

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

PRELIMINARY DECISION
Hollie's Acres House – ADL 421207

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

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

PUBLIC COMMENT PERIOD ENDS 5:00PM, TUESDAY, APRIL 7, 2020

I. Proposed Action(s)

Preliminary Decision: Hollie's Acres House - ADL 421207

Attachment A: Vicinity Map

Attachment B: Area Data Summary Table

Attachment C: Public Notice

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

Draft Mineral Order (Closing) MO 1239

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, a parcel with improvements will be offered for sale.

The project area is located within DNR's Northern Region in Salcha east of the Richardson Highway near milepost 322, approximately one mile south of the Salcha River and less than one mile north of the Harding Lake State Recreation Area access road. The project area is within Section 26, Township 5 South, Range 4 East, Fairbanks Meridian, within the Fairbanks North Star Borough (FNSB). The project area consists of 4.774 acres, more or less, 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 the project area.

Proposed Related Action: 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 are no mineral claims within the project area. Refer to the Mineral Activity and Order(s) subsection of this document for more information on this proposed related action.

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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.

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

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

II. Method of Sale

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

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

III. Authority

DNR has the authority under *AS 38.05.045 Generally* to sell State-owned land if, on preparation and issuance of a written finding, it is determined to be in the best interest of the State, as required by *AS 38.05.035(e) Powers and Duties of the Director*. Article VIII, Section 1, of the Constitution of the State of Alaska states "It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." 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.

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

IV. Administrative Record

The project file, Hollie's Acres House - ADL 421207, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Eastern Tanana Area Plan for State Lands (ETAP, adopted 2015) and associated land classification files;
- *Alaska Interagency Wildland Fire Management Plan 2016* (March 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 January 3, 2020*; and
- DNR case file ADL 412698 for a management right to the Department of Administration.

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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 proposed 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.

VI. Description

Location: Within DNR's Northern Region in Salcha east of the Richardson Highway near milepost 322, approximately one mile south of the Salcha River and less than one mile north of the Harding Lake State Recreation Area access road. The project area is within Section 26, Township 5 South, Range 4 East, Fairbanks Meridian, within the Fairbanks North Star Borough (FNSB). See *Attachment A: Vicinity Map and Attachment B: Area Data Summary Table* for additional information.

Platting Authority: The project area is within the FNSB and subject to the borough's platting authority.

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

Legal Description: Lot H-1 of the Hollie's Acres Subdivision, Replat of Lot H, recorded as plat number 79-181 in the Fairbanks Recording District, Alaska.

Title: Information from Title Report No. 11990, current as of September 17, 2019 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under a warranty deed dated January 30, 1986. The applicable State case file is OSL 993. The parcel is subject to the reservations, easements and exceptions contained in the federal patent and protective covenants recorded on October 19, 1983 (Book 335, Page 707, Fairbanks Recording District). The protective covenant prohibits "mining or commercial excavation of gravel".

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.

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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 on-site field inspections conducted on March 29 and September 6, 2019. 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: The project area is within a terrace resulting from the Tanana and Salcha rivers. The terrace is underlain by silt, gravel, boulders, and rock fragments that can be covered by frozen silt and peat. Surficial soils within the project area generally consist of silt loams and sandy loams. These soils vary from well drained to somewhat poorly drained with a non-irrigated land capability class ranging from II to III. The primary limitations for this soil family complex for building foundations is depth to groundwater, and septic system absorption fields might be limited by depth to groundwater or slow water percolation.

Wetlands: No wetlands have been identified within the project area.

Geologic Hazards: DNR Division of Geological and Geophysical Surveys (DGGS) reports that the project area is within the zone of discontinuous permafrost, but permafrost (if present) is unlikely to create a significant hazard because the soils are likely ice poor and thaw stable. DGGS rates the seismic hazard potential for the project area to be moderate, which should be accommodated by appropriate building practices. While there are currently no residential building code requirements within the FNSB, the cities of Fairbanks and North Pole have building codes that specify the seismic design category D1 from the International Residential Code (IRC). The International Code Council makes the IRC available for public access on their website.

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Fire Information: Based on observations from field inspections, the fire risk in the area is likely to be moderate or greater. There have been small wildfires in the vicinity, but no recorded fires within the project area. The property is within Salcha Fire and Rescue's (SF&R) response area. SF&R responds to all emergency calls, but property owners will be billed for the response if they don't have membership with SF&R.

Potential for wildland fire is high in Interior Alaska. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations. Land sale 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 (AIWFMP) available from DNR Division of Forestry. The current fire management option for the project area is "Critical". 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". The AIWFMP also states that the designation of a fire management option does not ensure protection from wildfire, and that a protection response will be based on various factors. "Ultimately, it is the responsibility of [landowners] to mitigate and minimize risk to their property before it becomes threatened by a wildfire".

Flood Hazard: The project area is within Federal Emergency Management Agency Flood Insurance Rate Map No. 02090C7275J. The project area is within Flood Zone X, which is defined as outside the 0.2% annual chance floodplain.

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). There are two subsurface water rights within approximately 1,500 feet of the project area. The property has a well of unknown depth installed immediately north of the house. Wells with recorded logs in the vicinity are shallow, ranging from 26 to 60 feet deep; the deepest of these wells had a depth to groundwater of 40 feet at time of installation. Water quality is unknown, but LSS plans to sample the well water for basic water quality parameters prior to sale.

Background: The property was acquired by DNR in 1986. It appears that the house was built in the mid to late 1980s. The DNR Division of Parks & Outdoor Recreation (DPOR) indicated that the house was originally used by ADF&G and was later transferred to DPOR. DPOR used the property until approximately 2010, when they winterized the house and left it unmaintained. Based on the 2019 field inspections, there has been no apparent vandalism of the property since being abandoned.

The house is located in the southwest corner of the parcel. There is a trail apparent in aerial imagery east of the house leading to the center of the eastern parcel boundary. This trail is not as obvious on the ground and does not seem to be actively in use. Vegetation within the parcel is mixed deciduous and spruce trees near the house, with stands of primarily deciduous or spruce trees on other portions of the parcel. While the parcel is relatively flat, there are small changes in elevation in the center and northern portion that may represent changes in soil type. The parcel immediately to the west is mostly at a lower elevation,

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presumably due to material extraction, and had more standing water than the project area when inspected on March 29, 2019. There were small areas of standing water at the lower elevation portions of the project area adjacent to Hollies Acres Drive, but none were apparent near the house.

The house is a one-story frame structure heated by a forced air furnace. The gabled roof is relatively low in slope and is covered in metal panels. The roof appears to be a cold roof ventilated by gable-end vents. The wall sheathing is T1-11 plywood with triple-glazed, vinyl-frame windows. The foundation is a crawlspace with concrete block stem walls. The house has two arctic entry ways extending from the north and south sides, leading to the east-west oriented long axis of the house. The FNSB property database estimates the living space to be 1,200 square feet in area and the property to have an assessed value of approximately \$134,000 (\$12,000 land, \$122,000 improvements).

North of the house is a storage shed, piles of lumber and debris (including a rusty 55-gallon diesel drum that appears contain a few gallons of fuel), insulated well house, septic system risers, and risers for an underground storage tank (UST). The UST contained 25 inches of heating oil over approximately 0.5 inches of water when measured during the September 6, 2019 site visit; the holding capacity of the UST is unknown. The well casing was open with the well pump pulled out. Along the southern house exterior is a small area enclosed by chain-link fencing.

Noticeable flaws evident from the house exterior include:

- The glazing stops on several of the south-facing windows are falling out.
- The plumbing vent line riser on the north facing roof slope is bent significantly.
- The electrical service mast on the south side entry way is pulled away from its connection to the house under the roof eave. There is an existing connection to Golden Valley Electric Association power lines, but the electrical service to the house is currently inactive.
- Some sections of the exterior foundation wall insulation are heaved out of the ground, damaging the overlying flashing for the wood to concrete wall transition.

The house interior includes north and south entry ways, one full bathroom, several bedrooms, a connected living and dining room, and a kitchen. A mechanical room is near the north side entry that contains an oil-fired furnace and an electric domestic water heater. The entry areas have vinyl flooring and the living areas have low-pile carpeting. The kitchen has a fridge, dishwasher, electric range, and wood cabinetry. The dining and living room area contains a small table with some chairs, two small sofas, and some storage shelving. There are minimal other furnishings in the house, such as a bedframe made from dimensional lumber in one bedroom.

Noticeable flaws evident from the house interior include:

- The water heater appears to have a leak and its containment pan is full of water.
- Mold growth is apparent on the bathroom drywall.
- There was localized heaving of the floor between the mechanical room and the north side entry during the March 29, 2019 site visit.

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The crawlspace entrance is through the floor immediately outside the mechanical room. The crawlspace appeared relatively dry and clean with no obvious, significant damage visible from the entrance. The joists and subfloor near the crawlspace entrance were dry and free of obvious mold or strain. The crawlspace construction seemed to have moisture control elements, such as what appeared to be a ground vapor retarder covered by gravel on the floor and a capillary break between the concrete wall top and the wood sill plate.

The water line enters the house in the crawlspace near the northwest corner and leads to a pressure tank and filter housing. The metal waste line dives underground near the central northern portion of the crawlspace. The uninsulated furnace ducts appear to be run through the crawlspace to floor vents. There was no observable floor insulation between the house and the crawlspace.

LSS intends to complete a more thorough house inspection prior to sale and will include information about the property in the offering materials. LSS will provide opportunities for potential purchasers to inspect the property prior to sale.

There have been State land sales within a mile of the property, but they are unaffiliated with the project area. The project area is surrounded by privately owned land approximately 5 to 19 acres in size. Some of the other parcels within the Hollie's Acres Subdivision have been developed for residential use, and many remain undeveloped. One parcel with highway frontage is being used commercially (Salchaket Roadhouse).

Selling the land and improvements provides an opportunity for the public to obtain developed property. Under State ownership the house is at risk for deterioration given that the DNR has no active use of the property and no practical means for maintaining the improvements.

Planning and Classification: The general management intent of the area plan was reviewed for consistency with the proposed offering. The project area is within Eastern Tanana Area Plan (ETAP, adopted August 28, 2015), Fairbanks Region. The project area is designated Settlement and classified Settlement Land by a determination processed by the DNR Resource Assessment and Development Section.

Areawide Considerations: LSS reviewed the area plan's guidelines in Chapter 2 Areawide Land Management Policies. 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 in offering materials as appropriate. Specific areawide 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 landowners. 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

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Cultural Resources: Management Guidelines provide for protection of significant cultural resources by OHA's review of project proposals to determine the potential for adverse effects on heritage resources. Agency review for this project included OHA, and OHA notified DMLW that no historic properties were affected by this proposal.

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 project area already has platted and developed access from the Richardson Highway.

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 and has considered site limitations such as slope, drainage, and soils. Review of the FNSB Comprehensive Plan did not indicate any conflicts with proposed land disposal. DMLW will solicit input from local landowners through the public notice and comment process. See the Coordination and Public Notice subsection for more information. The proposed land offering will not interfere with any critical recreation or environmental resources. There are no known current uses of the project area to protect or maintain, and LSS is not proposing to subdivide the project area, therefore no retained lands or buffers are proposed.

The proposed offering is consistent with areawide land management policies and general management intent of the ETAP.

Mineral Activity and Order(s): No mineral activity has been identified on these lands. The entirety of the project area (4.774 acres, more or less) 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.

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

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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 FNSB and property purchased through this proposed offering will be subject to the applicable zoning, ordinances, and restrictions of the borough. The project area and immediate surroundings are zoned General Use. The project area is within the boundary of the FNSB Comprehensive Plan (2005) and the Salcha-Badger Road Area Plan (2019). Review of these plans did not indicate any conflicts with the proposed State land disposal.

Traditional Use Finding: The project area is located within the 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 document 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 from the Richardson Highway near MP 322 to Hollie's Acres Drive. The project area is subject to the platting authority of the FNSB but is not within a road service area.

Easements, Setbacks, and Retained Lands: The property is subject to platted easements and reservations.

Hazardous Materials and Potential Contaminants: During on-the-ground field inspections conducted on March 29 and September 6, 2019, field staff did not observe any environmental hazards within the project area. There is some wooden debris on the property north of the house remaining from former DPOR and ADF&G use, and an intact drum of diesel fuel with a little residual product remaining. DNR Land Sales intends to remove the diesel drum prior to offering the property for sale. 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 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.

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.

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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.

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 August 28 through September 18, 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.

DNR DMLW LSS received brief comments of non-objection from the following agencies: *Alaska Department of Fish & Game; DNR Division of Agriculture; DNR Division of Forestry; Department of Transportation and Public Facilities; DNR Division of Parks and Outdoor Recreation; Mental Health Trust Land Office; DNR Division of Parks and Outdoor Recreation, Office of History and Archaeology; Salcha-Delta Soil & Water Conservation District; DNR State Pipeline Coordinator's Section*

DNR Division of Oil & Gas (DOG) Comment: DOG has no objection to the proposed land disposal and mineral order and noted that there are no applications or pending authorizations in the area. DOG requests that DMLW make potential purchasers aware that the State retains the mineral estate and that mineral orders closing the land to locatable mineral resources do not apply to leasable mineral resources.

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

DNR DGGS Comment: DGGS summarized the geologic setting and hazards for the project area vicinity (summarized in **Section VI, Description, Physical Characteristics and Hazards**). DGGS had no comments or issues relating to mineral or energy resources near the project area.

DNR DMLW LSS Response: LSS appreciates DGGS's input and has integrated the information into this proposal.

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

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- Alaska Railroad;
- Department of Environmental Conservation; and
- Department of Natural Resources, Office of Project Management and Permitting.

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 1239 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 1239. 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 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, TUESDAY, APRIL 7, 2020**

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IX. Alternatives and Discussion

DNR DMLW is considering the following alternatives:

Alternative 1: (Preferred) Offer the property for sale. This proposal includes the mineral order.

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

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

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

The mineral order 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 action 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 Alaskans the opportunity to obtain land in an area that is suited to settlement. Under this alternative, DNR would continue to expend resources managing the land and improvements while forgoing the income from a land sale. The property no longer serves a State function and there is no established mechanism for appropriately maintaining the property. Retaining the property would serve as an unnecessary liability and burden to the State.

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

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X. Recommendation

This Preliminary Decision for the proposed disposal of State lands and Mineral Order 1239 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 Mineral Order 1239. If the decision is approved and Mineral Order 1239 will accompany and precede any Final Finding and Decision issued.

Signature on file

Prepared by: Colin Craven
Natural Resource Specialist
Land Sales Section
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

March 6, 2020

Date

Signature on file

Approved by: Tim Shilling
Competitive Land Sales Manager
Land Sales Section
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

March 6, 2020

Date



Attachment A: Vicinity Map Hollie's Acres House, ADL 421207

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.

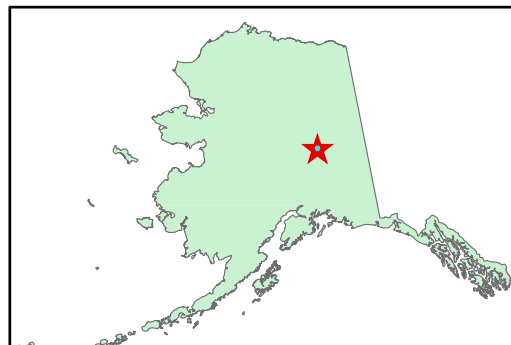


Legend

- Project Area
- Parcels

**Township 5 S, Range 4 E
Section 26 Fairbanks Meridian
Big Delta B-6 USGS QUAD 1:25,000**

CMC, March 2, 2020



For more information contact:
Colin Craven
Department of Natural Resources
Division of Mining, Land, and Water
Land Sales Section
907.451.2730
land.development@alaska.gov

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

ATTACHMENT B: AREA DATA SUMMARY TABLE

to the
Preliminary Decision

for a
**Proposed Land Offering in the Fairbanks North Star Borough
Hollies Acres House – ADL 421207**

Offering Information	
Proposed Number of Parcels	One.
Proposed Parcel Size	4.774 acres, more or less.
Proposed Related Actions	Mineral order (closing).
Project Area	
Location	Near Salcha, east of the Richardson Highway near milepost 322. Approximately one mile south of the Salcha River and less than one mile north of the Harding Lake State Recreation Area access road.
Project Area Acreage	4.774 acres, more or less.
USGS Topography Map	USGS Quad Big Delta B-6 NW
Legal Description	Lot H-1 of the Hollie's Acres Subdivision, Replat of Lot H, recorded as plat number 79-181 in the Fairbanks Recording District, Alaska.
Title	State-owned land acquired by warranty deed, recorded in book 466, page 198-199 of the Fairbanks Recording District. The State case file is OSL 993.
Area Plan and Classification	Eastern Tanana Area Plan (ETAP), adopted August 28, 2015. The project area is designated Settlement and classified Settlement Land by a determination.
Mineral Orders	None. Project area will be closed to mineral entry prior to offering.
Physical Characteristics	
Access	Legal and constructed access is from the Richardson Highway near MP 322 to Hollie's Acres Drive.
Terrain and Major Features	The parcel is relatively flat. Significant features nearby are the Salcha River approximately one mile to the north and Harding Lake approximately 1.5 miles to the south.
View	No regional view.

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Soils	The entire project area is underlain by silt loams and sandy loams. The soils vary from well drained to somewhat poorly drained. The primary limitations for this soil family complex for building foundations is depth to groundwater, and septic system absorption fields may be limited by depth to groundwater or slow water percolation. Known soil concerns will be described in the project file and offering materials where relevant.
Wetlands	There are no known wetlands identified in the project area. Dredging or filling of wetlands may require a permit from the US Army Corps of Engineers.
Vegetation	The vegetation is mixed deciduous and spruce trees near the house, with stands of primarily deciduous or primarily spruce trees on other portions of the parcel.
Water Source	The property has a well of unknown depth installed immediately north of the house. Wells with recorded logs in the vicinity are shallow, ranging from 26 to 60 feet deep; the deepest of these wells had a depth to groundwater of 40 feet upon installation. Water quality is unknown.
Anadromous Waters	None in the project area.
Local Management Information	
Fire Protection	Critical Fire Management option. There have been small wildfires in the vicinity, but no recorded fires within the project area. The property is within Salcha Fire and Rescue's (SF&R) response area. SF&R responds to all emergency calls, but property owners are billed for a response if they don't have membership with SF&R.
Game Management Unit	20B
Local Authority	The Fairbanks North Star Borough (FNSB) exercises authority for planning, platting, taxes, and zoning for the project area.
Flood Zone	Flood Insurance Rate Map No. 02090C7275J. The project area is within Flood Zone X, outside the 0.2% annual chance floodplain.
Utilities	This area is served by Golden Valley Electric Association. GVEA service is connected to the house but is currently inactive.
Waste Disposal	The Salcha transfer station is the closest FNSB transfer station, approximately five miles to the north along the Richardson Highway. There is a residential septic system installed on-site, though the construction and current condition are unknown. All on-site wastewater disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.
Setbacks, Reserved Areas, Easements, and Conditions	
Building Setbacks	None.
Public Access and Utility Easements	The project area has constructed, legal access (Hollie's Acres Drive) and has electricity provided from lines within a utility easement. The access and utility easements are adjacent to, not within, Lot H-1.
Retained Lands	None identified.

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Public or Navigable Water Bodies	None.
Additional Information	
Native Regional Corporations	Doyon Regional Corporation.
Villages and Tribal Councils	None.
Oil and Gas Activity	None known.
Mining Activity	None known.
Comments	The property includes a single-story, multi-bedroom house formerly used by the Division of Parks and Outdoor Recreation (DPOR). DPOR no longer needs the property. The house has been unoccupied for several years, but still appears to be in relatively good condition based on 2019 site inspections. Additional inspection and minor repairs may be necessary prior to sale.

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:
Hollie's Acres House – ADL 421207

COMMENT PERIOD ENDS 5:00PM, TUESDAY, APRIL 7, 2020

This proposed project includes offering for sale a parcel in a future offering under the method and the related actions as described in the Preliminary Decision document.

The parcel is located in Salcha east of the Richardson Highway near milepost 322, approximately one mile south of the Salcha River and less than one mile north of the Harding Lake State Recreation Area access road, in Section 26, Township 5 South, Range 4 East, Fairbanks Meridian, within the Fairbanks North Star Borough.

Project size: 4.774 acres, more or less, proposed for sale.

To obtain the notice, Preliminary Decision, Mineral Order, or instructions on submitting comment, go to <http://landsales.alaska.gov/> or <http://aws.state.ak.us/OnlinePublicNotices/>. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 10AM and 5PM in Anchorage at 907-269-8400, Fairbanks at 907-451-2705, or the Southeast Land Office in Juneau at 907-465-3400 (TTY for the hearing impaired for all locations: 711 for Alaska relay or 800-770-8973), 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, March 31, 2020.

Pursuant to *AS 38.05.945 Notice*, the public is invited to submit comment on 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, TUESDAY, APRIL 7, 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 Colin Craven, DNR Land Sales, 3700 Airport Way, Fairbanks, AK 99709; fax # 907-451-2751; land.development@alaska.gov. If you have questions, call Colin Craven at 907-451-2730.

If no significant change is required, the Preliminary Decision and related actions including any minor changes and a summary of comments and responses, will be issued as the Final Finding and Decision and Mineral Order 1239, 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.