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

# FINAL FINDING AND DECISION ADL 422162

### Noncompetitive Sale to Preference Right Applicant AS 38.05.035(b)(2), AS 38.05.035(e)

This Final Finding and Decision complements and updates the Preliminary Decision for ADL 422162 issued on July 11, 2024, which is attached.

### I. Recommended Action

The Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) has received an application from Kris Beeman to purchase a parcel of state-owned land pursuant to Alaska Statute (AS) 38.05.035(b)(2) Errors or Omissions. The decision will allow the parcel to be sold through a noncompetitive sale to the applicant. The parcel is located approximately one mile south of Tok. The legal description for the parcel is Lot 6B, Alaska State Land Survey No. 2023-34 Lot 6 Subdivision, recorded in the Fairbanks Recording District on March 28, 2024, as Plat No. 2024-21, containing 3.55 acres, more or less.

### II. Authority

DNR has the authority under AS 38.05.035(b)(2) Errors or Omissions 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." The authority to execute this decision has been redelegated to the Section Chief of the DMLW Land Conveyance Section.

### III. Public Participation and Input

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

- Posted under State of Alaska Online Public Notice from July 11, 2024, to August 13, 2024.
- Posted on DNR Land Sales website from July 11, 2024, to August 13, 2024.
- Mailed, with a request to post for 30 days, to the postmasters in Tok and Tanacross per AS 38.05.945(c)(4).
- Mailed to the Doyon Limited per AS 38.05.945(c)(2)-(3).
- Mailed to the allotee, adjacent land owners, Native Village of Tetlin, Native Village of Tanacross, Tetlin Native Corporation, Tanacross, Inc., and Tanana Chiefs Conference.

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The public notice stated that written comments were to be received by 3:00 p.m., August 13, 2024, in order to ensure consideration and eligibility to appeal. For more information, refer to the attached Preliminary Decision.

### IV. Comments Received

No written comments were received during the public comment period.

### V. Modifications to Decision

The recommended action has not been modified from the original proposed action described in the Preliminary Decision of July 11, 2024. An updated title report, Title Report No. 23292, was received on August 14, 2024. No new information was discovered. This parcel is described as:

Lot 6B, Alaska State Land Survey No. 2023-34 Lot 6 Subdivision, recorded in the Fairbanks Recording District on March 28, 2024, as Plat No. 2024-21, containing 3.55 acres, more or less.

Situated in the Fairbanks Recording District.

### VI. Stipulations

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

- In the event BLM issues of a Certificate of Native Allotment for the remaining acreage for the Sanford Native allotment, Parcel A, through substitute lands, a notice to proceed to purchase will be issued to Mr. Beeman. Within the time period specified in the notice to proceed to purchase, Mr. Beeman must submit the following to LCS:
  - o A completed and signed Declaration of Intent Form; and
  - Payoff amount plus patent application and recordation fees OR minimum 5% of the purchase price set in this decision as deposit plus land sales contract application and recordation fees. Fees are established under 11 AAC 05.100 Land Disposals and 11 AAC 05.200 Recorder's Office and are subject to change. Some fees have been reduced by Director's Order Number 3.
- 2. Prior to the completion of the purchase and issuance of a state conveyance document, the applicant must remain in good standing with respect to all terms of the Contract for the Sale of Real Property throughout its term, if such a contract is issued. The applicant must also remain in compliance with all applicable state and local ordinances and regulations, including all applicable taxes. Failure to do so may result in termination of the Contract for the Sale of Real Property.

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

Recommendation and approval of the Final Finding and Decision follow.

### Final Finding and Decision

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### VII. Final Finding and Decision

The Land Conveyances Section recommends proceeding with the action as described in the Preliminary Decision. This action is undertaken under relevant authorities. Public notice has been accomplished in accordance with AS 38.05.945 Notice, and no comments were received. The case file has been found to be complete and the requirements of all applicable statutes and regulations have been satisfied.

Prepared by: Kathryn Young
Natural Resource Specialist 3
Land Conveyance Section

Division of Mining, Land, and Water Department of Natural Resources

State of Alaska

October 23, 2024
Date of Signature

Under the authority of the applicable statutes, it is in the best interest of the state to proceed with the recommended action as described in this Final Finding and Decision.

Approved by: Hannah Uher-Koch

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Section Chief

Land Conveyance Section

Division of Mining, Land and Water Department of Natural Resources

State of Alaska

October 23, 2024
Date of Signature

### Final Finding and Decision

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### **Appeal Provision**

An eligible person affected by this decision, and who provided timely written comment or public hearing testimony to the department, may appeal the decision to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department.

Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918; or sent by electronic mail to <a href="mailto:dnr.appeals@alaska.gov">dnr.appeals@alaska.gov</a>. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a)-(b). A copy of 11 AAC 02 is available on the department's website at <a href="https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf">https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf</a>.

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

# PRELIMINARY DECISION ADL 422162

Proposed Noncompetitive Sale to Preference Right Applicant AS 38.05.035(b)(2), AS 38.05.035(e)

### PUBLIC COMMENT PERIOD ENDS 3:00 PM, TUESDAY, AUGUST 13, 2024

### I. Proposed Actions

Preliminary Decision: Approval of Noncompetitive Preference Right Parcel Sale ADL 422162

Attachment A: Vicinity Map Attachment B: Public Notice

Attachment C: ASLS 2023-34 Lot 6 Subdivision

Proposed Action, Noncompetitive Sale: The Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) has received an application from Kris Beeman to purchase a parcel of state-owned land pursuant to Alaska Statute (AS) 38.05.035(b)(2) Errors or Omissions. The proposed decision will allow the parcel to be sold through a noncompetitive sale to the applicant. The parcel is located approximately one mile south of Tok. The legal description for the parcel is Alaska State Land Survey No. 2023-34, Lot 6B, according to the plat recorded in the Fairbanks Recording District on March 28, 2024, as Plat No. 2024-21, containing 3.55 acres, more or less. See *Attachment A:* Vicinity Map for a depiction of the subject parcel.

AS 38.05.035(b)(2) Errors or Omissions, grants a preference right for purchase or lease in "order to correct errors or omissions of a state or federal administrative agency when inequitable detriment would otherwise result to a diligent claimant or applicant due to situations over which the claimant or applicant had no control."

Proposed Related Actions: There are no proposed related 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.

See **Section XVI. 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 (FFD) will be issued.

### II. Authority

DNR has the authority under AS 38.05.035(b)(2) Errors or Omissions 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

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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."

Under AS 38.05.035(b)(2)(A), the Commissioner of DNR must approve this preference right. This approval has been delegated down to the Director of DMLW, and redelegated down to the Section Chief of LCS. The Final Finding and Decision for this preference right will be signed by the Section Chief of LCS, meeting the terms of the statute thru delegations.

### III. Administrative Record

The project file for Alaska Division of Lands (ADL) 422162 constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Eastern Tanana Area Plan (ETAP, adopted August 2015) and associated land classification files;
- BLM case file FF015287-A: and
- State case files ADL 401113 and GS 108.

### IV. Scope of the Proposal

The scope of this proposal, under the statutes described in the preceding **Section II. Authority**, is limited and specific to determining the following: (1) if the applicant and subject parcel themselves qualify, (2) if it is in the State's best interest to sell the subject parcel, and (3) if it is in the State's best interest to sell the subject parcel to the applicant. The scope of this decision does not include the control of post-patent use and LCS does not intend to impose deed restrictions for this purpose. Restrictions regarding land use will be handled by the local zoning authority, if any.

### V. Description

a. <u>Location</u>: Within DNR's Northern Region, the subject parcel is located approximately one mile south of Tok in Section 25, Township 18 North, Range 12 East, Copper River Meridian. See *Attachment A:* Vicinity Map for additional information.

USGS Map Coverage: Tanacross B-5

Platting Authority: Unorganized Borough

Regional Corporation: Doyon, Limited.

Federally Recognized Tribe: Native Village of Tetlin, Native Village of Tanacross

Village Corporation: Tetlin Native Corporation, Tanacross Incorporated

b. <u>Legal Description</u>: Lot 6B, Alaska State Land Survey No. 2023-34 Lot 6 Subdivision, recorded in the Fairbanks Recording District on March 28, 2024, as Plat No. 2024-21, containing 3.55 acres, more or less. See *Attachment C:* ASLS 2023-34 Lot 6 Subdivision.

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### VI. Title

The State received title to the land on December 18, 1964, under Patent 50-65-0354. The state file is GS 108. Title Report 22753 was issued October 6, 2022. This preference right is to resolve the third-party interest of the Edward Sanford Native Allotment, BLM FF015278, Parcel A. No other third-party interests were identified. The parcel is subject to all valid existing rights, including the reservations, easements, and exceptions contained in the federal patent. An updated title report has been requested; if any concerns are discovered, they will be addressed in the final finding and decision.

### State Reservation 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, the State retains ownership of all oil, gas, coal, ore, minerals, fissionable material, geothermal resources, and fossils 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, 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 land 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 landowner 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 X. Access, including Access To and Along Public or Navigable Water of this document.

Native Interest: The subject parcel is within the boundaries of Doyon, Limited, the regional ANCSA corporation. Tok, Tanacross, and Tetlin are within 25 miles of this proposed action and notice will be sent to the Tanacross Incorporated, Native Village of Tanacross, Native Village of Tetlin, Tetlin Native Corporation, and Tanana Chiefs Conference.

Other Conflicts or Pending Interest: None.

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### VII. Background and Discussion

On December 18, 1964, the State received patent to land within Section 25, Township 18 North, Range 12 East, Copper River Meridian. Edward Sandford submitted an application to the Bureau of Land Management (BLM) for his Native allotment on January 31, 1972, serialized as BLM FF015287-A. The application stated that Mr. Sanford's use and occupancy of the site started in March 1960. His application was rejected on July 7, 1972. In 1988, a reinstatement to reopen the case file was filed but was subsequently denied, and an appeal was filed. In July 2001, the decision was reversed, and the application was remanded back to BLM for the case file to be reopened in 2005. His allotment wasn't determined valid until November 23, 2021.

After the State received a patent for the land, it began developing parcels in the Tok area to sell through the State's land disposal program. Lot 6, Block 2, ASLS 79-21, serialized as ADL 401113, was first offered for sale in 1979. Over the next 38 years, the parcel would be sold and returned to the State several times before Kris Beeman bid on the parcel in DNR's 2017 land sale auction on June 15, 2017. Mr. Beeman was the highest bidder, and his application was ruled complete on September 19, 2017.

In preparation for the 2017 land sale auction, a title report for Lot 6, Block 2, ASLS 79-21, was completed. However, it did not list Mr. Sanford's Native allotment (NA) as a conflict or pending interest. Staff had failed to enter the Native allotment information into DNR's online case file information system (LAS). Therefore, any land research conducted by State staff would not find information on this NA or its location.

Mr. Beeman entered into a land sale contract to purchase the parcel, and the contract was issued November 24, 2017, and recorded December 20, 2017, as Document No. 2017-021453-0, Fairbanks Recording District. Mr. Beeman sent an email to the DNR Contract Initiation and Revenue Recovery Section (CIRR) in 2019 stating that he was a bona fide purchaser of Lot 6, which he had under contract. CIRR did not respond but is unfamiliar with Native allotments, their possible conflict with state land, and the impact of bona fide purchasers on allotments.

In 2019, DNR received notice that BLM was conducting a hearing on this NA. It was at this time that DNR discovered the error that Mr. Sanford's NA was not entered into LAS and that a conflict exists between Mr. Sandford's NA and Lot 6. The private landowners impacted by the NA also received notice of BLM's hearing on Mr. Sanford's NA. Mr. Beeman owns the lot just north of Lot 6. Mr. Beeman, his attorney, and the other private landowners affected by the NA sent information to BLM concerning their ownership of these conflicting lands. Based on the information received by BLM, Mr. Sanford conceded that the private landowners were bona fide purchasers, and the hearing was canceled. However, Mr. Beeman cannot effectively assert that he is a bona fide purchaser of Lot 6.

The Department of the Interior (DOI) issued a memo on January 27, 1986, concerning third-party purchasers of land claimed as a Native allotment. Page 2 of the memo covers what constitutes actual or constructive notice of the Native allotment that would undermine a bonafide purchaser defense. On page 3 of the DOI memo, it is clear that a bona fide purchaser must have title or patent to the land to be considered a bona fide purchaser. "No action by the government lies against bona fide purchasers of a patent." "The title of a bona fide purchaser of patented lands is superior to the equitable title of the government to avoid the patent and the underlying title for... mistake in its issuance."

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The federal documents in the Sanford NA file are unclear as to who the bona fide purchasers for state land within the NA are. DMLW policy, in alignment with DOI's memo, requires someone to have a patent to be considered a bona fide purchaser. The private individuals who purchased land and received a state patent for said lands are considered bona fide purchasers. However, Mr. Beeman only has a land sales contract for Lot 6, and a state patent has not been issued, even though the parcel was paid off in 2022. Therefore, the State is retaining that portion of Lot 6 that Mr. Sanford's NA encumbers. In 2023, DMLW had Lot 6 subdivided into Lots 6A and 6B, based on the location of the NA. Lot 6A is unencumbered by the NA, and Mr. Beeman can receive title for Lot 6A. Lot 6B will be held in State ownership until the Sanford NA is resolved. If the State retains ownership, Mr. Beeman will be offered the right of first refusal. If he refuses to purchase Lot 6B, then the State can put the lot up for sale.

If Mr. Sanford selects substitute lands for the total acreage of his allotment that sits on land conveyed to the State, this encumbrance will be lifted. If the encumbrance is lifted, Kris Beeman can recover the portion of Lot 6 denied him under AS 38.05.035(b)(2) if he chooses to. AS 38.05.035(b)(2) grants a preference right for the "...purchase of state land without a competitive bid in order to correct errors or omissions of a state or federal administrative agency when inequitable detriment would otherwise result to a diligent claimant or applicant due to situations over which the claimant or applicant had no control." The State erred 1) when it failed to enter the Sanford NA into LAS when they first received notice, 2) when it failed to inform Mr. Beeman of the conflict when the Sanford NA information was entered into the system in 2019, showing the conflict with the land sale contract, and 3) when it failed to respond to Mr. Beeman's statement that he was a bona fide purchaser for Lot 6.

Since Mr. Beeman will only receive 15.52 acres of the original 19.07 acres, he will receive a refund based on a prorated per-acre value minus the reduction in value due to the private access and utility easement. The refund calculation will include the interest Mr. Beeman paid during the life of the contract and the veteran's land discount he received as part of the purchase. See **Section XIV. Compensation/Appraisal** for more information.

Under AS 38.05.035(b)(2)(B), an application for the preference right must be filed within three years from the occurrence of the error or omission. DMLW became aware of the error with the issuance of an updated title report on October 6, 2022. Mr. Beeman was informed of the error on April 3, 2023. Later, Mr. Beeman was informed of his option to apply for a preference right and signed an application on July 12, 2023. Using October 6, 2022, as the date for the occurrence, Mr. Beeman applied for a preference right within 11 months, well before the 3-year deadline.

Mr. Beeman has been a diligent claimant by responding to BLM's inquiry for more information before the hearing, hiring an attorney to assist with this, and in informing the State that he believed he was a bona fide purchaser. Further, Mr. Beeman had no control over any of the errors made by the State. Therefore, this case qualifies for a preference right purchase as allowed under AS 38.05.035(b)(2).

### VIII. Planning, Classification, and Mineral Orders

a. *Planning:* The subject parcel is located within Unit U-22 of the Eastern Tanana Area Plan, adopted August 28, 2015. Recommended land use within this management unit includes land disposal. The plan designates the subject parcel as Settlement which converts to a classification of Settlement Land.

- b. Land Classification Order: The State classified the subject parcel as Settlement Land under Classification Order (CL) NC-10-004 based on the Eastern Tanana Area Plan adopted August 28, 2015.
- c. Mineral Order: The subject parcel is under Mineral Closing Order (MCO) 67A03. Mineral orders which close an area to mineral entry, close the area to new exploration and development of locatable minerals such as gold, copper, platinum, etc. 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 mineral exploration and development.
- d. Local Planning: There is no local planning for this area.
- e. Flood Risk: There are no FEMA flood maps available for this area.

### IX. Traditional Use Findings

The subject parcel is located within the Unorganized Borough and a traditional use finding is therefore required per AS 38.05.830 Land Disposal in the Unorganized Borough. There are no anticipated significant changes to traditional uses of the land and resources of this area as a result of the proposed action. 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 FFD, if one is issued. See the **Section XVI. Submittal of Public Comments** at the end of this documents and *Attachment B:* Public Notice for details on how to submit comment.

# X. Access, including Access To and Along Public or Navigable Water Public Access: Access to this parcel is via the private and public easements shown on ASLS 2023-34, Plat 2024-21 and ASLS 79-21, Plat 79-63, both in the Fairbanks Recording District.

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.

There are no public or navigable waters within or around this parcel.

### Easements and Setbacks:

Access to Lot 6B is through a 60-foot private access and utility easement on Lot 6A as depicted on ASLS 2023-34, Plat 2024-21, Fairbanks Recording District.

### XI. Reservation of Mineral Estate

In accordance with section 6(i) of the Alaska Statehood Act and AS 38.05.125 Reservation, the State, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable

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access to the surface for purposes of exploring for, developing and producing the reserved mineral resources. Exploration and development, if any, which could occur, would be consistent with AS 38.05.130 Damages and Posting of Bond, and other applicable statutes and regulations.

### XII. Hazardous Materials and Potential Contaminants

There is no known contamination of, or hazardous materials on, the subject parcel. The applicant is expected to inspect the subject parcel to ascertain the quality and condition of the land. 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 proposed for conveyance to the applicant. The State does not assume any liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances ever be identified.

DNR DMLW recognizes there are potential future environmental risks when previously vacant land is occupied. Many of the activities increasing these potential risks are regulated by other agencies, such as the regulation of septic system installation by the Department of Environmental Conservation. The risk is no greater than when private vacant land undergoes development. Given this land has been designated as commercial – 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 outweigh the potential risks.

### XIII. Survey

This parcel is surveyed as Lot 6B, Alaska State Land Survey No. 2023-34 Lot 6 Subdivision, Plat 2024-21, Fairbanks Recording District containing 3.55 acres, more or less. See *Attachment C:* ASLS 2023-34 Lot 6 Subdivision.

#### XIV. Compensation/Appraisal

Mr. Beeman's purchase price, or bid price, for Lot 6 was \$32,100.00. He received a veteran's land discount of \$8,024.00, so his adjusted purchase price was \$24,076.00. In addition to this, he paid \$6,622.81 in interest during the life of the land sales contract. In total, Mr. Beeman paid the State \$30,698.81. Lot 6 has now been subdivided into Lots 6A and 6B.

The per acre cost for Lot 6 using the adjusted purchase price, which included the veteran's land discount, would be \$24,076.00 divided by 19.07 acres which comes to \$1,262.51 per acre. Lot 6A is 15.52 acres. Therefore, the adjusted purchase price of Lot 6A equals the price per acre multiplied by the number of acres, which comes to \$19,594.10.

In addition, the private access and utility easement that crosses Lot 6A for access to Lot 6B affects the value of Lot 6A. Since the easement denies Mr. Beeman use of this land, the value decrease is 100%. The square footage of the easement is 60-foot width times 648.16-foot length, which equals 38,889.60 square feet or 0.89 acres. Therefore, the value of the easement is 0.89 acres multiplied by the per acre value of \$1,262.51, equaling \$1,123.63.

The value of the easement is subtracted from the value of Lot 6A for a revised final value of \$18,470.47. The final value for Lot 6B is created by subtracting the final value of Lot 6A from the full adjusted purchase price of \$24,076.00, equaling \$5,605.53.

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If Mr. Beeman chooses to purchase Lot 6B, the price will be \$5,605.63, equal to what he would have paid the State under the 2017 land sales contract he had for Lot 6. It also retains the veterans land discount, keeping to the understanding that purchasing Lot 6B enables Mr. Beeman to complete the single purchase of Lot 6 he started in 2017. Should he choose to finance the purchase of Lot 6B with the State and enter into a land sales contract, the interest rate will be set according to law at the time the new land sales contract is issued.

Since Mr. Beeman financed his purchase of Lot 6 through a land sales contract in 2017, the interest paid also needs to be adjusted. With an adjusted purchase price of \$18,470.47 for Lot 6A, using an interest rate of 7.25% set in the 2017 contract, and the time payments were made (November 2017 through June 2022) the total interest owed to the State for Lot 6A is \$4,427.64. The total owed to the State for the purchase of Lot 6A is \$22,898.11. Since Mr. Beeman paid the State \$30,698.81, he will be refunded \$7,800.70.

### XV. DMLW and Agency Review

DMLW and agency review was conducted between October 2, 2023, through October 13, 2023. Comments pertinent to this proposed action received during DMLW and agency review have been considered and addressed below. Additional timely comments received during the Public Notice period will be considered and addressed in a subsequent Final Finding and Decision if one is issued.

DNR DMLW LCS received brief comments of non-objection from the following agencies: DNR Division of Oil and Gas, DNR Division of Parks and Outdoor Recreation, Department of Transportation and Public Facilities, and Department of Fish and Game.

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

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

- DNR Division of Agriculture
- DNR Division of Forestry and Fire Protection
- DNR Division of Geological and Geophysical Surveys
- DNR State Historical Preservation Office
- Alaska Department of Environmental Conservation
- US Fish and Wildlife Service

### XVI. 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 (PD).

In accordance with AS 38.05.946(a) Hearings, a municipality or corporation entitled to receive notice under AS 38.05.945(c) Notice, 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 PD, additional public notice for the affected lands will be

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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 proposal is approved and no significant change is required, the PD, including any deletions, minor changes, and summary of comments and LCS responses will be issued as a subsequent FFD without further notice.

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 FFD. Upon approval and issuance of a FFD, a copy of the decision will be made available online at <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a> and sent with an explanation of the request for reconsideration process to any party who provides timely written comment.

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 DNR's Public Information Center. For more information refer to *Attachment B*: Public Notice.

## DEADLINE TO SUBMIT WRITTEN COMMENT IS 3:00 PM, TUESDAY, AUGUST 13, 2024

### XVII. Stipulations

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

- In the event BLM issues of a Certificate of Native Allotment for the remaining acreage for the Sanford Native allotment, Parcel A through substitute lands, a notice to proceed to purchase will be issued to Mr. Beeman. Within the time period specified in the notice to proceed to purchase, Mr. Beeman must submit the following to LCS:
  - o A completed and signed Declaration of Intent Form; and
  - Payoff amount plus patent application and recordation fees OR minimum 5% of the purchase price set in this decision as deposit plus land sales contract application and recordation fees. Fees are established under 11 AAC 05.100 Land Disposals and 11 AAC 05.200 Recorder's Office and are subject to change. Some fees have been reduced by Director's Order Number 3.
- 2. Prior to the completion of the purchase and issuance of a state conveyance document, the applicant must remain in good standing with respect to all terms of the Contract for the Sale of Real Property throughout its term, if such a contract is issued. The applicant must also remain in compliance with all applicable state and local ordinances and regulations, including all applicable taxes. Failure to do so may result in termination of the Contract for the Sale of Real Property.

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

AS 38.05.035(b)(2) Preference Right – ADL 422162 Page 10 of 11

### XVIII. Discussion and Alternatives

LCS is considering the following alternatives:

### Alternative1: Sell

Offer the subject parcel for sale as proposed in this decision in accordance with AS 38.05.035(b)(2) Error or Omission. If substitute lands are selected by Mr. Sanford for his Native allotment, Mr. Beeman receives right of first refusal for the purchase of Lot 6B. If Mr. Beeman refuses his right to purchase, the State will offer the parcel to the public to purchase under appropriate statutes. The State will receive revenue for the sale of the parcel and fulfilled its mandate to offer land to the public.

### Alternative 2: Retain

DNR will take no action. If Mr. Sanford selects substitute lands, DNR will retain ownership of Lot 6B. This creates an isolated parcel of State land, requiring the expenditure of resources to manage while forgoing the revenue of a sale.

Alternative 1 can correct an error committed by DNR against Mr. Beeman in the event that Mr. Sanford selects substitute lands. It will also provide settlement land to the private sector and generate revenue for the State. Therefore, it is in the best interest of the State to sell the parcel as proposed in this decision. This is the preferred alternative.

Please note that if the State reconveys Lot 6B to the federal government so Mr. Sanford receives Lot 6B as part of his Native allotment, neither alternative applies.

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

AS 38.05.035(b)(2) Preference Right – ADL 422162 Page 11 of 11

### XIX. Recommendation and Preliminary Decision

This Preliminary Decision for the proposed disposal of State lands described throughout this document and its attachments are consistent with the overall management intent for State-owned lands. Alternative 1 is the preferred alternative because it is the maximum best use of state land and addresses a land claim under preference right statutes. The PD 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.

Prepared by: Kathryn Young Natural Resource Specialist 3

Land Conveyance Section

Division of Mining, Land, and Water Department of Natural Resources

State of Alaska

July 11, 2024

Date of Signature

Date of Signature

Approved by: Hannah Uher-Koch

tauch Wher-Forh

**Section Chief** 

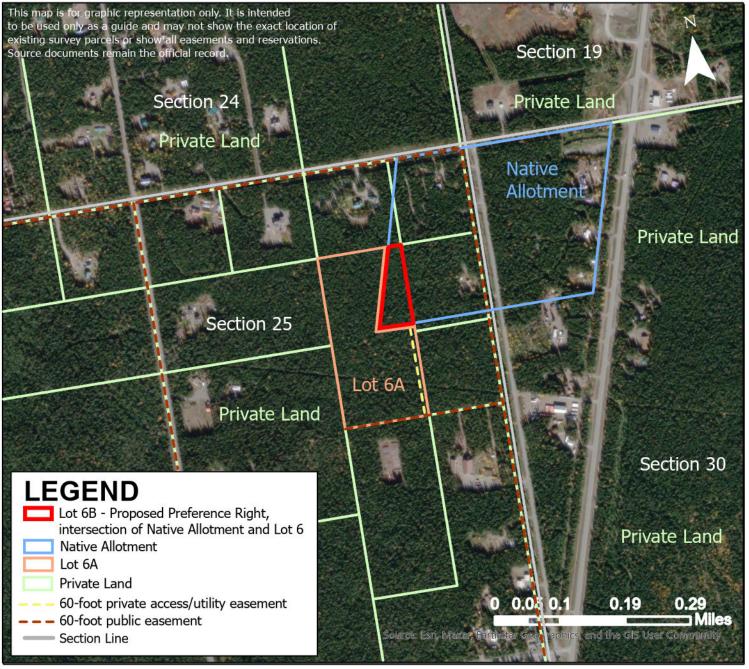
Land Conveyance Section

Division of Mining, Land and Water Department of Natural Resources

State of Alaska



### Attachment A: Vicinity Map Kris Beeman Preference Rights under AS 38.05.035(b)(2), ADL 422162



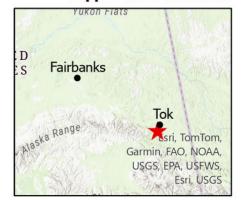
USGS Quad 1:63,360 Tanacross B-5

For more information contact: Kathryn Young Department of Natural Resources Division of Mining, Land and Water Land Conveyance Section Phone: 907-269-8574

Fax: 907-269-8916

Email: kathryn.young@alaska.gov

### Section 25, Township 18 North, Range 12 East, Copper River Meridian





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

### ATTATCHMENT B: PUBLIC NOTICE

Requesting Input for Proposed Non-competitive Sale to Preference Right Applicant, Kris Beeman, ADL 422162
PRELIMINARY DECISION

### COMMENT PERIOD ENDS 3:00 P.M., TUESDAY, AUGUST 13, 2024

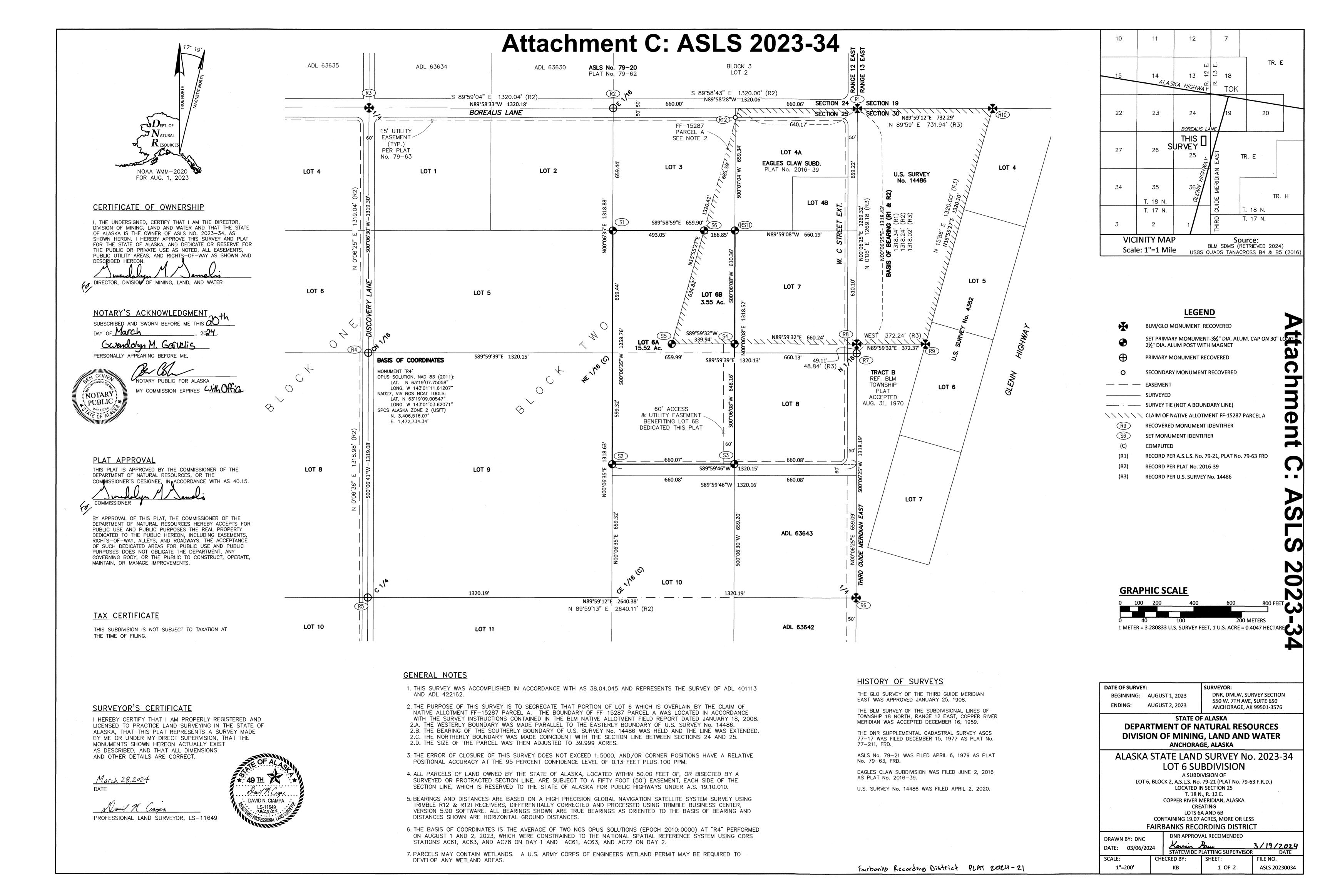
The Alaska Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), is conducting a public notice for a noncompetitive land sale 1 mile south of Tok, Alaska. The legal description is Lot 6B, Alaska State Land Survey No. 2023-34 Lot 6 Subdivision, recorded in the Fairbanks Recording District on March 28, 2024, as Plat No. 2024-21, containing 3.55 acres, more or less.

To obtain the notice, Preliminary Decision, or instructions on submitting comment, go to <a href="http://dnr.alaska.gov/mlw/landsale/">http://dnr.alaska.gov/mlw/landsale/</a> or <a href="http://aws.state.ak.us/OnlinePublicNotices/">http://aws.state.ak.us/OnlinePublicNotices/</a>. 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 8:30 a.m. and 4:00 p.m. in Anchorage at (907) 269-8400 or Fairbanks at (907) 451-2705 or the Southeast Land Office in Juneau at (907) 465-3400 or TTY: 711 for Alaska Relay or 1-800-770-8973 or go to <a href="http://dnr.alaska.gov/commis/pic/">http://dnr.alaska.gov/commis/pic/</a> for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 p.m., Tuesday, August 6, 2024.

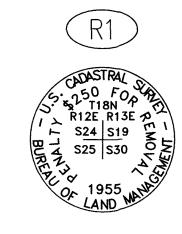
Pursuant to *AS 38.05.945 Notice*, the public is invited to submit comment on the Preliminary Decision. If commenting on more than one proposed action, separate comments should be submitted for each. **The deadline for public comment is 3:00 p.m., Tuesday, August 13, 2024.** Only persons from whom DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Preliminary Decision. Written comment may be received by fax, email or postal mail. To submit comments or for direct inquiries, contact Kathryn Young by mail at 550 West 7<sup>th</sup> Ave, Suite 640, Anchorage, AK 99501 or by fax at (907) 269-8916 or by email at <a href="mailto:kathryn.young@alaska.gov">kathryn.young@alaska.gov</a>. If you have questions, call Kathryn Young at (907) 269-8574.

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

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



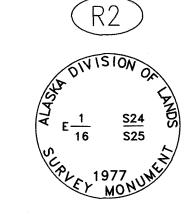
### MONUMENTS RECOVERED



BRASS CAP IN CASE IN ROAD MARKED AS SHOWN

FOUND TWO ORIGINAL BEARING TREES 14" SPRUCE N 34° E 75.0' 14" SPRUCE S 46° E 75.3'

ADD ONE NEW BEARING TREE 11" SPRUCE S 72 1/2" W 81.8'



ALUM. CAP IN CASE IN ROAD MARKED AS SHOWN

FOUND TWO ORIGINAL BEARING TREES 7" SPRUCE N 46 1/2° E 74.8' 13" SPRUCE S 24 1/2° E 77.4' ADD ONE NEW BEARING TREE

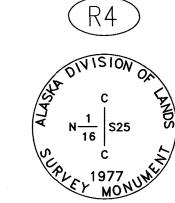
6" SPRUCE S 42" W 41.0'

1 S24 1 S25 1 S25

BRASS CAP IN CASE IN ROAD MARKED AS SHOWN.

ORIGINAL BEARING TREES DESTROYED ADD THREE NEW BEARING TREES

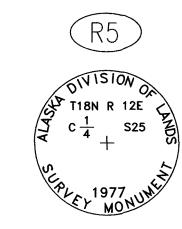
9" SPRUCE S 51° E 75.6' 13" SPRUCE S 56 1/2" W 69.9' 6" SPRUCE N 63° W



BRASS CAP BURIED 0.5' IN GRAVEL ROADWAY, MARKED AS SHOWN

FOUND ONE ORIGINAL BEARING TREE 8" SPRUCE S 85° E 48.2'

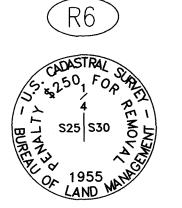
ADD TWO NEW BEARING TREES 5" SPRUCE N 25° E 68.0' 6" SPRUCE S 77" W 51.4'



BRASS CAP FLUSH WITH GRAVEL ROADWAY MARKED AS SHOWN

FOUND TWO ORIGINAL BEARING TREES 6" SPRUCE N 79 1/2" E 54.2" 7" SPRUCE S 65" W 58.7'

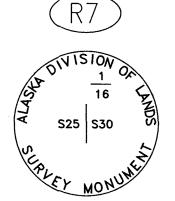
ADD ONE NEW BEARING TREE 8" SPRUCE N 37 1/2" W 81.3"



BRASS CAP BURIED 1.4' IN GRAVEL ROADWAY, MARKED AS SHOWN

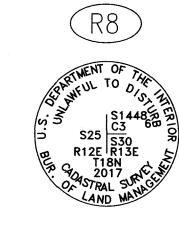
FOUND ONE ORIGINAL BEARING TREE 12" SPRUCE S 35 1/2" W 74.1"

ADD TWO NEW BEARING TREES 6" SPRUCE S 88 1/2° E 33.3' 5" SPRUCE N 25° W 111.7'



FOUND BRASS CAP BURIED 1.0' IN GRAVEL ROADWAY, MARKS OBSCURED EXCEPT AS SHOWN

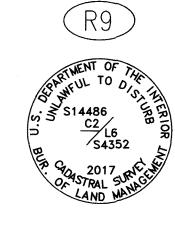
FOUND TWO ORIGINAL BEARING TREES 7" SPRUCE N 69 1/2° E 59.5' 7" SPRUCE S 55 1/2° E 46.2'



BRASS CAP BURIED 0.4' IN GRAVEL ROADWAY, MARKED AS SHOWN

FOUND TWO ORIGINAL BEARING TREES 6" SPRUCE N 38° E 62.6' 5" SPRUCE S 42 1/2° E 52.1'

MONUMENT RECOVERED RESET WITH NEW PRIMARY <u>MONUMENT</u>



BRASS CAP FLUSH WITH GROUND MARKED AS SHOWN

ORIGINAL BEARING TREES DESTROYED

ADD ONE BEARING OBJECT SOUTH CORNER OF 3'X3' CONCRETE PAD N 37 1/2° W 8.8'



BRASS CAP BURIED 0.7' IN ASPHALT ROADWAY, MARKS OBSCURED EXCEPT AS SHOWN

FOUND TWO ORIGINAL BEARING TREES 5" SPRUCE S 52° E 73.5' 5" SPRUCE S 58" W 101.8"



3 4A

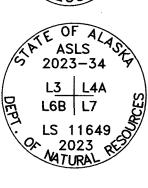
FOUND 5/8" REBAR WITH 2" ALUM. CAP FLUSH WITH GROUND

MARKED AS SHOWN



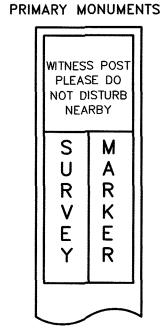
5/8" REBAR WITH 2" ALUM. CAP PROJECTING 0.1' ABOVE GROUND MARKED AS SHOWN

REMOVED AND SET A NEW PRIMARY MONUMENT IN PLACE



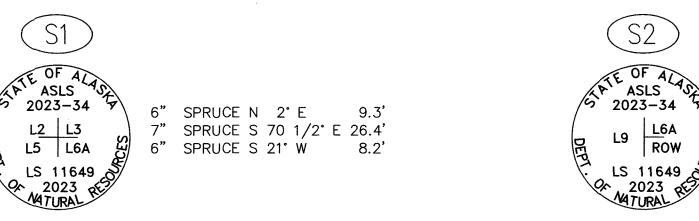
6" SPRUCE N 61° E 19.8' 7" SPRUCE S 23° W 12.3' 6" SPRUCE N 39" W 24.4'

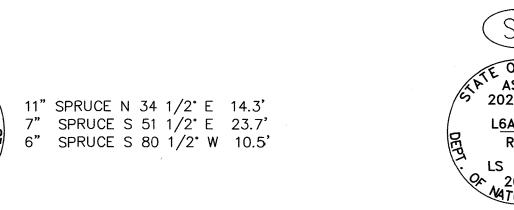
### TYPICAL WITNESS POST SET AN ORANGE FIBERGLASS REINFORCED CARSONITE POST, 6 FT. LONG SET WITHIN 1 FT. OF ALL



PRIMARY MONUMENTS SET

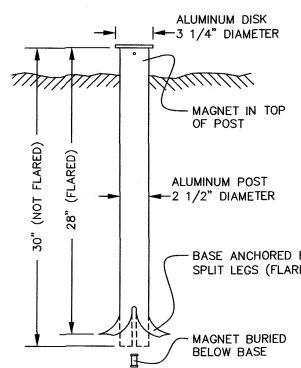
ALL PRIMARY MONUMENTS SET THIS SURVEY ARE 3.25" DIAMETER ALUMINUM CAPS ON 2.5" DIAMETER ALUMINUM PIPE, 30" LONG, SET 28" TO 30" IN THE GROUND WITH A DEEP 1 MAGNET AT THE BASE AND A CARSONITE POST ADJACENT TO THE MONUMENT



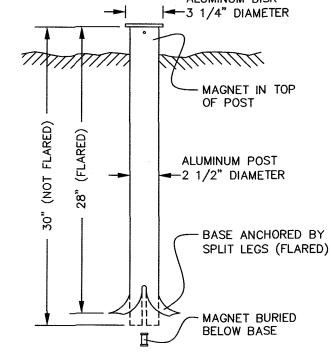




5" SPRUCE N 25° E 14.9' 7" SPRUCE S 13 1/2° E 11.0' 5" SPRUCE N 81° W 14.4'



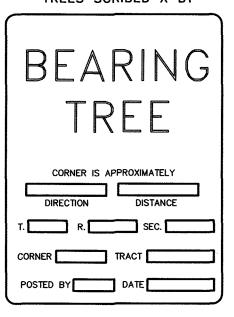
TYPICAL PRIMARY MONUMENT SET



# DAVID N. CIAMPA

TYPICAL BEARING TREE TAG SET

A YELLOW ALUMINUM TAG, 4 1/2 X 6 IN., WITH MARKINGS AS SHOWN, NAILED TO THE BEARING TREE AT HEAD HEIGHT, TREES SCRIBED X BT



2023-34 SPRUCE N 4° E 6" SPRUCE S 86° E L6A L7 6" SPRUCE N 83 1/2" W 19.1" LS 11649

Or 2023 RES

**ASLS** 

ASLS 2023-34 L6A LS 11649

L6A ROW

9" SPRUCE S 61° E 7" SPRUCE N 84 1/2° W 17.9' 6" SPRUCE N 15° W

ATE OF ALASA 2023-34 L6A / L6B LS 11649 OF 2023 RES

7" SPRUCE N 70° E 19.3' 6" SPRUCE S 20 1/2" W 12.5" 10" SPRUCE N 69 1/2" W 13.8"

2024-21

	Plat #
	Fairbanks
	Rec Dist
	03/28 202
	Date Date
	Time 3:20 P
'	

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

**DATE OF SURVEY:** 

BEGINNING: AUGUST 1, 2023

AUGUST 2, 2023

ALASKA STATE LAND SURVEY No. 2023-34 LOT 6 SUBDIVISION

A SUBDIVISION OF LOT 6, BLOCK 2, A.S.L.S. No. 79-21 (PLAT No. 79-63 F.R.D.) LOCATED IN SECTION 25 T. 18 N., R. 12 E.

**COPPER RIVER MERIDIAN, ALASKA** CREATING LOTS 6A AND 6B CONTAINING 19.07 ACRES, MORE OR LESS **FAIRBANKS RECORDING DISTRICT** 

SURVEYOR:

DNR, DMLW, SURVEY SECTION

550 W. 7TH AVE, SUITE 650

ANCHORAGE, AK 99501-3576

	TAINDANNO NECONDINO DISTRICT					
	DRAWN BY: DNC DATE: 03/06/2024		DNR APPROVAL RECOMENDED			
			Kevin		3/19/2024	
33,00,2021		•	STATEWIDE PLATTING SUPERVISOR		OR DATE	
	SCALE: CH		CKED BY:	SHEET:	FILE NO.	
	N/A		КВ	2 OF 2	ASLS 20230034	