

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

PRELIMINARY DECISION
ADL 234752

Proposed Noncompetitive Sale to Public and Charitable Applicant
AS 38.05.035(e), AS 38.05.810(a)(1)

RELATED ACTIONS:
None Proposed

PUBLIC COMMENT PERIOD ENDS 3:00 PM, TUESDAY, JULY 14, 2026

I. Proposed Action

Preliminary Decision: Approval of Noncompetitive Public and Charitable Parcel Sale ADL 234752
Attachment A: Vicinity Map
Attachment B: Public Notice
Attachment C: Affidavit Acknowledging Condition of Lands and Releasing the State from Related Liability

Primary Proposed Action, Public and Charitable Use Sale: The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS), has received an application from the University of Alaska Board of Regents (UA) to purchase a parcel of state-owned land pursuant to Alaska Statute (AS) 38.05.810(a)(1) Public and Charitable Use. The proposed decision will allow the parcel to be sold to the applicant through a public and charitable use sale. The subject parcel is located within DNR's Southcentral Region at 1432 Bay Avenue, Homer, Alaska, Kenai Peninsula Borough. The parcel is approximately 0.25 acres. See *Attachment A: Vicinity Map* for a depiction of the subject parcel.

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 XVI. Submittal of Public Comments** and *Attachment B: Public Notice* for details on how to submit a comment for consideration. If, after consideration of timely, written comments, LCS moves forward with the proposal, a Final Finding and Decision (FFD) will be issued.

II. Authority

DNR has the authority under 38.05.810(a)(1) Public and Charitable Use, to lease, sell, or dispose of state-owned land to a state, federal, or political subdivision. AS 38.05.810(a) Public and Charitable Use states, "The commissioner shall ensure, by regulation, deed restriction, covenant, or otherwise, that disposals of land under this subsection serve a public purpose and are in the public interest."

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 2 of 12

AS 38.05.810(g) Public and Charitable Use, states “The commissioner shall retain a reversionary interest on each sale or other disposal granted under (a) or (e) of this section. The commissioner may waive the reversionary interest on a written determination that the waiver is in the public interest.” A reversionary interest is not needed in this case as the restrictions in the original deed will be carried over to the quitclaim deed to the University of Alaska. These restrictions already contain a reverter clause to the federal government. The authority to execute this waiver of reversionary interest has been delegated to the Director of the DMLW.

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.” The authority to execute this decision has been redelegated to the Section Chief of the DMLW Land Conveyance Section.

III. Administrative Record

The case file for Alaska Division of Lands (ADL) 234752 constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Kenai Area Plan (KAP, adopted January 7, 2000) and associated land classification files;
- DNR case files: OSL 1468

Also incorporated by reference are additional files and documents listed throughout this decision.

IV. Scope of the Proposal

The scope of this proposal, under the statutes described in the preceding **Section II. Authority**, is limited and specific to the following: (1) if the applicant and the subject parcel themselves qualify, (2) if it is in the State’s best interest to dispose of the subject parcel, (3) if it is in the State’s best interest to dispose of the subject parcel to the applicant, (4) if it’s in the State’s best interest to dispose of the parcel to the applicant at no cost and, (5) if it is in the State’s best interest to waive the reversionary clause.

The scope of this decision does not include the control of post-patent use and LCS does not intend to impose any additional deed restrictions for this purpose. Restrictions regarding land use will be handled by the local zoning authority, if any, and the existing deed restrictions.

V. Description

Location: The subject parcel is located within DNR’s Southcentral Region at 1432 Bay Avenue in the City of Homer, the Kenai Peninsula Borough, within Section 21, Township 6 South, Range 13 West, Seward Meridian. The parcel is approximately 0.25 acres. See *Attachment A: Vicinity Map* for additional information.

USGS Map Coverage: Seldovia C-5

Platting Authority: Kenai Peninsula Borough

Regional Corporation: Cook Inlet Region, Incorporated (CIRI)

Village Corporation: Ninilchik Natives Association Incorporated, Seldovia Native Association Incorporated

Federally Recognized Tribe: None

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 3 of 12

ANCSA Non-Profit: Cook Inlet Tribal Council, Incorporated

Other Native Organizations: Ninilchik Traditional Council, Seldovia Village Tribe

Legal Description:

Lot One Hundred Thirty-nine (139), Bayview Subdivision, according to Plat No. 53-839, in the Homer Recording District, Third Judicial District, State of Alaska.

Situated in the Homer Recording District.

VI. Title

The State received title to the land on June 22, 2000, via a Warranty Deed. The parcel was purchased from Beachy Construction, Inc. The State file is OSL 1468. No third-party interests have been identified. The parcel is subject to the reservations, easements, and exceptions contained in Warranty Deed dated June 22, 2000. An updated title report has been requested; if any concerns are discovered, they will be addressed in the FFD.

Retention of and Access to Mineral Estate: The State routinely reserves the mineral estate in accordance with Section 6(i) of the Alaska Statehood Act and AS 38.05.125 Reservation. However, this parcel was purchased under AS 16.05.050 with the assistance of the National Oceanic and Atmospheric Administration (NOAA). The deed requires all land interests remain with the project for which the land was purchased, the federally designated Kachemak Bay National Estuarine Research Reserve (KBNERR). UA is the designated agency for KBNERR. Therefore, both the land and mineral estate, known as fee simple or full estate, will be transferred to the UA.

Native Interest: The subject lot is within the boundaries of Cook Inlet Region, Incorporated (CIRI). Nearby native interests include Ninilchik Natives Association Incorporated, Seldovia Native Association Incorporated, Cook Inlet Tribal Council, Incorporated, Ninilchik Traditional Council, and Seldovia Village Tribe. There are no Native interests identified within this parcel.

Other Conflicts or Pending Third-Party Interest: Currently, there are no known conflicts or pending interests. If conflicts or third-party interests are discovered during this public notice period, they will be discussed in the FFD.

VII. Background and Discussion

On June 22, 2000, the Alaska Department of Fish and Game (ADF&G) purchased this parcel from Beachy Construction with the assistance of NOAA. Because of NOAA's assistance, a federal reverter clause is in the warranty deed. As part of the sale, Beachy Construction built the building per the request of ADF&G.

On May 26, 2011, DMLW issued an Acknowledgement of Authority, confirming this purchase.

On March 5, 2015, both the Commissioner of ADF&G and the UA Chancellor issued separate letters to the Governor, requesting the transfer of responsibility for KBNERR from ADF&G to UA. Governor Bill Walker approved the transfer of responsibility in a letter issued March 16, 2015. Additionally, on March 5, 2015, the ADF&G Commissioner issued a letter to NOAA that UA had agreed to manage and operate KBNERR and was pursuing the required Memorandum of Agreement (MOA) between UA and NOAA. The letter further stated that, upon execution of the MOA, ADF&G would transfer any remaining NOAA grant awards to UA.

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 4 of 12

NOAA and UA entered into a MOA detailing the state-federal roles in the management of KBNERR. NOAA signed the MOA on April 3, 2015, and UA signed it on April 7, 2015.

On December 10, 2024, UA applied for a public and charitable purchase of the property. A transfer of title to UA would be the final step in completing the transfer from NOAA to UA.

The structure on the property is wood frame construction, with T1-11 plywood siding and a composition shingle roof. There is a multiple-vehicle, covered carport on the street side of the building that connects to a covered porch over the entrance. The rear of the building has another covered porch near the entrance. The building has laboratory space, office, half bath, shop, utility loft and garage storage.

The past and current use is the same as the proposed use – as an office, laboratory, and equipment storage facility for KBNERR.

UA plans on upgrades once they have received ownership of the property. Known upgrades included replacing an oil heater and improving access to the attic storage. UA will have the building assessed for required upgrades (i.e. roof) and any deferred maintenance.

VIII. Planning, Classification, and Mineral Orders

Planning: While the subject parcel is located within the Kenai Area Plan, it is listed as private land. Therefore, there is no management intent or designation.

Land Use Classification: Since the parcel has no designation, it is unclassified. Under 11 AAC 55.040(i)(7), land does not need to be classified or reclassified to Settlement if conveyed under AS 38.05.810(a) to another state agency or to a municipality.

Mineral Order: A mineral order to close the mineral estate will not be needed as the mineral estate, along with the land estate, will be conveyed to UA. See **Section XI. Reservation of Mineral Estate** for more information.

Local Planning: According to 2018 Homer Comprehensive Plan, the parcel is in an area zoned General Commercial 1. This plan also supports the UA's current activities though the KBNERR and their planned expansion, which would lead to economic and cultural benefits. As the purchase of the parcel is part of the UA's planned expansion, it is supported by local planning.

Flood Risk: This parcel is in an area zoned "X", but outside the 0.2% annual chance floodplain.

IX. Traditional Use Finding

The subject parcel is located within the Kenai Peninsula Borough. Therefore, a traditional use finding is 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 **Section XVI. Submittal of Public Comments** and *Attachment B: Public Notice* for details on how to submit a comment.

X. Access, Including Access To and Along Public or Navigable Water

Public Access: Legal and constructed access to the subject parcel is Bay Avenue in the city of Homer.

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 5 of 12

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

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

Easements and Setbacks: Under AS 19.10.010 Dedication of Land for Public Highways, the application of a 50-foot section line easement is required on all protracted or surveyed section or township lines on State land. There are no provisions under the law to exclude this 50-foot section line easement dedication at conveyance or reconveyance back to the federal government. However, an affected landowner may, under 11 AAC 51.065 Vacation of Easements, file a request with DNR to vacate, modify, or relocate a section line easement.

The subject parcel is unaffected by any section lines and the accompanying easements. There are no easements dedicated on the plat. No other easements have been identified.

XI. Reservation of Mineral Estate

The federal government has a revert clause in the original deed that is implemented if the parcel is no longer used as part of KBNERR. NOAA has stated that transfer of the property does not extinguish NOAA's federal interest in the property, even if the reverter language in the original deed is not duplicated in the transferring deed. Separating ownership of the mineral estate from the land estate could trigger the reverter clause. The State may need to reimburse NOAA for the mineral estate.

UA has the authority to own both land and mineral estate. Therefore, it is in the best interest of the State to allow the mineral estate to stay with the parcel. Both the land and mineral estate, known as fee simple or full estate, will be transferred to the UA.

XII. Hazardous Materials and Potential Contaminants

There is a fuel tank on the parcel for heating oil. The tank was replaced in 2015 by UA. It is unknown if there is any contamination related to the fuel tank. There is no other known contamination of, or hazardous materials on, the subject parcel.

The applicant is expected to inspect the subject parcel to ascertain the quality and condition of the land. The State makes no representations and no warranties, expressed or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land proposed for conveyance to the applicant. The State does not assume any liability for the removal of hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances ever be identified.

The applicant will be required to submit an affidavit acknowledging the condition and history of the site prior to purchase and releasing the State from any liability in the future. This affidavit

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 6 of 12

releases the State from liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants and for the remediation of the site should such substances ever be identified. University of Alaska recognizes that the subject parcel is conveyed on an “as is” basis and in the condition of the conveyance. See *Attachment C: Affidavit Acknowledging Condition of Lands and Releasing the State from Related Liability*.

XIII. Survey

Preliminary Survey Determination #20265024 dated April 8, 2026, from the DMLW Survey Section determined that the subject parcel is unsurveyed. The subject parcel does not meet the State’s survey criteria for conveyance as there is insufficient monumentation to meet the requirements of 11 AAC 53.190. A Record of Survey will be sufficient to satisfy the State’s survey criteria and would not require platting authority approval.

UA may proceed to survey thirty-one days after the issuance of the FFD if no appeals are received, or when appeals are resolved. UA will need to identify a registered land surveyor and that surveyor needs to submit the Request for Survey Instructions form to DMLW along with required fees. DMLW’s Survey staff will review the instruction request and supply the required instructions to UA’s selected surveyor. After issuance of the survey Instructions, UA must submit a completed record of survey to DMLW’s Survey Section for review. The Record of Survey must be approved by DMLW as set forth in the survey instructions. The cost of the survey will be borne by UA.

XIV. Compensation/Appraisal

Pursuant to AS 38.05.810(a)(1) Public and Charitable Use, DNR may convey land to a state or federal agency or political subdivision, for less than the appraised value as determined by the director and approved by the commissioner to be fair and proper and in the best interests of the public, with due consideration given to the nature of the public services or function rendered by the applicant, and of the terms of the grant under which the land was acquired by the state.

As described in **Section VII. Background and Discussion** above, UA is planning to invest money into the property for needed upgrades to the building. DNR has evaluated the applicant’s status, the proposed project, and the proposed future investments to the property to be made by the applicant. It is determined that the purchase price of the property should be zero.

Additionally, NOAA has a reverter clause in the original deed, which will be included in the deed to the applicant. Should the property no longer be used for the purpose of the original purchase, UA will need to work with NOAA on how to dispose of, or re-purpose, the property. Any related costs to this process will fall to UA.

The applicant will not be required to complete an appraisal for the parcel if the conveyance is approved.

XV. DMLW and Agency Review

Information and comments received from multiple sections within DMLW prior to and during agency review have been considered and included in the preparation of this PD. The conveyance application documents were distributed for agency review from January 23, 2026, to February 20, 2026. The intent of an agency review is to request comments from agencies that may be affected by a conveyance decision. Agencies are given the opportunity to evaluate

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 7 of 12

and comment on this proposal. Additionally, agencies are requested to identify any stipulations that may be appropriate if the land is to be conveyed out of state ownership.

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

DNR Division of Parks and Outdoor Recreation and Alaska Department of Transportation and Public Facilities

DNR DMLW LCS response: LCS appreciates your review of this proposal.

Comment from DNR Division of Oil and Gas (DOG):

DOG has no objection and requests the oil and gas interest be retained.

DNR DMLW LCS response: The mineral estate, with the oil and gas rights, will not be retained as explained earlier in this decision.

Comment from DNR Division of Geology and Geological Survey:

There is a very high seismic hazard in the area. Standard best building practices should be used. This area has frequently been subject to ash fall from erupting Alaska Peninsula volcanoes. Radon levels are high. Any home, school, or building can have high levels of radon and should be tested.

DNR DMLW LCS response: Thank you for the information. The applicant will be made aware of these concerns through this decision.

Comment from Department of Environmental Conservation (DEC):

This conveyance is within 1500 feet of two active contaminated sites: Quicky Mart (Hazard ID 26110) and the former FAA Homer Facility (Hazard ID 25345). There are nine contaminated sites within 1500 feet that have completed clean up and are unlikely to impact this conveyance.

The former FAA Homer Facility is located at the Homer Airport. Groundwater is contaminated by petroleum hydrocarbons. However, groundwater generally flows towards Kachemak Bay and contamination is unlikely to migrate towards the abovementioned conveyance.

The Quicky Mart has remaining contamination present in the soil. Currently there is a work plan request from DEC to continue characterizing this site as it is unknown if contamination has reached groundwater. It is unlikely that groundwater contamination will have an impact on the land conveyance. However, some site conditions remain unknown.

DNR DMLW LCS response: Thank you for the information. The applicant will be made aware of these concerns through this decision.

Comment from NOAA:

Thank you for the opportunity to comment and for all of the work done regarding this conveyance. NOAA has no objection to the Alaska Dept of Fish and Game (ADF&G) transferring the subject property to the University of Alaska Anchorage (UAA) in furtherance of UAA's operation of the Kachemak Bay National Estuarine Research Reserve. The transfer between the State of Alaska instrumentalities does not extinguish NOAA's federal

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 8 of 12

interest in the property and the transferee agency is subject to the same use and disposition restrictions as the transferor agency. If you have any questions or require additional information, please let us know.

DNR DMLW LCS response: Thank you for the information.

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

- DNR Division of Agriculture
- DNR Division of Forestry
- DNR State Preservation Historic Office
- Alaska Department of Fish and Game
- U.S. Fish and Wildlife Service

XVI. Submittal of Public Comments

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

Pursuant to AS 38.05.945 Notice, LCS is issuing public notice inviting comment on this PD.

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 PD, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to any of the proposals will not be considered significant changes requiring additional public notice.

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

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

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

**DEADLINE TO SUBMIT WRITTEN COMMENT IS
3:00 PM, TUESDAY, JULY 14, 2026**

XVII. Stipulations, Restrictions, and Reservations

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

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 9 of 12

A notice to proceed with purchase will be issued if no appeals to the FFD are received, or when appeals are resolved. Within the time period specified in the notice to proceed with purchase, the applicant must submit the following to LCS:

1. After the issuance of the FFD, if no appeals are received or when appeals are resolved, the applicant may proceed with survey. Within two years from the issuance of the FFD, or the resolution of any appeals, the applicant must hire a registered land surveyor, and this surveyor must submit a Request for Survey Instructions form to DMLW's Survey Section along with the required fees. DMLW's Survey staff will review the instruction request and supply the required instructions to the applicant's selected surveyor.
2. Within two years after issuance of survey instructions, the applicant must submit a completed survey to DMLW's Survey Section for review. The applicant's survey must be approved by DMLW and the local platting authority, if needed, as set forth in the survey instructions. Survey costs shall be borne by the applicant.
3. Upon approval and recording of the survey, a notice to proceed to purchase will be issued to the applicant. The applicant must submit the following to LCS:
 - A signed and notarized Affidavit Acknowledging the Condition of the Land and Releasing the State from Related Liability due to the Presence of Potential Hazards
 - A completed and signed Declaration of Intent form.
 - Patent application and recordation fees are required. Fees are established under 11 AAC 05.100 Land Disposals and 11 AAC 05.200 Recorder's Office and are subject to change. Some fees have been reduced by Director's Order Number 3. A fee prescribed by 11 AAC 05.020(b) is waived for a federal, state, or municipal agency, except for recorder's office and uniform commercial code fees prescribed by 11 AAC 05.200 and 11 AAC 05.250, which are not waived.

If extenuating circumstances delay any of the stipulations listed above, the applicant is responsible for notifying LCS and receiving approval from LCS for the delay with new timeframes for completion to be given. Failure to do this could result in the closure of the purchase application. The purchase cannot be completed until all the above stipulations have been satisfied.

Restrictions and Reservations: The following are the restrictions and reservations in the original deed to the State. The only change is the Recipient is the University of Alaska, instead of the State of Alaska.

Title of the property conveyed by this deed shall vest in the University of Alaska ("the Recipient"), subject to the condition that the property shall remain part of Federally designated Kachemak Bay National Estuarine Research Reserve Project ("the Project"). In the event that the property is not needed by the Project, the National Oceanic and Atmospheric Administration or its successor agency shall consult with the Recipient before deciding to exercise any of the rights described below regarding the disposition of the property:

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 10 of 12

- (a) The Recipient may be required to transfer title to the Federal Government. In such cases, the Recipient shall be entitled to compensation computed by applying the Recipient's percentage of participation in the cost of the program or project to the current fair market value of the property;
or
- (b) At the discretion of the Federal Government, the Recipient may either
 - (1) be directed to sell the property and pay the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original project to the proceeds from the sale (minus actual and reasonable selling and fix-up expenses, if any, from the sale proceeds); or
 - (2) be permitted to retain title after paying the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original project to the current fair market value of the property. Fair market value for the property must be determined by an independent appraiser and certified by a responsible official of the State, as provided by Department of Commerce regulations 15 CFR Part 24, and Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally assisted programs at 15 CFR Part II;

Together with all buildings, fixtures and appurtenances thereto;

Subject to reservations, restrictions and easement of record, if any.

AS 38.05.810(g) Public and Charitable Use, states that the commissioner shall retain a reversionary interest on each sale or other disposal granted under AS 38.05.810(a) or (e) Public and Charitable Use unless the reversionary interest is waived. Since the existing reservations and restrictions have a reversionary interest to the federal government in the event that the parcel is no longer used as part of KBNERR, DNR does not need to place its own reversionary interest on the parcel. Therefore, DNR will waive the reversionary interest for this parcel as allowed under AS 38.05.810(g) Public and Charitable Use. The authority to execute this waiver of reversionary interest has been delegated to the Director of the DMLW.

XVIII. Discussion and Alternatives

The following alternatives were considered:

Alternative 1: Convey

Approve the proposed conveyance of the subject parcel to the applicant in accordance with AS 38.05.810(a)(1) Public and Charitable Use.

Alternative 2: Retain

DNR will take no action and retain the subject parcel. The University may continue to use the property per the MOA with NOAA.

Alternative 1 will mitigate costs related to the management of the parcel, including the land and the buildings. The conveyance of the parcel allows the improvements to be maintained by the applicant and provides the applicant assurances required for future planning and improvement to the property. Therefore, it is in the best interest of the State to sell the parcel as proposed in this decision.

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 11 of 12

Article VIII, Section 1 of the Alaska Constitution states, “it is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest.” Alternative 1 provides a method for DNR to meet the obligations laid out in the Constitution and statute, and supports DNR’s goal of providing land that supports economic growth to the local community. This is the preferred alternative.

Under Alternative 2, the State would need to expend resources managing the land and buildings. The applicant is currently using the land and improvements. The buildings are in need of maintenance and upgrades. Detriment will occur to the applicant if the applicant is unable to maintain the current buildings. Retaining the subject parcel in DNR’s ownership is not in the best interest of the State. This alternative is not preferred.

For the reasons outlined above, Alternative 1 is the preferred alternative. The sale of the subject parcel is beneficial to both the State and to the prospective applicant. The sale allows the applicant full authority to manage and upgrade the improvements. It provides maximum use for the public benefit, and it supports the long-term growth and development of the local community.

Recommendation follows.

Preliminary Decision

AS 38.05.810 – ADL 234752

Page 12 of 12

XIX. Recommendation and Preliminary Decision

This Preliminary Decision for the proposed disposal of State lands described throughout this document is consistent with the overall management intent for state-owned land and consistent with the requirements of AS 38.05.810(a)(1) Public and Charitable Use. Alternative 1 is the preferred alternative because it is the maximum best use of state land, addresses a land claim under public and charitable statutes, and helps meet the mission of the division.

This is a PD, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed disposal of state lands. A Final Finding and Decision will address any significant issues or concerns during the public review process. If the applicant is unable to complete the stipulations, DMLW may decide to close this application.

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.



June 11, 2026

Recommended by: Kathryn Young
Natural Resource Specialist 3
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska

Date



June 11, 2026

Approved by: Hannah Uher-Koch
Section Chief
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska

Date



Attachment A: Vicinity Map

University of Alaska, ADL 234752, under AS 38.05.810

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

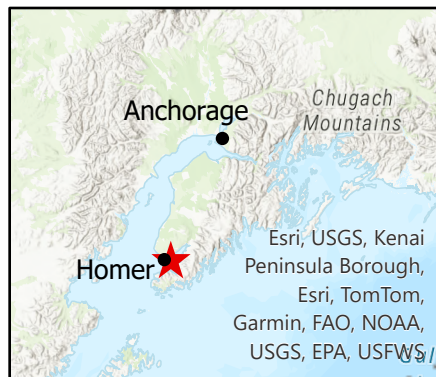


Section 21, Township 6 South, Range 13 West, Seward Meridian

USGS Quad 1:63,360 Seldovia C-5

For more information contact:
Kathryn Young
 Department of Natural Resources
 Division of Mining, Land and Water
 Land Conveyance Section
 Phone: 907-269-8574
 Fax: 907-269-8916
 Email: kathryn.young@alaska.gov

KY 1/22/2026



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

Attachment B: PUBLIC NOTICE

**Requesting Input for Proposed Noncompetitive Sale to
Public and Charitable Applicant – ADL 234752**
AS 38.05.810(a)(1)

COMMENT PERIOD ENDS 3:00 PM, TUESDAY, JULY 14, 2026

The Alaska Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) is conducting a public notice for a noncompetitive land sale located at 1432 Bay Avenue, Homer, Alaska. The legal description for the parcel is Lot 139, Bay View Subdivision, according to Plat No. 53-839, in the Homer Recording District, Third Judicial District, State of Alaska.

To obtain the notice, Preliminary Decision (PD), or instructions on submitting comment, go to <https://dnr.alaska.gov/mlw/landsales/> 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 8:30 AM and 4:00 PM in Anchorage at (907) 269-8400 or Fairbanks at (907) 451-2705 or the Southeast Land Office in Juneau at (907) 465-3400 or TTY: 711 for Alaska Relay or 1-800-770-8973 or go to <https://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, July 7, 2026.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comments on the Preliminary Decision. **The deadline for public comment is 3:00 PM, TUESDAY, JULY 14, 2026.** Only persons from whom DNR DMLW LCS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision (FFD). Written comment may be received by fax, email, or postal mail. To submit comments or for direct inquiries, contact Kathryn Young by mail at 550 West 7th Ave, Suite 640, Anchorage, AK 99501 or by fax at (907) 269-8916 or by email at kathryn.young@alaska.gov email. If you have questions, call Kathryn Young at (907) 269-8574.

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

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

ATTACHMENT C

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

**AFFIDAVIT ACKNOWLEDGING CONDITION OF LANDS
AND RELEASING THE STATE FROM RELATED LIABILITY**

ADL 234752

We, the University of Alaska Board of Regents, whose address is 1815 Bragaw Street, Suite 101, Anchorage, AK, 99508, being first duly sworn under oath, state and declare as follows:

- 1) We are the fee simple, patent purchasers of state-owned lands that we have heretofore had an agreement with the National Oceanic and Atmospheric Administration (NOAA) to utilize the state-owned lands for the federally designated Kachemak Bay National Estuarine Research Reserve (KBNERR). The legal description of the land we are acquiring (hereinafter "the acquired property") is as follows:

Lot One Hundred Thirty-nine (139), Bayview Subdivision, according to Plat No. 53-839, in the Homer Recording District, Third Judicial District, State of Alaska.

- 2) As manager of the acquired property since 2015, we have long been aware of the history and condition of the site.
- 3) We accept full responsibility for any claim, cause of action, liability, required remedial action, or required response action arising in connection with any contamination. In the event of any such claim or action we agree to hold the State of Alaska and the Department of Natural Resources (DNR) harmless. Further, we release DNR from any liability arising in connection with any contamination.

AFFIDAVIT ACKNOWLEDGING CONDITION OF LANDS
AND RELEASING THE STATE FROM RELATED LIABILITY

ADL 234752

Sworn and affirmed this ____ day of _____, 2026, in _____, Alaska.

Signature of signing authority for the University of Alaska Board of Regents

Printed Name Title

Signature Date

STATE OF ALASKA)
) ss.
_____ Judicial District)

THIS IS TO CERTIFY that on the _____ day of _____, 2026, before
me personally appeared _____ known to me to be the
person executing this affidavit and acknowledged voluntarily signing the same.

Notary Public in and for the State of Alaska
My Commission Expires: _____

STATE BUSINESS - NO CHARGE

RETURN TO:
**Land Conveyance Section
DNR Division of Mining, Land and Water
550 W, 7th Ave. Suite 640
Anchorage, AK 99501**