

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

**PRELIMINARY DECISION**  
**Old Sterling Hwy Subdivision – ADL 232300**

**Proposed Land Offering in the Kenai Peninsula Borough**  
*AS 38.05.035 (e), AS 38.05.045*

**RELATED ACTIONS:**  
**Proposed Amendment to the Kenai Area Plan**  
*AS 38.04.065*  
**Proposed Land Classification Order**  
*AS 38.04.065 and AS 38.05.300*  
**Proposed Mineral Order (Closing) No. 1188**  
*AS 38.05.185 and AS 38.05.300*

**PUBLIC COMMENT PERIOD ENDS 5:00PM, TUESDAY, OCTOBER 3, 2017**

**I. Proposed Actions**

*Preliminary Decision: Old Sterling Hwy Subdivision - ADL 232300*  
*Attachment A: Vicinity Maps – North Portion and South Portion*  
*Attachment B: Area Data Summary Table*  
*Attachment C: Public Notice*  
*Public is also invited to comment on the proposed related actions:*  
*Draft Amendment to the Kenai Area Plan, SC-99-002A13*  
*Draft Land Classification Order CL SC-99-002A13*  
*Draft Mineral Order (Closing) MO#1188 (Closing)*

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 Sales Section (LSS) is to offer for sale State-owned land within the identified project area consisting of two separate parcels or portions. If approved, surveyed parcels will be offered for sale.

Located within DNR's Southcentral Region, the project area consists of two near-by locations identified for disposal by this proposed action. The North Portion, approximately 10-acres, is located approximately 6 road miles southeast of Anchor Point and 10 miles northwest of Homer, Alaska; this portion is within Section 24 Township 5 South, Range 15 West, Seward Meridian (SM). The South Portion, approximately 5-acres, is located less than a mile from the junction of the Old and New Sterling Highways, approximately 7 miles northwest of Homer; this portion is within Section 30 Township 5 South, Range 14 West, SM. Both portions are along the Old Sterling Hwy and are within the Kenai Peninsula Borough but not within any municipality. The total project area consists of approximately

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15 acres identified for disposal by this proposed action. See *Attachment A - Vicinity Maps, North and South Portions*: for a depiction of the project area.

In accordance with the governing area plan and for the purposes of providing land for settlement, DNR proposes to sell land within the Old Sterling Hwy project area. In order to offer these lands for sale, if approved and deemed feasible, DNR may develop a subdivision of the north portion of no more than 4 parcels varying in size from approximately 1 to 10 acres and offer the south portion as 1 to 2 lots no greater than 5-acres. This proposed project area is located within the Kenai Peninsula Borough (KPB) and therefore survey, platting, and access to and within the project area will be subject to the relevant subdivision standards. The project area may be subdivided and offered in multiple stages.

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, 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.

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

*Area Plan Amendment*: DNR proposes to amend the Kenai Area Plan (KAP), adopted 1/7/2000. The north portion 10-acre project area needs to be redesignated from Resource Management – High Value to Settlement designation. The Old Sterling Hwy splits this small parcel, which is on the fringe of the very large Resource Management – High Value unit, and renders it better managed by the proposed Settlement classification. Refer to the Planning and Classification subsection of this document for more information on this proposed related action.

*Land Classification Order*: In relation to the Area Plan Amendment, DNR proposes to reclassify the north portion of the project area in a Land Classification Order from Resource Management classification to Settlement classification. Refer to the Planning and Classification subsection of this document for more information on this proposed related action.

*Mineral Order #1188 (Closing)*: DNR proposes a mineral order to close the project area to new mineral entry. There are no known mining claims or mining activity identified in the project area. Refer to the Reservation of Mineral Estate subsection of this document for more information on this proposed related action.

These related actions 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 and the related actions. Public notice for all actions is being conducted concurrently.

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See **Section VIII. Submittal of Public Comments** at the end of this document and *Attachment C: Public Notice* for details on how to submit a comment for consideration. If, after consideration of timely, written comments, DNR moves forward with the proposal, a Final Finding and Decision will be issued.

## **II. Method of Sale**

DNR 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 the website at <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 38.04.065 Land Use Planning and Classification*, *AS 38.05.300 Classification of Land*, and *AS 38.05.185 Generally* allow for amendments and special exceptions to area plans, land classifications, and mineral orders.

## **IV. Administrative Record**

The project file, Old Sterling Hwy Subdivision – ADL 232300, constitutes the administrative record for this proposed action. Also, incorporated by reference are:

- *Kenai Area Plan for State Lands*, (KAP adopted in 2000 and associated land classification files;
- *Kenai Peninsula Borough Comprehensive Plan, June 2005*;
- *Alaska Interagency Wildland Fire Management Plan*;
- *Anchor Point / Happy Valley / Nikolaevsk Community Wildfire Protection Plan March 2006*;
- *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 Reports* for this project, dated February 9, 2016 and May 16, 2017; and
- ADL 214658, a utility easement for Homer Electric Association;
- ADL 34494, a utility easement for Homer Electric Association;
- ADL 51662 closed preference rights case along with the Director's Memo of November 16, 1983 recommending competitive sale of this land [south portion].
- ADL 55746, Municipal Entitlement Relinquished;
- ADL 227977, Municipal Entitlement Relinquished;
- ADL 232955 Trespass; and
- ADL 232956 Trespass.

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### 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 DNR DMLW's proposal to offer State-owned land within the defined project area for disposal and to conduct the proposed plan amendment, land classification order, and mineral order as described herein. The scope of this proposal does not include the control of post-patent use and DNR DMLW does not intend to impose deed restrictions for this purpose. The subdivision and offering may be conducted in multiple stages.

### VI. Description

Location: within DNR's Southcentral Region, this project consists of two portions; the north portion is approximately 6 miles south of Anchor Point and the south portion is approximately 7.5 miles south of Anchor Point, both on the Old Sterling Hwy. See *Attachment B: Area Data Summary Table* for additional information.

*Platting Authority:*

The project area is within the Kenai Peninsula Borough 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, Inc. (CIRI) regional corporation. The villages of Ninilchik and Seldovia are within 25 miles of this proposed action. Notice of this project will be sent to Ninilchik Native Association, Inc. and Seldovia Native Association, Inc., village corporations, and also to Ninilchik Traditional Council, and Seldovia Village Tribe.

Legal Description:

- For south portion, Seward Meridian, Township 5 South, Range 14 West, Section 30 E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ ; and
- For north portion, Seward Meridian, Township 5 South, Range 15 West, Section 24, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ ;

All located within the Homer Recording District, Third Judicial District, Alaska.

Title: For the south portion, information from Title Report No. 9666, current as of 4/26/2017, indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent 1232380, dated 6/21/1963. The applicable State case file is # GS-1198. For the north portion, information from Title Report No. 8175, current as of 9/23/2015, indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent 1227030, dated 5/23/1962. The applicable State case file is # GS-6. The two portions are subject to the reservations, easements and exceptions contained in the respective federal patents.

*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.).

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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 Access To, Within, and Beyond Project Area subsection of this document.

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.

Physical Characteristics and Hazards: Attachment B: Area Data Summary Table describes the project area's physical characteristics. Information about the project area is based on internal research, information received during agency review, and ground field inspections conducted by DMLW staff on 10/13/2015, 7/13/2016, and 5/11/2017. 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.

*Soils:* Soils within the project area generally consist of Redoubt silt loams, moderately steep and gently sloping, top shallow layers of mucky peat and silt loam underlain by gravelly sandy loam. These well drained portions taper to Starichkof and Doroshin soils, 0 to 4 percent slopes comprising wetlands complex typical of the area. See USDA Natural Resource Conservation Service Custom Soil Reports of February 9, 2016 and May 16, 2017 in this project file for more details. The Division of Geological & Geophysical Surveys (DGGS) reported that better-drained portions of the proposed subdivision are underlain by till deposited by glaciers approximately 18,000 to 25,000 years ago. Deposits are primarily composed of pebble-cobble gravel with trace to some silt and sand and numerous surrounded boulders deposited directly from melting ice. Lower (deeper) parts of the deposit are generally composed of clay and silt with trace to some fine to medium sand and a few cobbles. Upper (shallower) parts of the deposit are dominated by pebble cobble gravel with trace to some medium to coarse sand. Low-lying, water saturated areas of the proposed subdivision are underlain by organic swamp deposits consisting of complexly interlayered moss and sedge peats, organic sand and silt, and fine to medium fluvial (river) sand deposited in poorly drained former

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drainage channels and local depressions. Maximum thickness of these swamp deposits is generally 2 to 4 m, although local conditions may result in thicker deposits in some locations. Deposits may be perennially frozen at depth due to the insulating effects of peat.

*Wetlands:* Wetlands exist within both portions of the project area. The south portion of the project area is about 43% wetlands, almost exclusively located in the southern part of the 5 acres. The north portion of this project contains fringes of wetlands in the north, northeast and, south; a small pond is located on the south boundary of this portion of the proposed project area. This is typical of the wetland pattern throughout the entire surrounding area.

*Geologic Hazards:* Geologic hazards are common throughout Alaska. Information received from DGGS and information gathered during field inspections did not indicate any specific geologic hazards for this area. However, due to the location of volcanoes and earthquake faults around western Cook Inlet, general seismic hazard potential is high for the entire region. DGGS also stated standard best building practices should be used to accommodate the regional seismic hazard. Should any geologic hazards be discovered in the development of this proposal, information will be included in offering materials.

*Fire Hazards:* Due to extensive spruce bark beetle kill, some areas of the Kenai Peninsula face extremely serious wildfire hazard potential. Presently, the likelihood for wildland fire is generally high in this portion of the peninsula. Developable portions of the project area are bounded by natural and manmade firebreaks consisting of developed right of ways and wetlands. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations.

The proposed project area lies within KPB Anchor Point Fire and Emergency Medical Service Area. More detailed wildfire protection information for communities and individuals is available by consulting the Anchor Point / Happy Valley / Nikolaevsk Community Wildfire Protection Plan March 2006 (<http://forestry.alaska.gov/fire/cwpp/index>).

Fire management options and policies for the area are identified in the Alaska Interagency Wildfire Management Plan available from DNR Division of Forestry (DOF). The current fire management option for the project area is “Critical Protection.” Operational Guidelines for this option state: “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 the designation of a fire management option does not ensure protection from wildfire, and that a protection response will be based on various factors. “Ultimately it is the personal responsibility of the [landowner] to mitigate and minimize risk to their property and structures and to be ‘Firewise’.”

*Flood Hazard:* The project area is within FEMA Flood Insurance Rate Map Community Panel Number 020012 4325 A. The project area is within flood zone D, defined as areas of undetermined but possible flood hazard. Each parcel will include uplands that appear to have good drainage transitioning into wetlands common to the area. USDA

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customized soil report for the project area stated that for all areas of buildable soils frequency of flooding or ponding is none.

*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). No water rights have been identified within the immediate vicinity of the north portion of the project area. Well Log Tracking System (WELTS) listed four wells in the NE¼ of section 24. Static water depth ranged from 18 to 66 feet. Water flow ranged from 1.3 to 15+ gallons per minute. In the south portion of this project area two Water Rights Certificates have been issued in the Windsong Subdivision in section 30 to the north and west of the proposed project. WELTS for south portion of the project area listed four other wells in the SE¼ of section 30. Static water depth ranged from 8 to 190 feet. Water flow ranged from 5 to 10 gallons per minute with the shallow well accessing a small pond. This owner has a pending water right application (LAS 22467). Water Rights Certificate has been issued (LAS 25993) for a well located in the SW¼SW¼ section 29 a short distance to the northeast of the project area. The well log showed static water depth at 12 feet with a flow of 5 gallons per minute. Water quality is unknown for any of the above locations.

Background: DMLW Project Development Team (PDT) observed that the Kenai Peninsula Borough had relinquished these sites from their potential municipal entitlement selection (ADL 55746 and ADL 227977) thus making this state-owned land eligible for a potential state land sale project. The location abutting an existing main road also made these sites attractive for a state land sale offering.

Homer Electric Association has a power line generally following the Old Sterling Highway. In the project area north portion the line is found at varying distances south of the roadway (ADL 214658 and ADL 34494). Field Inspection pictures of May 11, 2017 showed the power line parallel to the Old Sterling Hwy near the south shoulder; no ADL was found for this specific location. Utility lines through both portions should not preclude private development. The project area south portion currently has encroachment of neighboring private structures over the east boundary on both sides of the Old Sterling Hwy. The adjacent land owners have been informed of likely trespass on this proposed project and support the state land sale project as an option to resolve the issue.

No recent state land offerings have been made in the vicinity of the project area. Currently there are three other state land sale projects undergoing study and processing within the general area: ADL 232197, Anchor Point Heights Subdivision; ADL 232332, Forest Knolls Subdivision; and ADL 232333, Rollin Hills Hideaway Subdivision. By combining field work, surveying, etc. with one or more of these potential projects LSS anticipates achieving cost savings and more efficient development processing. Projects are programmed to release only a few parcels at a time, spread over several different years to avoid flooding the real estate market.

DNR DMLW held an informal public scoping meeting to discuss the proposal and share information about the project area on July 13, 2016, 6 – 8 P.M. at the Anchor Point Chamber of Commerce building, 34175 Sterling Highway. Additional topics discussed included general state land sale information on subdivision, remote recreational cabin staking, and agriculture offerings; access issues relating mainly to one proposal northeast of mile post 161 Sterling Highway; and the possibility of potential future projects east of Homer.

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Support for all the projects was unanimous. See I. Proposed Actions, Public Notice of Proposal.

On multiple field visits to the area over the past 3 years, DMLW staff observed that surrounding land use along both sides of the Old Sterling Hwy in both directions from the proposed sites is mainly for private residential parcels from an acre or two up to 10 or 20 acres in size. There are larger interspersed areas of Municipal and state lands that presently have not been developed or that are designated in the Kenai Area Plan for other uses such as wildlife habitat, forestry, general use, etc. Based on research and multiple ground field inspections over several years, this proposed project should fit well in the settlement pattern of land use. The lots in this proposed project will have direct access with the Old Sterling Highway; any driveways must meet Department of Transportation and Public Facilities standards. This project should be a very favorable action for all concerned due to convenient access from the Old Sterling Highway, a desirable location on good ground with local views, an opportunity for conveyance to private ownership, and anticipated positive economic return to the State.

Planning and Classification: The general management intent of the area plan and management units was reviewed for consistency with the proposed offering. The two portions of the project area are within Kenai Area Plan (KAP), adopted in 2000, Region 7, Unit 226, (south portion) and Unit 237 (north portion). Unit 226 is currently designated and classified Settlement. Lands within Unit 237 are currently designated Resource Management – High Value, and classified Resource Management. Both units are classified under Land Classification Order No. SC-99-002.

The north portion of the project area consists of a very small portion of the 5,308-acre Unit 237 which mainly encompasses the coastal bluff and expanses of upland wetlands. This north portion of the project area is transected by the Old Sterling Highway, is several miles inland, and appears to be a remnant corner on the edge of Unit 237. Lands within unit 237 are currently designated Resource Management – High Value and classified Resource Management Land under LCO No. SC-99-002. Actions related to this project include an area plan amendment and reclassification of the north portion of project area to the status of Settlement. Consultation on October 6, 2015 with DNR's Resource Assessment and Development Section, the office responsible for Area Plans, confirmed that the related actions for changing these 10 acres to settlement in the KAP would be appropriate. This will be done by removing the 10 acres from Unit 237 and adding it to Unit 226.

*Unit/Region KAP Considerations:* KAP Chapter 3 management intent for unit 237, comprising 5,308 acres of coastal bluff and uplands, details a good number of considerations relating to factors such as potential trails along bluff and creeks, bald eagles and waterfowl sites, moose areas, cultural sites, timber harvest area, municipal conveyance areas, and retention of a 1½ mile buffer to protect eroding coastal bluffs and streams for potential trails and other public uses. The 10-acre segment of unit 237, including the Old Sterling Highway right-of-way, comprising the north portion of the proposed land sale area, is situated to be more efficiently and appropriately managed as settlement land. No bald eagle nests, waterfowl or cultural sites were observed at this location. Moose may be found throughout the entire region; timber harvest activity has not occurred here. Removal of approximately 10 acres of high value resource management land, located at an extreme interior/upland edge of the unit well beyond the 1½ mile coastal buffer

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noted, should have no impact on the rest of the approximately 5,300 acres of Unit 237.

KAP Chapter 3 management intent for unit 226, providing the 5-acre site on the Old Sterling Highway for the south portion of the proposed land sale area, is very brief for this designated settlement parcel. A DNR Director Decision was made (Memo of November 16, 1983 associated with ADL 51662) to sell this [unit] as an odd lot at fair market value. The table also noted that existing residence and outbuildings are built in wetlands on both sides of the highway. Aerial imagery and DMLW staff visit in May 2017 verified that structures are encroaching within unit 226 but are **not** located on wetlands. ADL 232955 and ADL 232956 are current case documents addressing this matter.

*Area-wide Considerations:* LSS reviewed the area plan's guidelines in Chapter 2 Areawide Land Management Policies regarding Fish and Wildlife Habitat and Harvest; Heritage Resources; Materials; Mineral Resources; Public Recreation and Tourism; Settlement and Agriculture; Shoreline, Stream Corridors and Wetlands; Trails and Access; Transportation and Utilities; and Water Resources. These considerations will be incorporated into the design and development of the project. If any lands are to be retained in public ownership, the 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.

**Fish and Wildlife Habitat and Harvest:** Area-wide management guidelines for Fish and Wildlife Habitat and Harvest do not address any specific management intent or management guidelines specific to settlement. However, management guidelines provide that DNR and the Alaska Department of Fish and Game (DFG) will evaluate the use or development of state lands and the benefits or impacts it may have. DFG reviewed the proposed Forest Knolls project and wrote that the DFG has no objection to the development of this subdivision or the reclassification of these lands to settlement.

**Heritage Resources:** Management guidelines provide that cultural surveys or inventories should be conducted prior to the design of land offerings in areas that the Office of History and Archaeology (OHA) determines to have high potential to contain important heritage sites and for which information is inadequate to identify and protect these sites. Management intent also provides that when found, heritage sites should be reported to the OHA. LSS coordinated with OHA early in the development of this proposed project. OHA indicated there are no reported cultural resource sites within the identified area; OHA did not determine that a cultural resource survey was required. OHA will be notified should any discovery of cultural resources occur during the development of this project, and offering material will include information regarding archaeological sites.

**Materials:** Management guidelines provide that generally, if a unit is designated Settlement but contains high-value material resources, a pit area will be identified prior to the land offering, and be retained in public ownership. No significant material resources have been identified within the proposed land sale area although two large material sites are located off the west side of the Sterling Highway a few miles from

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the project area. Additional factual information regarding this resource is welcome to be submitted during public comment period.

**Mineral Resources:** Metallic and non-metallic minerals, coal, oil and gas, and geothermal resources remain within state regulation including exploration, location, and development. Existing mineral orders and leasehold location orders are outside of the project area. There are no known mineral claims or activities within the project area. The project is within the area described in AS 38.05.184 Limitation on oil and gas leases in Kachemak Bay. Under this statute, lands in the area are not available for oil and gas leasing. This proposal includes a related action (**I. Proposed Actions, Proposed Related Actions**) to close the 136-acre project area to mineral entry pursuant to *AS 38.05.185 and AS 38.05.300*. See details below.

**Public Recreation and Tourism:** There is no known information to establish that the project site has been widely used for any public recreation activity, and field inspections did not identify any current recreational use. Nothing suggests that advancement of this project will be detrimental to public recreation activity or negatively impact tourism for surrounding communities.

**Settlement and Agriculture:** Management guidelines provide for the identification of open space or recreational lands within a subdivision where appropriate. Additionally, management intent also provides that prior to the disposal of land [DNR] shall, to the extent feasible, evaluate flood and erosion hazards. Settlement lands may also be conveyed for a variety of purposes, including agriculture. The project area is within an unidentified flood zone; however, given the location of the development area on higher elevations, flood risk is rather limited. Information from the USDA custom soils report did not identify any specific concerns with erosion issues. The small size of areas being proposed for offering and the fact that both sites are split by a highway prevents any practical retention or identification of open space or recreational land. Parcels to be offered will not be limited to agricultural use.

**Shoreline, Stream Corridors and Wetlands:** Management guidelines provide that when transferring land out of state ownership that public access adjacent to waterbodies must be retained, and provides for minimum widths for retention or building setbacks along certain types of waterbodies. The proposed offering is mostly located on elevated land along the Old Sterling Highway. No streams are found on the portions to be offered for sale. Some abutting, interspersed wetlands are already in private ownership and the proposed project will have minimal impact on their fringes or on surrounding wetlands still in state ownership. Well, septic, and waste water disposal systems must comply with Alaska Department of Environmental Conservation (DEC) regulations.

**Trails and Access:** Management guidelines require that prior to the disposal of state lands, trails that merit consideration for protection should be identified and reserved. No evidence of recognized RS2477 trails or other trails was found for the area. There are no planned public use trails within or through the project area. Access to and within the area will be reserved along existing roads, section-line easements, and platted easements and ROWs as appropriate. See the Access To, Within, and Beyond Project Area section for more information.

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Transportation and Utilities: Management guidelines provide that before a land offering DNR will work with DOT/PF to identify appropriate locations, if needed, for access, and will also identify responsibilities for transportation facilities. The proposed subdivision project is in an area accessible by primary road transportation, and the proposed project area contains utility lines. KAP parameters have been considered in the design of parcel lay-out. Design of physical and legal access and parcel layout will be planned with future use in mind and in coordination with DOT/PF and the KPB as appropriate to ensure compatibility with their ROW regulations and ordinances. The Homer Electric Association serves the area, and electric power lines run along the Old Sterling Highway and across some parts of the project area. Presently there are no natural gas or central water or sewer distribution systems that serve the region. Solid waste disposal is handled at transfer facilities or sites maintained by the KPB at Anchor Point and Homer.

Water Resources: KAP does not provide any Water Resources management intent applicable to this project. Well, septic, and waste disposal must comply with Alaska Department of Environmental Conservation (DEC) regulations. See additional discussion under Physical Characteristics and Hazards, Water Resources above.

The proposed offering will be consistent with area-wide land management policies and general management intent of the KAP and specific management unit if the proposed area plan amendment, land classification order, and mineral order are approved in accordance with *AS 38.04.065 Land Use Planning and Classification*. The north portion of the project area is currently designated Resource Management – High Value and classified Resource Management, and requires an amendment to the KAP and a Land Classification Order to move the acreage in Unit 237 to Unit 226 with a settlement classification prior to disposal.

*AS 38.04.065 (b) Requirements:* The factors identified in this section of statute have been considered in this plan amendment and the proposed action is consistent with that portion of statute.

*Area Plan Amendment:*

Designation: approximately 10 acres of Unit 237 removed from Unit 237 and merged into Unit 226 with a designation of Settlement

Management Intent: Same as Unit 226, Settlement

*Land Classification Order:* Approximately 10 acres classified Resource Management will be changed to classification of Settlement

*Mineral Activity and Order:* No mineral activity has been identified on these lands. The entirety of the project area will be closed to mineral entry (approximately 15 acres) if the mineral order is approved in accordance with *AS 38.05.185 Generally* and *AS 38.05.300 Classification of Land* for a land disposal. Closing the entire area to mineral entry is consistent with the management intent of the KAP.

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*

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*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 mineral estate management policy states that, in general, areas scheduled for disposal will be closed to mineral entry prior to sale to minimize potential conflict between land estate and mineral estate users.

Local Planning: The project area is within the KPB and property purchased through this proposed offering will be subject to the applicable zoning, ordinances, and restrictions of the borough. The project area is within the boundary of the *Kenai Peninsula Borough Comprehensive Plan June 2005*. DMLW staff reviewed that plan and did not find any conflicts with this proposed land disposal.

Traditional Use Finding: The project area is located within the KPB 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 VIII. Submittal of Public Comments** at the end of this documents and *Attachment C: Public Notice* for details on how to submit comment.

Access To, Within, and Beyond Project Area: Access to the project area is from the Old Sterling Highway and will comply with DOT/PF and KPB requirements. Under *11 AAC 53.450(a), Buffer strips, reserved areas, and public easements*, "When the division subdivides land adjacent to a highway ... a strip of land having a common boundary with the highway right-of-way must be reserved and retained in public ownership as a buffer strip. ... However, no buffer strip need be reserved if (a)(1) the parcel being disposed of is an isolated one already surrounded by private land cleared and developed to the right-of-way, so that no reasonably continuous buffer strip is feasible; or (a)(2) existing land use on adjacent parcels ... clearly indicates that retaining a buffer strip is unnecessary or undesirable."

Both (a)(1) and (a)(2) apply to this project area. Some of the adjacent private land has been cleared and developed to the right-of-way. Additionally, DMLW finds that a buffer strip would not be practical or necessarily desirable for the project locations.

Subdivision design will take into account topography and access to lands adjacent to and beyond the project area boundaries. The project area is subject to the platting authority of the KPB. Approval of platting actions and dedication of right-of-ways will require separate processes and public notices through the borough. The project area is within KPB Road Maintenance Unit S3.

*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 right-of-ways as necessary to ensure unobstructed access to and along the body of water. Regulations dictating the creation of easements or right-of-ways under this statute include *11 AAC 51.035 Determination of Navigable*

## Preliminary Decision

Old Sterling Hwy Subdivision – ADL 232300

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*and Public Water and 11 AAC 51.045 Easements To and Along Navigable and Public Water.*

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 (18) *Definitions*.

DNR 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 100-foot building setback from the OHW of the water body.

*Building Setbacks From Public or Navigable Water:* If subdivision is deemed feasible, DNR DMLW proposes to place a note on the final survey plat describing a building setback upland from the OHW of public or navigable water to protect access, fish and wildlife habitat, and personal property. Except for utilities, water-dependent structures whose purpose is access to or across the stream or lake, or minor accessory structures for uses that must be in or adjacent to the water body in order to function, structures and subsurface sewage disposal systems will not be permitted within the building setback.

*Easements, Setbacks, and Retained Lands:* Subdivision design may include a variety of easements, setbacks, and retained lands, which will be identified on the subdivision plat and included in related informational documents. 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 easement(s);
- utility easement within certain parcels and/or along certain lot lines;
- 200-foot wide Old Sterling Highway (100-feet on each side of the centerline) will either be retained in state ownership or an easement will be placed on the land;
- 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' direct line-of-sight

## Preliminary Decision

Old Sterling Hwy Subdivision – ADL 232300

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easement from the control station to an azimuth mark or other control monument;  
and

- additional reservations and/or restrictions required by the local platting authority.

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

Hazardous Materials and Potential Contaminants: During several ground field inspections conducted between August 2015 and May 2017, DMLW 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 encroaching structures on the south portion may be a potential source of such hazards. The State makes no representations and no warranties, express or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land here proposed for conveyance. The State further assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation 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.

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

Survey, Platting, and Appraisal: After evaluation of public comment and conditions of the land, DNR will determine if it is in the State's best interest to offer all or part of 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 Kenai Peninsula Borough, and therefore survey and platting will be subject to the 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 an approved Final Finding and Decision, if one is issued.

In accordance with *AS 38.05.840 Appraisal*, an appraisal meeting DNR DMLW 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 staff, which determines the economic feasibility of a project. Since it commonly takes several years for the project

## **Preliminary Decision**

Old Sterling Hwy Subdivision – ADL 232300

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development process, AS 38.05.840 ensures the current market conditions are addressed in order to obtain a realistic minimum bid for the sale of State land.

## **VII. 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 January 11, 2016 through February 22, 2016. Comments pertinent to this proposed action received during agency review have been considered and addressed below. Additional timely comments received during the Public Notice period will be considered and addressed in a subsequent Final Finding and Decision, if one is issued.

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

*Division of Oil and Gas; Division of Agriculture; Alaska Railroad Corporation; Mental Health Trust Land Office; Division of Forestry; Department of Environmental Conservation; Division of Parks & Outdoor Recreation; Department of Commerce and Community Economic Development; Department of Fish and Game; and State Pipeline Coordinator's Section.*

*DNR DMLW LSS Response:* LSS appreciates your review of the proposal.

*Department of Transportation and Public Facilities (DOT/PF) comment:*

Bidders should be advised a new driveway application will be required to permitting access to the state maintained right of ways.

*DNR DMLW LSS Response:* LSS intends to comply with all platting authority and DOT/PF requirements including appropriate design to accommodate acceptable driveway access to the Old Sterling Highway. As appropriate, potential bidders will be advised of such requirements.

*Office of History and Archaeology (OHA)/Division of Parks and Outdoor Recreation (DPOR) comment:*

The Alaska Heritage Resources Survey database indicates there are no known cultural resources within the project area. Should items such as historical cabin remains, adits, dredges, mining equipment, cultural depressions or pits, graves, prehistoric tools or artifacts or fossils be discovered OHA should be notified. AS 41.35.070(d) specifies that any such items be evaluated by OHA.

*DNR DMLW LSS Response:* LSS appreciates the submission and the cooperation of working together regarding all resources in the public interest. OHA will be contacted should any discoveries be made during development. Potential bidders are notified of archeological requirements in the land sale offering materials as well.

*Division of Geological & Geophysical Surveys (DGGS) comments:*

No minerals or mining issues are found in or adjacent to the project area. The sites are not close to known active faults; nonetheless, the region's overall seismic hazard potential is high. Standard best building practices should be used. Detailed geologic and soil

## **Preliminary Decision**

Old Sterling Hwy Subdivision – ADL 232300

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information was provided; see Soils section above. The project area is located at the southern edge of an area with active gas development activities, however, these should not impact the parcels.

*DNR DMLW LSS Response:* LSS appreciates the detailed submission and will utilize the data in working this project. Offering materials will be advised of soil conditions as appropriate.

The following agencies or groups were included in the agency review but no comments were received:

- University of Alaska;
- Homer Soil & Water Conservation District.

## **VIII. Submittal of Public Comments**

**See Attachment C: Public Notice for specific dates and conditions.**

Pursuant to *AS 38.05.945 Notice*, DNR is issuing public notice inviting comment on this Preliminary Decision, draft area plan amendment, draft land classification order, 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 hearing is held, the Commissioner (or representative) shall attend the hearing. The Commissioner has discretion whether or not to hold a public hearing.

LSS will consider all timely, written comments received. If analysis of such comments indicates the need for significant changes to the Preliminary Decision, draft area plan amendment, draft land classification order, 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, draft area plan amendment, draft land classification order, and draft mineral order including any deletions, minor changes, and summary of comments and LSS responses will be issued as a subsequent Final Finding and Decision, KAP Amendment No SC-99-002A13, Land Classification Order CL SC-99-002A13, and Mineral Order 1188 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 DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file a request for reconsideration of the Final Finding and Decision, KAP Amendment No SC-99-002A13, Land Classification Order CL SC-99-002A13, and Mineral Order 1188. Upon approval and issuance of these actions, a copy of the decision, orders, and amendment 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.

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

## **Preliminary Decision**

Old Sterling Hwy Subdivision – ADL 232300

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need such assistance should contact the Department's Public Information Center. For more information refer to *Attachment C: Public Notice*.

### **DEADLINE TO SUBMIT WRITTEN COMMENT IS 5:00 PM, TUESDAY, OCTOBER 3, 2017**

#### **IX. Alternatives and Discussion**

DNR DMLW is considering the following alternatives:

Alternative 1: (Preferred) Survey and plat a subdivision of the north portion of no more than 4 parcels varying in size from approximately 1 to 10-acres and the south portion as 1 to 2 lots no greater than 5-acres and offer these parcels for sale. The development and offering of these parcels may be completed in multiple stages. This proposal includes the amendment to the KAP, land classification order, and mineral order.

Alternative 2: (Status Quo) 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 help meet the obligations laid out in the Constitution and statute, and maximizes public interest. This offering provides an opportunity for the public to obtain land for settlement in a desirable area. This proposal, if approved in a subsequent Final Finding and Decision, will allow DNR DMLW to create and design a subdivision which will provide for the best use and 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 unique amenities of the area, location relative to the communities of Anchor Point and Homer, and the proximity to existing residential private property; the project area is better suited to subdivision as described prior to offering. Alternative 1 is preferred.

Alternative 2 is not preferred. The Legislature and the public have indicated a desire for DNR DMLW to offer State-owned land for private ownership. Retention of this land would inhibit DNR DMLW from meeting its Constitutional, statutory, and legislative obligations. Not offering the project area would deny many Alaskans the opportunity to obtain land in an area that is suited to settlement and consistent with the surrounding development. Not offering the project area would also hinder flow of revenue to the State.

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

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

**Preliminary Decision**

Old Sterling Hwy Subdivision – ADL 232300

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**X. Recommendation**

This Preliminary Decision for the proposed disposal of state lands, KAP Amendment No. SC-99-002A13, Land Classification Order CL SC-99-002A13, and Mineral Order 1188 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, KAP Amendment No SC-99-002A13, Land Classification Order CL SC-99-002A13, and Mineral Order 1188. If the decision is approved, KAP Amendment No SC-99-002A13, Land Classification Order CL SC-99-002A13, and Mineral Order 1188 will accompany and precede any Final Finding and Decision issued.

/s/

Prepared by: John W. Thomas, Adjudicator  
Natural Resource Specialist III  
Land Sales Section  
Division of Mining, Land, and Water  
Department of Natural Resources  
State of Alaska

8/31/2017

Date

/s/

Approved by: Kathryn Young  
Section Manager  
Land Sales Section  
Division of Mining, Land, and Water  
Department of Natural Resources  
State of Alaska

August 31, 2017

Date



# Old Sterling Hwy Subdivision ADL 232300

## Attachment A - Vicinity Map

NORTH PORTION of a  
Proposed Land Offering in the  
Kenai Peninsula Borough



JWT8/30/2017

NW1/4SE1/4NE1/4 Section 24,  
Township 5 South,  
Range 15 West,  
Seward Meridian

 NORTH PORTION  
Old Sterling Hwy SD

USGS QUAD 1:63,360

Seldovia (C-5)

For more information contact:

John W. Thomas

Department of Natural Resources

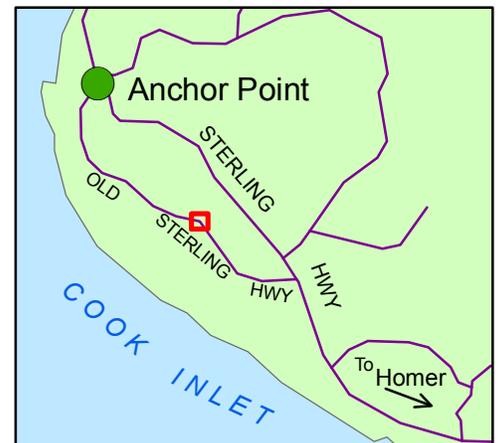
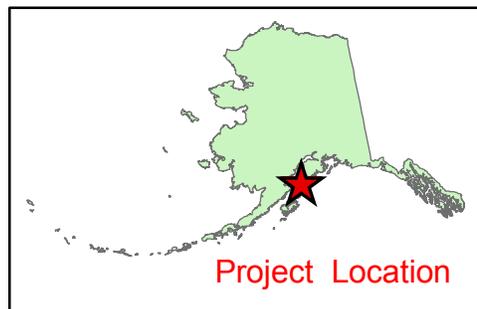
Division of Mining, Land, and Water

Land Sales Section

Phone 907.269.8591

Fax 907.269.8916

Email [land.development@alaska.gov](mailto:land.development@alaska.gov)





# Old Sterling Hwy Subdivision ADL 232300

## Attachment A - Vicinity Map

SOUTH PORTION of a  
Proposed Land Offering in the  
Kenai Peninsula Borough



JWT 8/30/2017

E1/2 SE1/4 SE1/4 SE1/4  
Section 30,  
Township 5 South,  
Range 14 West,  
Seward Meridian



SOUTH PORTION  
Old Sterling Hwy SD

— Section Line

USGS QUAD 1:63,360

Seldovia (C-5)

For more information contact:

John W. Thomas

Department of Natural Resources

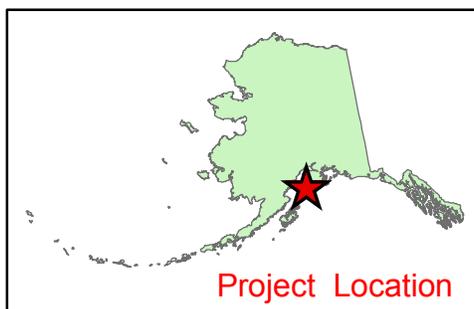
Division of Mining, Land, and Water

Land Sales Section

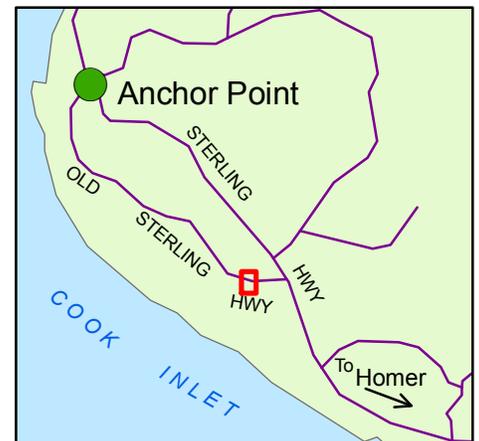
Phone 907.269.8591

Fax 907.269.8916

Email [land.development@alaska.gov](mailto:land.development@alaska.gov)



Project Location



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

**ATTACHMENT B: AREA DATA SUMMARY TABLE**

to the  
**Preliminary Decision**

for a  
**Proposed Land Offering in the Kenai Peninsula Borough  
Old Sterling Hwy Subdivision – ADL 232300**

<b>Offering Information</b>	
<b>Proposed Number of Parcels</b>	Up to 6 parcels
<b>Proposed Parcel Size</b>	Varying in size from nominal 1-acre to 10-acres
<b>Proposed Related Actions</b>	KAP Amendment SC-99-002A13, Land Classification Order CL SC-99-002A13, and Mineral Order 1188 (closing)
<b>Project Area</b>	
<b>Location</b>	~ 6-7.5 miles south of Anchor Point on the Old Sterling Hwy
<b>Project Area Acreage</b>	Approximately 15-acres
<b>USGS Topography Map</b>	USGS Quad <i>Seldovia (C-5)</i>
<b>Legal Description</b>	Seward Meridian: Township 5 South, Range 15 West, Section 24, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ , and Township 5 South, Range 14 West, Section 30, E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$
<b>Title</b>	Patent 1227030 dated 5/23/1962, and Patent 1232380 dated 6/21/1963: State-owned land.
<b>Area Plan and Classification</b>	KAP, adopted January 7, 2000, Management Units 226 and 237/Region 7: Homer. Unit 226 classified Settlement; Unit 237 lands are classified Resource Management.
<b>Mineral Orders</b>	None. Project area will be closed to mineral entry prior to offering.
<b>Physical Characteristics</b>	
<b>Access</b>	Old Sterling Hwy transects the project area; direct driveway access for normal road vehicle is anticipated and must meet applicable DOT/PF regulations.
<b>Terrain and Major Features</b>	Undulating ground with fringes of wetlands typical of land along the old highway
<b>View</b>	Local view

**Attachment B: Area Data Summary Table**

for a Proposed Land Offering in the Kenai Peninsula Borough

Old Sterling Hwy Subdivision – ADL 232300

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<b>Climate</b>	SOA Community index, Anchor Point: area falls within the gulf coast maritime climate zone, characterized by a rainy atmosphere, long, cold winters, and mild summers. Homer: falls within the gulf coast maritime climate zone. This area lacks prolonged periods of freezing weather at low altitudes and is characterized by cloudiness and frequent fog. The combination of heavy precipitation and low temperatures at high altitudes in the coastal mountains of southern Alaska accounts for the numerous mountain glaciers. US ClimateData for Homer indicated 30-year average temperature: annual high 45.4°F, low 32.2°F; July high 61°F, Jan low 19°F; annual rainfall 24.3 inches, snowfall 48 inches.
<b>Soils</b>	USDA custom soil reports: Redoubt silt loams, moderately steep and gently sloping, top shallow layer of mucky peat underlain by layers of silt loam and gravelly sandy loam; well drained parcels taper to wetlands typical of the 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.
<b>Wetlands</b>	Fringes of wetlands are found within the proposed project area, typical of the vegetation-land pattern for the entire surrounding area. Dredging or filling of wetlands may require a permit from the US Army Corps of Engineers.
<b>Vegetation</b>	Mixed mature spruce and birch with local understory vegetation showed no sign of recent wildland fire on field inspections, fall 2015 through spring of 2017; areas of wetland grass and sedges.
<b>Water Source</b>	Personal water wells or hauled water may be sources. Surrounding well log data is noted at <i>Water Resources</i> , p.7. Water quality is unknown.
<b>Anadromous Waters</b>	None
<b>Local Management Information</b>	
<b>Fire Management Option</b>	The proposed subdivision is within KPB Anchor Point Fire and Emergency Medical Service Area as described on the borough web site 9/9/2015. The entire area is designated "Critical Protection" in the State Fire Management Options 2016.
<b>Game Management Unit</b>	DFG game management unit 15C
<b>Local Authority</b>	Kenai Peninsula Borough currently holds authority for planning, platting, taxes, and zoning for the project area.
<b>Flood Zone</b>	The relevant Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map is Community Panel Number 020012 4325 A. This project area is in Zone D, areas of undetermined but possible flood hazard. Portions to be offered for sale are on uplands that appear to have good drainage transitioning into wetlands common to the area. USDA customized soil reports stated that for all upland area soils frequency of flooding or ponding is none.
<b>Utilities</b>	This area is currently served by Homer Electric Association (HEA)

**Attachment B: Area Data Summary Table**

for a Proposed Land Offering in the Kenai Peninsula Borough

Old Sterling Hwy Subdivision – ADL 232300

Page 3 of 4

<b>Waste Disposal</b>	Solid waste disposal is handled at transfer facilities or sites maintained by the KPB at Anchor Point and Homer. All on-site waste water disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.
<b>Setbacks, Reserved Areas, Easements, and Conditions</b>	
<b>Improvements</b>	Prior to construction of any structure, driveway, or waste disposal system, contact the platting authority for any permits or for required setbacks from water bodies, lot lines, and easements.
<b>Building Setbacks</b>	Building setbacks per KPB ordinances.
<b>Public Access and Utility Easements</b>	<p>Parcels may be subject to the following:</p> <ul style="list-style-type: none"> <li>• public access easement(s);</li> <li>• utility easement within certain parcels and/or along certain lot lines;</li> <li>• 200-foot wide Old Sterling Highway (100-feet on each side of the centerline) will either be retained in state ownership or an easement will be placed on the land;</li> <li>• 50-foot-wide section-line easement on each side of surveyed or protracted section lines on State-owned land in accordance with <i>AS 19.10.010 Dedication of Land for Public Highways</i> and <i>11 AAC 51.025 Section-line Easements</i>; section-line easements may be vacated under <i>AS 19.30.410 Vacation of Rights-of-Way</i> and <i>11 AAC 51.065 Vacation of Easements</i> as part of the subdivision development;</li> <li>• 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' direct line-of-sight easement from the control station to an azimuth mark or other control monument;</li> <li>• additional reservations and/or restrictions required by the local platting authority;</li> </ul> <p>Where appropriate, reservations and restrictions will be depicted on the plat and described in plat notes.</p>
<b>Retained Lands</b>	None identified.
<b>Public or Navigable Water Bodies</b>	None identified If any water bodies are deemed public or navigable within the project area prior to platting, DNR DMLW will comply with statutory requirements to provide access to and along said water bodies.
<b>Additional Information</b>	
<b>Native Regional Corporations</b>	Cook Inlet Regional Corporation - CIRI
<b>Villages and Tribal Councils</b>	Native Villages of Ninilchik & Seldovia, and Ninilchik Traditional Council, & Seldovia Village Tribe
<b>Oil and Gas Activity</b>	None known.
<b>Mining Activity</b>	None known.

**Attachment B: Area Data Summary Table**

for a Proposed Land Offering in the Kenai Peninsula Borough

Old Sterling Hwy Subdivision – ADL 232300

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<b>Comments</b>	Homer Electric Association has overhead powerlines and utility easement crossing portions of the project area. South portion has structures encroaching from neighboring landowners on east side. Parcels will require DOT/PF driveway authorizations.
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## ATTACHMENT C: PUBLIC NOTICE

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

#### PUBLIC NOTICE

Requesting Input for  
Two Proposed State Land Offerings:  
**Forest Knolls Subdivision – ADL 232332**  
**Old Sterling Hwy Subdivision – ADL 232300**  
Preliminary Decisions and Proposed Related Actions:  
Amendments to the Kenai Area Plan SC-99-002A12 and SC-99-002A13,  
Land Classification Orders SC-99-002A12 and SC-99-002A13,  
Mineral Orders 1188 & 1189 (Closing)

**COMMENT PERIOD ENDS 5:00PM, TUESDAY, OCTOBER 3, 2017**

This proposed project includes offering for sale surveyed parcels in a future offering under the method and the related actions as described in the Preliminary Decision documents. The projects may be subdivided and offered in multiple offerings over time.

Old Sterling Hwy SD: along Old Sterling Hwy, two parcels ~ 6 miles and ~ 7.5 miles south of Anchor Point of ~15 acres proposed project area with up to 5 parcels sized from 1 to 5 acres

Forest Knolls SD: along Old Sterling Hwy, ~ 7 miles southeast of Anchor Point and ~9 miles northwest of Homer, of ~136 acres with proposed development ~91 acres; up to 20 parcels, ranging from ~2 to ~14 acres.

To obtain copy of the notice, Preliminary Decisions, Mineral Orders, Land Classification Orders, Area Plan Amendments, or instructions on submitting comment, go to <http://landsales.alaska.gov/> or <http://aws.state.ak.us/OnlinePublicNotices/>. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 10AM and 5PM in Anchorage at 907.269.8400 (TDD for the hearing impaired: 907.269.8411) or Fairbanks at 907.451.2705 (TDD for the hearing impaired: 907.451.2770), or the Southeast Land Office in Juneau at 907.465.3400 (TDD for the hearing impaired: 907.465.3888), or go to <http://dnr.alaska.gov/commis/pic/> for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, Tuesday, September 26, 2017.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment on the Preliminary Decisions, Mineral Orders, Land Classification Orders, or Area Plan Amendments for which notice is being conducted concurrently. If commenting on more than one proposed action, separate comments should be submitted for each. **The deadline for public comment is 5:00PM, TUESDAY, OCTOBER 3, 2017.** Only persons from whom DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decisions. Written comment may be received by fax, email or postal mail:

**Attachment C: Public Notice**

to the Preliminary Decision and its Related Actions  
for a Proposed Land Offering in the Kenai Peninsula Borough  
Old Sterling Hwy Subdivision – ADL 232300  
Page 2 of 2

fax # 907.269.8916; [land.development@alaska.gov](mailto:land.development@alaska.gov); or DNR DMLW LSS, 550 W. 7<sup>th</sup> Ave., Suite 640, Anchorage, AK 99501. If you have questions, call John Thomas at 907.269.8594.

If no significant change is required, the preliminary decisions, mineral orders, land classification orders, and area plan amendments, including any minor changes and a summary of comments and responses, will be issued separately as the final finding and decision for each project without further notice. A copy of the final finding and decision will be sent to any persons who commented timely on the preliminary decision.

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