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

## PRELIMINARY DECISION Hawk's Landing Subdivision – ADL 232730

Proposed Land Offering in the Matanuska-Susitna 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 26, 2020

#### I. Proposed Action(s)

Preliminary Decision: Hawk's Landing Subdivision - ADL 232730

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 1226

<u>Primary Proposed Action</u>: 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, parcels will be offered for sale.

Located within DNR's Southcentral Region, approximately 11 miles west of Wasilla and 2 miles northeast of Big Lake, the project area is within Section 10, Township 17 North, Range 3 West, Seward Meridian, within the Matanuska-Susitna Borough (MSB). The project area consists of approximately 80-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 proposed related action for the purposes of providing land for settlement, DNR proposes to sell land within the Hawk's Landing 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 8 parcels no smaller than 10-acres. This proposed project area is located within the (MSB) 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 Decision, if the project proceeds to that step. Additional adjustments may be made prior to

Hawk's Landing Subdivision – ADL 232730 Page 2 of 16

offering or 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, adjacent to, or near the project area.

<u>Proposed Related Action</u>: This related action will be developed separately, however; public notice is being conducted concurrently.

*Mineral Order (Closing)*: DNR proposes to close the project area to new mineral entry. There is no known mining activity. Refer to the <u>Mineral Activity and Order(s)</u> subsection of this document for more information on this proposed related action.

This related action will be developed separately. However; approval of the proposed actions is dependent upon one another in that one action will not proceed without approval of all actions.

<u>Public Notice of Proposal</u>: 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 <a href="http://landsales.alaska.gov">http://landsales.alaska.gov</a>.

#### 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." Pursuant to *AS 38.05.055 Auction Sale or Sealed Bid Procedures*, bidders for commercial land are not required to have been an Alaska resident for one year preceding the date of the sale. 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.

Hawk's Landing Subdivision – ADL 232730 Page 3 of 16

#### IV. Administrative Record

The project file, Hawk's Landing Subdivision - ADL 232730, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Southeast Susitna Area Plan for State Lands (SSAP, adopted 2008) and associated land classification files:
- Big Lake Comprehensive Plan (updated 2009)
- Alaska Interagency Wildland Fire Management Plan (2019 Review);
- Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes;
- USDA, Natural Resource Conservation Service Custom Soil Report for this project, dated November 15, 2018;
- DNR case files: easement ADL 200646; municipal entitlements ADL 26197 and ADL 64961; prior conveyances ADL 200812, ADL 200810, ADL 52138 and ADL 52137; and other case files, reports, or documents referenced 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

<u>Location</u>: Within DNR's Southcentral Region, approximately 11 miles west of Wasilla and 2 miles northeast of Big Lake. See *Attachment A*: Vicinity Map *and Attachment B*: Area Data Summary Table for additional information.

The project area is within the Matanuska-Susitna Borough and subject to the borough's platting authority.

Native Regional and Village Corporations: The project area is within the boundaries of the Cook Inlet Regional, Incorporated regional corporation. The villages of Eklutna, Alexander Creek, and Knik are within 25 miles of this proposed action and notice will be sent to Eklutna Incorporated, Alexander Creek, Incorporated, Knikatnu, Incorporated, Native Village of Eklutna, and Knik Tribal Council.

<u>Legal Description</u>: The NE¼NE¼ and SW¼NE¼ of Section 10, Township 17 North, Range 3 West, Seward Meridian, located within the Palmer Recording District, Third Judicial District, Alaska.

<u>Title</u>: Information from Title Report No. 11543, current as of January 28, 2019 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under U.S. Patent 50-68-0271, dated June 19, 1968. The applicable State case file is GS 1387. The 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 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.

<u>Physical Characteristics and Hazards</u>: 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 a ground field inspection conducted on July 12, 2018. 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 Kitchatna soil (silty volcanic ash and silty loess over sandy and gravelly outwash), Histosols soil (organic material over gravelly alluvium and loamy glacial drift) and Cryaquepts soil (silty volcanic ash and loess over gravelly glacial drift and loamy outwash). Kitchatna soil rates as a fair gravel source. The project area contains non-irrigated land capability class VI, and VII soils.

The Kichatna and the Cryaquepts soils are rated as "none, or no permafrost" and the Histosols soil was not rated.

DNR, Division of Geological and Geophysical Surveys (DGGS) submitted comment during Agency Review and explained that Hawk's Landing Subdivision is underlain by glacial till, composed of mixed-coarse and fine-grained material with low to moderate permeability and poor surface drainage. The overburden is a surface vegetative mat over eolian (windblown) slit. Some low-lying depressions may contain several meters of peat.

Wetlands: Freshwater emergent and forested/shrub wetlands appear to exist within the west half of the SW¼NE¼ and in a small portion primarily along the east boundary of the NE½NE½. Dredging or filling of wetlands may require a permit from the US Army Corps of Engineers.

Geologic Hazards: According to information provided by DGGS, the parcel is located 3 miles from the Castle Mountain fault, which has been active within the last 15,000 years. The region has an overall seismic hazard that is high, and best building practices should be incorporated to accommodate the regional seismic hazard. There is also potential for a zone of isolated permafrost; up to 10 percent of the ground surface is underlain by perennially frozen ground. If permafrost is present, ground ice volume is low and local fine-grained material may be subject to slumps, gullies and water tracks.

*Fire Information*: Fire history indicates that all of the area was burned in the 1996 Miller's Reach Fire. The project area is within the West Lakes Fire Service Area.

Potential for wildland fire is high in southcentral Alaska. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations. Offering materials include information regarding wildland fire prevention.

Fire management options and policies for the area are identified in the Alaska Interagency Wildland Fire Management Plan available from DNR Division of Forestry. The current fire management option for the project area is "Critical Fire Management Option". The policy 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." 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: The project area is within FEMA Flood Insurance Rate Map Community Panel #02170C8010E. The project area is within flood zone X, defined as area of minimal flood hazard. 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

Hawk's Landing Subdivision – ADL 232730 Page 6 of 16

(AS 46.15). There are many water rights in the vicinity. Information from well logs indicate that well depths in the vicinity typically range from 40 to 157 feet. Water quality is unknown.

Background: The proposed project was initially included in the "Wasilla West" Land Sale Auction No. 233. This offering was conducted through the Land and Water Section, Division of Land and Water Management, of DNR on August 19, 1978. The NW¼NE¼, NE¼NE¼, SE¼NE¼ and the SW¼NE¼ of Section 10, Township 17 North, Range 3 West, Seward Meridian were 4 of the 88 parcels offered, and of the four parcels mentioned, the NW¼NE¼ and SE¼NE¼ were conveyed into private ownership. The project files for the NE¼NE¼ and SW¼NE½ parcels were subsequently archived, and the DMLW Land Sales Section (LSS) later identified the parcels through SSAP and title research. The proposed Hawk's Landing Subdivision consists of the NE¼NE¼ and SW¼ NE¼, Section 10, Township 17 North, Range 3 West, Seward Meridian. See Attachment A.

The majority of the state land sales within the immediate area were conveyed through odd lot offerings. The surrounding land is primarily used for residential purposes, portions of the lands to the north and east are owned by the MSB, and the Houston Middle and High Schools are within that immediate area. The MSB owns approximately 820 acres of land adjacent to the project area. The rest of the nearby land is privately owned.

The size of the private parcels off West Hawk Lane and those that abut the project area range from 1 acre to 115 acres. The NW¼NE¼ of Section 10, an adjacent quarter-quarter section, was subdivided into four 10-acre parcels. The SE¼NE¼ of Section 10 has been kept as a 40-acre parcel. The parcel immediately to the west is a 115-acre private parcel. To the south, is a privately-owned 36-acre parcel, and the Moon Meadows Subdivision. The parcels in the Moon Meadows Subdivision are an average size of 1 nominal acre, with one larger tract.

Outdoor recreation is a major land use within the Big Lake-Houston. The area contains many lakes that are used for boating, water sports, fishing and hunting starting in spring through fall, and snowmachining and skiing in the winter. Most lakes near the project area are stocked by the Alaska Department of Fish and Game, except for Lazy, Twin and Long Lakes. These particular lakes contain natural populations of rainbow trout and drain into Meadow Creek. Other forms of outdoor recreation occurring in the Big Lake-Houston Region includes cross country skiing, hiking, foraging and driving all-terrain vehicles.

The proposed Hawk's Landing subdivision is within the service areas of the Matanuska Electric Association (MEA), Matanuska Telephone Association (MTA) and ENSTAR Natural Gas Company. Electric, gas, telephone and internet service are available from West Hawk Lane. An electricity line was observed adjacent to the project area during the field inspection. An ENSTAR gas main is located on West Hawk Lane, and it ends at the Houston Middle and High Schools, approximately ½ mile east of the project area.

On July 12, 2018, LSS staff conducted a ground field inspection of the proposed project. The land was generally flat and contained a mixture of both wetlands and vegetated uplands. The local vegetation composed of spruce, willow, birch, aspen and other low shrubs. The views are localized, and there are no significant terrain features. The field team found minimal amounts of garbage and trash.

Legal and practical access to the northern portion of the project area is from the Parks Highway and West Hawk Lane to West Frances Clar Circle, then through the project area via easement ADL 200646. Access to the southern portion of the project area is from Big Lake Road along developed roads to South Parsons Street, then through the project area via easement ADL 200646. Section-line easements may also be utilized. West Hawk Lane was at one time a dead-end road; it was connected to the Big Lake road system at West Kiowa Street following the Miller's Reach Fire. It now offers emergency fire evacuation and alternate access beyond and to the proposed subdivision.

There is an unauthorized trail/road built outside of the authorized right-of-way (ADL 200646). This road appears to cross along the northern boundary of the SE¼NE¼ of Section 10. It is unclear whether the adjacent landowner, or previous owner(s) built the road for direct access prior to the existence of West Frances Clar Circle and subdivision. See the Attachment A: Vicinity Map for reference

LSS proposes to offer up to 8 parcels within the Hawk's Landing Subdivision that are no smaller than 10 acres. LSS has taken into account the quality of land, existing development, and general land use into consideration and will incorporate it into the subdivision design. LSS anticipates that parcels in the SW½NE½ will be larger (approximately 20-acre parcels) due to the potential for wetlands. The creation of larger parcels will provide sufficient buildable areas in this portion of the proposed subdivision. Parcel sizes ranging from 10 to 20 acres would be consistent with much of the existing pattern of surrounding/nearby development. By selling the land in subdivided portions, the state can maximize revenue and use of the land. The location of this proposed project is in close proximity to a variety of outdoor and recreational activities, and its accessibility from the road should foster increased public interest.

<u>Planning and Classification</u>: The general management intent of the area plan, and management unit were reviewed for consistency with the proposed offering. The project area is within *Southeast Susitna Area Plan* (SSAP, adopted April 2008), Big Lake Houston Region, Management Unit H-16. Lands within this unit are designated Settlement, and classified Settlement under Land Classification Order No. SC-008-001. The project area consists of all of the Management Unit H-16.

Management Unit H-16 Considerations: The management intent for Management Unit H-16 is that the land is considered appropriate for land disposal during the planning period. Avoid or protect wetland functions in subdivision design.

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, Shorelines 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.

<u>Coordination and Public Notice</u>: 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, landowners and other affected parties. Public notice is being issued for these proposed actions in accordance with *AS 38.05.945*. The *Big Lake Comprehensive Plan (adopted 2009)*, zoning ordinance and platting requirements have been taken into consideration, and State subdivision plats will comply with borough platting requirements per *AS 38.04.045(b)*. Refer to Attachment C: Public notice and **Section VIII. Submittal of Public Comments** for more information.

<u>Cultural Resources</u>: Management guidelines provide that if determined by the Office of History and Archaeology (OHA) during an agency review of a proposed land disposal that a cultural resource survey may be required, further coordination between OHA and DMLW prior to the land disposal is warranted. During agency review, OHA noted that there are no known cultural resource sites within the proposed subdivision parcels. OHA did not determine that a cultural resource survey was required. LSS will notify OHA should any cultural resources be discovered during the development of this project and offering materials will include information regarding informing OHA if any cultural resources are discovered.

<u>Fish and Wildlife Habitat</u>: In the Chapter 2, *Fish and Wildlife Habitat* management guidelines, there were no applicable management guidelines specific to Management Unit 16. The area plan did not list the unit as containing valuable habitat for fish or wildlife. During agency review, ADF&G did not identify any fish or wildlife concerns with the proposed subdivision.

<u>Forestry</u>: Management guidelines provide that forest harvest operations conducted on a parcel of state land intended for subdivision development by DNR can precede actual construction. However, these operations must be consistent with the subdivision plan for the parcel and be approved by DMLW prior to commencing operations. The timber present within the project area did not appear marketable, but if marketable timber is found, LSS will consider commercial forestry operations to aid the development of this subdivision project.

<u>Material Sites</u>: Management guidelines provide that generally, if a settlement area contains sand and gravel deposits, rock sources or other similar, high value material resources, a pit area should be identified during subdivision design and retained in state ownership for future use. Although the project area may contain gravel resources, the gravel resource potential has been determined to be high value, and there are several public and private gravel resources developed within the area. Given the physical conditions of the project area, the development of the surrounding area, and the proximity to other material sources, LSS does not propose to retain a gravel pit.

<u>Settlement</u>: Management guidelines pertaining to settlement include planning and coordination regarding local governments; local plans, and access; protection of life and property; protection of resources such as sensitive areas, habitat, scenic features, and other resources, enhancement of other resources; and design. Management guidelines also provide that design should retain appropriate green

Hawk's Landing Subdivision – ADL 232730 Page 9 of 16

belts, public-use corridors, water supply areas, riparian and coastal buffer areas, material sites, roads and other public facilities, as well as other open space to create a desirable land use pattern in developing areas and to protect or maintain important uses and values. This proposal has considered these guidelines as addressed throughout this document.

<u>Shorelands and Stream Corridors</u>: Management guidelines provide for the reservations of easements and retention of State-owned buffers adjacent to waterbodies, and high-value wetlands. There are no known waterbodies or high-value wetlands identified within the project area. If any public waterbodies are identified within the project area, they will be subject to the applicable reservations. Refer to *Buffer, Easement, and Setback Widths* section for more information.

<u>Subsurface Resources</u>: The SSAP recommends closing mineral entry if an area is being considered for disposal for the purposes of settlement or other forms of development that would be inconsistent with mining activity. LSS proposes to close the project area to new mineral entry via MO 1226. Refer to the for <u>Mineral Activity</u> and Order(s) section more information.

<u>Public Access</u>: Management guidelines provide that prior to disposal of State lands, DNR will reserve access pursuant to *11 AAC 51.015*. One trail was identified within and outside of the right-of-way serialized as ADL 200646. The existing easement may be altered or located and dedicated to include public access and utility easements within the 100-foot right-of-way. Access and utility easements will be reserved in accordance with the SSAP and the MSB code. *Title 43 Subdivisions*.

The proposed offering will be consistent with area-wide land management policies and general management intent of the SSAP and specific management unit if the proposed mineral order is approved in accordance with AS 38.04.065 Land Use Planning and Classification, and AS 38.05.300 Classification of Land.

Mineral Activity and Order(s): The entirety of the project area (approximately 80-acres) will be closed to new mineral entry 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. Closing the entire area to mineral entry is consistent with the management intent of the SSAP.

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 MSB and property purchased through this proposed offering will be subject to the applicable zoning, ordinances, and restrictions of the borough. The project area is within the boundary of the *Big Lake Comprehensive Plan* (updated 2009). The *Big Lake Comprehensive Plan*, MSB, suggests that the Management Unit H-16, Big Lake-Houston Region, SSAP is a nuisance parcel for the State to own, and rather than selling it, the State should reassess the decision to sell the two small parcels of state land (H-16 and H-19). It also stated that these lands might be better served for community purposes. At this time DMLW, LSS has not received a public and charitable application from the MSB for the right to purchase these parcels. LSS has reviewed the information in the *Big Lake Comprehensive Plan* and does not believe that the parcels in Management Unit H-16 are nuisance parcels. LSS recommends that they would be better utilized for residential settlement to match the existing pattern of development. Review of that plan did not indicate any conflicts with proposed land disposal.

<u>Traditional Use Finding</u>: The project area is located within the Matanuska-Susitna Borough (MSB) 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 document and *Attachment C*: Public Notice for details on how to submit comment.

Access To, Within, and Beyond Project Area: Access to the northern portion of the project area is from the Parks Highway and West Hawk Lane to West Frances Clar Circle, then through the project area via easement ADL 200646. Access to the southern portion of the project area is from Big Lake Road along developed roads to South Parsons Street, then through the project area via easement ADL 200646. The project is within the Big Lake Road Service Area #21 and on the margin of the limits of the City of Houston. The MSB and City of Houston share management responsibility for roads within or adjacent to the project area. Subdivision design will take into account topography and access to lands beyond the project area and within the project area boundaries. The project area is subject to the platting authority of the MSB. Approval of platting actions and dedication of rights-of-way will require separate processes and public notices through the borough.

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.

DNR has not identified any public, navigable, anadromous water bodies, or high-value resident fish waters within the project area. If any such water bodies are discovered, parcels will be subject to access reservations in accordance with AS 38.05.127 Access to Public or Navigable Water, and a 75-foot building setback from the OHW of a public water body and 100-foot building setback from anadromous or high-value resident fish waters.

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 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:

- public access easements;
- utility easements;
- a 50-foot-wide easement along each side of the common boundary lines of the NW¼NE¼, NE½NE¼, SE¼NE¼ & SW½NE¼ of Section 10, Township 17 North, Range 3 West, Seward Meridian (ADL 200646);
- 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; sectionline 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 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-foot direct line-of-sight easement from the control station to an azimuth mark or other control monument;
- 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 ground field inspections conducted on July 12, 2018, 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,

Hawk's Landing Subdivision – ADL 232730 Page 12 of 16

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.

<u>Survey</u>, <u>Platting</u>, <u>and Appraisal</u>: 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 Matanuska-Susitna 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. These additional opportunities for public involvement occur after a Final Finding and Decision is issued, if this proposed action is approved.

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 February 5, 2019 through February 22, 2019. 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.

<u>DNR DMLW LSS received brief comments of non-objection from the following agencies:</u>
Alaska Department of Fish & Game, Department of Environmental Conservation, DNR Division of Oil & Gas, and DNR Division of Parks & Outdoor Recreation (Operations).

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

<u>DNR Division of Geological & Geophysical Surveys (DGGS) Comment</u>: DGGS noted that the project area is underlain by glacial till with mixed coarse and fine material, with low to moderate permeability and poor surface drainage. The area is in the zone of isolated permafrost (up to 10% of the area underlain by permafrost). DGGS noted that if permafrost is present, ground ice volume is low, and the ground may be subject to thaw slumps, gullies, and water tracks. DGGS also noted that the Castle Mountain fault is located 3 miles away and has been active within the last 15,000 years. The region's potential for seismic hazard is high. Standard best building practices should be used. DGGS found no mineral related issues or claims within the proposed project.

<u>DNR DMLW LSS Response</u>: LSS appreciates your review of the proposal and have included your comments into this PD. Refer to the <u>Physical Characteristics and Hazards</u> section for more information. Information regarding permafrost will be included in offering materials.

<u>Department of Transportation & Public Facilities Comment (DOTPF)</u>: DOTPF provided comment regarding the existing access from West Hawk Lane to West Frances Clar Circle. The agency had concerns regarding the potential for increased development and support.

DNR DMLW LSS Response: LSS has addressed the information provided by DOTPF through direct communication with the agency and will continue to coordinate with the agency, and local platting authority/government as appropriate to ensure all requirements are satisfied.

<u>DNR Division of Parks and Outdoor Recreation</u>, Office of History and Archaeology <u>(OHA)</u> <u>Comment</u>: OHA noted that State law prohibits the removal or destruction of cultural resources (historic, prehistoric, and archaeological sites, locations, remains, or objects) on State lands. This also includes reporting of historic and archaeological sites on lands covered under contract with or licensed by the State or governmental agency of the State.

OHA stated there are no known cultural resource sites within the proposed project area. However, only a very small portion of the state has been surveyed for cultural resources; therefore, previously unidentified resources may be located within the project area. Should any inadvertent discoveries of cultural resources occur, OHA should be notified. Any information provided helps the State better manage Alaska's cultural resources.

DNR DMLW LSS Response: LSS appreciates your review of our proposal. OHA will be notified should any cultural resources be identified during the development of the project. Additionally, offering materials notify potential purchasers that should any cultural resources be discovered, activities must cease and OHA must be notified.

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

- Department of Natural Resources;
  - Division of Agriculture;

Hawk's Landing Subdivision – ADL 232730 Page 14 of 16

- Division of Forestry;
- Mental Health Trust Land Office;
- o Office of Project Management and Permitting; and
- State Pipeline Coordinator's Section;
- Department of Commerce, Community, and Economic Development
- Alaska Railroad;
- University of Alaska;
- Alaska Association of Soil & Water Conservation Districts.; and
- Wasilla Soil & Water Conservation District

#### 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 1226 without further notice. All related actions will be developed separately. However, approval of any action is dependent upon one another. One action will not proceed without approval of all actions.

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 1226. Upon approval and issuance of these actions, a copy of the decision, and mineral order, will be made available online at <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a> 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 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 26, 2020

Hawk's Landing Subdivision – ADL 232730 Page 15 of 16

#### IX. Alternatives and Discussion

DNR DMLW is considering the following alternatives:

<u>Alternative 1</u>: (Preferred) Offer no more than 8 parcels no smaller than 10-acres to be conveyed into private ownership. The development and offering of these parcels may be completed in multiple stages. This proposal includes the mineral order.

<u>Alternative 2</u>: (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, location relative to the communities of Houston and Big Lake, and the proximity to existing residential private property; the project area is better suited for a development of up to 8 parcels no smaller than 10-acres. Offering 8 parcels no smaller than 10 acres will maximize use of the land while ensuring sufficient buildable area within each parcel. Alternative 1 is preferred.

The related action is necessary to allow for the offering of the project area. The primary action and related action are dependent upon one another, and if DNR DMLW does not approve the project, the related actions will not be processed.

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 goals. 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.

Hawk's Landing Subdivision – ADL 232730 Page 16 of 16

#### X. Recommendation

Natural Resources Manager II

Division of Mining, Land and Water Department of Natural Resources

Land Sales Section

State of Alaska

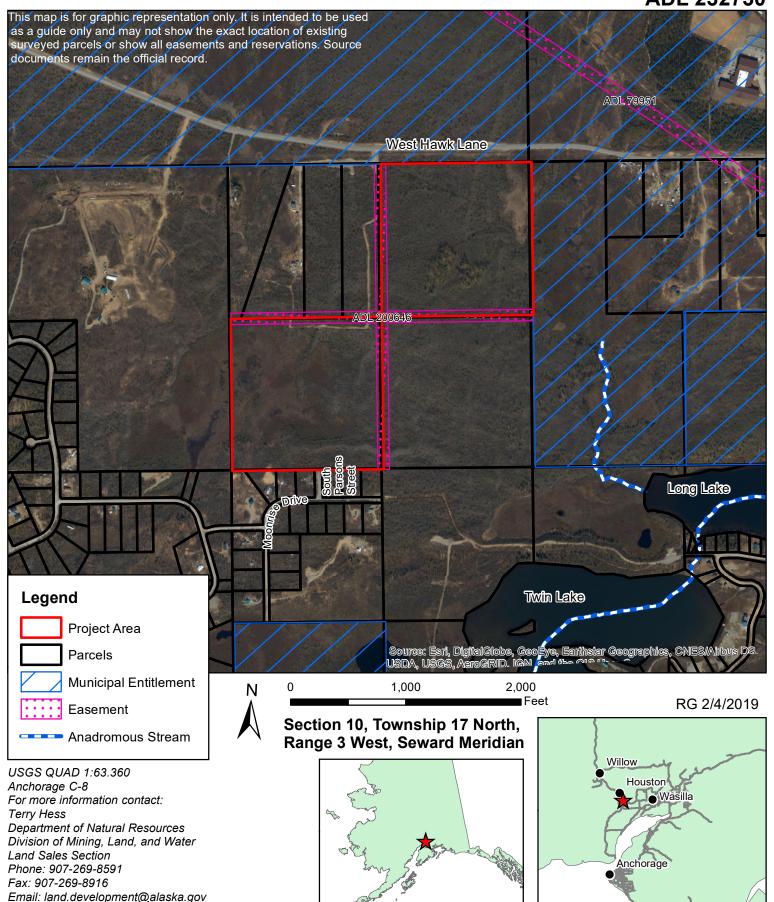
This Preliminary Decision for the proposed disposal of State lands, and Mineral Order 1226 described throughout this document and its attachments are consistent with the overall management intent for State-owned land. Alternative 1 is the preferred alternative because it provides the maximum opportunity 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 1226. If the decision is approved, Mineral Order 1226 will accompany and precede any Final Finding and Decision issued.

[signature on file}January 22, 2020Prepared by: Terry HessDateNatural Resource Specialist IIILand Sales SectionDivision of Mining, Land and WaterDepartment of Natural ResourcesState of AlaskaJanuary 22, 2020[signature on file]January 22, 2020Approved by: Tim ShillingDate



# Attachment A: Vicinity Map Hawk's Landing Subdivision ADL 232730



### 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 Matanuska-Susitna Borough Hawk's Landing Subdivision – ADL 232730

Offering Information		
Proposed Number	Up to 8 parcels	
of Parcels		
Proposed Parcel	No smaller than 10 acres	
Size		
Proposed Related	Mineral order (closing)	
Actions		
Project Area		
Location	Located approximately 11 miles west Wasilla, 2 miles northeast of Big	
	Lake.	
Project Area	Approximately 80 acres	
Acreage		
USGS Topography	USGS Quad Anchorage C-8	
Map	<b>G</b>	
Legal Description	NE¼NE¼ & SW¼NE¼ Section 10, within Township 17 North, Range 3	
	West, Seward Meridian; within the Matanuska-Borough.	
Title	Section 10 was patented to the State (Patent #50-68-0271) under	
	General Grant 1387.	
Area Plan and	Southeast Susitna Area Plan (SSAP) (adopted April 2008),	
Classification	Management Unit H-16, Big Lake Houston Region. Lands are	
	classified Settlement Lands.	
Mineral Orders	None. Project area will be closed to mineral entry prior to offering.	
Physical Characteristics		
Access	Access to the northern portion of the project area is from the Parks	
	Highway and West Hawk Lane to West Frances Clar Circle, then	
	through the project area via easement ADL 200646. Access to the	
	southern portion of the project area is from Big Lake Road along	
	developed roads to South Parsons Street, then through the project area	
	via easement ADL 200646.	
Terrain and Major	Consisting of two separate parts, the areas are generally flat and	
Features	contain a mixture of both wetlands and vegetated uplands. Residential	
	development has occurred on neighboring lands previously sold by the	
	State.	
View	Local views, there are no significant terrain features.	
1	,	

Attachment B: Area Data Summary Table for a Proposed Land Offering in the Matanuska-Susitna Borough Hawk's Landing Subdivision – ADL 232730 Page 2 of 4

Soils	Soils within the project area generally consist of Kitchatna soil (silty volcanic ash and silty loess over sandy and gravelly outwash), Histosols soil (organic material over gravelly alluvium and loamy glacial drift) and Cryaquepts soil (silty volcanic ash and loess over gravelly glacial drift and loamy outwash). Kitchatna soil rates as a fair gravel source. The project area contains non-irrigated land capability class VI, and VII soils. The Kichatna and the Cryaquepts soils are rated as "none, or no permafrost" and the Histosols soil was not rated.  Permafrost may be present within minority portions within the project area.  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	There appears to be some freshwater forested/shrub wetlands and some freshwater emergent wetlands within the west half of the SW¼NE¼, and a small portion primarily along the east boundary of the NE¼NE½. Dredging or filling of wetlands may require a permit from the US Army Corps of Engineers.
Vegetation	Vegetation is predominantly spruce, willow, birch and low shrub. The project area was burned in the 1996 Miller's Reach fire.
Water Source	Potential water sources are via hauled water or well water. Well depths within the area are reported between 40 to 150 feet. Water quality is unknown.
Anadromous Waters	None
Local Management Information	
Fire Protection  Game Management	The Alaska Interagency Wildland Fire Management Plan indicates a critical fire management option. The project area is within the West Lakes Fire Service area. The nearest substation is approximately 4 miles south of the project area.  14A
Unit	
Local Authority	Matanuska-Susitna Borough exercises authority for planning, platting, taxes, and zoning for the project area.
Flood Zone	The proposed project is in Flood Zone X – Area of Minimal Flood Hazard. Community Panel #02170C8010E, effective on March 17, 2011.
Utilities	This area is currently within the Matanuska Electric Association (MEA), Matanuska Telephone Association (MTA), and the ENSTAR Natural Gas Company service areas. An MEA powerline is adjacent to the project area, within the right-of-way of West Hawk Lane. An ENSTAR gas main is located on West Hawk Lane, and it ends at the Houston Middle and High Schools.

Attachment B: Area Data Summary Table for a Proposed Land Offering in the Matanuska-Susitna Borough Hawk's Landing Subdivision – ADL 232730 Page 3 of 4

Waste Disposal	This area is served by the Palmer Matanuska-Susitna Borough Big		
_	Lake Transfer Station, which is approximately 5 miles south. All on-site		
	wastewater disposal systems must meet the regulatory requirements of		
	the Alaska Department of Environmental Conservation.		
Setbacks, Reserved	Setbacks, Reserved Areas, Easements, and Conditions		
Building Setbacks	None identified.		
Public Access and	Parcels may be subject to the following:		
<b>Utility Easements</b>	<ul><li>public access easement(s);</li></ul>		
	utility easement(s);		
	<ul> <li>a 50-foot-wide easement along each side of the common boundary lines of the NW¼NE¼, NE¼NE¼, SE¼NE¼ &amp; SW¼NE¼ of Section 10, Township 17 North, Range 3 West, Seward Meridian (ADL 200646);</li> </ul>		
	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 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-foot direct line-of-sight easement from the control station to an azimuth mark or other control monument; and		
	<ul> <li>additional reservations and/or restrictions required through the local platting authority.</li> </ul>		
Retained Lands	None identified.		
Public or Navigable	None identified. If any water bodies are deemed public or navigable		
Water Bodies	within the project area prior to offering, DNR DMLW will comply with		
	statutory requirements to provide access to and along said water		
	bodies.		
Additional Informatio			
Native Regional	Cook Inlet Region, Incorporated		
Corporations			
Villages and Tribal	Eklutna, Incorporated, Alexander Creek, Incorporated, Knikatnu,		
Councils	Incorporated, Native Village of Eklutna, & Knik Tribal Council.		
Oil and Gas Activity	None known.		
Mining Activity	None known.		

Attachment B: Area Data Summary Table for a Proposed Land Offering in the Matanuska-Susitna Borough Hawk's Landing Subdivision – ADL 232730 Page 4 of 4

Comments	There are municipal entitlements adjacent to the project area to the north and west. They are serialized as ADL 26197 (Matanuska-Susitna Borough) and ADL 64961 (City of Houston). Some of the lands included in ADL 26197 have been subdivided and transferred into private ownership for residential purposes.
	Four adjacent parcels have been conveyed to private parties from the State; see ADL 200812, ADL 200810, ADL 52138 and ADL 52137. The majority of these lands have been subdivided for residential use.
	The project area is immediately outside of Houston city limits and is within the Big Lake Road service area.

# 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: Hawk's Landing Subdivision – ADL 232730

#### COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, FEBRUARY 26, 2020

This proposed project includes offering for sale 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.

Location: within DNR's Southcentral Region, approximately 11 miles west of Wasilla and 2 miles northeast of Big Lake, the project area is within Section 10, Township 17 North, Range 3 West, Seward Meridian, within the Matanuska-Susitna Borough (MSB).

Project size: Approximately 80 acres proposed development area.

To obtain the notice, Preliminary Decision, Mineral Order, or instructions on submitting comment, go to <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a> or <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a> or <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a> or <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a> or 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, Fairbanks at 907-451-2705, or the Southeast Land Office in Juneau at 907-465-3400 (TTY for all location: 711 for Alaska relay or 800-770-8973) or go to <a href="http://dnr.alaska.gov/commis/pic/">http://dnr.alaska.gov/commis/pic/</a> 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, Friday, February 14, 2020.

Pursuant to *AS 38.05.945 Notice*, the public is invited to submit comment on either the Preliminary Decision, or Mineral Order 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 26, 2020.** 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 Terry Hess, 550 W. 7<sup>th</sup> Avenue, Suite 640, Anchorage, AK 99501. fax # 907-269-8916, <a href="mailto:land.development@alaska.gov">land.development@alaska.gov</a>. If you have questions, call Terry Hess at 907-269-8591.

If no significant change is required, the Preliminary Decision and related action including any minor changes and a summary of comments and responses, will be issued as the Final Finding and Decision, and Mineral Order 1226, 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.