

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

PRELIMINARY DECISION
Lakeview Terrace Subdivision – ADL 231920

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

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

PUBLIC COMMENT PERIOD ENDS 5:00PM, THURSDAY, MAY 4, 2023

I. Proposed Action(s)

Preliminary Decision: Lakeview Terrace Subdivision - ADL 231920

Attachment A: Vicinity Map

Attachment B: Public Notice

Public is also invited to comment on the proposed related actions:

Draft Mineral Order (Closing) MO 1225

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.

LCS proposes to sell land within the Lakeview Terrace Subdivision project area for the purpose of providing land for settlement by developing a subdivision of no more than 5 parcels no smaller than 5 acres. Subdivision design may include additional tracts as necessary. The project area consists of approximately 26 acres identified for disposal by this proposed action.

If this proposed primary action is approved, the actual area offered for sale may consist of all or only a portion of the overall project area. After consideration of public comment, the size and boundaries of the project area will be described in a subsequent Final Finding and Decision (FFD), if the project proceeds to that step. Additional adjustments may be made prior to survey/subdivision, as described in the applications to the platting authority, as needed to reserve areas for public use, minimize conflicts between uses, or ensure compliance with platting requirements. Although actions under this proposal are limited to the stated maximums, additional offerings may be authorized under future proposals, which could increase the density of privately-owned parcels within, adjacent to, or near the project area.

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 2 of 16

Proposed Related Action(s): This related action will be developed separately, however; public notice is being conducted concurrently.

Mineral Order (Closing): DNR proposes to close the project area to new mineral entry. There is no known mining activity in the project area. Refer to the Mineral Activity and Order(s) subsection of this document for more information on this proposed related action.

This related action will be developed separately. However; approval of the proposed actions is dependent upon one another in that one action will not proceed without approval of all 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. Public notice for all actions is being conducted concurrently.

See **Section XVII. Submittal of Public Comments** at the end of this document and *Attachment B: Public Notice* for details on how to submit a comment for consideration. If, after consideration of timely, written comments, LCS moves forward with the proposal, a FFD will be issued.

II. 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 of its land and the development of its resources by making them available for maximum use consistent with the public interest." In addition, if it is deemed appropriate, DNR has the authority to develop and offer parcels larger than 5 acres under the allowances listed in *AS 38.04.020(h) Land Disposal Bank*.

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

IV. Administrative Record

The project file, Lakeview Terrace Subdivision - ADL 231920, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Southeast Susitna Area Plan for State Lands (SSAP, adopted 2008) and associated land classification files;
- *Alaska Interagency Wildland Fire Management Plan 2021*;

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 3 of 16

- *Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes;*
- *USDA, Natural Resource Conservation Service Custom Soil Report for this project, dated August 18, 2014;*
- A soils investigation conducted August 7, 2014;
- DNR case files: access easement ADL 225349;
- DMLW permits: LAS 27149, LAS 27147,
- DMLW determination SC-08-001-D16 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 and to conduct the proposed mineral order as described herein. The scope of this proposal does not include the control of post-patent use and LCS does not intend to impose deed restrictions for this purpose. The subdivision may be conducted in multiple stages.

VI. Location

Located within DNR's Southcentral Region, approximately 15 miles southwest of Wasilla, in Big Lake. The project area is within Section 31 lying northerly and westerly of the West Susitna Parkway, within Township 17 North, Range 3 West, Seward Meridian, within the Matanuska-Susitna Borough. The project area consists of approximately 26 acres identified for disposal by this proposed action.

Platting Authority: The project area is within the Matanuska Susitna Borough (MSB) and subject to the borough's platting authority.

Native Regional and Village Corporations: The project area is within the boundaries of the Cook Inlet Region, Incorporated (CIRI). The villages of Knik and Eklutna are within 25 miles of this proposed action and notice will be sent to CIRI, Knikatnu, Incorporated, Eklutna, Incorporated, Native Village of Eklutna, and the Knik Tribal Council.

VII. Property Description

That portion of Government Lot 17 and that portion of the NE1/4 SW1/4 of Section 31, lying northerly and westerly of the West Susitna Parkway right-of-way, Township 17 North, Range 3 West, Seward Meridian, located in the Palmer Recording District, Third Judicial District, Alaska.

VIII. Title

Title Report No. 11710, current as of February 13, 2019 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent 50-68-0271, dated June 19, 1968. The applicable State case file is GS 1387. The parcel is subject to the reservations, easements and exceptions contained in the federal patent.

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 4 of 16

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 not made a navigability determination for waters within the affected townships for title purposes.

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 ground field inspections conducted on July 10, 2014, and April 15, 2022. This is by no means a complete description of the project area and if this proposal is approved and the area offered for sale, it will be the responsibility of interested parties to inspect individual parcels prior to purchase to familiarize themselves with the physical characteristics of the land.

Terrain and Major Features: The terrain elevations range between 150-350 feet above sea level, with rolling topography throughout the project area.

View: Views from the project area are obscured by trees and vegetation. There are potential views of Big Lake, and the Alaska Range. Mt. Denali may also be seen in the distance if the vegetation is cleared.

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 5 of 16

Vegetation: The local vegetation is primarily composed of tall, mature stands of white birch, black spruce, and aspen. During the summer months, low shrubs, Devil's club, and tall grasses are present.

Soils: According to the USDA, Web Soil Survey, the project area is rated as a poor gravel source, consisting of well drained Non-irrigated Land Capability Class VI and VII soils. An August 7, 2014, soil investigation indicate subsurface deposits are consistent throughout the project area, generally consisting of a 1-2-foot-thick layer of organic-rich silt covering sand and gravel. The results of the 2014 soil study were corroborated by MSB's contract engineers during the construction of the West Susitna Parkway. No areas of erosion were observed or reported during fieldwork but may be present in unvegetated areas exposed to the elements. No permafrost was identified in the project area.

Known soil concerns will influence the project's design and feasibility and such features will be described in the project file and offering materials where relevant.

Wetlands: There appears to be a small portion of freshwater emergent wetlands present on the northwestern margin of the project area. Dredging or filling of wetlands may require a permit from the U.S. Army Corps of Engineers.

Geologic Hazards: Geologic hazards are common throughout Alaska. Information received from the Division of Geological & Geophysical Surveys and information gathered during field inspection did not indicate any specific geologic hazards for this area. Should any geologic hazards be discovered in the development of this proposal, information will be included in offering materials.

Fire Information: Pursuant to observations from the 2014 and 2022 ground field inspections, fire risk in the area is likely low to moderate. Fire history indicates that 0.1 acres of land adjacent to the project area burned in 2008. The project area is served by the West Lakes Fire Service Area Stations within the Matanuska-Susitna Borough.

Potential for wildland fire is high in interior Alaska and other certain parts of the state. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations. Offering materials include information regarding wildland fire prevention.

Fire management options and policies for the area are identified in the Alaska Interagency Wildland Fire Management Plan available from DNR Division of Forestry. The current fire management option for the project area is "Critical." The policy on areas with the "Critical" management option reads, "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: The project area is within FEMA Flood Insurance Rate Map (FIRM) Community Panel #02170C7995E (not printed). The project area is within "Zone X",

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 6 of 16

defined as an area with minimal flood hazard and any associated data can be viewed on the interactive map found on the FEMA website.

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). Two private water rights have been identified near the project area, one within the E1/2 of Section 36 and another in the N1/2 of Section 31. Information from well logs indicate that well depths in the vicinity typically range from 47 to 105 feet. Water quality is unknown. Potential water sources in the area include digging a well or hauling water. Additional information on wells, water quality, and drinking water may be obtained from the Alaska Department of Environmental Conservation.

Utilities: This area is currently served by Matanuska Electric Association (MEA). ENSTAR Natural Gas Company, and Matanuska Telephone Association (MTA) also serve the Big Lake area. MEA has electric lines within the rights-of-way of both South Big Lake Road and the West Susitna Parkway. ENSTAR and MTA have utility lines along South Big Lake Road, immediately north of the project area. MTA can provide telephone and DSL internet services along South Big Lake Road.

Waste Disposal: This area is serviced by the MSB, Big Lake Transfer Station, which consolidates solid waste to be delivered to the Central Landfill in Palmer. All on-site wastewater disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.

X. Background:

The proposed project was planned and designed around the construction of the West Susitna Parkway. MSB applied for the easement for the parkway in 1988, but due to lack of construction funding, the project was postponed until 2012. Now constructed, the West Susitna Parkway passes through SSAP Management Unit H-20 and provides road access to the project area.

Unit H-20 was previously classified for Materials under an interagency land management transfer agreement (ILMT) for an undeveloped material site (ADL 49749) that was intended to provide gravel for realigning South Big Lake Road, which has since been constructed and is now the West Susitna Parkway. The SSAP states that Unit H-20 is to be administered consistent with ILMT requirements; however, the unit and material site were never developed for the road construction and the ILMT was terminated on November 3, 2016. The SSAP management intent for the unit states that when the ILMT is terminated, the classification converts to Settlement and reuse of the site for settlement should be carefully considered. In 2019, Unit H-20 converted to Settlement under Determination SC-08-001-D16.

There are no known third-party conflicts, and no known uses of the land within the project area. Big Lake is an area of the State where multiple offerings occurred in the past, and the methods of offerings were variable and widespread in the region. Prior State land offerings near the project area consisted of oddlots (1968 to 1978), open-to-entry (OTE) (pre-1978), remote (circa 1982), preference rights (1980s), public and charitable (circa 1980), and agricultural sales (1980s). Surrounding the project area, oddlot, OTE, and preference right sales were conducted. Further to the east, the Alaska Department of Transportation and Public Facilities (DOT&PF) conveyed the lands beneath the Big Lake Airport through a public and charitable sale. Remote

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 7 of 16

land offerings were offered on the north side of Big Lake, directly north and west of the project area. Agricultural sales were widespread in the region.

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

Most of the adjacent lands are undeveloped, which may be due to permanent retention, previous access issues, or classification. Lands surrounding the project area are owned by Knikatnu Inc., the State of Alaska, and private individuals. Residential and recreational development becomes more prevalent further away from the project area. The surrounding private properties range from approximately 0.2 acres to 40 acres in size. The greater surrounding area is more developed, consisting of smaller residential and recreational condos, cabins, and homes that affront Big Lake and other nearby lakes. Larger parcels, developed and undeveloped, reside further away from lake fronts and are generally upland.

The field inspections assessed the topography, vegetation, and access to the project area. Constructible access from West Susitna Parkway is limited due to undulating and steep terrain, but there are other potential access points along the parkway. Vegetation primarily consists of white birch, black spruce, aspen, and low shrubs, which obscure much of the viewshed. However, there are potentially significant views available from areas that have been cleared. The project location is on an elevated, general north-facing terrace overlooking Big Lake and the Alaska Range in the distance. The Chugach and Kenai mountains are to the south. The April 2022 field inspection found that the aprons for the project were placed just west of the project area in front of a parcel of land owned by Knikatnu Incorporated.

The soils within the project area primarily consist of well-graded gravel and sand with Class VI and VII nonirrigated capability class soils. According to the USDA Web Soil Survey, these types of soils are considered poor for agricultural use. The Lakeview Terrace project area is better suited for residential use. There is a steep bank along the southside of the project area that parallels the West Susitna Parkway. Due to Project Area terrain, the proposed project is better suited to offering large parcels greater than five acres. Per AS 38.04.020 the commissioner may determine parcels over 5 acres appropriate for things such as topography, soils, maximize return, etc.

The proposed Lakeview Terrace Subdivision will create an opportunity for Alaskans to purchase land in a highly sought out area overlooking Big Lake with views of surrounding mountain ranges. The location and quality of land presents a rare opportunity for the State to provide top tiered property to Alaskans, which can be purchased through a state contract or in full at the time of sale. No credit checks are required, which makes the land attainable to peoples of many income bases. There has been a lack of these types of properties offered around Big Lake, and this parcel may generate significant revenue for little investment and could be perfect for a private individual to subdivide.

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 8 of 16

XI. Planning and Classification

The project area is within the SSAP (adopted 2008), within Big Lake Houston Region, Unit H-20. Lands within this unit are currently designated Settlement, and classified Settlement under Land Classification Order No. SC-08-001-D16. The project area consists of a 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 H-20 Considerations: The management intent for Unit H-20 states that it should be administered consistent with the ILMT requirements. When the ILMT is terminated, the classification converts to Settlement and reuse of the site for settlement should be carefully considered. The ILMT was terminated in 2016 and the land was converted to Settlement in 2019 under SC-08-001-D16.

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

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

Cultural Resources: Management guidelines provide for the identification and protection of significant cultural resources on State land. Cultural resources may be identified through cultural resource surveys conducted by qualified personnel. During agency review, DNR, Division of Parks and Outdoor Recreation, Office of History and Archaeology (OHA) reviews project proposals to determine the potential for negative effects on heritage resources. Further coordination between OHA and DMLW prior to land disposal may be appropriate when OHA reported cultural resource sites or if there is a high potential for sites to exist.

During agency review, OHA did not comment, or determine that a cultural resource survey was required. OHA will be notified should any cultural resources be discovered during the development of this project and offering materials will include information regarding heritage sites. Any necessary actions will be determined with the discovery of cultural resources.

Fish and Wildlife Habitat: Management guidelines do not address management intent specific to settlement. However, management guidelines ensure that DNR and the Alaska Department of Fish & Game (ADF&G) may enforce stipulations and measures appropriate to their agency, and may require mitigation of any significant

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 9 of 16

damages to fish, wildlife, or habitat that may occur as a direct result of development or a party's failure to comply with applicable law, regulations, or the conditions of a permit or lease. ADF&G was included during agency review, but LCS received no comment.

Forestry: Management guidelines provide that timber harvests are considered appropriate in areas designated Settlement if intended to support the costs of subdivision development, provide access to the subdivision, or for other appropriate purposes. LCS is not proposing any timber harvest in advance of subdivision development.

Material Sites: Generally, if a settlement area contains sand and gravel deposits, rock sources or other similar, high value material resources, a pit area should be identified during subdivision design and retained in state ownership for future use. Given the small acreage for the project area, which was rated as a poor gravel source, LCS does not intend to identify and retain an area for a materials site.

Public Access: Management guidelines provide that prior to disposal of State lands, public access will be reserved in accordance with the applicable regulations, and reasonable access across State land will be retained when lands are sold. The State will dedicate rights-of-way and reserve public access and/or utility easements as appropriate to maintain access through and within the project and retain utility easements.

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

This proposal has considered these guidelines as addressed throughout this document, and has considered such site limitations as slope, drainage, and soils. Review of the SSAP (adopted 2008) did not indicate any conflicts with the proposed land disposal. DMLW will solicit coordination with local landowners through the public notice and public comment process. The proposed land offering will not interfere with any critical recreation or environmental resources. There are no known cultural resources within the project area. There are also no known current uses of the project area to protect or maintain, and no retained lands or buffers have been identified at this time.

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

Mineral Activity and Order(s): No mineral activity has been identified on these lands. The entirety of the project area (approximately 26 acres) will be closed to new mineral entry if the

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 10 of 16

mineral order is approved in accordance with *AS 38.05.185 Generally* and *AS 38.05.300 Classification of Land* for a land disposal. The proposed mineral order, if approved, will close the area to new mineral entry only and will not affect current existing mining claims. Closing the entire area to mineral entry is consistent with the management intent of the SSAP.

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

Mining activity for locatable minerals would be incompatible with the past, current, and proposed land estate uses for land disposals. To allow new mineral location within the boundaries of the parcels encompassed by this decision could create serious conflicts between land estate and mineral estate users. Area plan Subsurface Resources management guidelines state that, Mineral Closing Orders are recommended for use at the time that an area is being considered for disposal for purposes of settlement or other forms of development that would be inconsistent with mining activity.

Local Planning: The project area is within the MSB and the 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 *Big Lake Comprehensive Plan (2009)*. Review of that plan did not indicate any conflicts with proposed land disposal.

XII. Traditional Use Finding

The project area is located within the MSB and a traditional use finding is therefore not required per *AS 38.05.830 Land Disposal in the Unorganized Borough*. However, information on current or traditional use is welcomed and can be given during the public comment period. See 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

Access to the project area is by road via the West Susitna Parkway. The project is within the MSB's Big Lake Road Service Area #21. The MSB is responsible for managing this access road. Subdivision design will take into account topography and access to lands beyond the project area and within the project area boundaries. The project area is subject to the platting authority of the MSB. Approval of platting actions and dedication of rights-of-way will require separate processes and public notices through the borough.

Access To and Along Public or Navigable Waters: In accordance with *AS 38.05.127 Access To Navigable or Public Water*, DNR will determine if a water body is navigable or public and establish easements or rights-of-way as necessary to ensure unobstructed access to and along the body of water. Regulations dictating the creation of easements or rights-of-way under this statute include *11 AAC 51.035 Determination of Navigable and Public Water*, and *11 AAC 51.045 Easements To and Along Navigable and Public Water*, and *11 AAC 53.450, Buffer Strips, Reserved Areas, and Public Easements*.

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 11 of 16

For the purposes of AS 38.05.127:

- navigable waters are generally lakes larger than 50 acres in size or streams larger than 50 feet in average width;
- public waters are generally lakes larger than 10 acres in size or streams larger than 10 feet in average width; and
- waters may be determined public or navigable consistent with AS 38.05.965 (21) *Definitions*.

LCS has not identified any public, navigable, or anadromous water bodies within the project area. If any such water bodies are discovered, parcels will be subject to access reservations in accordance with AS 38.05.127 *Access to Public or Navigable Water*, and a 75-foot building setback from the OHW of the water body.

Easements, Setbacks, and Reservations: Subdivision design may include a variety of easements, setbacks, and retained lands, which will be identified on the subdivision plat and included in related documents. Standards for easements are provided in 11 AAC 51.015 or by local platting ordinances. Final width and location of easements and reservations will be determined as part of the local platting process, which will include an additional opportunity for public participation.

Parcels and subdivision design may be subject to a variety of reservations or restrictions where appropriate:

- public access easements;
- utility easements;
- a 50-foot-wide section line easement on each side of surveyed or protracted section lines on State-owned land in accordance with AS 19.10.010 *Dedication of Land for Public Highways* and 11 AAC 51.025 *Section-line Easements*; section-line easements may be vacated under AS 19.30.410 *Vacation of Rights-of-Way* and 11 AAC 51.065 *Vacation of Easements* as part of the subdivision development;
- a 5-foot survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5-foot direct line-of-sight easement from the control station to an azimuth mark or other control monument, and;
- additional reservations and/or restrictions required through the local platting authority.

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

Retained Lands: No lands have been identified to be retained within the project area.

XIV. Hazardous Materials and Potential Contaminants

During the 2014 and 2022 field inspections, field staff did not observe any environmental hazards within the project area. There are no known environmental hazards present within the project area; however, the State makes no representations and no warranties, express or

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 12 of 16

implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land proposed here for conveyance. The State further assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances eventually be found. Interested parties are encouraged to inspect the property and familiarize themselves with the condition and quality of the land prior to bid or application submittal.

LCS recognizes there are potential future environmental risks when previously vacant land is occupied. Many of the activities increasing these potential risks are regulated by other agencies, such as the regulation of septic system installation by the State of Alaska, Department of Environmental Conservation. This risk is no greater than when vacant private land undergoes development. Given that the SSAP contemplated the land for Settlement for transfer into private ownership, and given the high degree of interest from both the legislature and citizens in transferring State-owned land into private ownership, LCS is of the opinion that the benefits of offering the land outweigh the potential risks.

XV. Survey, Platting, and Appraisal

After evaluating public comment and conditions of the land, DNR will determine if it is in the State's best interest to offer the proposed project area. In order to offer the property, a combination of survey, subdivision, and/or platting actions may be required.

This proposed project area is located within the MSB, and therefore survey and platting will be subject to the borough's relevant subdivision standards. The borough's platting requirements provide for separate public notice periods and processes for platting actions. These additional opportunities for public involvement occur after DNR issues a FFD, if this proposed action is approved.

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

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

XVI. DMLW and Agency Review

Information and comments received from multiple sections within DMLW prior to and during agency review have been considered and included in the preparation of this preliminary decision. Agency review was conducted from December 22, 2014 through January 26, 2015 concurrently with other separate, proposed projects. 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 FFD, if one is issued.

DNR DMLW LCS received brief comments of non-objection from the following agencies:

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 13 of 16

Alaska Railroad; Mental Health Trust Land Office; Alaska Department of Fish & Game, Alaska Department of Commerce, Community, & Economic Development, DNR Division of Forestry; DNR Division of Parks and Outdoor Recreation; DNR Division of Agriculture; DNR State Pipeline Coordinator's Section, DNR Division of Geological & Geophysical Surveys, and the Wasilla Soil and Water Conservation District.

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

DNR Division of Oil & Gas (DOG) Comment: DOG provided the following general comments pertaining to the project area.

DOG Comment: DOG doesn't have any authorizations or pending applications that affect the parcel.

DNR DMLW LCS Response: LCS recognizes that there are no authorizations or pending applications.

DOG Comment: Lease Sale Tract (LST) CI0693 affects the parcel. State-owned lands with the LST are available for oil and gas leasing at competitive offering under the 2009 Cook Inlet Areawide Oil and Gas Lease Sale Final Finding of the Director supplements, if any. The finding and supplements are available online. This area will likely be offered again in Spring 2015.

DNR DMLW LCS Response: LCS recognizes that the project area is affected by LST CI0693 and has taken it into consideration. LCS will make potential applicants aware that the State reserves the right to oil, gas, minerals, fissionable material, geothermal resources, and fossils that may be in or upon land that it sells in accordance with *Section 6(i) of the Alaska Statehood Act and Alaskan Statute 38.05.125*. The State also reserves the right to enter the land for the purposes of exploring, developing, and producing these mineral resources, and the proposed mineral closing order will not apply to leasable mineral resources.

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

- Department of Environmental Conservation,
- Department of Natural Resources, Office of History and Archaeology;
- Department of Transportation and Public Facilities; and,
- University of Alaska

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, and draft mineral order.

In accordance with *AS 38.05.946(a) Hearings*, a municipality or corporation entitled to receive notice under *AS 38.05.945(c)* may hold a hearing within 30 days after receipt of the notice. If a

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 14 of 16

hearing is held, the Commissioner (or representative) shall attend the hearing. The Commissioner has discretion whether to hold a public hearing.

LCS will consider all timely, written comments received. If analysis of such comments indicates the need for significant changes to the Preliminary Decision, or draft mineral order, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to any of the proposals will not be considered significant changes requiring additional public notice.

If the proposals are approved and no significant change is required, the Preliminary Decision and draft mineral order including any deletions, minor changes, and summary of comments and LCS responses will be issued as a subsequent FFD, and Mineral Order 1225 without further notice. All related actions will be developed separately. However, approval of any action is dependent upon one another. One action will not proceed without approval of all actions.

Only persons from whom LCS receives timely, written comment during the identified comment period will be eligible to file a request for reconsideration of the FFD and Mineral Order 1225. Upon approval and issuance of a FFD these actions, a copy of the decision, and order will be made available online at <http://landsales.alaska.gov/> and sent with an explanation of the request for reconsideration process to any party who provides timely written comment.

LCS is prepared to accommodate individuals with disabilities by providing auxiliary aids, services, or special modifications in order to participate in this review. Individuals who may need such assistance should contact the Department's Public Information Center. For more information refer to *Attachment B: Public Notice*.

DEADLINE TO SUBMIT WRITTEN COMMENT IS 5:00 PM, DAY OF WEEK, MONTH DAY, YEAR

XVIII. Alternatives and Discussion

LCS is considering the following alternatives:

Alternative 1: (Preferred) Survey and plat a subdivision consisting of no more than 5 parcels, no smaller than 5 acres, and offer those parcels for sale. This proposal includes a mineral order.

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 FFD, will allow LCS to create and design a subdivision which will provide for the best use and

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 15 of 16

development of the land and financial return to the State. Alternative 1 provides the greatest opportunity for more Alaskans to purchase land within this area. Due to the road access, excellent land quality, the availability to electric, gas and telecommunication utilities adjacent to the project area, and its location relative to the communities of Big Lake, Houston, Wasilla, Palmer, and Anchorage, and the proximity to existing residential private property; the project area is better suited to subdivision and platting prior to offering. Alternative 1 is preferred.

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

Alternative 2 does not meet the legislative and public desire for DNR to offer State-owned land for private ownership. Retention of this land would inhibit DNR from meeting its constitutional, statutory, and legislative goals. Not offering the project area would deny Alaskans the opportunity to obtain land in an area that is suited to settlement and consistent with the surrounding development. Alternative 2 is not preferred.

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

Recommendation follows.

Preliminary Decision

Lakeview Terrace Subdivision – ADL 231920

Page 16 of 16

XIX. Recommendation

This Preliminary Decision for the proposed disposal of State lands, and Mineral Order 1225 described throughout this document and its attachments are consistent with the overall management intent for State-owned land. Alternative 1 is the preferred alternative because it provides the maximum opportunity for offering State land to the public and helps meet the mission of the land sales program. The Preliminary Decision described above, as represented by the preferred alternative, has been reviewed and considered. I find that the recommended action may be in the best interest of the State and that it is hereby approved to proceed to public notice.

This is a Preliminary Decision, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed disposal of State lands, and/or Mineral Order 1225. If the decision is approved, Mineral Order 1225 will accompany and precede any Final Finding and Decision issued.

[SIGNATURE ON FILE]

Prepared by: Patrick Hall
Natural Resource Specialist II
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska

3/28/2023

Date

[SIGNATURE ON FILE]

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

3/28/2023

Date



Attachment A: Vicinity Map Lakeview Terrace Subdivision ADL 231920



-  Project Area
-  Surrounding Parcels
-  ADL 225349 (West Susitna Parkway)

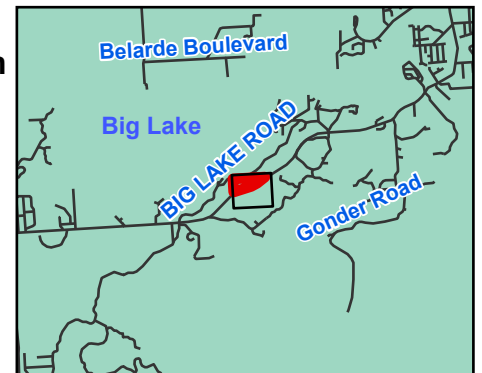
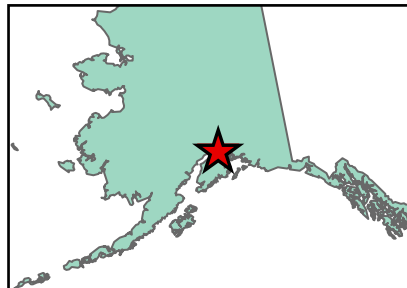


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USGS QUAD 1:63.360
ANC C-8

For more information contact:
 Patrick Hall
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 Email: land.development@alaska.gov

Section 31, Township 17N, Range 03W, Seward Meridian



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

ATTACHMENT B DRAFT MINERAL ORDER No. 1225

 X Closing Lands to Mineral Entry _____ Opening Lands to Mineral Entry

- I. Name of Mineral Order: Lakeview Terrace Subdivision – ADL 231920

- II. Reason for Mineral Order: This Mineral Order is based upon the attached *Commissioner’s Administrative Finding*, applicable statutes, and the written justification contained in the following:
 - Southeast Susitna Area Plan, adopted (2008)
 - Preliminary Decision, Lakeview Terrace Subdivision, ADL 231920, March 28, 2023 and the subsequent Final Finding and Decision for same

III. Authority: AS 38.05.185 and AS 38.05.300.

IV. Location and Legal Description: Located within DNR’s Southcentral Region, approximately 20 miles north of Anchorage, in Big Lake. The project area is within that portion of Government Lot 17 & that portion of the E½ of Section 31 lying northerly and westerly of the West Susitna Parkway, within Township 17 North, Range 3 West, Seward Meridian, located in the Palmer Recording District, Third Judicial District, Alaska. The project area consists of approximately 26 acres identified for disposal by this proposed action. See Attachment A: Vicinity Map for a depiction of the project area.

V. Mineral Order: This order is subject to valid existing rights and is issued under the authority granted by AS 38.05.185 – AS 38.05.275 and AS 38.05.300 to the Alaska Department of Natural Resources. In accordance with AS 38.05.185(a), I find that the best interests of the State of Alaska and its residents are served by closure of the land described in this mineral order to entry under mineral location and mining laws of the State of Alaska. The above described lands are hereby **closed** to entry under the locatable mineral and mining laws of the State of Alaska.

Concur: _____ _____
Christianna Colles, Director Date
Division of Mining, Land and Water
Department of Natural Resources

Approved: _____ _____
John Boyle, Commissioner Date
Department of Natural Resources

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

**DRAFT ADMINISTRATIVE FINDING
MINERAL ORDER NO. 1225
Closing Lands to Mineral Entry**

LAKEVIEW TERRACE SUBDIVISION

Pursuant to AS 38.05.035, the State of Alaska, Department of Natural Resources, Division of Mining, Land, and Water proposes to issue a Final Finding and Decision to convey State-owned land into private ownership within the Lakeview Terrace Subdivision project area (ADL 231920). As noted in the Preliminary Decision – Proposed Land Offering Lakeview Terrace Subdivision – ADL 231920, issued March 28, 2023, the project area is within Management Unit H-20 (Big Lake-Houston Region) of the *Southeast Susitna Area Plan*. In accordance with the area plan, the Division of Mining Land and Water (DMLW) proposes to close the entire project area to mineral entry. The attached mineral order includes the legal description of area to be closed to mineral entry.

DMLW requests the mineral estate of approximately 26 acres, identified in the attached mineral order, be closed to mineral entry and location, in accordance with AS 38.05.300 for a land disposal. Mining activity on the project area would be incompatible with the current and proposed land estate uses. The land does not contain any known mineral deposits and was not selected for mineral values. There are no mining claims on the land.

Public notice of the comment period for the proposed mineral order was conducted in accordance with AS 38.05.945. Review of comments will be addressed in the final document.

In accordance with AS 38.05.185 (a) and AS 38.05.300, I find that the best interests of the State of Alaska and its residents are served by closure of the land to entry under the mineral location and mining laws of the State of Alaska as described by Mineral Order (Closing) No. 1225.

Concur:

Christianna Colles, Director
Division of Mining, Land and Water
Department of Natural Resources

Date

Approved:

John Boyle, Commissioner
Department of Natural Resources

Date