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

PRELIMINARY DECISION Windy City Subdivision – ADL 421190

Proposed Land Offering in the City of Delta Junction 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, THURSDAY, SEPTEMBER 3, 2020

I. Proposed Action(s)

Preliminary Decision: Windy City Subdivision - ADL 421190 Attachment A: Vicinity Map Attachment B: Public Notice Public is also invited to comment on the proposed related actions: Draft Mineral Order (Closing) MO 1245

<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 Conveyances Section (LCS) is to offer for sale State-owned land within the identified project area. If approved, surveyed parcels will be offered for sale.

Within DNR's Northern Region, the project area is located in the City of Delta Junction, approximately 350-570 feet north of Jarvis Creek. The project area is within Section 23, Township 10 South, Range 10 East, Fairbanks Meridian. The project area consists of approximately 7.5 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 for the purposes of providing land for settlement, LCS proposes to sell land within the Windy City project area. In order to offer these lands for sale, if approved and deemed feasible, LCS may develop a subdivision of no more than seven parcels varying in size no smaller than one acre. This proposed project area is located within the City of Delta Junction and therefore survey, platting, and access to and within the project area will be subject to the relevant subdivision standards.

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 (FFD), if the project proceeds to that step. Additional adjustments may be made prior to survey, as described in the applications to the platting authority, as needed to reserve areas for public use, minimize conflicts between uses, or ensure compliance with platting requirements. Although actions under this proposal are limited to the stated maximums, additional offerings may be authorized under future proposals, which could increase the density of privately-owned parcels within, 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 mining activity within the project area. Refer to the <u>Mineral Activity and</u> <u>Order(s)</u> subsection of this document for more information on this proposed related action.

This related action will be developed separately.

<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 B:* Public Notice for details on how to submit a comment for consideration. If, after consideration of timely, written comments, LCS moves forward with the proposal, a Final Finding and Decision will be issued.

II. Method of Sale

LCS 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 <u>http://landsales.alaska.gov</u>.

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

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IV. Administrative Record

The project file, Windy City Subdivision - ADL 421190, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Eastern Tanana Area Plan for State Lands (ETAP, adopted August 28, 2015) and associated land classification files;
- Alaska Interagency Wildland Fire Management Plan (March 2019 Review);
- Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes;
- United States Fish & Wildlife Service (USFWS) National Wetlands Inventory (Updated January 2020);
- USDA, Natural Resource Conservation Service Custom Soil Report for this project, dated March 18, 2020; and
- DNR case files: easements ADL 16959, ADL 413490, and ADL 420813; and material site ADL 420419.

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 LCS's proposal to offer State-owned land within the defined project area for disposal and mineral order as described herein. The scope of this proposal does not include the control of post-patent use and LCS does not intend to impose deed restrictions for this purpose.

VI. Description

Location: Within DNR's Northern Region, this project area is located in the City of Delta Junction, and approximately 350-570 feet north of Jarvis Creek. The project area can be accessed from the Richardson Highway via 4th Street and Jarvis Avenue. See *Attachment A*: Vicinity Map for additional information.

The project area is within the Unorganized Borough and subject to the City of Delta Junction's platting authority.

Native Regional and Village Corporations: There are no villages located within 25 miles of the project area; however, courtesy notification will be sent to Healy Lake Village and Mendas Chaag Native Corporation.

<u>Legal Description</u>: That portion of Block 3, of the West Addition, of the North and West Additions to Delta Junction Townsite Subdivision, according to Plat No. 63-7859, filed on November 13, 1963, in the Fairbanks Recording District, lying westerly of the westerly boundary of a 30' wide private utility easement, ADL No. 420813, according to the Record of Survey recorded as Plat No. 2020-12 on January 29, 2020, in the Fairbanks Recording District, 4th Judicial District, containing 7.5 acres, more or less, as depicted on the attached map.

<u>Title</u>: Information from Title Report No. 20887, current as of April 13, 2020 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under

Patent 1230322, dated January 9, 1963. The applicable State case file is CG 3. 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>: Information about the project area is based on internal research, information received during agency review, and a field inspection conducted on July 15, 2020. 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.

Terrain and Major Features: The project area is fairly flat with limited topography and approximately 350-570 feet north of Jarvis Creek.

View: The project area has a local view, with no significant features.

Vegetation: Vegetation consists of a mixed spruce forest.

Soils: The entirety of the project area consists of well-drained sandy-silt loam (Jarvis-Salchaket complex). These soils are not considered prime farmland.

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

Geologic Hazards: DNR Division of Geological and Geophysical Survey (DGGS) was consulted during agency review and noted that the project area has the potential to be underlain by perennially frozen ground. The project area is located 50 miles from the Salcha seismic zone and the region's overall seismic hazard potential is moderate. The Salcha seismic zone has been active within the last 150 years and contained the largest seismic event recorded in Interior Alaska, the 1937 M7.3 Salcha earthquake. Standard best building practices should be used to accommodate the regional seismic hazard. Significant changes in ground response to seismic shaking may occur across the boundaries between frozen and unfrozen ground.

Fire Information: There is no reported history of fires within the vicinity; however, the potential for wildland fire is high in interior Alaska and certain other parts of the state. The project area is located within the City of Delta Junction, which is served by two volunteer fire departments and a volunteer rescue squad. 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." 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 responsibility of [landowners] to mitigate and minimize risk to their property before it becomes threatened by a wildfire".

Flood Hazard: There is no Flood Insurance Rate Map available for the project area. 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 (AS 46.15). There are several water rights in the vicinity for residential and commercial wells. Information from well logs indicate that well depths in the vicinity typically range from 100 to 120 feet. Water quality is unknown.

Utilities: This area is currently served by Golden Valley Electric Association (GVEA).

Waste Disposal: City of Delta Junction Landfill located at 257.2 milepost of the Richardson Highway. All on-site waste water disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.

<u>Background</u>: The Windy City project area consists of 7.5 acres within the City of Delta Junction, located approximately 0.7 miles south of the intersection from the Richardson Highway and Alaska Highway. The project area can be accessed from the Richardson Highway, via platted and developed roads. From the Richardson highway, 4th Street connects to Jarvis Street, which provides access along the western project boundary. Donnely Street runs along the southern boundary of the project area; this is a platted road, though it is undeveloped. The project area is surrounded by commercial and industrial developments to the north, and conveyed, undeveloped land to the west and south. Jarvis Creek is located approximately 350-570 feet to the south, as Jarvis Creek may be eroding the shoreline in some areas. The confluence of Jarvis Creek and the Delta River is approximately 1,700 feet east of the project area. The project area lies adjacent to two GVEA public utility easements (ADL 16959 and ADL 413490) along the eastern and southern project boundaries, and one private easement (ADL 420813) along the eastern project boundary.

The project area was identified through interagency research regarding the material site to the east of the project area. The Department of Transportation (DOT) has a contract (ADL 420419) for the material site (ADL 419669) which was expanded in 2019 to 12 acres. The site will not support additional users, therefore material from this site cannot be used for future construction projects for land disposals or by landowners in the vicinity. Future landowners in the proposed Windy City subdivision project area should be aware of the possibility of additional traffic from haul trucks and heavy machinery, noise from extraction and crushing activities, and dust from the adjacent material site. However, the active area of the material site is adjacent to the Richardson Highway, which may provide a buffer between the project area and the area of active operations. There is a steep and abrupt drop off between the Windy City project area and material site, and the edge may be unstable. A platted and undeveloped road, Donnely Street, runs along the southern boundary of the project area and continues into the excavated portion of the material site.

A ground field inspection for the project area was conducted on July 15, 2020 by LCS staff. LCS staff did not identify any current uses, hazardous materials, or debris within the project area from the road.

Offering land in the proposed Windy City project area will provide quality land for future Alaskan landowners to develop within the City of Delta Junction. Private land development in the Delta Junction area has been relatively strong in the past several years. The project area is classified Settlement Land, it has easy road access, good soils and vegetation, and would provide additional land purchase opportunities. In addition, proximity to Jarvis Creek and the Delta River may allow for recreational opportunities. As an alternative option to subdivision, LCS may offer the project area as a single, 7.5- acre parcel, if deemed appropriate

<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 Eastern Tanana Area Plan (ETAP, adopted August 28, 2015), Delta Region,

Unit D-36. Lands within this unit are currently designated Settlement-Commercial, which converts to a land use classification of Settlement Land as defined by 11 AAC 55.202. The project area consists of the western half of the management unit.

Delta Region, Unit D-36 Considerations: Disposal of this parcel is appropriate and consistent with the management intent of this unit.

Area-wide Considerations: LCS 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 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 pursuant to *AS 38.05.945 Notice*; and for review of local comprehensive plans. Public notice for this action is being conducted in accordance with *AS 38.05.945 Notice*. The proposed subdivision is in the City of Delta Junction and the Municipal Code of Ordinances has been reviewed, as it pertains to land use. Refer to Attachment B: Public Notice and **Section VIII. Submittal of Public Comments** for more information.

<u>Cultural Resources:</u> Management guidelines provide that if determined by the DNR Division of Parks and Outdoor Recreation, Office of History and Archaeology (OHA) during an agency review of a proposed land disposal that a cultural survey may be required, further coordination between OHA and DMLW prior to the land disposal is warranted; and that cultural surveys should be considered where OHA reported sites exist or where there is a high potential for such sites to exist. During agency review, OHA indicated that there are no known or reported cultural resource sites within the identified area; OHA did not recommend a cultural resource survey. OHA will be notified should any discovery of cultural resources occur during the development of this project and offering material will include information regarding archaeological sites.

<u>Material Sites:</u> Management guidelines states that generally, if a settlement area contains high value material resources, the material source area should be identified during subdivision design and retained in state ownership for future use. Given the smaller size of the project area, LCS has determined that retention in state ownership is not appropriate. The neighboring management unit (D-63) is designated for Materials and the eastern half of Unit D-36 has been used for material extraction, despite being designated Settlement. Therefore, the proposed offering of the project area is consistent with the ETAP and not offering the project area would deny Alaskans the opportunity to obtain land in an area that is suited to settlement.

<u>Public Access:</u> Management guidelines cover general public access and management of trails within and between developing areas. In general, before selling State land, DNR will reserve public use easements pursuant to the requirements of 11 AAC 51.015 Standards for Public Easements. The proposed project area has platted and developed access from the Richardson Highway. No trails have been identified within the project area.

<u>Settlement</u>: This section provides management guidelines regarding planning and coordination with local plans and governments; types of settlement and land offerings; protection, management, and enhancement of other resources; and design. These guidelines have been considered in the development of this proposal. The proposed project will not interfere with any critical recreation or environmental resources and DMLW will solicit coordination with local landowners through the public notice and public comment process.

The proposed offering is consistent with area-wide land management policies and general management intent of the ETAP and specific management unit.

<u>Mineral Activity and Order(s)</u>: No mineral activity has been identified on these lands. The project area is within Leasehold Location Order No. 39; however, the entirety of the project area (approximately 7.5 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.

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 series.

<u>Local Planning</u>: The project area is within the City of Delta Junction and property purchased through this proposed offering will be subject to the applicable zoning, ordinances, and restrictions of the City of Delta Junction. Review of the Delta Junction Municipal Code of Ordinances did not indicate any conflicts with the proposed State land disposal.

<u>Traditional Use Finding</u>: The project area is within the Unorganized Borough, and a traditional use finding is therefore required under *AS 38.05.830 Land Disposal in the Unorganized Borough*. Information obtained from the ETAP, research, agency review did not identify traditional uses of the project area. Additional information on traditional use is welcome during the public comment period and if this proposal is approved, LCS will address the information received in a subsequent Final Finding and Decision, if one is issued. See the **Section VIII Submittal of Public Comments** at the end of this documents and *Attachment B:* Public Notice for details on how to submit comment.

<u>Access To, Within, and Beyond Project Area</u>: The project area can be accessed from the Richardson Highway via platted and developed roads, 4th Street to Jarvis Avenue which

runs along the western boundary of the project area. Donnely Street runs along the southern boundary; however, this undeveloped road does not have access to the Richardson Highway. 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 City of Delta Junction. Approval of platting actions and dedication of rights-of-way will require separate processes and public notices through the City of Delta Junction.

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*.

LCS has not identified any public, navigable, or anadromous water bodies 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 50-foot building setback from the OHW of the water body.

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 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 50-foot continuous easement upland from the OHW of public or navigable water bodies in accordance with AS 38.05.127 Access To Navigable or Public Water;

- a 5-foot survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5-foot direct line-of-sight easement from the control station to an azimuth mark or other control monument; and,
- additional reservations and/or restrictions required through the local platting authority.

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

<u>Hazardous Materials and Potential Contaminants</u>: During a field inspection conducted on July 15, 2020, field staff did not observe any environmental hazards within the project area. There are no known environmental hazards present within the project area; however, the State makes no representations and no warranties, express or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land here proposed for conveyance. The State further assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants on 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.

LCS 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, Platting, 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 City of Delta Junction, and therefore survey and platting will be subject to the relevant subdivision standards. The City'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.

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 May 15, 2020 through June 9, 2020 concurrently with another project in the vicinity, Delta Dozen (ADL 421364). 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 LCS received brief comments of non-objection from the following agencies</u>: Department of Transportation and Public Facilities; Department of Fish and Game; DNR Division of Oil and Gas; DNR Division of Parks and Outdoor Recreation; and DNR Division of Parks and Recreation, Office of History and Archaeology.

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

<u>DNR Division of Geological and Geophysical Surveys (DGGS)</u>: DGGS provided information on the soils, geological setting, and hazards for the project area vicinity (summarized in **Section VI, Description, Physical Characteristics and Hazards**).

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

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

- Department of Environmental Conservation;
- Department of Commerce, Community, and Economic Development;
- Department of Natural Resources;
 - Division of Agriculture;
 - Division of Forestry
 - Mental Health Trust Land Office;
 - o Office of Project Management and Permitting; and
 - State Pipeline Coordinator's Section;
- University of Alaska Land Management; and
- Alaska Railroad.

VIII. Submittal of Public Comments

See Attachment B: Public Notice for specific dates and conditions.

Pursuant to *AS 38.05.945 Notice*, LCS 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.

LCS 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.

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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 LCS responses will be issued as a subsequent Final Finding and Decision and Mineral Order 1245, without further notice. All related actions will be developed separately.

Only persons from whom LCS 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 1245. 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.

LCS 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 B:* Public Notice.

DEADLINE TO SUBMIT WRITTEN COMMENT IS 5:00 PM, THURSDAY, SEPTEMBER 3, 2020

IX. Alternatives and Discussion

DNR DMLW is considering the following alternatives:

<u>Alternative 1</u>: (Preferred) Survey and plat a subdivision consisting of up to seven parcels no smaller than one acre, and offer those parcels for sale. 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 LCS to create and design a subdivision which will provide for the best use and development of the land and financial return to the State. Under this Alternative, LCS may offer the project area as a single, 7.5- acre parcel, if deemed appropriate. Alternative 1 provides the greatest opportunity for Alaskans to purchase land within this area. Due to the unique amenities of the area, location within the community of Delta Junction, and the proximity to existing residential private property; the project area is better suited to subdivision prior to offering. Alternative 1 is preferred.

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

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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.

X. Recommendation

This Preliminary Decision for the proposed disposal of State lands and Mineral Order 1245, 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 1245. If the decision is approved, Mineral Order 1245 will accompany and precede any Final Finding and Decision issued.

(signature on file) Prepared by: Kaitlyn Fuqua Natural Resource Specialist II Land Conveyances Section Division of Mining, Land, and Water Department of Natural Resources State of Alaska 7/27/2020 Date

(signature on file) Approved by: Tim Shilling Competitive Land Sales Manager Land Conveyances Section Division of Mining, Land, and Water Department of Natural Resources State of Alaska 7/27/2020 Date



Attachment A: Vicinity Map Windy City Subdivision ADL 421190



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: Windy City Subdivision – ADL 421190

COMMENT PERIOD ENDS 5:00PM, THURSDAY, SEPTEMBER 3, 2020

This proposed project includes offering for sale surveyed parcels in a future offering under the method described in the Preliminary Decision document and draft mineral order.

Within DNR's Northern Region, this project area is located in the City of Delta Junction, and approximately 350-570 feet north of Jarvis Creek. The project area can be accessed from the Richardson Highway via 4th Street and Jarvis Avenue.

Project size: 7.5 acres proposed development area, offering up to seven parcels, no smaller than one acre.

To obtain a copy of the Preliminary Decision, draft mineral order or instructions on submitting comment, go to <u>http://landsales.alaska.gov/</u> or <u>http://aws.state.ak.us/OnlinePublicNotices/</u>. 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 <u>http://dnr.alaska.gov/commis/pic/</u> for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, TUESDAY, AUGUST 25, 2020.

Pursuant to *AS 38.05.945 Notice*, the public is invited to submit comment on the Preliminary Decision and draft mineral order, for which notice is being conducted concurrently. **The deadline for public comment is 5:00PM, THURSDAY, SEPTEMBER 3, 2020.** Only persons from whom DNR DMLW LCS 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 email, fax, or postal mail. To submit comments or for direct inquiries, contact Kaitlyn Fuqua: <u>land.development@alaska.gov,</u> fax # 907-451-2751, or 3700 Airport Way, Fairbanks, AK, 99709. If you have questions, call Kaitlyn Fuqua at 907-451-3011.

If no significant change is required, the Preliminary Decision and draft mineral order including any minor changes and a summary of comments and responses, will be issued as the Final Finding and Decision and Mineral Order 1245 without further notice. A copy of the Final Finding and Decision and Mineral Order will be sent to any persons who commented timely on the Preliminary Decision.

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