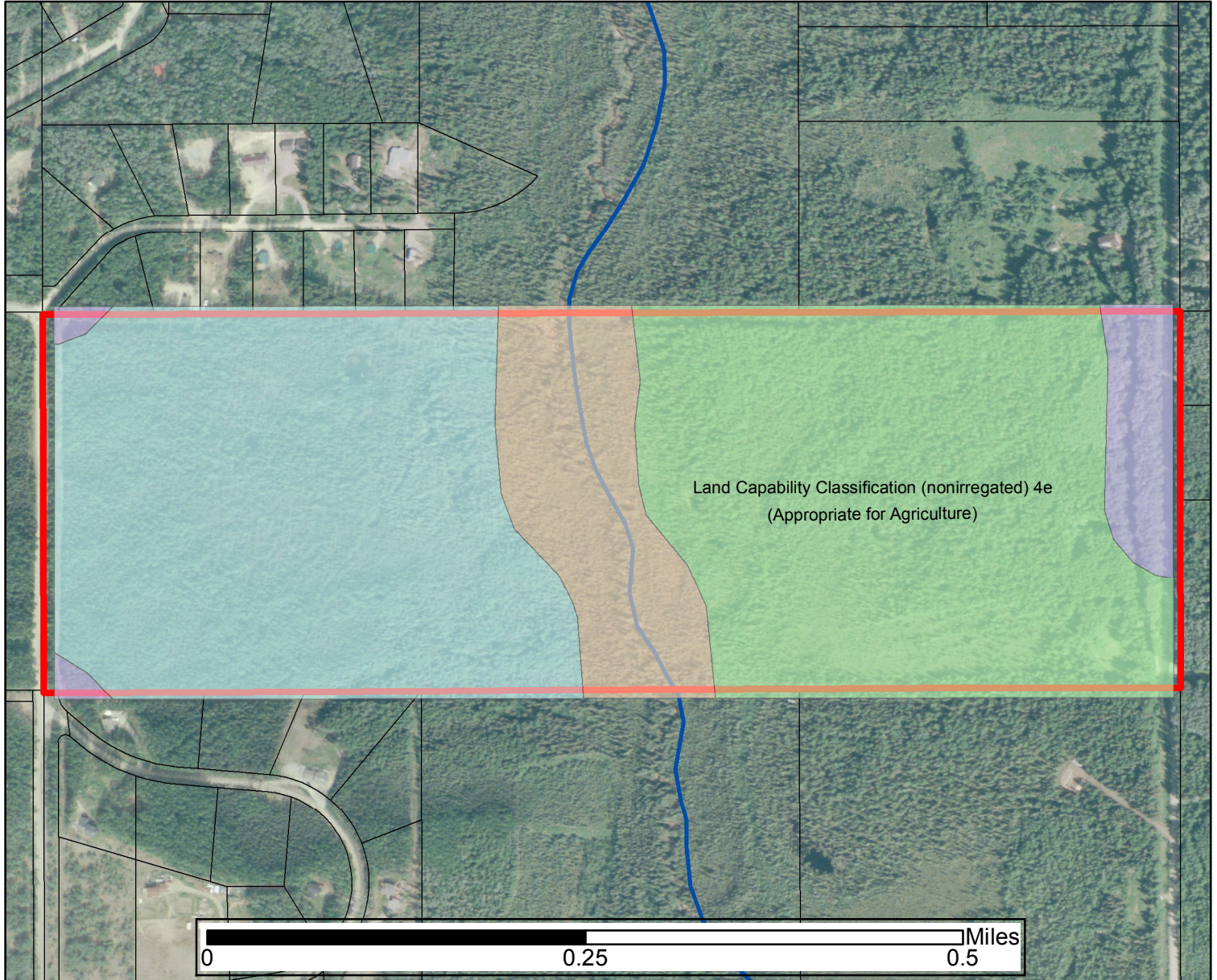
If no significant change is required, the preliminary decision, including any minor changes and a summary of comments and responses, will be issued as the final finding and decision without further notice. A copy of the final finding and decision will be sent to any persons who commented timely on the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

DNR reserves the right to waive technical defects in this notice.



# Steele Hollow Subdivision ADL 420416

## Attachment D: Soil Map to the Preliminary Decision for a Proposed Land Offering in the Fairbanks Northstar Borough



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.

NMP 10/20/2016

Township 1 North, Range 1 East,  
Section 23, Fairbanks Meridian

**USGS QUAD 1:63,360**

*Fairbanks D-1 and D-2*  
For more information contact:  
*Nikki Potter*  
Department of Natural Resources  
Division of Mining, Land, and Water  
Land Sales & Contract Administration Section  
Phone 907.451.2730  
Fax 907.451.2751  
Email: [land.development@alaska.gov](mailto:land.development@alaska.gov)



### Soil Types

-  Fairbanks Silt Loam
-  Goldstream Peat
-  Minto Silt Loam
-  Minto-Chatanika Complex
-  Project Area
-  Steele Creek

