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

PRELIMINARY DECISION Beaver Meadows Subdivision – ADL 233752

Proposed Land Offering in the Matanuska-Susitna Borough AS 38.05.035(e), AS 38.05.045

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

PUBLIC COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, AUGUST 30, 2023

I. <u>Proposed Action(s)</u>

Preliminary Decision: Beaver Meadows Subdivision - ADL 233752 Attachment A: Vicinity Map Attachment B: Public Notice Public is also invited to comment on the proposed related action: Draft Mineral Order (Closing) MO 1261.

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

LCS proposes to sell land within the Beaver Meadows Subdivision project area for the purpose of providing land for settlement by developing a subdivision of no more than 105 parcels varying in size no smaller than one nominal acre (40,000 sq. ft.). Subdivision design may include additional tracts, as necessary. The project consists of approximately 350 acres of the 704-acre project area, identified for disposal by this proposed action. The project area may be subdivided and offered in multiple stages.

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/subdivision, as described in the applications to the platting authority, as needed to reserve areas for public use, minimize conflicts between uses, or ensure compliance with platting requirements. Although actions under this proposal are limited to the stated maximums, additional offerings may be authorized under future proposals, which could increase the density of privately-owned parcels within, adjacent to, or near the project area.

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

Mineral Order (Closing): DNR proposes to close the project area to new mineral entry. There are no mining claims withing 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. However; approval of the proposed actions are dependent upon one another in that one action will not proceed without approval of all actions.

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

Public Meeting: LCS will be holding a public meeting to discuss the proposal and share information about the project area. The public meeting will be held from 5 to 7 pm on Tuesday August 22, 2023, at the Big Lake Lions Club, 2942 Lions Circle, Big Lake, AK.

See **Section XVII. 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 FFD will be issued.

II. <u>Method of Sale</u>

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

III. <u>Authority</u>

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." In addition, if it is deemed appropriate, DNR has the authority to develop and offer parcels larger than 5 acres under the allowances listed in *AS* 38.04.020(*h*) Land Disposal Bank.

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

IV. Administrative Record

The project file, Beaver Meadows Subdivision - ADL 233752, constitutes the administrative record for this proposed action. Also incorporated by reference are:

• Southeast Susitna Area Plan for State Lands (SSAP, adopted 2008) and associated land classification files;

- Alaska Interagency Wildland Fire Management Plan 2022
- Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes;
- Matanuska-Susitna Borough Comprehensive Development Plan, 2005 Update;
- Matanuska-Susitna Borough 2022 Subdivision Construction Manual;
- Big Lake Community Council Area Comprehensive Plan Update 2009;
- U.S. Fish and Wildlife Service National Wetlands Inventory;
- USDA, Natural Resource Conservation Service Custom Soil Report for this project, dated January 31, 2022; and
- DNR case files: State selection files SCH-41 and GS 1387; access easements ADL 34585, ADL 42395, ADL 59061, ADL 76020, ADL 226623, and ADL 227463; utility easements ADL 49546, ADL 227279, and ADL 231195; reservations of water LAS 11975 and LAS 30212; inter-agency management agreements ADL 67519 and ADL 50071; Oil & Gas Lease Sale Tract C10692; trespass ADL 218052 and ADL 224968; and, other cases, documents, reports, etc. referenced herein.

V. <u>Scope of the Proposal</u>

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 to conduct the proposed 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. The subdivision may be conducted in multiple stages.

VI. Location

The project area is located within DNR's Southcentral Region, approximately 1.5 miles west, southwest from the City of Houston, and 1/2 mile north of the Big Lake roundabout, within Sections 16 and 17, Township 17 North, Range 3 West, Seward Meridian, within the Matanuska-Susitna Borough (MSB). The project area consists of approximately 704 acres with only approximately 350 acres proposed for development through this action.

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

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

VII. <u>Property Description</u>

Section 16, excluding Government Lots 1 and 2, N1/2 NW1/4, Rocky Lake Alaska Subdivision, filed as Plat 67-2230 in the Palmer Recording District on September 28, 1967, and Parcel 1 of Amended Plat 2007-1 Recorded in the Palmer Recording District on January 3, 2007, And

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the S1/2 of Section 17, excluding SW1/4 SW1/4 within Township 17 North, Range 3 West, Seward Meridian, Alaska, according to the plat approved by the U.S. Surveyor General's Office on November 29, 1915, containing 704 acres, more or less, as depicted on Attachment A: Vicinity Map.

VIII. <u>Title</u>

Title Report No. 22356, current as of April 21, 2022, indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patents 1224981 and 50-68-0271, dated January 19, 1962, and June 19, 1968. The applicable State case file is SCH 41 and GS 1387. The parcel is subject to the reservations, easements and exceptions contained in the federal patent including any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts; and there is reserved from the lands hereby granted:

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 **Section XIII. Access To, Within, and Beyond Project Area.**

The Bureau of Land Management administratively determined in a Decision, dated September 19,1986 that there are no navigable water bodies within this township for title purposes.

Where they exist within the project area, State third-party interests will be described in land sales brochures.

IX. <u>Physical Characteristics and Hazards</u>

Information about the project area is based on internal research, information received during agency review, and by-road field inspections conducted on June 16, 2019, March 29, and 31 and May 14, 2022. 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: Generally flat, ranging in elevation between 156 and 160 feet above sea level in the southern portion of the project area along West Rocky Street and West Dawson Street. The northern portion along West Lakes Boulevard has more elevation and rolling hills ranging in elevation from 160 to 180 feet above sea level. Meadow Creek bisects the project area in an east to west direction. The project area consists of vegetated upland areas interspersed with palustrine wetlands.

View: The views are local and of the creek, higher elevations may have mountain views of the Chugach Mountains, Hatcher Pass, and Mount Susitna.

Vegetation: The vegetation is a mix of aspen, spruce, and birch on the higher ground with black spruce, shrubs, and brush on the lower elevations and along the creek. Most of the area was burned in the 1996 Miller Reach Fire and is regenerating with aspen, birch, and spruce.

Soils: Soils within the project area consist of well drained, silty soils on nearly level to rolling terrain, with approximately 50 percent of the project area being interspersed with poorly drained muskegs of poorly drained organic soils. There is no known permafrost within the project area.

Wetlands: Freshwater emergent wetlands and freshwater forested/shrub wetlands may exist adjacent to the creeks and throughout the project area. The project area consists of vegetated upland areas interspersed with palustrine wetlands. Subdivision design will account for wetland areas as appropriate. Dredging or filling of wetlands may require a permit from the U.S. Army Corps of Engineers.

Geologic Hazards: Geologic hazards are common throughout Alaska. Should any geologic hazards be discovered in the development of this proposal, information will be included in offering materials. No geological hazards were identified during any of the field inspections.

Fire Information: Pursuant to observations from the field inspections and information received from the Division of Forestry, fire risk in the area is likely not high. Fire history and observations indicate that most of the area was burned in the 1996 Miller Reach fire. The project area is within the Central Mat-Su Fire Service Area #130 and West Lakes Fire Station 8-1 is located in Big Lake on South Big Lake Road.

Potential for wildland fire is high in Southcentral Alaska and other certain parts of the state. 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, "The highest priority for suppression actions. Lands in wildland urban interface and other densely populated areas where there is an immediate threat to human live, primary residences, inhabited property, community-dependent infrastructure, and structural resources designated as National Historic Landmarks should be considered for the Critical Management Option. This classification is applicable to an entire village or town as well as a single inhabited structure." It also states that there is no guarantee of protection from wildfire in any management option. 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 FEMA Flood Insurance Rate Map Community Panels 02170C8005E and 02170C8015E, (2011 Not Printed). The project area is within flood zones D, defined as an area of undetermined flood hazard, and X, defined as an area of minimal flood hazard. There is potential for seasonal flooding and erosion of parcels adjacent to water bodies, especially in low-lying areas.

Water Resources: All surface and subsurface waters on all lands in Alaska are a public resource, subject to appropriation in accordance with the Alaska Water Use Act (AS 46.15). There are several water rights in the vicinity but outside of the project area. They are mostly associated with private landowners of the Rocky Lake Subdivision in Section 16. Information from well logs indicates that well depths in the vicinity typically range from 40 to 70 feet. The Alaska Department of Fish and Game (ADF&G) holds a Certificate of Reservation on the first 4.7 miles of Meadow Creek, which covers the entire project area. Potential water sources in the area include hauling water or drilled well. Water quality is unknown. Additional information on wells, water quality, and drinking water may be obtained from the Alaska Department of Environmental Conservation.

Utilities: This area is currently served by Matanuska Electric Association, Inc. (MEA), ENSTAR Natural Gas Company, and Matanuska Telephone Association, Inc (MTA).

Waste Disposal: The MSB operates a Transfer Station and recycle center in Big Lake along West Hollywood Road. All on-site wastewater disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.

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X. Background

The project area was identified in the Southeast Susitna Area Plan as settlement lands. The project area consists of all of management unit H-18, excluding the 40-acre parcel in Section 20 that has limited access, and the existing Rocky Lake Subdivision in Section 16. The Big Lake Fish Hatchery, which is within the project area along Beaver Lake Road, was conveyed into private ownership. The purchaser has submitted a land sale nomination form for the lands adjacent to the hatchery. Right of ways for access, and utility easements exist throughout the project area. Public easements have been issued for Beaver Lake Road (ADL 59061), W Dawson Drive (ADL 34585), and W Lakes Boulevard (ADL 76020). Public easements have been issued to Matanuska Telephone Association along W Dawson Drive and W Lakes Boulevard (ADL 231195 and ADL 227279). At the west end of Dawson Street there are two public access easements from Dawson Street to private property (ADL 227463 and ADL 226623), and a public utility easement issued to Matanuska Electric Association (ADL 49546). Additionally, there is an undeveloped access easement heading west from the Rocky Lake Subdivision (ADL 42395).

There are no known third party conflicts, and no known uses of the land within the project area. There has been garbage and yard waste dumped in the project area. LAS indicates a 1984 trespass (ADL 218052), by an adjacent landowner, involving gravel removal, timber clearing, and wetlands dumping near the end of West Dawson Street. LAS also lists a 1989 application received from the above adjacent landowner, for the upgrading of an existing road. The application became a trespass (ADL 224968) in 1992 when the applicant did not submit an asbuild as required. There is also trespass trash in the project area adjacent to Lot 4 of Block 2 in the Rocky Lake Alaska Subdivision. The Department of Fish and Game has two Reservations of Water on Meadow Creek within the project area (LAS 11975 and LAS 30212).

The project area is currently vacant land that has Meadow Creek, an anadromous stream flowing through it. Meadow Creek is a popular fishing area for trout. The management intent of the SSAP calls for the protection of anadromous streams and buffering from adjacent residential structures. Subdivision design will incorporate a minimum 200-foot buffer of retained land (protection area), adjacent to each side of Meadow Creek. Additional lands within the area of the Meadow Creek floodplain and its adjoining wetlands will be retained in accordance with the area plan. Ryan's Creek in the northeast corner of Section 16 will have a minimum 150-foot protection area on each side. During agency review, ADF&G noted that there is an unnamed stream in Section 17 that was planned to be investigated for the presence of juvenile Coho salmon during the summer of 2022. ADF&G completed the investigation and found juvenile Coho salmon in the stream. If any parcels are located along the stream, subdivision design will implement ADF&G's recommended minimum building setback of 100-feet and provide a 50-foot-wide public access easement along each side of the stream. However, during field investigations by LCS staff the area along the unnamed stream in Section 17 was found to be likely too low for development, and will likely be retained.

The federal government patented or tentatively approved lands in the vicinity to the State of Alaska and private homesteaders. The private properties surrounding the project area were acquired from federal, state, and municipal governments. When the MSB incorporated, they selected portions of State land as a part of their municipal entitlement. Some of the lands acquired from the federal government to private individuals were later subdivided and sold.

Big Lake is an area of the State where multiple offerings occurred in the past, and the methods of offerings were variable and widespread in the region. Prior State land offerings near the project area consisted of oddlots (1968 to 1978), open-to-entry (OTE) (pre-1978), remote (circa 1982), preference rights (1980s), public and charitable (circa 1980), and agricultural sales (1980s). Surrounding the project area, oddlot, OTE and preference right sales were conducted. Remote land offerings were offered on the north side of Big Lake, directly north and west of the project area. Agricultural sales were widespread in the region.

South of the project area along the north side of Rocky Lake, the State offered lots for sale in the Rocky Lake Alaska Subdivision. Tracts A & B of that subdivision lie along the east side of the subdivision and are part of the Rocky Lake State Recreation Site (ADL 67519 and ADL 50071). East of the project area is the Big Lake Heights Subdivision with lot sizes of one acre or less. North of Big Lake Heights and along the north side of the project area there are several larger parcels that have been conveyed to the MSB under municipal entitlement. The SW1/4 SW1/4 of Section 17 which is outside the project area is classified as public recreation-dispersed and is to be retained in public ownership. West Dawson Drive runs through the SW1/4 SW1/4 of section 17 to Meadow Creek in Section 19. In Section 20, just South of the project area, there are several smaller parcels along the shore of Big Lake. The NE1/4 NE1/4 of Section 20, which is part of management unit H-18, will be withheld from this offering due to limited access. The greater surrounding area is more developed, consisting of smaller residential and recreational condos, cabins, and homes that affront Big Lake and other nearby lakes.

The 2019 and 2022 field inspections assessed the topography, vegetation, and access to the project area. The southern portion of the project area is mostly flat with local views. The northern portion has a little more elevation in areas and views of the Chugach Mountains, Mount Susitna and Hatcher Pass may be possible. Young aspen, spruce, and birch are regenerating on most of the project area, which was burned during the 1996 Miller Reach Fire. The lower areas and areas along the creeks are mostly open with lowland shrubs, grass, and black spruce. Access to the project area from milepost 52.5 of the Parks Highway is via Big Lake Road to South Beaver Lake Road, a blacktop road, which runs north through the eastern portion of the project area. West Rocky Street, West Dawson Drive, both gravel roads, and West Lakes Boulevard, a blacktop road, provide access to the western portion of the project area. The portion of the project area east of South Beaver Lake Road is approximately 155 acres in size and separated into two parcels by Meadow Creek, which flows east to west through that area.

The soils comprising the higher elevations of the project area primarily consist of silt loam. Organic soils exist in the lower areas and adjacent to the creeks. According to the USDA Web Soil Survey, Class IV, VI, VII and VIII nonirrigated capability class soils are within the project area. These soils are considered to have limitations that restrict or make the soils less suitable for agricultural use. Consistent with surrounding land use, the Beaver Meadows subdivision project area provides better recreational/residential opportunity use than agriculture.

The building setbacks and protection areas along Meadow and Ryan's Creek will impact subdivision design by reducing the available area for sale. Parcels larger than 5 acres may be necessary to increase the return to the state from the sale of the parcels, allow for flexibility during survey, comply with municipal ordinances, minimize adverse effects on wildlife, fishery, public recreation, or to minimize adverse effects on other residential uses in the area. Per *AS*

38.04.020 the commissioner may determine parcels over 5 acres appropriate for things such as topography, soils, maximize return, etc.

Subdivision design will utilize the existing road access along West Rocky Street, West Dawson Drive and West Lakes Boulevard. To be consistent with the surrounding land use, take advantage of the terrain, existing roads, and avoid the protection areas, design may include parcels of variable size designed to fit where opportunity, MSB code, and terrain allow. East of South Beaver Lake Road there are two larger parcels that may require road construction in order to provide the best return to the State and maximize the opportunity for the local community.

Developing the project area will help provide residential/recreational parcels in an area with a high demand for building lots, may help reduce garbage and trash dumping, provide tax base for the MSB, and protect fish and wildlife habitat with retained lands.

XI. Planning and Classification

The project area is within Southeast Susitna Area Plan (SSAP, adopted 2008), Houston Region, Unit H-18. Lands within this unit are currently designated Settlement, and classified Settlement Land under Land Classification Order No. SC-08-001. The project area consists of that portion of the management unit in Section 16 and Section 17, excluding the Rocky Lake Subdivision. LCS reviewed the general management intent of the area plan, and management unit H-18 for consistency with the proposed offering.

Unit H-18 Considerations: Portions of this unit are appropriate for land disposal during the planning period. Development within the area of the Meadow Creek floodplain and its adjoining wetlands shall be avoided. Protect anadromous stream and provide buffering from adjacent residential structures. Maintain a 200' protection area adjacent to Meadow Creek. Subdivision design will incorporate a 200-foot retained buffer on each side of Meadow Creek and a 150-foot retained buffer on each side of Ryan's Creek. The majority of parcels will be separated from existing private properties by roads or retained areas. The parcels adjacent to Big Lake Heights Subdivision will be separated by a section line easement which will preclude building within the easement and provide buffering from existing adjacent residential structures.

Area-wide Considerations: LCS reviewed the area plan's guidelines in Chapter 2 Areawide Land Management Policies. LCS will incorporate these considerations into the design and development of the project. Lands to be retained in public ownership, conditions, and reservations will be included on the plat and in offering materials as appropriate. Specific area-wide management intent and management guidelines affecting this proposal are discussed below.

Coordination and Public Notice: Management guidelines provide that public notice will be given for the disposal of land as required under *AS 38.05.945 Notice*, and recommends coordination with the borough, landowners, and other affected parties. Public notice is being issued for these proposed actions in accordance with *AS 38.05.945*. The *Big Lake Comprehensive Plan Update (adopted 2009)*, The *Big Lake, Lake Management Plan (1998), Matanuska-Susitna Borough Comprehensive Development Plan (2005 Update)*, zoning ordinance and platting requirements have been taken into consideration, and State subdivision plats will comply with borough platting requirements per *AS* 38.04.045(b). Refer to Attachment B: Public notice and **Section XVII. Submittal of Public Comments** for more information.

Cultural Resources: Management guidelines provide that if determined by the Office of History and Archaeology (OHA) during an agency review of a proposed land disposal that a cultural survey may be required, further coordination between OHA and DMLW prior to the land disposal is warranted. 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 recommended a Cultural Resource Survey be conducted prior to disposal. LCS is coordinating with OHA to complete a cultural survey prior to development, and will coordinate with OHA to avoid or mitigate any cultural resources in the design and development of this project. Offering materials will include information regarding informing OHA if any cultural resources are discovered.

Fish and Wildlife Habitat: In Chapter 2, *Fish and Wildlife Habitat* management guidelines, there were no applicable management guidelines specific to Management Unit H-18. LCS will protect fish and wildlife habitat by retaining buffers along Meadow Creek and Ryan's Creek as described. See Section **X. Background** for more information.

Forestry: Management guidelines provide that land conveyed out of state ownership for the purpose of settlement shall not be used for commercial timber harvest and sale. The timber present within the project area was burned in the 1996 Miller Reach fire and although regenerating, is not marketable at this time, and commercial forestry operations are not anticipated.

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

Settlement: Management guidelines pertaining to settlement include planning and coordination regarding local governments; local plans, and access; protection of life and property; protection of resources such as sensitive areas, habitat, scenic features, and other resources, enhancement of other resources; and design. Management guidelines also provide that design should retain appropriate green belts, public-use corridors, water supply areas, riparian and coastal buffer areas, material sites, roads, and other public facilities, as well as other open space to create a desirable land use pattern in developing areas and to protect or maintain important uses and values. This proposal has considered these guidelines as addressed throughout this document.

Shorelands and Stream Corridors: Management guidelines provide for the reservations of easements and retention of State-owned buffers adjacent to waterbodies, and high-value wetlands. Meadow and Ryan's Creek are high-value waterbodies within the project

area. If other public waterbodies are identified within the project area, they will be subject to the applicable reservations. Refer to the <u>Easements, Setbacks and Reservations</u> subsection for more information.

Subsurface Resources: The SSAP recommends closing mineral entry if an area is being considered for disposal for the purposes of settlement or other forms of development that would be inconsistent with mining activity. LCS proposes to close the project area to new mineral entry via MO 1261. Refer to the <u>Mineral Activity and Order(s)</u> subsection for more information.

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

<u>Mineral Activity and Order(s)</u>: The entirety of the project area (approximately 704 acres) will be closed to new mineral entry if the mineral order is approved in accordance with *AS 38.05.185 Generally* and *AS 38.05.300 Classification of Land* for a land disposal. The proposed mineral order, if approved, will close the area to new mineral entry only and will not affect current existing mining claims. Closing the entire area to mineral entry is consistent with the management intent of the SSAP.

Mineral orders which close an area to mineral entry, close the applicable area to new exploration and development of locatable minerals. Such mineral orders do not apply to leasable minerals (such as: oil, gas, coal, etc.), or exploration licensing for such, nor do they preclude reasonable surface access to these resources. However, *AS* 38.05.130 Damages and Posting of Bond stipulates that the land estate owner will be compensated for damages resulting from exploration and development.

Mining activity for locatable minerals would be incompatible with the past, current, and proposed land estate uses for land disposals. To allow new mineral location within the boundaries of the parcels encompassed by this decision could create serious conflicts between land estate and mineral estate users. The SSAP recommends closing land to mineral entry if an area is being considered for disposal for the purposes of settlement or other forms of development that would be inconsistent with mining activity.

<u>Local Planning</u>: The project area is within the MSB and property purchased through this proposed offering will be subject to the applicable zoning, ordinances, and restrictions of the borough. The project area is within the boundary of the MSB Comprehensive Development Plan and the 2009 Big Lake Comprehensive Plan Update. Review of those plans did not indicate any conflicts with the proposed State land disposal.

XII. <u>Traditional Use Finding</u>

The project area is located within the Matanuska-Susitna Borough (MSB) and a traditional use finding is therefore not required per *AS* 38.05.830 Land Disposal in the Unorganized Borough. However, information on current or traditional use is welcomed and can be given during the public comment period. See **Section XVII. Submittal of Public Comments** at the end of this document and *Attachment B*: Public Notice for details on how to submit comment.

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XIII. Access To, Within, and Beyond Project Area

Access to the project area is road access near milepost 52 of the Parks Highway to Big Lake Road to South Beaver Lakes Road and West Lake Boulevard. Access within and beyond the project area is via South Beaver Lake Road, West Lakes Boulevard, West Rocky Street, West Dawson Drive, West Loon Nest Lane, and South Inheritance Circle. LCS may, as necessary, dedicate additional access within the project area. The project area is within the Big Lake Road Service Area #21. Subdivision design will take into account topography and access to lands beyond the project area and within the project area boundaries. The project area is subject to the platting authority of the MSB. Approval of platting actions and dedication of rights-of-way will require separate processes and public notices through the borough.

Access To and Along Public or Navigable Waters: In accordance with AS 38.05.127 Access To Navigable or Public Water, DNR will determine if a water body is navigable or public and establish easements or rights-of-way as necessary to ensure unobstructed access to and along the body of water. Regulations dictating the creation of easements or rights-of-way under this statute include 11 AAC 51.035 Determination of Navigable and Public Water, and 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*.

Meadow Creek and Ryan's Creek in the northeast corner of Section 16 are anadromous water bodies and have been determined to be public within the project area. LCS will retain a 200-foot protection area on each side of Meadow Creek and a 150-foot protection area on each side of Ryan's Creek. There is an unnamed stream in Section 17 in which ADF&G did find anadromous fish, and it has been determined to be a public water body. Parcels will be subject to access reservations in accordance with *AS 38.05.127 Access to Public or Navigable Water*, and a 100-foot building setback from the OHW of this stream and any additional water bodies identified as public or navigable prior to completion of survey in accordance with the SSAP.

Building Setbacks From Public or Navigable Water: If subdivision is deemed feasible, LCS proposes to place a note on the final survey plat describing a building setback upland from the OHW of public or navigable water to protect access, fish and wildlife habitat, and personal property. Structures and subsurface sewage disposal systems will not be permitted within the building setback, except for utilities, water-dependent structures whose purpose is access to or across the stream or lake, or minor accessory structures for uses that must be in or adjacent to the water body in order to function.

Easements, Setbacks, and Reservations: 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. Standards for easements are provided in

11 AAC 51.015 or by local platting ordinances. 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; section-line easements may be vacated under AS 19.30.410 Vacation of Rightsof-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 minimum 100 foot building setback from the OHW of public or navigable water bodies, in accordance with the area plan;
- 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;

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

Retained Lands: DNR intends to retain those lands adjacent to Meadow Creek and Ryan's Creek to protect the fish and wildlife habitat. A minimum 200-foot protection area adjacent to each side of Meadow Creek and a minimum 150-foot protection area adjacent to each side of Ryan's Creek will be retained. Lands too wet to develop may also be retained. DNR DMLW will coordinate with DNR Office of History and Archaeology to retain as appropriate any cultural resources identified in the project area.

XIV. Hazardous Materials and Potential Contaminants

During ground field inspections conducted on June 16, 2019, March 29 & 31, and May 14, 2022, field staff did not observe any environmental hazards within the project area. Trash was observed at the trails off Dawson Drive. South of West Lakes Boulevard an old truck camper and household trash were found along the trails. 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, 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.

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, LCS is of the opinion that the benefits of offering the land outweigh the potential risks.

XV. Survey, Platting, and Appraisal

After evaluating public comment and the 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 MSB Borough, and therefore survey and platting will be subject to the relevant subdivision standards. The borough's platting requirements provide for separate public notice periods and processes for platting actions. These additional opportunities for public involvement occur after DNR issues a Final Finding and Decision, if this proposed action is approved.

In accordance with *AS 38.05.840 Appraisal*, an appraisal meeting DNR standards will be required within two years of the date fixed for the sale of any parcel developed under this proposed action. Even though the sale of project area parcels in multiple offerings over time will mitigate "flooding" the market, the two-year appraisal requirement must still be followed.

Project research and development includes consideration of economic factors utilizing market data and project development costs compiled by DNR DMLW staff, to evaluate the economic feasibility of a project. Since it commonly takes several years for the project development process, *AS 38.05.840* ensures the current market conditions are addressed in order to obtain a realistic minimum bid or purchase price for the sale of State land.

XVI. 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 March 2, 2022, through March 23, 2022. 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> *Mental Health Trust Land Office.*

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

<u>DNR Division of Oil and Gas (DOG) Comment</u>: DOG did not have any objection to the proposal and stated that they did not have any third-party authorizations or pending applications or activity in the vicinity of the project area. DOG also asked that LCS inform

applicants that the State reserves oil, gas, minerals, fissionable material, geothermal resources, and fossils that may be in or upon the land that it conveys, as well as reserving the right to enter the land for purposes of exploring for, developing, and producing these mineral resources. A mineral order closing the area to locatable mineral entry, if any, does not apply to leasable mineral resource exploration, development, or production.

DNR DMLW LCS Response: LCS appreciates your review of our proposal. Sales brochures will inform applicants that the State of Alaska retains ownership of the mineral estate of the land that it sells, and reserves the right enter onto the land for the purposes of exploring, developing, and producing any mineral resources. The sale brochure will also inform applicants that mineral orders do not apply to non-locatable minerals or the exploration, development, or production of such.

<u>Department of Transportation and Public Facilities (DOT&PF) Comment</u>: The DOT&PF did not anticipate any impacts to Big Lake Road from the proposal and suggested that DNR coordinate with the MSB on potential impacts to Beaver Lake Road.

DNR DMLW LCS Response: LCS appreciates your review of our proposal, LCS will coordinate with the MSB to mitigate impacts to the roads within the project area.

<u>Alaska Department of Fish & Game (ADF&G) Comment</u>: ADF&G reviewed the proposed subdivision and recommended that LCS coordinate with the ADF&G Section in the Palmer Habitat office who will be investigating a small stream (AWC# 247-50-10330-2050-3011) in the summer of 2022 that flows southerly into Meadow Creek from W Lakes Blvd to determine if it provides habitat for juvenile Coho salmon. Should fish be found ADF&G recommends either retention of the lands along the stream in State ownership, or at a minimum, reservation of a 100-foot building setback and a 50-foot public access.

DNR DMLW LCS Response: LCS appreciates your review of our proposal, LCS has coordinated with the Palmer Habitat Office on the findings of the unnamed stream investigation. Subdivision design will incorporate a minimum 100-foot building setback and 50-foot-wide public access along each side of the unnamed stream as appropriate.

<u>Alaska Division of Forestry (DOF) Comment</u>: The DOF had no objection to the proposed project, but recommended that development plans include Firewise mitigations, defensible space, and emergency access and egress. DOF also recommended that LCS provide interested parties information on how to handle live spruce harvested in a manner that reduces habitat for spruce beetle.

DNR DMLW LCS Response: LCS appreciates your review of our proposal. Due to the Miller Reach fire, there should be very little live spruce in the project area. Subdivision design will consider Firewise guidelines and sales materials will inform potential purchasers about Firewise information.

Alaska Division of Parks & Recreation, Office of History & Archaeology (OHA) Comment:

OHA indicated that there may be cultural resource sites within the project area and a cultural resource survey was recommended. OHA also recommended reaching out to the Knik Tribal Council and/or the Chickaloon Village Tribal Council to see what information they may have on the project area.

DNR DMLW LCS Response: LCS appreciates your review of our proposal. LCS has coordinated with OHA to complete a cultural resource survey. LCS did reach out to the Knik Tribal Council and Chickaloon Village Tribal Council as recommended and did not receive a reply.

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 Parks and Recreation;
 - Office of Project Management and Permitting;
 - o Division of Geological & Geophysical Surveys; and
 - State Pipeline Coordinator's Section;
- Alaska Association of Conservation Districts;
- Alaska Soil, Water Conservation Districts;
- Alaska Railroad; and
- University of Alaska;

XVII. <u>Submittal of Public Comments</u>

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 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.

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 1261 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 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 1261. Upon approval and issuance of a Final Finding and Decision these actions, a copy of the decision and order will be made available online at <u>http://landsales.alaska.gov/</u> 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, WEDNESDAY AUGUST 30, 2023

XVIII. Alternatives and Discussion

LCS is considering the following alternatives:

<u>Alternative 1</u>: (Preferred) Survey and plat a subdivision consisting of up to 105 parcels varying in size, no smaller than one nominal acre (40,000 sq. ft) and offer those parcels for sale. The development and offering of these parcels may be completed in multiple stages. This proposal includes a mineral order.

<u>Alternative 2</u>: (No Action) 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, while maximizing 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. Alternative 1 provides the greatest opportunity for more Alaskans to purchase land within this area. Due to the unique recreational and community amenities of the area, location relative to the communities of Big Lake and Wasilla, and the proximity to existing residential private property, the project area is better suited to subdivision prior to offering. Alternative 1 is preferred.

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

Alternative 2 does not meet the legislative and public desire for DNR to offer State-owned land for private ownership. Retention of this land would inhibit DNR 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. Alternative 2 is not preferred.

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

Recommendation follows.

XIX. <u>Recommendation</u>

This Preliminary Decision for the proposed disposal of State lands, and Mineral Order 1261 described throughout this document and its attachments are consistent with the overall management intent for State-owned land. Alternative 1 is the preferred alternative because it provides the maximum opportunity for offering State land to the public and helps meet the mission of the land sales program. The Preliminary Decision described above, as represented by the preferred alternative, has been reviewed and considered. I find that the recommended action may be in the best interest of the State and that it is hereby approved to proceed to public notice.

This is a Preliminary Decision, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed disposal of State lands, and/or Mineral Order 1261. If the decision is approved, the Mineral Order 1261 will accompany and precede any Final Finding and Decision issued.

Signature on file Prepared by: Terry Hess Natural Resource Specialist III Land Conveyance Section Division of Mining, Land and Water Department of Natural Resources State of Alaska

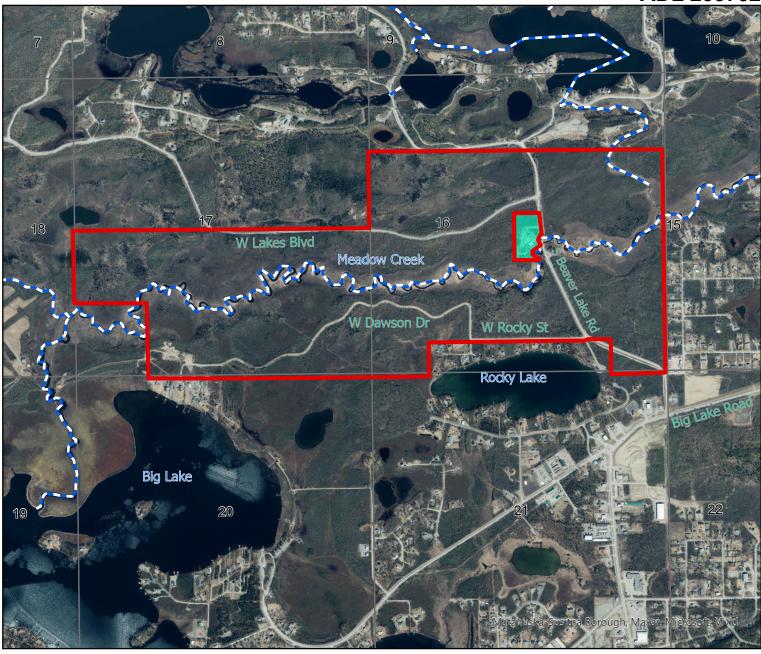
Signature on file

Approved by: Tim Shilling Natural Resource Manager II Land Conveyance Section Division of Mining, Land and Water Department of Natural Resources State of Alaska July 19, 2023 Date

July 19, 2023 Date



Attachment A: Vicinity Map Beaver Meadows Subdivision ADL 233752



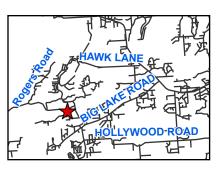
Project Area
Anadromous Streams

Private Lands

USGS QUAD 1:63,360 Anchorage C-8, AK, 1994 For more information contact: Terry Hess Department of Natural Resources Division of Mining, Land, and Water Land Conveyance Section Phone: 907-269-8594 Fax: 907-269-8916 Email: land.development@alaska.gov Ν

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Sections 16 & 17, Township 17N,





TMH 10/28/2022

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

ATTACHMENT B: PUBLIC NOTICE

Requesting Input for a Proposed Land Offering: Beaver Meadows Subdivision – ADL 233752

COMMENT PERIOD ENDS 5:00PM, WEDNESDAY AUGUST 30, 2023

This proposed project includes offering for sale surveyed parcels in a future offering under the method described in the Preliminary Decision document, including the proposed related action. The project may be subdivided and offered in multiple offerings over time.

Location The project area is located within DNR's Southcentral Region, approximately 1.5 miles West, Southwest from the City of Houston, and 1/2 mile North of the Big Lake roundabout, within Sections 16 and 17, Township 17 North, Range 3 West, Seward Meridian, within the Matanuska-Susitna Borough (MSB).

Project size: 704-acre project area with approximately 350-acres proposed for development.

To obtain a copy of the Preliminary Decision, Mineral Order, or instructions on submitting comment, go to 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, Wednesday, August 16, 2023.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment on the Preliminary Decision, and/or Mineral Order for which notice is being conducted concurrently. If commenting on more than one proposed action, separate comments should be submitted for each. **The deadline for public comment is 5:00PM, WEDNESDAY, AUGUST 30, 2023.** 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 LCS at <u>land.development@alaska.gov,</u> fax # 907-269-8916, or 550 W. 7th Ave., Ste. 640, Anchorage, AK, 99501. If you have questions, call Terry Hess at 907-269-8591.

If no significant change is required, the Preliminary Decision and related action including any minor changes and a summary of comments and responses, will be issued as the Final Finding and Decision, and Mineral Order 1261, without further notice. A copy of the Final Finding and Decision and related actions will be sent to any persons who commented timely on the Preliminary Decision.

LCS will be holding a public meeting to discuss the proposal and share information about the project area. The public meeting will be on Tuesday August 22, 2023, from 5 to 7 pm, at the Big Lake Lions Club, 2942 Lions Circle, Big Lake, AK.

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