

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

PRELIMINARY DECISION
Small Lakes Subdivision – ADL 232662

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

RELATED ACTION(S):
None Proposed

PUBLIC COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, OCTOBER 28, 2020

I. Proposed Action(s)

Preliminary Decision: Small Lakes Subdivision - ADL 232662
Attachment A: Vicinity Map
Attachment A: ROW Vacation Detail Map
Attachment B: Area Data Summary Table
Attachment C: Public Notice

Primary Proposed Action: The primary proposed action of this Preliminary Decision of the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW), Land Conveyance Section (LCS) is to offer for sale State-owned land within the identified project area. If approved, surveyed parcels will be offered for sale.

Located within DNR's Southcentral Region, approximately 10.5 miles south of Lake Louise and 31 miles west of Glennallen, at mile 5 of Lake Louise Road. The project area is within Sections 11, 12, 13, & 14, Township 4 North, Range 7 West, Copper River Meridian, within the Unorganized Borough. The project area consists of approximately 914 acres of which approximately 500 is identified for disposal by this proposed action. See *Attachment A: Vicinity Map* for a depiction of the project area.

Additionally, Section 24, Township 4 North, Range 7 West is included for the purpose of the dedication of an easement along the existing trail from Lake Louise Road to 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 Small Lakes project area. In order to offer these lands for sale, if approved and deemed feasible, DNR may develop a subdivision of no more than 50 parcels no smaller than 4 acres. This proposed project area is located within the Unorganized Borough 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.

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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.

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

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

See **Section 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, DMLW moves forward with the proposal, a Final Finding and Decision will be issued.

II. Method of Sale

DMLW 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*.

IV. Administrative Record

The project file, Small Lakes Subdivision - ADL 232662, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Copper River Basin Area Plan for State Lands (CRBAP, adopted 1986) and associated land classification files;
- *Alaska Interagency Wildland Fire Management Plan (2017 Review)*;
- *Copper River Fire Management Plan*;

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- 1982 Subsurface Soils investigation prepared by Alaska Development Consultants, Inc;
- Plat of Flynn Subdivision recorded in the Chitina Recording District on February 17, 2010 as plat 2010-1; and
- DNR case files: mineral closing order 324, right of way AA-2709, State land disposal brochure summer 1984.

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 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 may be conducted in multiple stages.

VI. Description

Location: Within DNR's Southcentral Region, approximately 10.5 miles south of Lake Louise and 30 miles west of Glennallen, at mile 5 of the Lake Louise Road. See *Attachment A: Vicinity Map* and *Attachment B: Area Data Summary Table* for additional information.

Platting Authority: The project area is within the Unorganized Borough and is subject to the State of Alaska platting authority.

Native Regional and Village Corporations: The project area is within the boundaries of the Ahtna Regional Corporation. The village of Tazlina is approximately within 25 miles of the project area, however, its village corporation has merged into Ahtna Regional Corporation. The Native Village of Tazlina will be sent courtesy notice.

Legal Description: Tracts F & U Section 11; Tracts A, B, F, G, & H Section 12; Tracts B, C, G, M, & P Section 13; Tracts D, G, H, S, & T Section 14; according to the Alaska State Cadastral Survey Plat of Sections 11, 12, 13, & 14, Township 4 North, Range 7 West, Copper River Meridian, filed on July 15, 1983 in the Chitina Recording District, as Plat No. 83-23, containing 914 acres more or less, also including a strip of land along a seismic trail, 100-foot wide and approximately 4500-foot long, beginning at the section line common to sections 13 and 24 and going south to Lake Louise Road, containing 10 acres more or less, to be reserved as an access easement.

Title: Information from Title Report No. 9234, current as of December 6, 2016 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent 50-81-0166, dated September 14, 1981. The applicable State case file is GS 1642. The property is subject to the reservations, easements and exceptions contained in the federal patent and a right-of-way AA-2709, 200-hundred feet in width for Lake Louise Road, a Federal Aid Highway.

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

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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 [Access To, Within, and Beyond Project Area](#) subsection of this document.

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

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 a ground field inspection conducted on August 25, 2016. 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: Principal soils in the area range from well-drained silt loam over gravelly loam or sandy loam on hilly terrain, to poorly drained loam or silt loam with shallow permafrost tables in nearly level areas. U.S. Geological Survey mapped the area as "generally underlain by moderately thick to thin permafrost". A 1982 soils investigation completed by Alaska Development Consultants, Inc., indicates the site is underlain by a layer of silty sand to an undetermined depth. DNR, Division of Geological and Geophysical Surveys (DGGS) noted that surface materials consist of loose, poorly sorted, non-stratified silty sandy gravel that includes much stratified sand and gravel, silt, and clay pockets, beds, and lenses. DGGS also noted the proposed subdivision is in the zone of discontinuous permafrost, meaning that 50-90 percent of the ground surface in the region is underlain by perennially frozen ground. Appropriate engineering and

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construction practices can accommodate these foundation conditions. Thaw lakes and thaw slumps may be present in areas of degrading permafrost.

Wetlands: Wetlands are present around many small lakes with low depressed surrounding areas and poorly drained soils remaining wet from surface runoff most of the summer.

Geologic Hazards: According to information provided by DNR, Division of Geological and Geophysical Surveys (DGGGS) the region's overall seismic hazard potential is moderate, and standard best building practices should be used to accommodate the regional seismic hazard. Geologic hazards are common throughout Alaska. Information received from DGGGS 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. General geologic hazards common to this area include discontinuous permafrost, a relative abundance of ground ice and associated potential differential settlement and thaw lakes and thaw slumps may be present in areas of degrading permafrost. The region's overall seismic hazard potential is moderate (U.S. Geological Survey, 2007). Standard best building practices should be used to accommodate the regional seismic hazard.

Fire Information: Pursuant to observations from the 2016 field inspection and information received from the Division of Forestry, fire risk in the area is moderately high. Though there is no history of a fire within the project area, there have been several small fires (0.5 acres or less) in close proximity to Lake Louise Road.

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 Hazards: 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 "Full." The policy on areas with the "Full" management option reads, "The suppression objective is to control the fire at the smallest acreage reasonably possible. The allocation of suppression resources to fires receiving the full protection option is second in priority only to fires threatening a critical protection area." It also states that the designation of a fire management option does not ensure protection from wildfire, that a protection response will be based on various factors, and "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: There is no Flood Insurance Rate Map available for the project area. The 1982 Subsurface Soils Investigation report states: There are no streams within the area which show signs of apparent flooding from breakup or seasonal rains. Any local flooding due to snow melt would depend on the conditions of amount of snow fall and the temperatures. Based upon the poor drainage, which was observed during reconnaissance, local flooding could be anticipated.

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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 vicinity of the project area. There is no well or water quality information within the area. Water quality is unknown.

Background: The original land disposal for the Small Lakes project area included aliquot part parcels ranging in size from 20 to 40-acres, created by Alaska Cadastral Survey Plat (ASCS) for Sections 11, 12, 13, and 14 of Township 4 North, Range 7 West, Copper River Meridian (CRM), filed July 15, 1983 in the Chitina Recording District, as Plat No. 83-23. Subsurface soils investigation of the four sections was conducted and submitted to Alaska Department of Environmental Conservation (DEC) in 1982 for review and approval of the subdivision. In 1982 all subdivisions were required to be approved by DEC. At the time, DEC did not approve recreational subdivision lots that would most likely use pit privies for residential use. In the 1984 offering DNR only offered for sale land disposal parcels using the cadastral survey boundaries that were 20 or 40 acres in size and did not subdivide the parcels that did not meet DEC criteria. The Small Lakes parcels that did not meet the DEC criteria were withheld from the 1984 offering. Today, subdivisions are not required to be reviewed and approved by DEC allowing for the disposal of smaller parcels that are developed around the terrain and existing accesses. However, due to the semi-remote (road access), poor soils, and the larger adjacent parcels, the majority of the new land disposal parcels will be greater than 5 acres. 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*. Parcels may range in size from approximately 4 to 35 acres as appropriate based upon the adjacent terrain, wetlands, and access. Subdividing and offering parcels smaller than the original aliquot parts will allow DNR to retain wetlands and habitat areas.

Lake Louise, Susitna Lake, and the surrounding area is an extremely popular recreational area. Private property ownership opportunities on the lakes or along Lake Louise Road is very limited and scarce. All of the parcels available for land disposal in the original aliquot parts land disposal are in private ownership or under contract except for one parcel, ADL 219189, which is in potential reoffer status. There is strong desire for private ownership of recreation parcels in the area that have reasonable access to Lake Louise Road. This is affirmed by further subdividing of private parcels. Lake Louise Road is paved and provides access from the Glenn Highway to and through the southwest (SW) corner of Section 14, and to Lake Louise. The original ASCS, Plat 83-23, indicates a 200-foot right-of-way (ROW) for Lake Louise Road and a 200-foot ROW centered on the old Lake Louise Road. Both roads pass through the SW corner of Section 14. The plat also identified the centerline of three 60-foot wide trail easements, to, within, and through the project area.

This decision proposes to subdivide approximately 500 acres within parcels that were not offered in the original land disposal. An ADL easement will be placed upon the three trail easements to clarify the intent and record for these easements. A 100-foot ROW will be reserved over the north-south seismic line, currently being used for access, running through the approximate center of Sections 12 and 13 and south of the project area through section 24 for approximately 4500 feet, to the Lake Louise Road. The width of Old Lake Louise Road will be reduced from 200 feet to 60 feet. Parcels will be developed along the existing easements, seismic line, and the old Lake Louise Road alignment with the intent to blend in with the terrain. An approximately 0.5 acre cleared area along the old Lake Louise road will

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be retained as a staging area for vehicle parking and to facilitate ATV and snow machine access throughout the project area. Additional staging areas and easements may be reserved for trails being used as access by property owners of the original ASCS parcels.

Old Lake Louise Road runs between two small lakes, Round Lake and Old Road Lake, which are stocked by ADF&G. Both lakes and surrounding land will be retained in State ownership. Most of the State land immediately adjacent to the project area is designated as public recreation and wildlife habitat. By reserving existing access corridors and reserving additional access corridors, reserving a staging area, retaining habitat land and wetlands, and reserving access to several lakes, the proposed recreational subdivision will lend itself well to public recreation use of the surrounding area by local landowners and the public.

Planning and Classification: The Areawide Land Management Policies of the area plan, management guidelines, and management intent for Unit 5 was reviewed for consistency with the proposed offering. The project area is within Copper River Basin Area Plan (CRBAP) (adopted 1986), Management Unit 5: Lake Louise Road Area, Subunit 5G. Subunit 5G has a primary land use designation of Settlement, and a secondary land use designation of Wildlife Habitat. The land is classified Settlement and Wildlife Habitat. The project area consists of a portion of the subunit.

Management Unit 5 – Lake Louise Road Area, Unit 5G – Past state offering. Unsold or un-staked parcels from previous land offerings can be reoffered by this plan.

Areawide Considerations: LCS reviewed the area plan's guidelines in Chapter 2 Areawide Land Management Policies. These considerations will be incorporated 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 areawide management intent and management guidelines affecting this proposal are discussed below.

Settlement: This proposed project meets the CRBAP goal of offering land for recreational use or seasonal residences. Because there is a limited supply of state land with characteristics that make it highly desirable, the state will have to offer some lands that do not have exceptional amenity values to meet the demand for recreational and seasonal use. Area-wide management guidelines regarding settlement provide direction regarding Planning and Coordination; Types of Offerings; Protection, Management, and Enhancement of Other Resources; and Design. DMLW has considered these guidelines in the development of this proposed project. Public notice steps will include request for local input regarding this project. It is the opinion of the Director of DMLW that a Design Review Board is not needed for this project. Management guidelines note that land from past state land offerings can be offered for settlement. This project area was withheld from a prior offering and is now appropriate for offering. Over half of the project area will be retained in State ownership, protecting access to habitat areas and several lakes. Subdivision design will preserve and enhance the quality of the natural setting and the recreational opportunities that make the area attractive to potential buyers and recreational users by retaining access to lakes and habitat areas within the project area. This proposal meets the criteria listed in the CRBAP for proposed land offerings: 1) relatively good quality; 2) relatively accessible; 3) State owned; 4) less conflict with wildlife and

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recreation use than in other areas; and, 5) public has expressed some support for land offerings in the area.

Fish and Wildlife Habitat: Areawide management guidelines for fish and wildlife habitat call for all land use activities to be conducted with appropriate planning and implementation to avoid or minimize foreseeable or potential adverse effects on fish and wildlife populations or their habitats. During agency review, ADF&G supported the retention of State lands for access to Round and Old Road lakes and protection of wetland areas within the project area. They also supported the dedication of access trails into the subdivision.

Materials: Areawide management guidelines state that generally, if a designated settlement area contains sand and gravel deposits, rock sources or other similar, high value material resources, a pit area will be identified before land offerings and retained in public ownership for future use. LCS does not intend to designate a material site since Subunit-5G does not contain any known sand and gravel deposits. There are several material sites nearby along the Glenn Highway and Lake Louise Road.

Recreation, Cultural, and Scenic Resources: Management guidelines call for the protection of significant cultural resources and the review of construction projects or land uses for potential conflict with cultural resources. The Resource Information Summary for Subunit 5G states that the historical-cultural resources are unknown. The Division of Parks and Outdoor Recreation Office of History & Archaeology (OHA) indicated that there are no reported cultural resources sites within the parcels identified for sale, LCS will provide guidance to prospective purchasers that should any sites be discovered; activities that may damage the site must cease immediately, and the purchaser must contact the OHA.

Subsurface Resources: Management guidelines call for land scheduled for disposal to be closed to mining and mineral location. The Small Lakes project area was closed to mineral entry by mineral closing order (MCO) 324.

Public Access: Management guidelines for public access encourage the improvement or maintenance of public access to areas with significant public resource value by retaining access sites and corridors in public ownership, by reserving rights of access when State-owned land is sold or leased. LCS intends to retain public access through the project area by incorporating the reservation of access over the north-south seismic line, reserving a staging area along Old Lake Louise Road, reserving access over existing trails from Old Lake Louise Road to the project area, and reserving access to several lakes within the project area.

Trail Management: Management guidelines state that if a trail will be used almost entirely by neighborhood residents for their own use, it should be kept in state ownership or dedicated to the local government. LCS intends to dedicate the existing trails or retain them in state ownership as appropriate, along with a ROW to be dedicated along the north-south seismic line running through the approximate center of Section 12 and 13 to provide access to the project area and beyond.

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The proposed offering is consistent with areawide land management policies and general management intent of the CRBAP and specific management unit.

Mineral Activity and Order(s): No mineral activity has been identified on these lands. The project area is closed to mineral entry under MCO 324, Small Lakes.

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 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 Unorganized Borough, and the State does not pursue zoning of private lands.

Traditional Use Finding: The project area is within the Unorganized Borough, and a traditional use finding is therefore required under *AS 38.05.830 Land Disposal in the Unorganized Borough*. Information obtained from the CRBAP, research, Agency Review, and site inspection indicates that the project area appears to be currently used for recreational activities. There are no anticipated significant changes to traditional uses of the land and resources of this area as a result of the proposed action, other than a possible increase in the various traditional activities which may be practiced by new private-property owners. Impacts on existing resource users will be minimized by retaining ADF&G stocked ponds and surrounding adjacent lands in state ownership. Additional information on traditional use is welcome during the public comment period and if this proposal is approved, LCS will address the information received in a subsequent Final Finding and Decision, if one is issued. 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.

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Access To, Within, and Beyond Project Area: Access to the project area is Lake Louise Road from the Glenn Highway. The existing access easements within the project boundaries depicted on Plat 83-23 will become dedicated ROWs. A ROW will be dedicated approximately along the north-south seismic line running through the approximate center of Sections 12 and 13, and south of the project area through section 24 to Lake Louise Road. The 200-foot ROW reserved for Old Lake Louise Road (AA-2709) is proposed for vacation and replacement by a 60-foot dedication. There is a small staging area accessed by Old Lake Louise Road within Tract S of Section 14. DNR will retain this staging area for vehicle parking and to facilitate ATV and snow machine access to parcels to be created within the project area. Subdivision design will take into account topography and access to lands beyond the project area and within the project area boundaries.

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

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*.

Round and Old Road Lakes are stocked lakes and will be retained in State ownership. The lake in Tracts F, G, and H within Section 14 as shown on Plat 83-23 meets the definition of public waters; Tract H will be retained in State ownership and any parcels within Tract G and abutting the lake will have public access reserved. Access to Tract H will be reserved along the parcels developed in Tracts G and S. 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 bodies described, as well as any additional water bodies identified as public or navigable prior to completion of survey in accordance with the CRBAP.

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. Structures and subsurface sewage disposal systems will not be permitted within the building setback. 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 may be allowed within the building setback.

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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 documents.

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

- public access easements;
- easement along existing trails, as appropriate;
- 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 50-foot continuous easement upland from the OHW of public or navigable water bodies in accordance with *AS 38.05.127 Access To Navigable or Public Water*;
- a minimum 100-foot building setback from the OHW of public water bodies, in accordance with the CRBAP;
- 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 as needed.

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

Hazardous Materials and Potential Contaminants: During ground, field inspections conducted on July 27-28, 2016 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 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 that this land was specifically designated

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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, DNR 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 the proposed project area and associated access easements. In order to offer the property, a combination of survey, subdivision, and/or platting actions may be required.

The project area is located within the Unorganized Borough, and therefore survey and platting will be subject to State of Alaska subdivision standards.

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 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.

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 December 20, 2019 through January 17, 2020. Comments pertinent to this proposed action received during agency review have been considered and addressed below. Additional timely comments received during the Public Notice period will be considered and addressed in a subsequent Final Finding and Decision, if one is issued.

DNR DMLW LCS received brief comments of non-objection from the following agencies: Alaska Railroad; Mental Health Trust Land Office; DNR Parks and Outdoor Recreation; DNR Division of Forestry; and DNR Division of Oil and Gas.

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

DNR Division of Geological and Geophysical Surveys (DGGS): DGGS provided information on geology, soils, and seismic conditions of the area. This information has been included in the Physical Characteristics and Hazards section above.

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

Department of Fish and Game (ADF&G) Comment: ADF&G supports the retention of State lands for access to Round and Old Road Lakes and to protect wetland areas within the project area. We also support the dedication of the existing access trails into the subdivision.

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DNR DMLWLCS Response: Thank you for your comments. Subdivision design will dedicate the existing access easements within the project boundaries, along the trails reserved in the original ASCS, and will retain Round and Old Road Lakes and wetland areas. Subdivision design will take into account existing trails into the subdivision.

DNR Division of Parks and Outdoor Recreation, Office of History and Archaeology (OHA)

Comment: In a 2016 memorandum and subsequent March 2020 email update, OHA noted that State law prohibits the removal or destruction of cultural resources (historic, prehistoric, and archaeological sites, locations, remains, or objects) on land owned or controlled by the State. This also includes reporting of historic and archaeological sites on lands covered under contract with or licensed by the State or governmental agency of the State.

OHA noted there are no known cultural resource sites within the proposed project area. However, only a very small portion of the state has been surveyed for cultural resources; therefore, previously unidentified resources may be located within the project area. Should inadvertent discoveries of cultural resources occur, OHA should be notified. Any information provided helps the State better manage Alaska's heritage resources.

DNR DMLWLCS Response: LCS appreciates your review of our proposal. OHA will be notified should any cultural resources be identified during the development of the project. Additionally, offering materials notify potential purchasers that should any cultural resources be discovered, activities must cease and OHA must be notified.

Department of Transportation and Public Facilities (DOT&PF) Comment: LCS consulted with DOT&PF and they provided guidance on and an application for the proposed vacation of a portion of Old Lake Louise Road.

DNR DMLWLCS Response: LCS appreciates your review of our proposal. LCS intends to submit the ROW vacation application as part of the project development and platting process if the project proceeds to that step.

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

- Department of Environmental Conservation;
- Department of Natural Resources;
 - Division of Agriculture;
 - Office of Project Management and Permitting; and
 - State Pipeline Coordinator's Section;
- Department of Commerce, Community and Economic Development;
- Alaska Association of Conservation Districts; and
- University of Alaska Land Management.

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.

Preliminary Decision

Small Lakes Subdivision – ADL 232662

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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.

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

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

Only persons from whom DNR DMLW LCS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Upon approval and issuance of a Final Finding and Decision, a copy of the decision will be made available online at <http://landsales.alaska.gov/> and sent with an explanation of the appeal process to any party who provides timely written comment.

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

DEADLINE TO SUBMIT WRITTEN COMMENT IS 5:00 PM, WEDNESDAY, OCTOBER 28, 2020

IX. Alternatives and Discussion

DNR DMLW is considering the following alternatives:

Alternative 1: (Preferred) Survey and plat a subdivision consisting of 500 acres and creating up to 50 parcels varying in size no smaller than 4 acres and offer those parcels for sale. The development and offering of these parcels may be completed in multiple stages.

Alternative 2: Do not subdivide the project area prior to offering. Offer the project area parent tracts as created by ASCS Plat of Sections 11, 12, 13, & 14, T4N, R7W, CRM, filed July 15, 1983 in Chitina Recording District, Plat No. 83-23.

Alternative 3: (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.

Preliminary Decision

Small Lakes Subdivision – ADL 232662

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Alternative 1 provides a method for DNR to meet the obligations laid out in the Constitution and statute, and maximizes public interest. This offering provides an opportunity for the public to obtain land for settlement in a desirable area. This proposal, if approved in a subsequent Final Finding and Decision, will 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 recreation amenities of the area, location relative to Lake Louise, Susitna Lake, and Lake Louise Road, the proximity to existing residential private property, and development around habitat sensitive areas; the project area is better suited to subdivision prior to offering. Alternative 1 is preferred.

Alternative 2 does not maximize public interest and financial return to the State. Offering the project area's parent tracts limits the potential number of parcels, eliminates the opportunity to offer appropriate portions of parent tracts that have sensitive habitat, and denies many Alaskans the opportunity to purchase land in this desirable area. Alternative 2 is not preferred.

Alternative 3 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 goals. Not offering the project area would deny many Alaskans the opportunity to obtain land in an area that is suited to recreational residential settlement and consistent with the surrounding development.

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

Recommendation follows.

X. Recommendation

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

This is a Preliminary Decision, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed disposal of State lands. If the decision is approved, a Final Finding and Decision may be issued.

Signature on file

Prepared by: Terry Hess
Natural Resources Specialist III
Land Conveyance Section
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

9/16/2020

Date

Signature on file

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

9/16/2020

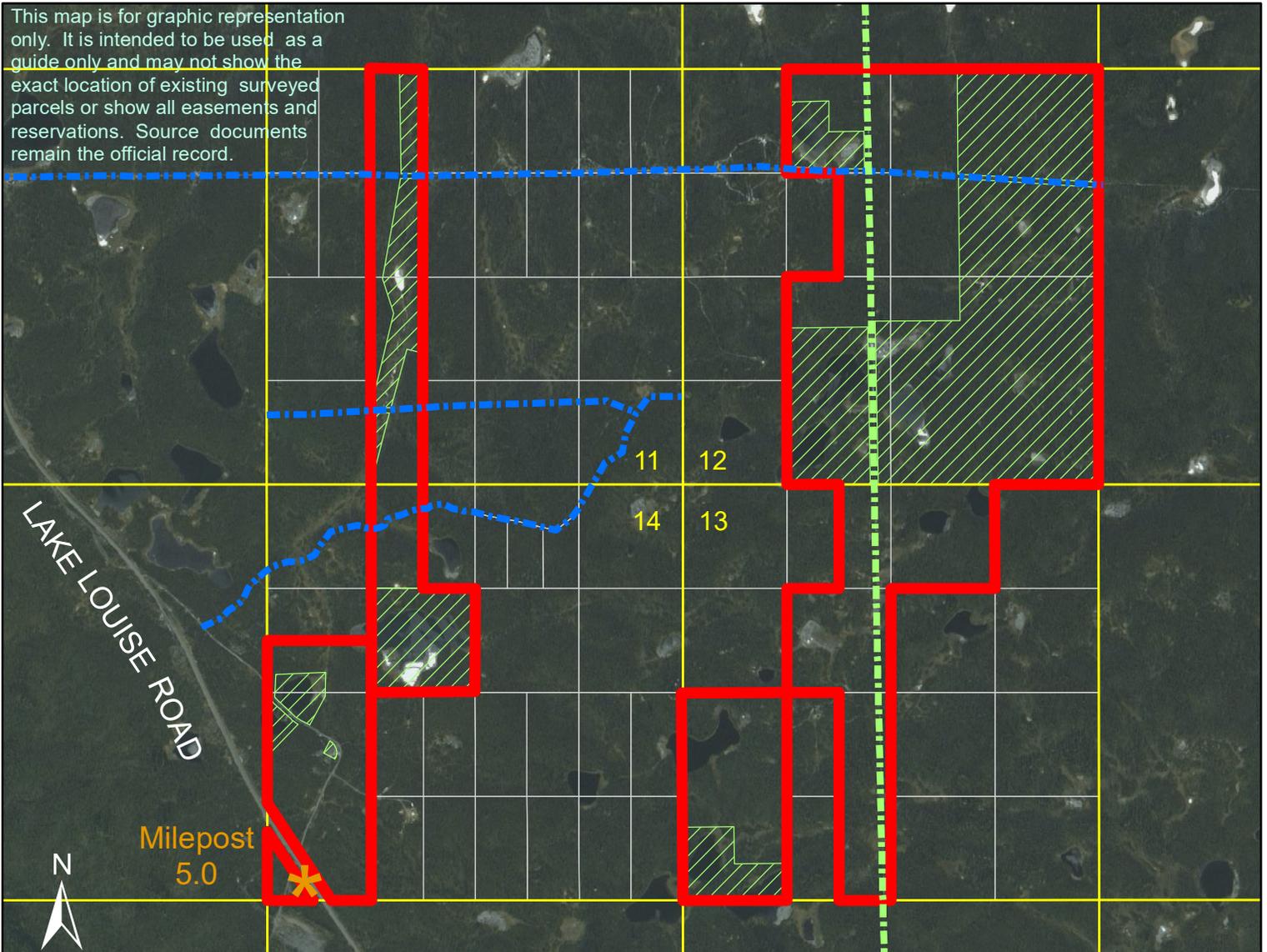
Date



Small Lakes Subdivision ADL 232662

Attachment A - Vicinity Map Within the Unorganized Borough

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



Legend

- Siesmic trail
- CL 60' Trail Esmt
- Project Area
- State Retained Lands
- Tracts

USGS QUAD 1:63,360

GULKANA (A-5) QUADRANGLE

For more information contact:

Terry Hess NRS III

Department of Natural Resources

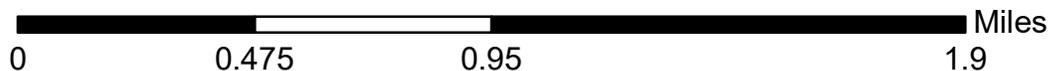
Division of Mining, Land, and Water

Land Conveyances Section

Phone 907.269.8591

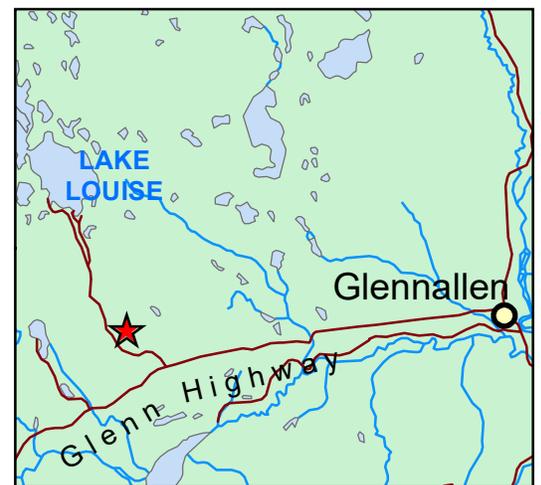
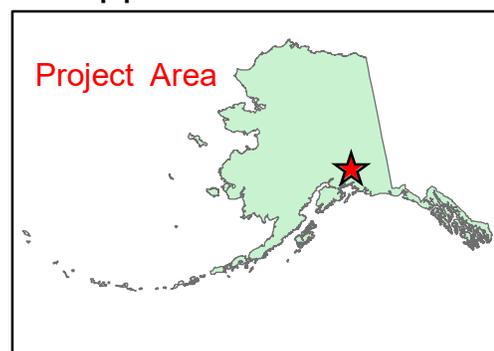
Fax 907.269.8916

Email: land.development@alaska.gov



Township 4 North,
Range 7 West
Sections 11, 12, 13, & 14
Copper River Meridian

See Plat 83-23, Chitina Recording District





Small Lakes Subdivision ADL 232662

Attachment A - ROW Vacation Detail Map

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



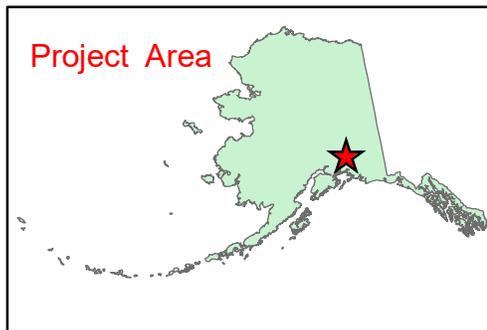
Legend

- Old Lake Louise Road CL
- ROW to be Dedicated
- ROW to be Vacated
- Project Area
- State Retained Lands

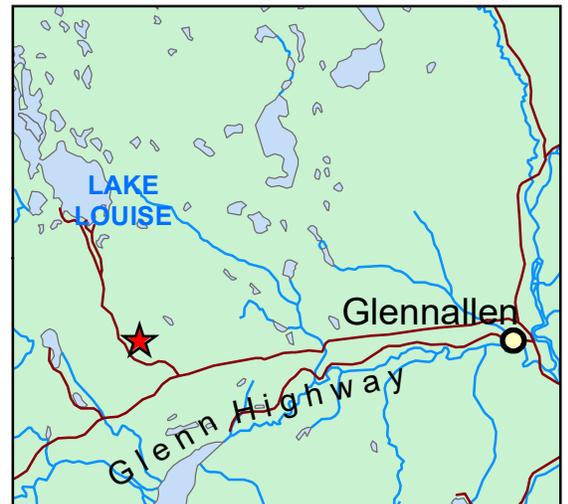
USGS QUAD 1:63,360
GULKANA (A-5) QUADRANGLE
 For more information contact:
 Terry Hess NRS III
 Department of Natural Resources
 Division of Mining, Land, and Water
 Land Conveyances Section
 Phone 907.269.8591
 Fax 907.269.8916
 Email: land.development@alaska.gov



Township 4 North,
 Range 7 West
 Sections 14
 Copper River Meridian



See Plat 83-23, Chitina Recording District



**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 Unorganized Borough
Small Lakes Subdivision – ADL 232662**

Offering Information	
Proposed Number of Parcels	Up to 50 parcels
Proposed Parcel Size	Varying in size no smaller than 4 acres.
Proposed Related Actions	None
Project Area	
Location	Approximately 10.5 miles south of Lake Louise and 31 miles west of Glennallen, at approximately 5-mile Lake Louise Road.
Project Area Acreage	Approximately 914 acres, approximately 500 acres proposed for development (net offering)
USGS Topography Map	USGS Quad Gulkana A-5
Legal Description	Tracts F & U Section 11; Tracts A, B, F, G, & H Section 12; Tracts B, C, G, M, & P Section 13; Tracts D, G, H, S, & T Section 14; Alaska State Cadastral Survey Plat of Sections 11, 12, 13, & 14, Township 4 North, Range 7 West, Copper River Meridian, Plat No. 83-23 Chitina Recording District.
Title	State-owned land. Patent 50-81-0166, September 14, 1981
Area Plan and Classification	Copper River Basin Area Plan (CRBAP) (adopted 1986), Management Region Lake Louise Road Area, subunit 5G. Subunit 5G has a primary land use designation of Settlement, and a secondary land use designation of Wildlife Habitat. The land is classified Settlement and Wildlife Habitat.
Mineral Orders	The project area is closed by MCO 324, Small Lakes.

Attachment B: Area Data Summary Table

for a Proposed Land Offering in the Unorganized Borough

Small Lakes Subdivision - ADL 232662

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Physical Characteristics	
Access	Lake Louise Road provides access to the southwest corner of subdivision. Access to parcels east of Lake Louise Road is by way of section line easements, trail easements in plat 83-23, and access easements reserved in State patents and sale contracts. Subdivision road and trail dedications will be included in the project area. There is a small staging area accessed by Old Lake Louise Road within Tract S of Section 14. DNR will retain this staging area for vehicle parking and to facilitate ATV and snow machine access to parcels to be created within the project area.
Terrain and Major Features	Topography is rolling hills with a generally northeast oriented ridge line ranging from 3100 to 3000 feet above sea level. Several small lakes are located within Sections 12-14.
View	Parcels may have distant view of the Wrangell Mountains to the east, and Chugach Mountains and Tazlina Glacier to the south.
Soils	DGGS geological map indicated the area is generally level glacial till deposits. Principal soils in the area range from well-drained silt loam over gravelly loam or sandy loam on hilly terrain, to poorly drained loam or silt loam with shallow permafrost tables in nearly level areas.
Wetlands	Wetlands are present around many small lakes with low depressed surrounding areas and poorly drained soils remaining wet from surface runoff most of the summer. Dredging or filling of wetlands may require a permit from the US Army Corps of Engineers.
Vegetation	Field investigation found thick, low brush made up of willows, blueberries, and bog berries with scattered black spruce throughout.
Water Source	Wells will likely be the primary water source, with some surface collection available. Water quality is unknown.
Anadromous Waters	None
Local Management Information	
Fire Protection	Full Fire Management Option as identified from the <i>Alaska Interagency Fire Management Plan</i> .
Game Management Unit	13A
Local Authority	The project area is within the Unorganized Borough and subject to the State of Alaska platting authority.
Flood Zone	Flood Information Rate Maps are not available for the project area.
Utilities	No known services exist within the project area.
Waste Disposal	No solid waste disposal facilities are available in the vicinity of the project area. All on-site wastewater disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.

Attachment B: Area Data Summary Table

for a Proposed Land Offering in the Unorganized Borough

Small Lakes Subdivision - ADL 232662

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Setbacks, Reserved Areas, Easements, and Conditions	
Building Setbacks	Parcels will be subject to a 100-foot building setback from the ordinary high water (OHW) of water bodies determined to be public or navigable in accordance with the area plan. Water-dependent structures may be allowed within the building setback.
Public Access and Utility Easements	Parcels may be subject to the following: <ul style="list-style-type: none"> • public access easements; • easement along existing trails as appropriate; • utility easements; • 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; • 50-foot-wide continuous easement upland from the OHW of public or navigable water bodies in accordance with <i>AS 38.05.127 Access To Navigable or Public Water</i>; and • 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
Retained Lands	DNR intends to retain tracts to be created: <ul style="list-style-type: none"> • around two lakes stocked by ADF&G: Round Lake and Old Road Lake; • around the existing small staging area located in Section 14 off of Old Lake Louise Road; and • around waterbodies and wetlands within Sections 11, 12, 13, and 14 as shown in the attached map.
Public or Navigable Water Bodies	Round and Old Road Lakes are stocked lakes and will be retained in State ownership. The lake in Tract H of Section 14 meets the definition of a public water, Tract H will be retained. There are several other small lakes within the project area. Most will be included within the lands retained in State ownership. If any water bodies adjacent to parcels are deemed public or navigable within the project area, parcels will be subject to statutory requirements to provide access to and along said water bodies.
Additional Information	
Native Regional Corporations	Ahtna Regional Corporation
Villages and Tribal Councils	Tazlina is approximately within 25 miles of the project area, however, its village corporation has merged into Ahtna Regional Corporation. The Native Village of Tazlina will be sent courtesy notice.
Oil and Gas Activity	None known.

Attachment B: Area Data Summary Table

for a Proposed Land Offering in the Unorganized Borough

Small Lakes Subdivision - ADL 232662

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Mining Activity	None known.
Comments	DNR completed State Cadastral Survey Plat in 1983, Plat #83-23 Chitina Recording District. The plat created several tracts for sale in Sections 11, 12, 13, & 14 Township 4 North, Range 7 West, Copper River Meridian. The plat reserved three 60-foot trail easements providing access from the Lake Louise Road, and the Old Lake Louise Road 200-foot ROWs located in the southwest corner of Section 14. LCS proposes dedicating all three easements where they exist within the project area. LCS proposes to vacate that portion of the Old Lake Louise Road 200-foot ROW within the project area and replace it with a 60-foot wide dedicated ROW. LCS also proposes to dedicate an easement along the existing trail in Section 24, from Lake Louise Road to the project area.

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

ATTACHMENT C: PUBLIC NOTICE

Requesting Input for
a Proposed Land Offering:
Small Lakes Subdivision – ADL 232662

COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, OCTOBER 28, 2020

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 document. The project may be subdivided and offered in multiple offerings over time.

Located within DNR's Southcentral Region, approximately 10.5 miles south of Lake Louise and 31 miles west of Glennallen, at mile 5 of Lake Louise Road. The project area is within Sections 11, 12, 13, & 14, Township 4 North, Range 7 West, Copper River Meridian, within the Unorganized Borough. The project area consists of approximately 914 acres of which approximately 500 acres are identified for disposal by this proposed action. See *Attachment A: Vicinity Map* for a depiction of the project area.

Project size: 914-acre project area with approximately 500 acres proposed development area.

To obtain the notice, Preliminary Decision, or instructions on submitting comment, go to <http://landsales.alaska.gov/> or <https://aws.state.ak.us/OnlinePublicNotices/>. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 10AM and 5PM in Anchorage at 907-269-8400, Fairbanks at 907-451-2705, or the Southeast Land Office in Juneau at 907-465-3400 (TTY for the hearing impaired for all locations: 711 for Alaska relay or 800-770-8973), or go to <http://dnr.alaska.gov/commis/pic/> for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, Wednesday October 21, 2020.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment on the Preliminary Decision. If commenting on more than one proposed action, separate comments should be submitted for each. **The deadline for public comment is 5:00PM, WEDNESDAY, OCTOBER 28, 2020.** Only persons from whom DNR DMLW LCS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Written comment may be received by fax, email, or postal mail. To submit comments or for direct inquiries, contact DNR DMLW Land Conveyances Section, 550 West 7th Avenue, Suite 640, Anchorage, AK 99501, fax # 907-269-8916, or contact Terry Hess by email at land.development@alaska.gov. If you have questions, call Terry Hess at 907-269-8591.

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

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