

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

**PROPOSED AMENDMENT to the FINAL FINDING and DECISION**  
**ADL 416375**

**Proposed Release of Reversionary Interest**  
AS 38.05.035(e), AS 38.05.810(g)

**Related Actions**  
None

**PUBLIC COMMENT PERIOD ENDS 3:00 PM, WEDNESDAY, JULY 1, 2026**

**I. Proposed Action**

*Proposed Amendment to the Final Finding and Decision: Proposed Release of Reversionary Interest for Maniilaq Association – ADL 416375*  
*Attachment A: Vicinity Map*  
*Attachment B: Public Notice*

Primary Proposed Action: The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS), proposes to remove the reversionary interest on the remaining 3.45 acres, more or less, of land that was conveyed to Maniilaq Association. The subject parcel is located along 5<sup>th</sup> Avenue in Kotzebue, Alaska, within Section 3, Township 17 North, Range 18 West, Kateel River Meridian. See *Attachment A: Vicinity Map* for a depiction of the project area.

The subject parcel was conveyed through Quitclaim Deed (QCD) 1424 pursuant to AS 38.05.810(a)(3) Public and Charitable Use, which requires the State to retain a reversionary interest unless formally waived by the Commissioner through a written decision. The reversionary interest was removed from 0.5 acres, more or less, of the subject parcel under Quitclaim Release No. 1 of QCD 1424, and this decision proposes removal of the reversionary interest from the remaining 3.45 acres, more or less, 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 Proposed Amendment to the Final Finding and Decision.

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

**II. Authority**

DNR has the authority under AS 38.05.810(a)(3) Public and Charitable Use, to sell or dispose of state land to a tax-exempt, nonprofit corporation...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 38.05.810(a) Public and Charitable Use, states,

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"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."

AS 38.5.810(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."

AS 38.05.035(e) Powers and Duties of the Director, gives DNR the authority to sell state land if, on preparation and issuance of a written finding, it is determined to be in the best interest of the State. Article VIII, Section 1, of the Alaska Constitution states, "It is the policy of the state to encourage settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest."

### III. Scope of the Proposal

The scope of this proposal, under the statutes described in the preceding section **II. Authority**, is limited and specific to determining if it is in the State's best interest to waive the reversionary interest, contained in QCD 1424, for the remainder of the subject parcel. Restrictions regarding land use will be handled by the local zoning authority, if any.

### IV. Description

- a. Location: The subject parcel is located within DNR's Northern Region, in Kotzebue, Alaska, in the Northwest Arctic Borough, within Section 3, Township 17 North, Range 18 West, Kateel River Meridian. See *Attachment A: Vicinity Map* for additional information.

*USGS Map Coverage*: Kotzebue D-2

*Geographic*: Northwest Alaska

*Borough/Municipality*: Northwest Arctic Borough

*Regional Native Corp.*: NANA Regional Corporation

*Federally Recognized Tribe*: Native Village of Kotzebue

*Village Corporation*: Kikiktagruk Inupiat Corporation

*ANCSA Non-Profit*: Maniilaq Association

- b. Legal Description: THAT PORTION OF TRACT 9, U.S. SURVEY NO. 2645 IN THE FAIRBANKS RECORDING DISTRICT, FOURTH JUDICIAL DISTRICT, STATE OF ALASKA, DESCRIBED AS FOLLOWS:

FROM CORNER NO. 1, U.S. SURVEY 2645; THENCE NORTH 43°56'30" EAST ALONG THE WEST BOUNDARY OF SAID SURVEY, A DISTANCE OF 35.00 FEET; THENCE SOUTH 45°54' EAST, A DISTANCE OF 610.00 FEET TO CORNER NO. 1 PIONEER HOME SITE AND POINT OF BEGINNING; THENCE NORTH 43°56'30" EAST A DISTANCE OF 520.00 FEET; THENCE SOUTH 45°54' EAST A DISTANCE OF 380.00 FEET; THENCE SOUTHWESTERLY ALONG A CURVE TURNING TO THE RIGHT ON A RADIUS OF 2600 FEET AND A LENGTH OF 526.77 FEET, SAID CURVE TO HAVE A CHORD DISTANCE OF 525.90 FEET AND BEARING OF SOUTH 52°41'29" WEST; THENCE NORTH 45°54' WEST A DISTANCE OF 300.00 FEET TO THE POINT OF BEGINNING, CONTAINING 172,123 SQUARE FEET, MORE OR LESS;

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EXCEPTING THEREFROM LOT 5B2-B, BLOCK 2, TRACT 9, US. SURVEY NO. 2645, ACCORDING TO THE SURVEY PLAT RECORDED IN THE KOTZEBUE RECORDING DISTRICT ON OCTOBER 17, 2005, AS PLAT 2005-6, CONTAINING 21,875 SQUARE FEET, MORE OR LESS;

AGGREGATING 150,248 SQUARE FEET, MORE OR LESS.

### **V. Background and Discussion**

The State of Alaska conveyed 3.95 acres, more or less, of land to the Maniilaq Association pursuant to AS 38.05.810(a)(3) Public and Charitable Use. The conveyance was issued by QCD 1424 on May 22, 2000. Consistent with AS 38.05.810(g) Public and Charitable Use, the State retained a reversionary interest due to the public purpose requirement of land conveyed under AS 38.05.810(a)(3) Public and Charitable Use.

On November 7, 2005, DNR received a request from Maniilaq Association to remove the reversionary interest from 0.5 acres of the QCD 1424 parcel. The Maniilaq Association received Housing and Urban Development (HUD) funding for Tupqich Elder Apartments; HUD considered the reverter clause an unacceptable encumbrance that could impair marketable title. The Maniilaq Association was concerned their funding source for senior housing would be lost unless the reversionary clause was removed as requested. DNR issued a Final Decision on Amendment to the Final Finding and Decision on January 30, 2006, approving removal of the reversionary interest for the 0.5 acres of the subject parcel. The reversionary interest was removed from the QCD for the 0.5 acres through State of Alaska Quitclaim Release No. 1, QCD 1424 on April 4, 2006. See *Attachment A: Vicinity Map* for location information.

On April 28, 2026, LCS received a formal request from the Maniilaq Association to release the reversionary interest for the remaining 3.45 acres conveyed under QCD 1424, the subject parcel of this proposed decision. As Maniilaq Association stated in their request, "Maniilaq is currently advancing plans for a Patient Housing Project, which is critical to improving access to healthcare services for residents across Northwest Alaska." Maniilaq Association's funding sources consider the reversionary interest an encumbrance and have indicated that financing may be jeopardized unless the reverter is removed. Maniilaq Association is concerned about losing the funding source required for the Patient Housing Project unless the reversionary interest is removed from the remainder of the subject parcel.

### **VI. Submittal of Public Comments**

**See *Attachment B: Public Notice* for specific date and conditions**

Pursuant to AS 38.05.945 Notice, LCS is issuing public notice for comment on this Proposed Amendment to the Final Finding and Decision.

In accordance with AS 38.05.946(a) Hearings, a municipality or corporation entitled to receive notice under AS 38.05.945(c) Notice, 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 Proposed Amendment to the Final Finding and Decision, additional public notice for the affected land 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.

## **Proposed Amendment to the Final Finding and Decision**

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If the proposal is approved and no significant change is required, the Proposed Amendment to the Final Finding and Decision, including any deletions, minor changes, and summary of comments and LCS responses will be issued as a subsequent Final Decision on Amendment to the Final Finding and Decision 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 Final Decision on Amendment to the Final Finding and Decision. Upon approval and issuance of a Final Decision on Amendment to the 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 DNR's Public Information Center. For more information, refer to the attached Public Notice.

### **DEADLINE TO SUBMIT WRITTEN COMMENT IS**

**3:00 PM, WEDNESDAY, JULY 1, 2026**

## **VII. Discussion and Alternatives**

The following alternatives were considered:

### Alternative 1: Release

Approve the release of the reversionary interest from the remainder of the subject parcel.

### Alternative 2: Retain

DNR will reject the request for release of the reversionary interest, and the reversionary interest will remain with the subject parcel.

Alternative 1 will allow a non-profit, tax-exempt entity to expand their patient housing. This will support a local public interest and provide critical patient housing in Kotzebue, the hub of the Northwest Arctic Borough. LCS has determined that the Patient Housing Project meets the definition of a public purpose under 11 AAC 98.010 and is consistent with AS 38.05.810(a)(3) Public and Charitable Use. Therefore, it is in the best interest of the State to remove the reversionary interest from the remainder of the subject parcel as proposed in this decision.

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 maximizes public interest. This is the preferred alternative.

Under Alternative 2, DNR will retain the reversionary interest on the subject parcel. If the State chooses this alternative, the requester may lose a funding source for critical patient housing at a regional health facility.

For the reasons outlined above, Alternative 1 is the preferred alternative.

Recommendation follows.

**Proposed Amendment to the Final Finding and Decision**

AS 38.05.810(g) Maniilaq Association - ADL 416375

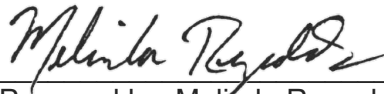
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**VIII. Recommendation and Proposed Amendment to the Final Finding and Decision**

This Proposed Amendment to the Final Finding and Decision for the proposed release of the reversionary interest on land described throughout this document is consistent with AS 38.05.810(g) Public and Charitable Use. Alternative 1 is the preferred alternative because it will support a local public interest and is in the best interest of the public. Alternative 1 will allow Maniilaq Association to secure funding to provide patient housing for the local and regional community.

This is a Proposed Amendment to the Final Finding and Decision, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed release of the reversionary interest. A Final Decision on Amendment to the Final Finding and Decision will address any significant issues or concerns during the public review process.

The Proposed Amendment to the Final Finding and 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.



Prepared by: Melinda Reynolds  
Natural Resource Specialist  
Land Conveyance Section  
Division of Mining, Land and Water  
Department of Natural Resources  
State of Alaska

May 29, 2026

Date



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

May 29, 2026

Date



**Maniilaq Association**  
**ADL 416375**

**Vicinity Map: Attachment A**  
Proposed Release of Reversionary Interest  
Pursuant to AS 38.05.810(g)

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.

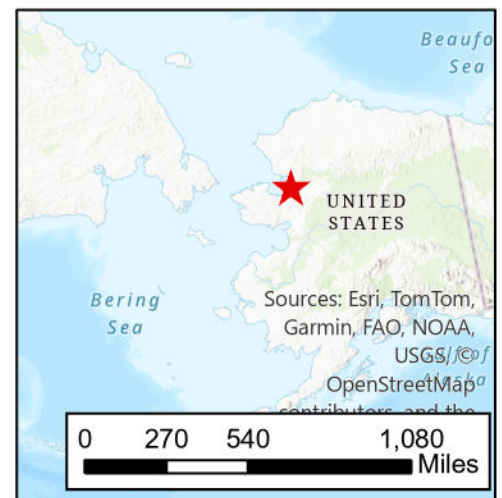


**Section 3, Township 17 North,  
Range 18 West,  
Kateel River Meridian**

USGS Quad 1:63,360 Kotzebue D-2

For more information contact:  
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Department of Natural Resources  
Division of Mining, Land and Water  
Land Conveyance Section  
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MJR 5/13/2026



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

**Attachment B: PUBLIC NOTICE**

**Requesting Input for Proposed Release of Reversionary Interest for  
Maniilaq Association - ADL 416375  
AS 38.05.810(g)**

**COMMENT PERIOD ENDS 3:00 PM, WEDNESDAY, JULY 1, 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 Public and Charitable Reversionary Interest Release located in Kotzebue, Alaska. The parcel is located within Section 3, Township 17 North, Range 18 West, Kateel River Meridian, containing 3.45 acres, more or less, that portion of Tract 9, U.S. Survey No 2645 in the Fairbanks Recording District, Fourth Judicial District, State of Alaska.

To obtain the notice, Proposed Amendment to the Final Finding and Decision, 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, Wednesday, June 24, 2026.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comments on the Proposed Amendment to the Final Finding and Decision. **The deadline for public comment is 3:00 PM, WEDNESDAY, JULY 1, 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 Decision on Amendment to the Final Finding and Decision. Written comment may be received by fax, email, or postal mail. To submit comments or for direct inquiries, contact Melinda Reynolds by mail at 550 West 7<sup>th</sup> Ave, Suite 640, Anchorage, AK 99501 or by fax at (907) 269-8916 or by email at [melinda.reynolds@alaska.gov](mailto:melinda.reynolds@alaska.gov). If you have questions, call Melinda Reynolds at (907) 269-8851.

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

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