

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

FINAL FINDING AND DECISION

of a
Land Offering in the Denali Borough
Healy Smalltracts – ADL 421742
AS 38.05.035(e), AS 38.05.045

and its
RELATED ACTION(S):
None

This Final Finding and Decision (FFD) complements and updates the Preliminary Decision (PD) dated February 2, 2022. The PD (attached) has had the required public review.

I. Recommended Action(s)

The State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) recommends offering for sale State-owned land for private ownership within the Healy Smalltracts project area (ADL 421742), as described in the PD. Surveyed parcels will be offered for future sale by a method under *AS 38.05.045 Generally*.

II. 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 provides: "It is the policy of the State to encourage the settlement of its land and development of its resources by making them available for maximum use consistent with the public interest." Under *AS 38.05.055 Auction Sale Procedures*, land designated commercial by this decision may be available to non-residents at the land's first offering at auction.

III. Public Participation and Input

Pursuant to *AS 38.05.945 Notice*, public notice inviting comment on the PD for the proposed primary action published and distributed in the following manner:

- Posted under State of Alaska Online Public Notice from February 3 to March 8, 2022.
- Posted on DNR Land Sales website from February 3 to March 8, 2022.
- Notices mailed to the Denali Borough per *AS 38.05.945(c)(1)*.
- Notice mailed to the Healy postmaster with a request to post for 30 days, per *AS 38.05.945(c)(4)*.

Final Finding and Decision

Healy Smalltracts – ADL 421742

Page 2 of 4

- Notice mailed to the Tri-Valley Community Library in Healy with a request to post for 30 days.
- Notice mailed to the Doyon regional corporation per AS 38.05.945(c)(2)-(3).
- Notice mailed to 79 landowners within 0.5-mile radius of the northern parcel (lot 5 of block 4).
- Notified the former lessees of the parcels proposed for sale by mail and email.
- Sent notification to area state legislators and to multiple state agencies.
- Notified parties via the DNR Land Sales subscribers lists by email and the DNR Land Sales Facebook account.
- Notified the Fairbanks Soil & Water Conservation District.

The public notice stated that written comments were to be received by 4:00PM, March 8, 2022 to ensure consideration and eligibility to appeal. For more information, refer to the PD.

IV. Summary of Comments

All comments received during the public comment period are summarized below.

DNR DMLW LCS received brief comments of non-objection from the following agencies:
Department of Fish & Game, Department of Transportation & Public Facilities, DNR Mental Health Trust Land Office

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

Individual Comment: I support releasing this property for sale and getting more property in the hands of Alaska residents.

DNR DMLW LCS Response: Thank you for your review and support of the proposal.

Individual Comment: I object to the auction sale of Lot 4, Block 5 and request that a noncompetitive sale be made available to the original lessees. The lessees have lived in Healy for over 38 years and contributed to the community of Healy. They paid for the 25-year lease and established improvements that included clearing the land, drilling a 161-foot-deep water well, building a foundation for a structure, and installing a commercial septic system. These improvements would cost over \$30,000 if constructed today. This purchase request has been made previously, and I look forward to your response.

DNR DMLW LCS Response: Unfortunately DNR is unable to noncompetitively sell lot 4, block 5 of the Healy Smalltracts subdivision. The request for noncompetitive purchase was addressed by DNR in correspondence with the former lessees in 2014. DNR can offer the parcel via competitive sale, which avoids continued State retention of the parcel and provides an opportunity for the former lessees to bid on the property when sold in an auction.

The improvements within lot 4, block 5 have become fixtures of the parcel. If the former lessees aren't the successful high bidder for the parcel in an auction, the purchaser will be required to purchase the improvements from the former lessees. See **Section VI. Modifications to Decision and/or Additional Information** below for more information.

Final Finding and Decision

Healy Smalltracts – ADL 421742

Page 3 of 4

V. Traditional Use Findings

In accordance with *AS 38.05.830 Land Disposal in the Unorganized Borough*, a Traditional Use Finding is required for project areas within the Unorganized Borough. This project area is within an organized borough; therefore, no Traditional Use Finding is required.

VI. Modifications to Decision and/or Additional Information

The recommended action has not been modified from the original proposed action described in the PD.

DNR determines that the Healy Smalltracts parcels contain improvements that have become fixtures of the parcels:

- Lot 5, block 4 contains gravel and asphalt surface topping connecting to the Parks Highway and Coal Street.
- Lot 4, block 5 contains a water well, septic system, and a concrete foundation perimeter for a structure approximately 30 feet by 40 feet in area.

According to the expired lease agreements for these parcels, authorized improvements of the lessee that DNR determines to be fixtures of the parcel shall be purchased by a subsequent purchaser. The value of the fixtures will be determined by an appraisal arranged by DNR.

Recommendation and Approval of the Final Finding and Decision follow.

Final Finding and Decision

Healy Smalltracts – ADL 421742

Page 4 of 4

VII. Final Finding and Decision

The Land Conveyance Section recommends proceeding with the action as described in the Preliminary Decision. This action is undertaken under relevant authorities. Offering these parcels for sale will help meet the State’s goal to provide land for settlement for sale to the public and raise revenue for the State.

The findings presented above have been reviewed and considered. Public Notice has been accomplished in accordance with *AS 38.05.945 Notice* and comments received were considered. The project file has been found to be complete and the requirements of all applicable statutes have been satisfied. The action is consistent with constitutional and statutory intent for State-owned land and this action is undertaken under relevant authorities.

Signature on file

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

4/6/2022

Date

Under the authority of the applicable statutes, it is hereby found to be in the best interest of the State of Alaska to proceed with the recommended action(s) as described and referenced herein.

Signature on file

Approved by: Martin W. Parsons
Director
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska

4/6/2022

Date

Appeal Provision

A person affected by this decision who provided timely written comment or public hearing testimony on the preliminary decision may appeal it, in accordance with *11 AAC 02*. Any appeal must be received within 20 calendar days after the date of “issuance” of this decision, as defined in *11 AAC 02.040(c) and (d)* and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Under *11 AAC 02.030*, appeals filed under *11 AAC 02* 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) and (b)*.

If no appeal is filed by the appeal deadline, this decision goes into effect as a final order and decision on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with *11 AAC 02* before appealing this decision to Superior Court (*11 AAC 02.020 (a) and (b)*). A copy of *11 AAC 02* may be obtained from any regional information office of the Department of Natural Resources.