

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

PRELIMINARY DECISION
ADL 415715

Proposed Noncompetitive Sale to Preference Right Applicants
AS 38.05.035(e), AS 38.05.102

RELATED ACTIONS:
None

PUBLIC COMMENT PERIOD ENDS 4:00 PM, THURSDAY, JULY 21, 2022

I. Proposed Action

Preliminary Decision: Approval of Noncompetitive Preference Right Parcel Sale ADL 415715
Attachment A: Vicinity Map
Attachment B: Public Notice

Primary Proposed Action, Noncompetitive Sale: The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) has received an application from Robert J. Bean and Geraldine M. Bean to purchase a parcel of state-owned land pursuant to Alaska Statute (AS) 38.05.102 *Lessee Preference*. The proposed decision will allow the parcel to be sold through a noncompetitive sale to the applicants. The parcel is located along the Parks Highway between mileposts 288 and 289, approximately four miles east of Anderson. The legal description for the parcel is within the SW1/4 NE1/4 of Section 36, Township 6 South, Range 8 West, Fairbanks Meridian, containing 1.75 acres, more or less. See *Attachment A: Vicinity Map* for a depiction of the subject parcel.

AS 38.05.102 Lessee Preference allows the granting of a preference right purchase or lease to those holding leases authorized under *AS 38.05.070-105 Alaska Land Act* and who are currently in good standing. A 1981 amendment to *AS 38.05.070 Generally* made this section inapplicable to short-term leases.

Proposed Related Actions: There are no proposed related actions.

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 VII. Submittal of Public Comments** 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.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 2 of 13

II. Authority

DNR has the authority under *AS 38.05.102 Lessee Preference* 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."

III. Administrative Record

The case file for Alaska Division of Lands (ADL) 415715 constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Yukon Tanana Area Plan (YTAP, adopted January 3, 2014) and associated land classification files;
- *Harvest and Use of Subsistence Resources in 4 Communities in the Nenana Basin*, 2015. (2017). Alaska Department of Fish and Game Division of Subsistence, Technical Paper No. 429;
- DNR case files: land sale project ADL 421397; mineral order (MO) 1250; easement ADL 20529, GS 15; and
- Federal case file F-85976-II.

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 applicants 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 applicants. 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. Location: The subject parcel is located within DNR's Northern Region along the Parks Highway between mileposts 288 and 289, approximately four miles east of Anderson in the Unorganized Borough, within Section 36, Township 6 South, Range 8 West, Fairbanks Meridian. See *Attachment A: Vicinity Map* for additional information.

USGS Map Coverage: Fairbanks B-5

Platting Authority: State of Alaska

Regional Corporation: Doyon, Limited

Federally Recognized Tribe: Nenana Native Association

Village Corporation: Toghoththele Corporation

- b. Legal Description: The point of beginning and corner #1 being corner #2 of Lease F-85976-FF from which a Finstad marker bears west 150 feet; thence northerly 169 feet on the centerline of the Parks Highway to corner #2 and a common corner with Lease F-85976-CC from which a Finstad marker bears N. 87°34'41" W. 150 feet; thence N. 87°34'41" W. 474 feet on common boundary with Lease F-85976-CC to corner #3, a Finstad marker and common corner with F-85976-CC; thence southeasterly 190 feet to

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 3 of 13

corner #4, a Finstad marker and common corner with Lease F-85976-FF; thence east 430 feet on common boundary with Lease F-85976-FF closing on corner #1. Containing 1.75 acres.

- c. Title: Information from Title Report No. 21979, current as of August 3, 2021, indicated the State of Alaska received title to the land and mineral estate under Tentative Approval F-024563, dated December 15, 1995, which was acquired through State Selection GS 15. No third-party interests were identified. The parcel is subject to the reservations, easements, and exceptions contained in federal tentative approval.

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 [Access, including Access To and Along Public or Navigable Water](#) subsection of this document.

The Bureau of Land Management has not made a navigability determination for waters within the affected townships for title purposes.

Native Interest: The subject parcel is within the boundaries of the Doyon, Limited regional corporation and federally recognized tribe, Nenana Native Association. There are no Native interests identified with this parcel.

Other Conflicts or Pending Interest: None.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 4 of 13

d. Background:

The State received title to the subject parcel from the Bureau of Land Management (BLM) through a Tentative Approval issued on December 15, 1995.

The State sought title to the land from the federal government as part of statehood entitlement, but desired resolution for the unauthorized occupancies within the subject parcel and surrounding area prior to accepting title. BLM created homesite lease agreements for nine residents between August 1989 and April 1991. BLM serialized the lease site for the subject parcel as F-85976-II. In 1996, BLM transferred the leases to the State, and the State agreed to honor the previously issued federal leases. Once the leases were transferred to the State, the leases were amended to change the name of the lessor from BLM to the State. The State serialized the lease for the subject parcel as ADL 415715. The lease for ADL 415715 was issued on February 13, 1996, and expired in September of 2009. The lease has been kept current by monthly extensions at the request of the leaseholder and is in good standing.

The lease for ADL 415715 was issued to Michael and Ruth Seeley on February 13, 1996, and was subsequently assigned to Robert and Geraldine Bean on April 11, 1996.

The subject parcel has been occupied and used as a primary residence for the applicants. Maintained structures and outbuildings are located on the subject parcel. DNR acknowledges that the leaseholder owns the improvements within the lease. Legal access to the subject parcel is via the Parks Highway.

Improvements on the subject parcel include a main residence, a barn, a greenhouse, two sheds, and a cache. The residence is heated using a below-ground oil tank with the capacity for approximately 500 gallons of fuel.

On July 2, 2021, Robert and Geraldine Bean applied to purchase the subject parcel, ADL 415715, noncompetitively through statutory authority AS 38.05.102.

As of the time of this PD, there are no liens associated with the subject parcel.

e. Planning, Classification, and Mineral Orders:

1. *Planning:* The subject parcel is located within YTAP, Parks Highway and West Alaska Range Region, Unit P-22, adopted January 3, 2014. The plan designates the subject parcel as Settlement which converts to a classification of Settlement Land.

The YTAP states that the plan's management intent for Unit P-22 is as follows:

Management Intent:

"Land disposals in this unit are appropriate during the planning period. Only portions of this unit may be appropriate for settlement, given the wide distribution of wetlands. Determine suitability for settlement prior to the preparation of a Preliminary Decision.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 5 of 13

Provide a riparian protection area (vegetated buffer) of 100' adjacent to Fish Creek and a buffer of 100' adjacent to the Parks Highway. LLO 33 affects this unit."

A sale of the subject parcel supports the management goals of the YTAP by providing an opportunity for private ownership of land currently owned by the state for the continued year-round use as residences and in support of a vital, self-sustaining, diverse economy for the communities in the surrounding area.

On May 14, 2021, a Special Exception to the YTAP was approved which included the subject parcel. The special exception exempts the requirement for a 100-foot buffer adjacent to the Parks Highway from management Unit P-22. This exception was necessary due to the constraints it would put on parcels near the Parks Highway, causing them to be too small to be marketable and to reduce the burden of removing existing improvements on the parcels prior to new State authorizations or conveyances.

2. *Land Classification Order:* The State classified the subject parcel as Settlement Land under Classification Order NC-10-005 based on the YTAP adopted January 3, 2014.
3. *Mineral Order:* The subject parcel has been previously closed to mineral entry by Mineral Order 1250.

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.

4. *Local Planning:* The project area is within the Unorganized Borough. The State does not pursue zoning of private lands.
5. *Flood Risk:* There are no FEMA flood maps available for this area.

f. Traditional Use Findings:

The subject parcel is located within the Unorganized Borough and a traditional use finding is required under *AS 38.05.830 Land Disposal in the Unorganized Borough*. Information obtained from the YTAP, adjudicatory research, and agency review indicates that the surrounding area is currently used for settlement, limited commercial enterprise, and wild resource harvesting. According to ADF&G Division of Subsistence research, residents of Anderson and Nenana report using areas in the vicinity of the subject parcel for the subsistence harvest of wild resources (ADF&G Technical Paper Number 429). Anderson residents reported contemporary subsistence search and harvest areas for non-salmon fish, moose, grouse, and ptarmigan within the vicinity of the Parks Highway between Nenana and Anderson. Anderson residents also reported hunting and trapping small land mammals within a region that encompasses the project area. Nenana

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 6 of 13

residents reported contemporary subsistence search and harvest areas for moose and black bear and gathering of berries and greens within the project area vicinity east of the Parks Highway.

The subject parcel is located near the Parks Highway and has been used for longstanding residential use. LCS assumes that significant wild resource harvests take place in the broader surrounding area versus near the subject parcel. 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 **Section VII. Submittal of Public Comments** and *Attachment B: Public Notice* for details on how to submit comment.

g. Access, including Access To and Along Public or Navigable Water:

Public Access: Legal access to ADL 415715 is via the Parks Highway. LCS has engaged Department of Transportation & Public Facilities (DOT&PF) Northern Region ROW Group about the Missile Club Subdivision project and about potential encroachments in the Parks Highway ROW. LCS will continue to coordinate with the DOT&PF as the subdivision project moves forward. The subject parcel has an existing driveway and an access road already in use, and LCS recommends the applicants speak with DOT&PF regarding a driveway permit for continued future use of the driveway and access road.

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*.

DNR has not identified any public, navigable, or anadromous water bodies within the subject parcel. If any such water bodies are discovered, the parcel will be subject to access reservations in accordance with AS 38.05.127 *Access to Navigable or Public Water*.

Easements and Setbacks:

- 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 Rights-of-Way* and 11 AAC 51.065 *Vacation of Easements* as part of the concurrent Missile Club Subdivision development;
- Utility easements; and
- Additional reservations and/or restrictions required through the local platting authority.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 7 of 13

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

- h. 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 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.
- i. Hazardous Materials and Potential Contaminants:
During field inspections conducted on August 15, 2019, September 16, 2020, and September 24, 2020, LCS staff observed potential environmental hazards within the subject parcel. The subject parcel has miscellaneous debris and a below-ground heating oil tank is located on the leasehold.

There is no known contamination of, or hazardous materials on, the subject parcel beyond the items mentioned above. The applicants are expected to inspect the subject parcel to ascertain the quality and condition of the land. The State makes no representations and no warranties, expressed or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land proposed for conveyance to the applicants. 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.

The applicants will be required to submit an affidavit acknowledging the condition and history of the site prior to purchase.

- j. Survey: This parcel is determined to be unsurveyed by Survey Determination (SD) 2021-13. This parcel will be surveyed concurrently with the Missile Club Subdivision competitive sale project, serialized as ADL 421397. Upon DNR approval for preference right purchase of this parcel, the applicants will be required to submit their portion of the survey costs to DMLW. This survey must be approved by the State of Alaska platting authority.
- k. Compensation/Appraisal: If the purchase is approved, the parcel will be sold at fair market value as required by *AS 38.05.840(a) Appraisal*. This parcel will be appraised concurrently with the Missile Club Subdivision competitive sale project, serialized as ADL 421397. Upon DNR approval for the purchase of this parcel, the applicants will be required to submit their portion of the appraisal costs to DMLW. The date fixed for sale under *AS 38.05.840(a) Appraisal* and the valuation date of the appraisal will be set as the date of inspection by the appraiser.

VI. 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 PD. Agency review was conducted between December 10, 2021, through December 30, 2021. Comments pertinent to this proposed action received during agency review have been considered and addressed

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 8 of 13

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: Department of Transportation and Public Facilities, DNR Division of Parks and Outdoor Recreation, DNR Realty Services, and the Alaska Department of Fish and Game.

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

DNR Division of Oil and Gas (DOG): DOG thanked DMLW for the opportunity to review and comment on the project. DOG has no objection to the proposed conveyance and does not have any authorizations or pending applications on the subject lands.

DOG asks to please alert the applicants that the State reserves oil, gas, minerals, fissionable material, geothermal resources, and fossils that may be in or upon the land that it sells in accordance with Section 6(i) of the Alaska Statehood Act and AS 38.05.125. The State also reserves the right to enter the land for the purposes of exploring for, developing, and producing these mineral resources. The proposed mineral order closing the area to locatable mineral entry does not apply to leasable mineral resource exploration, development, or production.

DNR DMLW LCS Response: LCS appreciates the review of this proposed noncompetitive sale. Included in this decision is the reservation of mineral estate in accordance with Section 6(i) of the Alaska Statehood Act and AS 38.05.125 *Reservation.*

DNR Division of Forestry (DOF): DOF thanked DMLW for the opportunity to review and comment on the project. DOF does not have forest resource concerns on the parcel, but there is always wildfire concern when DNR sells land in the wildland/urban interface. The parcel is already covered by DOF's Critical Management option, meaning that it already is protected by the highest level of response. However, the best defense against wildfire is for people to Firewise their homes, to help firefighters in their job protecting homes and property. Please make sure that the landowner is provided with [Firewise materials](#), and have them contact DOF with any questions.

DNR DMLW LCS Response: LCS appreciates the review of this proposed noncompetitive sale. The applicants will be provided with the above-mentioned wildland fire educational materials.

DNR Statewide Abatement of Impaired Land (SAIL): SAIL thanked DMLW for the opportunity to review and comment on the project. SAIL has no objection to the proposed conveyance.

SAIL advised that the applicants submit affidavits that they acknowledge the current condition and site history of the subject parcel in order to release the State from future liability.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 9 of 13

DNR DMLW LCS Response: LCS appreciates the review of this proposed noncompetitive sale. The applicants will be required to submit an affidavit acknowledging the condition and history of the site prior to purchase.

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

- Department of Environmental Conservation, DNR Division of Agriculture, DNR Division of Geological and Geophysical Surveys, and DNR State Historic Preservation Office.

VII. 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) 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 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 PD, including any deletions, minor changes, and a 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 <http://landsales.alaska.gov/> and sent with an explanation of the appeal process to any party who provides timely written comment.

DNR 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
4:00 PM, THURSDAY, JULY 21, 2022**

VIII. Stipulations

If approved for conveyance, the applicants will be required to comply with the following stipulations to complete the land sale:

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 10 of 13

1. As a condition of sale, the applicants must sign an affidavit acknowledging the condition of the land and releasing the State from related liability due to the presence of potential hazards.
2. The lessee must remain in good standing with respect to the terms of the lease until the lease is relinquished. If the lessee is not in good standing at any time prior to the relinquishment of the lease, the purchase process will be halted until the lessee regains good standing as determined by DMLW.
3. Once the Final Finding and Decision is signed and the appeal period is over without an appeal received, a notice to proceed to survey will be issued. The applicants must coordinate with LCS to complete the survey of their parcel concurrently with the survey of the Missile Club Subdivision in support of land sale project ADL 421397. Survey costs shall be borne by the applicants.
4. Upon approval and recording of the survey, a notice to proceed to appraisal will be issued. The applicants must coordinate with LCS to complete an appraisal of their parcel concurrently with the appraisal for parcels within the Missile Club Subdivision in support of land sale project ADL 421397. Appraisal costs shall be borne by the applicants.
5. Upon approval of the appraisal, a notice to proceed to purchase will be issued to the applicants. Within the time period specified in this notice, the applicants must submit the following to LCS:
 - A signed and notarized affidavit acknowledging the condition of the land and releasing the State from related liability;
 - A completed and signed Declaration of Intent form;
 - A signed and notarized Relinquishment of Land Lease form;
 - A completed Veteran's Land Discount form (if eligible); and
 - Payoff amount plus patent application and recordation fees OR minimum 5% of the purchase price as a 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.
6. Prior to the completion of the purchase and issuance of a state conveyance document, the applicants 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 applicants 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 applicants are 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.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 11 of 13

IX. Discussion and Alternatives

The original leases within the proposed Missile Club subdivision were created under federal authority between the years of 1989 and 1991. BLM later transferred the land to the State, and the State agreed to honor the previously issued federal leases in 1996. The acceptance of the lease amendments was concurrent with the acquisition of land in 1996, creating the leaseholds of state land under the State's authority of AS 38.05.070-105 as amended. At the time of the transfer, the leases were amended to show the State as the lessor and were signed by the lessees. DMLW finds that the issuance authority qualifies the leases for preference right claims under AS 38.05.102 *Lessee Preference*.

The preference right applicants and current leaseholder of the subject parcel is in good standing with the terms of the lease as of the writing of this document. Title Report No. 21979 shows no third-party interests or liens. Therefore, the applicants qualify under AS 38.05.102 *Lessee Preference* for a preference right claim.

The following alternatives were considered:

Alternative 1: Sell

Approve the proposed conveyance of the subject parcel to the applicants in accordance with AS 38.05.102 *Lessee Preference*.

Alternative 2: Lease

Continue with a month-to-month lease agreement.

Alternative 3: Retain

DNR will take no action and retain the subject parcel.

Alternative 1 will provide settlement land to the private sector, generate revenue for the State, mitigate costs related to the management of leased lands, and is compatible with area plan management intent. The sale of the parcel allows the applicants' improvements to remain *in situ* and provides the applicants assurances required for future planning and passing property to heirs. Therefore, it is in the best interest of the State to sell the parcel as proposed in this decision.

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." Alternative 1 provides a method for DNR to meet the obligations laid out in the Constitution and statute and supports DNR's goal of providing lands for private settlement and supporting economic growth throughout Alaska. This is the preferred alternative.

Under Alternative 2, DNR will continue administering month-to-month lease extensions to the applicants. The lessee receives control of the leasehold for a given period. As the applicants qualify and submit forms for a senior citizen's discount, under this option the State currently does not earn revenue from the leasehold, in addition to incurring future management costs related to ensuring performance under the lease agreement and administrative costs related to lease administration. This is not in the best interest of the State. This alternative is not preferred.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 12 of 13

Under Alternative 3, the State would need to expend resources managing the land, while forgoing the income that could have been generated by a sale or lease. If the State chooses to neither sell nor lease the land to the current leaseholder, they will be required to remove existing infrastructure from the land that was approved under a residential lease approved by the State and restore the land to its original condition. The applicants may lose improvements if they are immobile, causing the applicants detriment. Retaining the subject parcel in state ownership is not in the best interests of the State. This alternative is not preferred.

For the reasons outlined above, Alternative 1 is the preferred alternative. The sale of the subject parcel is beneficial to both the State, and to the prospective applicants. The sale provides land for settlement to the applicants and is the site of used and useful improvements. It provides maximum use for the public benefit in that it provides land for private settlement, the proposed parcel use does not disturb or curtail nearby state land uses, and it supports the long-term growth and development of the nearby community.

Recommendation follows.

Preliminary Decision

AS 38.05.102 Preference Right – ADL 415715

Page 13 of 13

X. Recommendation and Preliminary Decision

This Preliminary Decision for the proposed disposal of State lands described throughout this document is 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, addresses a land claim under preference right statutes, and helps meet the mission of the land sales program.

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. A Final Finding and Decision will address any significant issues or concerns during the public review process. If the applicants are unable to complete the stipulations, DMLW may decide to close this purchase application or require the continued annual renewal for the lease to allow additional time to complete the purchase process.

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.

Prepared by: Stefania Kristjansson
Natural Resource Specialist 2
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska

6/15/22

Date of Signature

Approved by: Rachel Longacre
Section Chief
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska

6/16/2022

Date of Signature

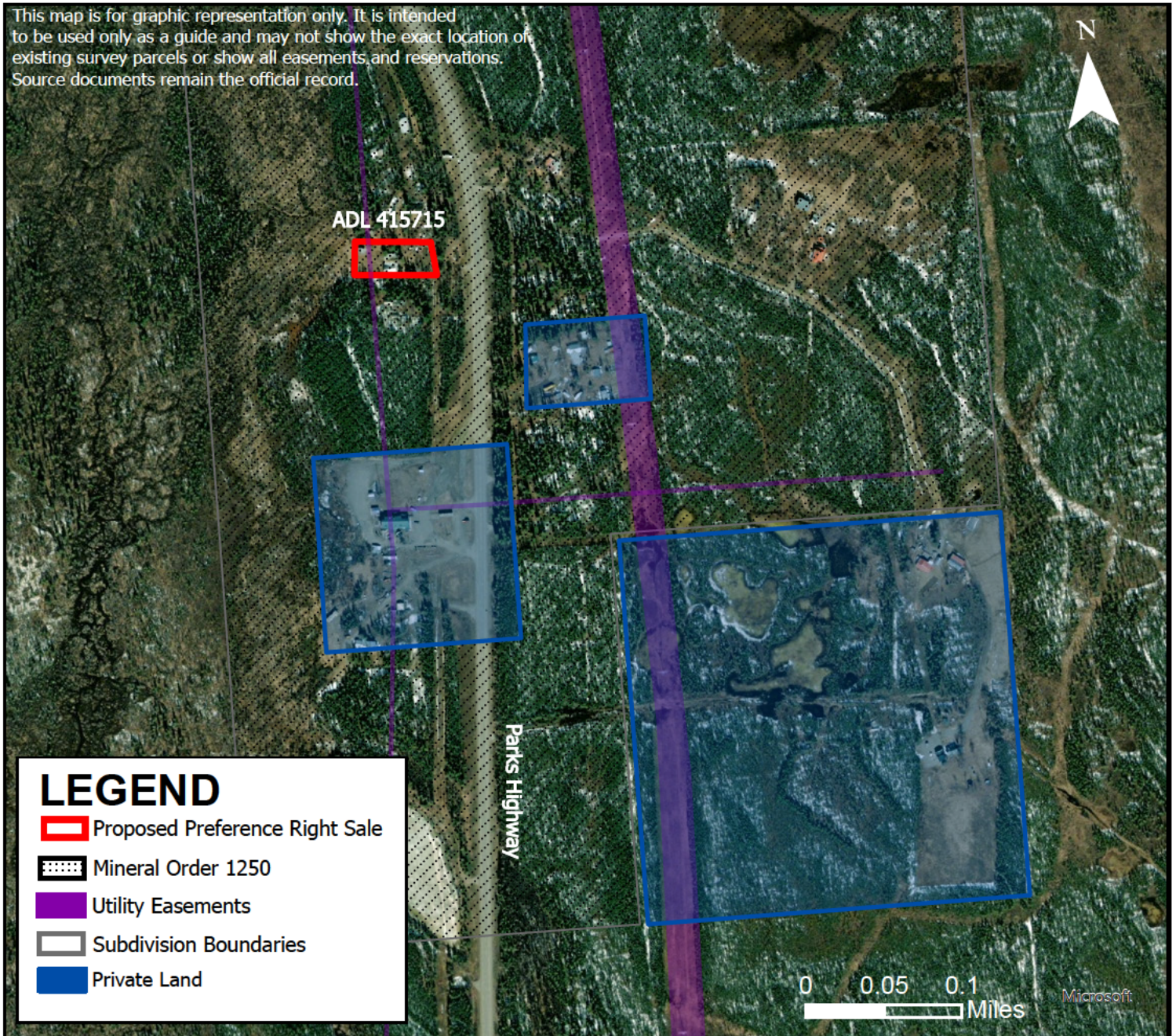


Robert Bean
ADL 415715

Attachment A: Vicinity Map

Proposed Noncompetitive Sale
Pursuant to AS 38.05.102

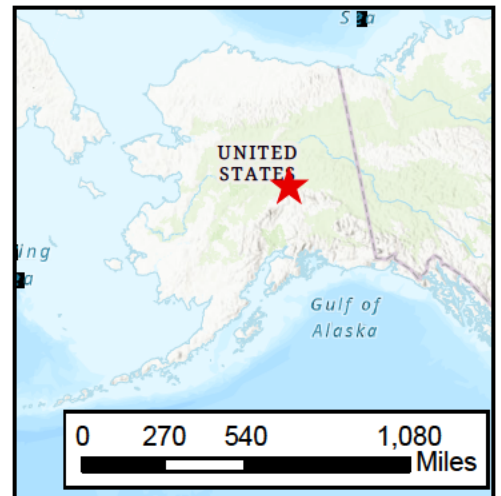
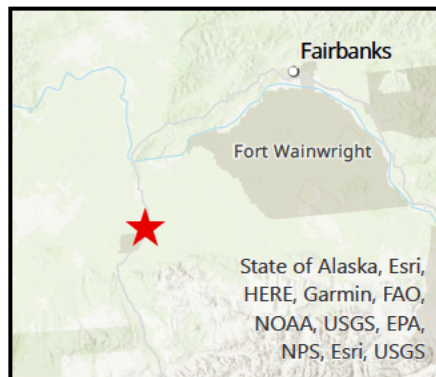
This map is for graphic representation only. It is intended to be used only as a guide and may not show the exact location of existing survey parcels or show all easements and reservations. Source documents remain the official record.



USGS Quad 1:63,360 Fairbanks B-5

Section 36, Township 6 South, Range 8 West, Fairbanks Meridian

For more information contact:
Stefania Kristjansson
Department of Natural Resources
Division of Mining, Land and Water
Land Conveyance Section
Phone: 907-269-5664
Fax: 907-269-8916
Email: stefania.kristjansson@alaska.gov



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

PUBLIC NOTICE

**Requesting Input for Proposed Noncompetitive Sale to
Preference Right Applicants - ADL 415715**
AS 38.05.102

COMMENT PERIOD ENDS 4:00 PM, THURSDAY, JULY 21, 2022

The Alaska Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) is conducting a public notice for a noncompetitive land sale located approximately four miles east of Anderson. The legal description for the parcel of ADL 415715 is within the SW1/4 NE1/4 of Section 36, Township 6 South, Range 8 West, Fairbanks Meridian, containing 1.75 acres, more or less.

To obtain the notice, Preliminary Decision (PD), or instructions on submitting comment, go to <http://dnr.alaska.gov/mlw/landsale/> 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 10:00 AM and 5:00 PM 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 <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, Thursday, July 14, 2022

Pursuant to *AS 38.05.945 Notice*, the public is invited to submit comments on the Preliminary Decision. **The deadline for public comment is 4:00 PM, THURSDAY, JULY 21, 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 (FFD). Written comment may be received by fax, email, or postal mail. To submit comments or for direct inquiries, contact Stefania Kristjansson by mail at 550 West 7th Ave, Suite 640, Anchorage, AK 99501 or by fax at (907) 269-8916 or by email at stefania.kristjansson@alaska.gov. If you have questions, call Stefania Kristjansson at (907) 269-5664.

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

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