

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

Non-competitive Sale to Preference Right Applicant

FINAL FINDING AND DECISION – ADL 108858

pursuant to
AS 38.05.035(b)(7)

and

RELATED ACTION

Mineral Order 1219 (Closing) – AS 38.05.185 and AS 38.05.300

This Final Finding and Decision is intended to complement and update the Preliminary Decision for ADL 108858 issued on January 15, 2020 which is attached.

I. Recommended Action(s)

The Department of Natural Resources (Department), Division of Mining, Land and Water (Division) received an application to purchase a parcel of State land pursuant to Alaska Statute 38.05.035(b)(7). This final finding and decision allows the parcel to be sold through a non-competitive sale to the applicant. The parcel is located adjacent to 210 Shotgun Alley, Sitka, Alaska on the western portion of Lot 14, U.S. Survey 3557.

AS 38.05.035(b)(7) allows fair market value conveyance of unmanageable remnants of state land to adjacent landowners. The Department proposes to convey a parcel smaller than zoning lot sizes to an adjacent landowner.

Additionally, the Department will close the noncompetitive sale parcel to new mineral entry through Mineral Order (MO) 1219. Public notice for the mineral order was conducted concurrently with notice for the noncompetitive sale under AS 38.05.035(b)(7).

II. Authority

The Department has the authority under AS 38.05.035(b)(7) 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."

AS 38.05.300 Classification of Land, and AS 38.05.185 Generally allow for mineral orders.

II. Public Notice and Discussion

Pursuant to AS 38.05.945, a public notice announcing the Preliminary Decision for the proposed noncompetitive sale and mineral order draft 1219 along with the solicitation for public comment was published and distributed in compliance with the above statute in the following manner:

- Posted under State of Alaska Online Public Notice and Department Land Sales website from January 15 to February 19;
- Mailed, with a request to post for 30 days, to postmasters in Angoon, Hoonah, Kake, Pelican, Tenakee Springs, and Sitka per AS 38.05.945(c)(4);
- Mailed, with a request to post for 30 days, to libraries in Angoon, Hoonah, Kake, Pelican, Tenakee Springs, and Sitka;
- Mailed to the regional corporation per AS 38.05.945(c)(2)-(3); and
- Mailed to 63 adjacent landowners, Hoonah Indian Association, Sealaska, Sitka Tribe of Alaska, Shee Atika Incorporated, Central Council of Tlingit and Haida Indian Tribes of Alaska, and the City and Borough of Sitka.

III. Comments Received

We received no written comments during the public comment period, though we did respond to inquiries for additional information.

IV. Stipulations

The applicant will be required to comply with the following stipulations to complete the proposed land sale:

1. The Division proposes to prorate the cost of the survey with the applicant for disposition of Lot 14 as part of preference right sale ADL 108858 and competitive land sale ADL 108913. If the commissioner determines that ADL 108913 is not in the best interest of the State, the applicant will bear all costs (including entire cost of survey) for purchase of ADL 108858, in accordance with application materials submitted on 1/19/2018.
2. Upon approval and recording of the survey, a notice to proceed to appraisal will be issued. Within two years from the date of the notice to proceed to appraisal, the applicant must hire an appraiser, the appraiser must apply for appraisal instructions issued by the Division, and then must submit to the Division a completed fair market value appraisal in accordance with appraisal instructions issued by the Division.
3. Upon approval of the appraisal, a notice to proceed to purchase will be issued to the applicant. Within two years of an approved appraisal, the applicant must submit to the Division the following:
 - A completed and signed Declaration of Intent Form;
 - A signed and notarized Veterans Land Discount form (if applicable); and

- Payoff amount plus patent application and recordation fees OR minimum 5% of the purchase price as deposit plus land sales contract application and recordation fees. Fees are established under to 11 AAC 05.100 & 200, and are subject to change. Some fees have been reduced by Director's Order Number 3.
4. Prior to the completion of the purchase and issuance of a state conveyance document, the applicant must remain in good standing with respect to all terms of the Contract for the Sale of Real Property throughout its term, if such a contract is issued. The applicant must also remain in compliance with all applicable state and local ordinances and regulations, including all applicable taxes. Failure to do so may result in termination of the Contract for the Sale of Real Property.

If extenuating circumstances delay any of the stipulations listed above, the applicant is responsible for notifying the Division and receiving Division approval for the delay with new timeframes for completion to be given. Failure to do this could result in the closure of the purchase application. The purchase cannot be completed until all the above stipulations have been satisfied.

V. Modifications to Decision and Additional Information

The recommended action has not been modified from the original proposed action(s) described in the Preliminary Decision, nor is there additional information to add to the decision.

The Final Finding and Decision is on the next page.

VI. Final Finding and Decision

The recommended action has not been modified from the original proposed action described in the Preliminary Decision.

The Department recommends proceeding with the proposed action as described in the Preliminary Decision. The findings presented above have been reviewed and considered. Public notice has been accomplished in accordance with AS 38.05.945. The case file has been found to be complete and the requirements of all applicable statutes have been satisfied.

Under the authority of the applicable statutes, it is hereby found to be in the best interest of the State of Alaska to proceed with the recommended actions as described and referenced herein.

[signature on file]
Recommended by: Rachel Longacre
Land Sales Section Manager
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

4/7/2020
Date

[signature on file]
Approved by: Martin W. Parsons
Director
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

4/7/2020
Date

[signature on file]
Approved by: Corri A. Feige
Commissioner
Department of Natural Resources
State of Alaska

4/7/2020
Date

Reconsideration Provision

A person affected by this decision who provided timely written comment or public hearing testimony on this decision may request reconsideration, in accordance with 11 AAC 02. Any reconsideration request must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Ave., Ste. 1400, Anchorage, Alaska 99501; faxed to 907.269.8918; or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b).

If reconsideration is not requested by that date or if the commissioner does not order reconsideration on his own motion, this decision goes into effect as a final order and decision on the 31st day after issuance. Failure of the commissioner to act on a request for reconsideration within 30 calendar days after issuance of this decision is a denial of reconsideration and is a final administrative order and decision for purposes of an appeal to Superior Court. The decision may then be appealed to Superior Court within a further 30 days in accordance with the rules of the court, and to the extent permitted by applicable law. An eligible person must first request reconsideration of this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.