

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

PRELIMINARY DECISION
Healy Smalltracts – ADL 421742

Proposed Land Offering in the Denali Borough
AS 38.05.035(e), AS 38.05.045

RELATED ACTION(S): *None Proposed*

PUBLIC COMMENT PERIOD ENDS 4:00PM, TUESDAY, MARCH 8, 2022

I. Proposed Action(s)

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Attachment A: Vicinity Map

Attachment B: Public Notice

Primary Proposed Action: The primary proposed action of this Preliminary Decision of the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land 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.

Proposed Related Action(s): No related actions proposed.

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

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 Final Finding and Decision will be issued.

II. Method of Sale

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

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

III. Authority

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

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of its land and the development of its resources by making them available for maximum use consistent with the public interest.” Pursuant to *AS 38.05.055 Auction Sale or Sealed Bid Procedures*, bidders for commercial land are not required to have been an Alaska resident for one year preceding the date of the sale.

IV. Administrative Record

The project file, Healy Smalltracts - ADL 421742, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Yukon Area Plan for State Lands (YTAP, adopted January 2014) and associated land classification files.
- *Alaska Interagency Wildland Fire Management Plan 2021*.
- *Alaska Department of Fish and Game, Catalog of Waters Important for the Spawning, Rearing or Migration of Anadromous Fishes*.
- *1979 Exploratory Soil Survey of Alaska*.
- DNR case files: lease ADL 411941, lease ADL 413866, lease application ADL 420382, permit LAS 30161, and other cases, documents, reports, etc. referenced herein.

V. Scope of the Proposal

The scope of this proposal, under the statutes described in the preceding **Section III**.

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

VI. Location

The project area is in Healy immediately east of the Parks Highway near milepost 249, in DNR’s Northern Region, and within Section 13, Township 12 South, Range 8 West, Fairbanks Meridian. The project area consists of 1.96 acres identified for disposal by this proposed action.

Platting Authority: The project area is within the Denali Borough and subject to the borough’s platting authority.

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

VII. Property Description

Lot 5, Block 4 of the Healy Smalltracts, Alaska Subdivision, according to the plat filed in the Nenana Recording District on September 27, 1968 as plat 68-246, containing 0.95 acres, more or less.

Lot 4, Block 5 of the Healy Smalltracts, Alaska Subdivision, according to the plat filed in the

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Nenana Recording District on September 27, 1968 as plat 68-246, containing 1.01 acres, more or less.

VIII. Title

Title Report No. 22157, current as of December 17, 2021, indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent 50-67-0241, dated October 26, 1966. The applicable State case file is GS 765. The project area is subject to the reservations, easements, and exceptions contained in the federal patent.

State Reservations of Title:

Retention of and Access to Mineral Estate: In accordance with *Section 6 (i) of the Alaska Statehood Act* and *AS 38.05.125 Reservation [of Rights to Alaska]*, the State retains ownership of the mineral estate that may be in or upon the land that it sells. This retention is for all minerals, including both locatable minerals (such as gold, copper and silver, etc.), and leasable minerals (such as oil, gas, coal, etc.).

The State and its successors reserve the right to enter onto the land for the purposes of exploring for, developing, and producing these reserved mineral resources. Access reserved to these retained interests is superior to any and all surface uses. The State may also lease these retained interests to mineral developers or allow mining locations to be staked. However, *AS 38.05.130 Damages and Posting of Bond* also provides that the land estate owner will be compensated for damages resulting from mineral exploration and development.

Navigable Waters: Per *AS 38.05.126(b) Navigable and Public Waters*, "...the State has full power and control of all of the navigable or public water of the state, both meandered and unmeandered, and the State holds and controls all navigable or public water in trust for the use of the people of the state." This trust is in accordance with the principles of the Public Trust Doctrine, which are included in Article VIII, Section 14 of the Constitution of the State of Alaska and protected in the United States Constitution. It is vested in the title to this land, is not transferable, and the State's title to submerged lands under navigable waters cannot be relinquished by a transfer of the property. In holding with this concept, navigability determinations are made and access will be reserved per *AS 38.05.127 Access To and Along Public and Navigable Water*. For more information, see **Section XIII. Access To, Within, and Beyond Project Area.**

The Bureau of Land Management has determined that there are no waters determined navigable within the project area.

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

IX. Physical Characteristics and Hazards

Information about the project area is based on internal research, information received during agency review, and on-the-ground field inspections conducted on August 9, 10, September 14, and December 8, 2021. This is by no means a complete description of the project area and if this proposal is approved and the parcel offered for sale, it will be the responsibility of interested

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parties to inspect the parcels prior to purchase to familiarize themselves with the physical characteristics of the land.

Terrain and Major Features: Lot 5 of block 4 is flat and mostly covered in asphalt and gravel. The former location of the above-ground fuel tank farm has not been completely backfilled subsequent to the removal of the tanks and liner. Some concrete jersey barriers remain around the former tank farm excavation and berm.

Lot 4 of block 5 is largely vegetated. A few paths through the parcel are filling in with saplings and shrubs. The parcel is at slightly higher elevation than Coal Street and the Parks Highway and generally slopes to the east.

View: Nearby businesses, the Parks Highway, and mountains in the background.

Vegetation: Lot 5 of block 4 is almost entirely unvegetated. There might be a few trees or shrubs at the southern or eastern parcel margins. Lot 4 of block 5 is vegetated with spruce, poplar, birch, alder, and willow. Most of the hardwoods and shrubs are regrowth from over the past 30 years.

Soils: Soils within the project area generally consist of well-drained gravels and sands overlain by a thin mantle of silt loess. Well logs in the vicinity document sediments ranging from silts to cobbles with occasional clay.

Wetlands: The US Fish & Wildlife Service Wetlands Mapper shows that the southeast corner of lot 5 of block 4 may contain freshwater forested/shrub wetlands. Based on site inspection, it is unlikely that wetlands exist within the parcel.

Geologic Hazards: According to information provided by DNR Division of Geological and Geophysical Surveys, the project area is within a broad zone that may contain discontinuous permafrost, but the sediments in this area tend to be stable upon thawing.

The project area is near two active faults and the overall seismic hazard potential is moderate to moderately high. The risk posed by building within an active seismic zone should be accommodated by following appropriate construction best practices. The Alaska State Fire Marshall adopts the International Code Council's International Building Code, which helps guide construction practices specific to seismic hazards and other structural hazards.

Fire Information: Pursuant to observations from field inspections, fire risk in the area is likely low. There are no reported wildfires within the vicinity. The project area is served by the Tri-Valley Volunteer Fire Department.

Potential for wildland fire is high in interior Alaska. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations. 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.

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The current fire management option for the project area is “critical”. The policy on areas with the “critical” management option reads, “Wildfires occurring in the Critical Management Option or that threaten Critical sites are assigned the highest priority for suppression actions and assignment of available firefighting resources.” It also states that 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: There is no Flood Insurance Rate Map available for the project area. There is potential for seasonal flooding and erosion of property 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 at least a dozen water rights in a 0.5-mile radius of the project area. Information from well logs indicate that well depths in the vicinity typically range from 100 to 290 feet. Potential water sources in the area include wells and delivered water. 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 the Golden Valley Electric Association. Distribution lines exist along the eastern boundary of the parcels. Lot 5 of block 4 has a service connection and electric meter mounted on a pole in the southeast parcel corner. Matanuska Telephone Association has utilities within Healy-Coal Street rights-of-way.

Waste Disposal: The Healy transfer station is located approximately four miles to the north of the project area at milepost 253 of the Parks Highway. All on-site wastewater disposal systems must meet the regulatory requirements of ADEC.

X. Background:

There have been extensive State land offerings within Healy since the 1960s. The majority of the Healy Smalltracts Subdivision parcels have been sold into private ownership. The parcels in the immediate vicinity are close to one acre in size, whereas parcels on the west side of the Parks Highway tend to be significantly larger. Several of these parcels have been replatted or further subdivided after State conveyance. The project area vicinity has residential, commercial, and municipal land uses. DNR may elect to sell these parcels as commercial property, which removes the requirement for Alaska residency for individuals and allows businesses to bid on parcels sold at auction.

Lot 5, block 4

DNR issued a 25-year lease for lot 5 of block 4 to Robert and Barbara Fisher on May 26, 1989 (serialized as ADL 411941). The Fishers developed the parcel in conjunction with their fueling business located on adjacent private property. This business subsequently transferred to their son Bradley Fisher.

The leased parcel was developed as a fuel distribution plant, including:

- A 20 by 8-foot trailer used as an office or for electrical equipment storage.

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- Four above-ground fuel tanks placed within a 60 by 50-foot diked containment area underlain by an impermeable liner. The tanks ranged from 8,000 to 12,000 gallons in volume and contained petroleum products (e.g. heating oil, diesel, and gasoline as observed in August 2021).
- An 8 by 16-foot fuel station (bulk plant) with four fuel lines running from the storage tanks to the station.

In 2014 to 2016 Quality Asphalt Paving used approximately 0.25 acres of the parcel for a field office as part of the MP 239-252 Parks Highway reconstruction project. The temporary infrastructure was removed at the end of the highway project.

Lease ADL 411941 expired on May 25, 2014 and was not renewed. On March 16, 2015 Mr. Fisher applied for a new lease (ADL 420382). Upon inspection, DNR DMLW found the condition of the fuel tanks and liner to constitute an environmental risk. Instead of proceeding with a new lease, DMLW issued a land use permit (LAS 30161) that was valid from May 26, 2014 to May 25, 2019. The permit provided Mr. Fisher time to have an engineer inspect the tank farm and either conduct the recommended maintenance or replace the tanks.

After the permit lapsed, Mr. Fisher wanted to purchase the parcel instead of pursuing a new lease, however, he was not eligible for a non-competitive purchase. DNR agreed to propose a competitive sale of the parcel if Mr. Fisher removed all improvements within it. Mr. Fisher removed all improvements from the parcel in fall 2021. DNR DMLW inspected the soil beneath and around the liner when it was removed on September 14, 2021 and found no visual or olfactory evidence of petroleum contamination. An excavation surrounded by mounded soil and concrete jersey barriers remains where the tank farm was located.

Lot 4, block 5

DNR issued a 25-year lease for lot 4 of block 5 to Cheryl and Timothy Venechuk on June 1, 1989 (serialized as ADL 413866). The Venechuks provided a development plan for the establishment of a food service business. Within the first few years of the lease, the Venechuks cleared a portion of the parcel, installed a well and septic system, constructed a concrete foundation perimeter for a structure approximately 30 feet by 40 feet in area. The use of the parcel over the remainder of the lease term is unclear, however, no food service business was established. Based on field inspections conducted in 1993 and 2013, DNR DMLW determined that the Venechuks were not in good standing with the lease. The lease expired on May 31, 2014.

Improvements within lot 4 were located during a December 8, 2021 field inspection. Risers for the wastewater line cleanout and septic tank were within hollow drums; the septic tank is in the southeast corner of the parcel. The top of the foundation perimeter is set below the grade of the parcel in the northwest parcel quadrant. Two wastewater line risers stood several feet above the foundation grade level within or immediately outside the foundation perimeter. A capped water well with an insulated casing stood approximately two-feet above grade in the southwest corner of the parcel. The disposition of the improvements on the property will be handled according to *AS 38.05.090 Removal or Reversion of Improvements Upon Termination of Leases*.

The parcel immediately north of lot 4 of block 5 is owned by Matanuska Telephone Association (MTA). A small outbuilding in the southeast corner of MTA's parcel is close to the property line.

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However, based on the monuments recovered and lath marking the northern boundary of lot 4 of block 5, the outbuilding probably resides solely within MTA's parcel.

Sale of these parcels instead of new leases would provide the best opportunity for an owner to establish their preferred use of the property, as has occurred for most of the Healy Smalltracts parcels along the Parks Highway and Coal Street. Healy has experienced significant development and economic growth since the subdivision was created. DNR DMLW anticipates there will be interest and competition for the parcels if sold at auction.

XI. Planning and Classification

The project area is within Yukon Tanana Area Plan (YTAP, adopted January 2014), Parks Highway and West Alaska Range Region, Unit P-91. Lands within this unit are currently designated Settlement and classified Settlement Land under Land Classification Order NC-10-005 via Determination NC-10-05D07. The project area consists of a small portion of the management unit. LCS reviewed the general management intent of the area plan and management unit for consistency with the proposed offering.

Unit P-91 Considerations: Most land in this management unit has been conveyed into private ownership. This management unit is appropriate for sale because it has not been subject to conveyance to the Mental Health Trust for trust reconstitution or the Denali Borough under municipal entitlement.

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. 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*. Public notice is being issued for this proposed action in accordance with *AS 38.05.945*. Refer to *Attachment B: Public Notice* and **Section XVII. Submittal of Public Comments** for more information.

Cultural Resources: Management Guidelines call for coordination with the Office of History and Archaeology (OHA) if OHA determines that a cultural survey may be required during agency review of a proposed land disposal. Cultural surveys should be considered when OHA reports sites or if there is a high potential for sites. LCS included OHA in the agency review for this project but did not receive a reply. Sale materials will include information regarding archaeological sites.

Public Access: Management Guidelines provide that prior to disposal of State lands, rights of access will be retained, and reasonable access will be provided across State land to other public or private land. The project area has platted and developed access.

Settlement: Relevant areawide management guidelines regarding settlement include:

- Protect life and property, such as avoiding sensitive areas like wetlands and considering the wildland fire risks.

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- Planning and coordination regarding local governments and local plans.
- Close to mineral entry Settlement designated units prior to sale.

This proposal has considered these guidelines as addressed throughout this document. The project area is closed to mineral entry. The proposed sale will not interfere with any critical recreation or environmental resources. Review of the Denali Borough Comprehensive Plan did not indicate any conflicts with proposed land disposal. LCS will solicit input from local landowners through the public notice and comment process, as stated in the Coordination and Public Notice subsection above.

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

Mineral Activity and Order(s): No mineral activity has been identified on these lands. The project area is closed to mineral entry under Mineral Closing Order 65.

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.

Local Planning: The project area is within the Denali Borough 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 Denali Borough Comprehensive plan. Review of that plan did not indicate any conflicts with the proposed State land disposal.

XII. Traditional Use Finding

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

XIII. Access To, Within, and Beyond Project Area

Developed access to lot 5 of block 4 is from the Parks Highway and Coal Street; lot 4 of block 5 is accessible by Coal Street. The Parks Highway and Coal Street adjacent to lot 4 of block 5 is maintained by the Alaska Department of Transportation. Coal Street adjacent to lot 5 of block 4 is not maintained by the State. The Denali Borough does not have road service areas. The project area is subject to the platting authority of the Denali Borough.

Easements, Setbacks, and Reservations: The parcel is subject to platted easements and reservations.

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XIV. Hazardous Materials and Potential Contaminants

The adjacent property to the north of lot 5 in block 4 is on ADEC's Contaminated Sites Database as file number 150.26.027 under the site name "Larrys Healy Service". Fisher's Fuel, Inc. was named as the responsible party for leaking underground storage tanks. Petroleum contamination was cleaned up and ADEC approved site closure in 1999. There are no institutional controls associated with this closed contaminated site. DNR DMLW is not aware of any evidence that the petroleum contamination extended into the project area.

A five-gallon diesel spill within lot 5 of block 4 is documented in ADEC's Statewide Oil and Hazardous Substance Spills Database (spill number 16309926601). The spill was reported on September 27, 2016. All of the diesel was reported as recovered, and the case was closed with no need for further action on November 14, 2016.

A property approximately 600 feet southeast of lot 4 in block 5 is on ADEC's Contaminated Sites Database as file number 150.26.025 under the site name "Healy Mountain View Liquor & Grocery". The site had three underground fuel storage tanks that were removed in the mid-1990s. The tank removal report documented petroleum contaminated soil remaining in place. A 2009 site characterization report documented subsurface soil contamination left in place and reported sample results from drinking water wells in the vicinity (no contaminants were detected). It is unknown if the 2009 investigation otherwise addressed potential groundwater contamination. ADEC granted the site conditional closure in 2010. The closure conditions pertain to prohibited activities on the contaminated parcel and property owner responsibilities.

A property approximately 900 feet easterly of lot 4 in block 5 is on ADEC's Contaminated Sites Database as file numbers 150.26.034 ("ADOTPF - Healy Maintenance Facility") and 152.38.004 ("ADOT&PF Healy Maintenance Station Class V Injection Well"). The Maintenance Facility contaminated site resulted from former underground storage tanks for fuels and used motor oil. A site investigation conducted after the tank removals documented remaining subsurface soil contamination and a petroleum constituent (xylene) in the on-site drinking water well at less than groundwater cleanup levels. ADEC granted site closure with no institutional controls. The Injection Well contaminated site resulted from the disposal of wastes into the subsurface via two injection wells. Site investigations documented unspecified soil contamination in the vicinity of the removed injection wells above cleanup levels. The site remains active with recent unspecified investigations and plans for further investigation.

DNR DMLW staff did not observe any environmental hazards within the project area during on-the-ground field inspections conducted on August 10, September 14, and December 8, 2021. The above-ground fuel storage tanks and sand on top of the liner were removed from lot 5 of block 4 by the former lessee in the summer of 2021. DNR DMLW staff inspected the soil beneath and around the tank farm liner when it was removed on September 14, 2021 and found no visual or olfactory evidence of petroleum contamination. Lot 4 of block 5 was inspected only on December 8, 2021 when there was approximately one foot of snow cover, so any surface staining or other similar indications of potential contamination would not have been visible.

There are no known environmental hazards present within the project area; however, the State makes no representations and no warranties, express or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land here proposed for conveyance. The State further assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation

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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 Alaska Department of Environmental Conservation. This risk is no greater than when vacant private land undergoes development. Given the high degree of interest from both the legislature and citizens in transferring State-owned land into private ownership, 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 conditions of the land, DNR will determine if it is in the State's best interest to offer the proposed project area.

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.

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 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 specific to lot 5 in block 4 from October 28 through November 11, 2021. Comments pertinent to this proposed action received during agency review have been considered and addressed below. Additional timely comments received during the Public Notice period will be considered and addressed in a subsequent Final Finding and Decision, if one is issued.

DNR DMLW LCS received brief comments of non-objection from the following agencies: DNR Division of Forestry, DNR Division of Parks and Outdoor Recreation, DNR Division of Agriculture, and DNR Mental Health Trust Land Office.

DNR DMLW LCS Response: Thanks for your review of the proposal.

DNR Division of Oil and Gas (DOG) Comment: DNR DOG has no objection to the proposal. There are no third-party authorizations within the project area or pending applications or activity in the vicinity.

DNR DMLW LCS Response: Thanks for your review of the proposal.

Department of Environmental Conservation Comment: The Contaminated Site Program noted that there is a closed contaminated site immediately adjacent to the project area, but

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because it was closure without conditions, it should not cause any conflicts with the property proposed for sale.

The Drinking Water Program provided information about public water systems in the vicinity of the project area and recommendations for general project activities that are near public water systems.

DNR DMLW LCS Response: Thanks for your input. DNR will include information in our sales materials explaining the proximity of contaminated sites and public water systems to the parcels proposed for sale.

Department of Transportation and Public Facilities (DOT&PF): DOT&PF has no objections, but advises that there are permits issued to Matanuska Telecom Association for utilities within Healy-Coal Street, which is adjacent to the parcel.

DNR DMLW LCS Response: LCS appreciates your review of our proposal. We added the presence of those utilities to **Section IX. Physical Characteristics and Hazards**.

DNR Division of Geological & Geophysical Surveys (DGGS): DGGS summarized the geologic setting and hazards for the project area vicinity (summarized in **Section IX. Physical Characteristics and Hazards**).

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

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

- Alaska Railroad Corporation
- Alaska Department of Fish & Game
- Department of Commerce, Community, and Economic Development.
- Department of Natural Resources
 - Division of Parks and Recreation, Office of History and Archaeology;
 - Office of Project Management and Permitting; and
 - State Pipeline Coordinator's Section.
- Fairbanks Soil & Water Conservation District

XVII. 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.

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, additional public notice for the

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

Only persons from whom LCS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Upon approval and issuance of a Final Finding and Decision, a copy of the decision will be made available online at <http://landsales.alaska.gov/> and sent with an explanation of the appeal 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 4:00 PM, TUESDAY, MARCH 8, 2022

XVIII. Alternatives and Discussion

LCS is considering the following alternatives:

Alternative 1: (Preferred) Offer the parcels for sale.

Alternative 2: (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, and maximizes public interest. This offering provides an opportunity for the public to obtain land for settlement in a desirable area. This proposal, if approved in a subsequent Final Finding and Decision, will provide financial return to the State. Alternative 1 provides the opportunity for Alaskans to purchase land within the main commercial corridor in Healy, for which there is demand. Alternative 1 is preferred.

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 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.

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

Recommendation follows.

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XIX. Recommendation

This Preliminary Decision for the proposed disposal of State lands described throughout this document and its attachments is 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. If the decision is approved, a Final Finding and Decision will be issued.

Signature on file

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

2/2/2022

Date

Signature on file

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State of Alaska

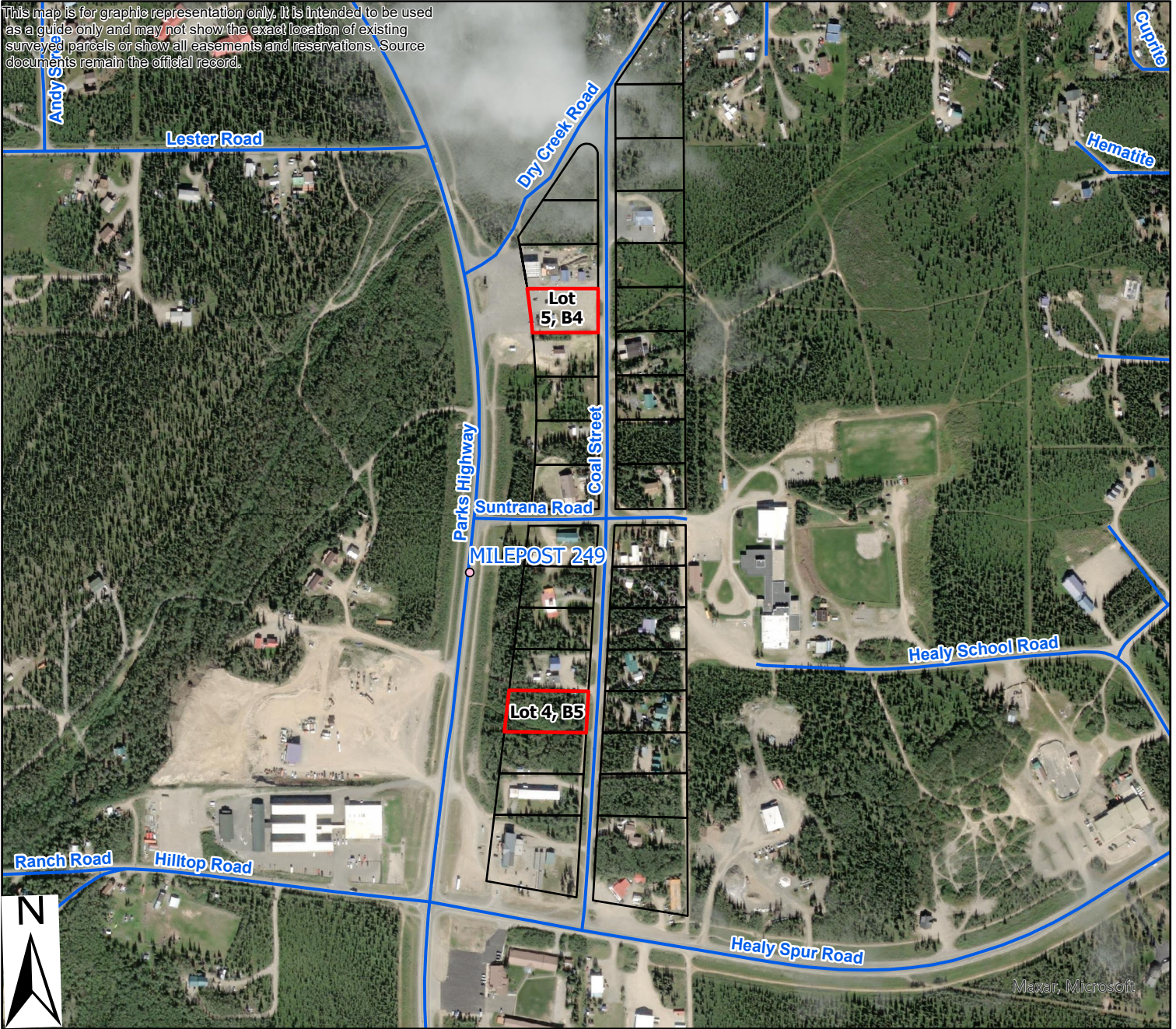
2/2/2022




Date

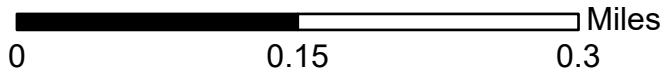


Attachment A: Vicinity Map Healy Smalltracts ADL 421742

This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.

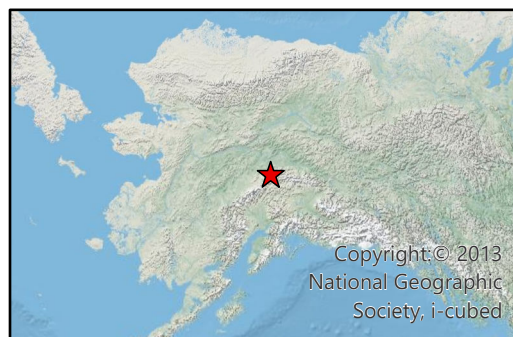


-  Project Area
-  Roads
-  Parcel Boundaries



C. Craven
Feb. 1, 2021

USGS Quad Healy D-4



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

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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:
Healy Smalltracts – ADL 421742

COMMENT PERIOD ENDS 4:00PM, TUESDAY, MARCH 8, 2022

This proposed project includes offering for sale parcels in a future offering under the method described in the Preliminary Decision document.

The parcels are located in Healy immediately east of the Parks Highway near milepost 249 within Section 13, Township 12 South, Range 8 West, Fairbanks Meridian.

Proposed Offering: two parcels, total of 1.96 acres.

To obtain a copy of the Preliminary Decision or instructions on submitting comment, go to <http://landsales.alaska.gov/> or <http://aws.state.ak.us/OnlinePublicNotices/>. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 10AM and 5PM in Anchorage at 907-269-8400, Fairbanks at 907-451-2705, or the Southeast Land Office in Juneau at 907-465-3400 (TTY for the hearing impaired for all locations: 711 for Alaska relay or 800-770-8973), or go to <http://dnr.alaska.gov/commis/pic/> for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, Tuesday, March 1, 2022.

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 4:00PM, TUESDAY, MARCH 8, 2022.** 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 Colin Craven, DNR Land Sales, 3700 Airport Way, Fairbanks, AK 99709, land.development@alaska.gov, or fax # 907-451-2751. If you have questions, call Colin Craven at 907-451-2730.

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.