

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

FINAL FINDING AND DECISION

of a
Land Offering in the Unorganized Borough
Mukluk Subdivision – ADL 421095
AS 38.05.035(e), AS 38.05.045

This Final Finding and Decision (FFD) complements and updates the Preliminary Decision (PD) dated November 22, 2019. The PD (attached) had the required public review.

I. Recommended Action(s)

The State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW), Land Sales Section (LSS) recommends offering for sale State-owned land for private ownership within the Mukluk Subdivision project area (ADL 421095), as described in the PD. Surveyed parcels will be offered for future sale by a method under *AS 38.05.045 Generally*.

For the purposes of providing land for settlement in the Mukluk Subdivision project area, DNR may develop a subdivision of no more than 150 parcels. This 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 may be subdivided and offered in multiple stages.

There are no related actions with this proposal.

II. 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 provides: "It is the policy of the State to encourage the settlement of its land and 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*.

III. Public Participation and Input

All state requirements for public notice and public comment input have been met as covered in detail in **Section V. Summary of Public Notice and Comments**. Further information may lead to alterations of design of this project within the parameters set forth through this decision. Should this project be approved, final subdivision design and survey will be completed by an Alaska licensed surveyor.

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Within an organized borough or local platting authority, platting ordinances typically provide for an additional opportunity for review and comment on proposed platting actions. The scope of such a review is limited and specific to review of the project's adherence to the local platting ordinance, and is the sole prerogative of a political subdivision of the State which establishes platting authority and the applicable ordinances governing such actions.

The Mukluk Subdivision project is within the Unorganized Borough and outside of any local platting authority. However, in an effort to provide additional opportunity for public participation and input, if it is determined to be feasible and practical, DMLW may hold courtesy meetings during the development of a project. DMLW conducted a Public Open House in Tok on December 9th, 2019 during the public comment period, to share and receive information about the proposed Mukluk Subdivision.

Input received at the Public Open House included emphasis on fire concerns in the project area and the potential consequences of an increased population due to additional development. These issues are addressed in the **Summary of Public Notice and Comments** below, as similar issues were raised in the written comments. In addition, those who attended the Public Open House expressed a preference for rectilinear subdivision designs instead of curved lines.

IV. Traditional Use Findings

In accordance with *AS 38.05.830 Land Disposal in the Unorganized Borough*, a Traditional Use Finding is required for project areas within the Unorganized Borough. This project area is within the Unorganized Borough. As discussed in the PD, 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 private-property owners. No conflicts with traditional uses of the land have been discovered. Public review brought forth no new information indicating traditional use conflicts that were not apparent at the PD stage.

V. Summary of Public Notice and Comments

Pursuant to *AS 38.05.945 Notice*, public notice inviting comment appeared on the State of Alaska Online Public Notices website at <https://aws.state.ak.us/OnlinePublicNotices/> and was posted on the DNR DMLW LSS website at http://dnr.alaska.gov/mlw/landsale/public_notice/ for the entire public notice period.

Notification and decision copies were sent directly to area state legislators and to multiple state agencies. Public notice was sent to other interested entities including landowners in the vicinity of the offering; additionally, parties were notified via the DNR Land Sales subscribers lists by email. Notices were mailed to the Doyon Regional Corporation per *AS 38.05.945(c)(2)-(3)*. Additionally, notices and a request to post were sent to postmasters and librarians in the vicinity of the offering.

The public notice stated that written comments were to be received by 5:00PM, January 7, 2020 in order to ensure consideration and eligibility to appeal. For more information, refer to the PD.

DNR DMLW LSS received comments from the State of Alaska Department of Fish and Game (ADF&G), and Alaska Power & Telephone Company (AP&T). The Alaska Mental Health Trust

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Land Office and Alaska Department of Transportation & Public Facilities sent in comments of no objection. All comments received during the public comment period are summarized below.

ADF&G Comment: ADF&G reviewed the Preliminary Decision and felt that their comment from the previous agency review was adequately considered. In addition, they suggested that the northeast 1/4 of Section 27 be retained in state ownership. Within this 1/4 section, there is a 20-acre clear cut (southwest of the intersection of Borealis Ave and Scoby Way) that was put in by DNR Division of Forestry (DOF) to act as a fire break and staging/evacuation area in the event of a wildfire. In addition to wildlife safety, the clear cut provides habitat for a variety of wildlife species, including a browsing location for moose and lekking site for sharp-tailed grouse.

DNR DMLW LSS Response: Thank you for taking the time to submit a comment. LSS will retain a portion of the northeast 1/4 of Section 27, Township 18 North, Range 12 East in state ownership to be used for wildfire protection. This is included in the **Modifications to the Decision and/or Additional Information** section below.

AP&T Comment: AP&T does not object to the proposed land offering. AP&T requires 30-foot utility easements for primary power and telecommunication lines, 15-foot easements for secondary lines, and at minimum an additional 40-foot radius as needed for anchoring purposes. Additional poles and anchoring systems are required wherever there are curves in the layout of the subdivision design.

DNR DMLW LSS Response: Thank you for taking the time to submit a comment. We will take this information into account when choosing our subdivision design.

LSS received comment from five private individuals. LSS has grouped the and responded to the comments into the following categories:

Comments regarding concerns due to increased wildfire and land for fire suppression operations: Four comments were received addressing concerns about lack of land for fire suppression efforts and operations in Tok. One of these comments was concerned about lack of fire support and high fire insurance premiums in the southern portion of the project area, near Goshawk Road.

DNR DMLW LSS Response: We understand the importance of fire safety in the Tok area and continue to coordinate with DOF Tok Area Forestry. DMLW is working with DOF to maximize reduction of fuel and protect against wildfire in the project area. Due to public concern and, in part, the distance from fire support in the southern portion of the project area, LSS is removing the portions of Section 23 and 26, Township 17 North, Range 12 East containing approximately 386 acres from the Mukluk Subdivision project area. This is included in the **Modifications to the Decision and/or Additional Information** section below.

Comments regarding concerns about recent land sales undeveloped: Two comments were received expressing concern about recent land sales (Tok Triangle subdivisions) adjacent to the project area remaining undeveloped and purchased by nonlocal residents.

DNR DMLW LSS Response: Thank you for your comments. Past Land Sales programs, such as the Homesite and Homestead programs, required property owners to “prove-up” and develop their land within a certain number of years. These programs had high failure

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rates and led to the current land sales programs, which provide the opportunity for property owners to choose whether to develop. DNR cannot legally require that land be sold to local residents; however, within the current competitive land sales program, land within the proposed Mukluk project area will be first offered in a public sealed bid auction to Alaska Residents only. Land not sold at auction becomes available for sale over the counter, which is open to the general public (including out-of-state and international customers). In the recent land sales in the Tok area (the Tok Triangle subdivisions), many of the parcels for sale were sold in the auction to Alaskan residents, both local and nonlocal.

Comments regarding concerns about increased stress on the existing infrastructure of Tok:

Two comments were received addressing concerns about the increased stress put upon the existing infrastructure of Tok due to additional land sales and increased population.

DNR DMLW LSS Response: It is noted in previous comments that many of the recently sold parcels adjacent to the proposed project area have not been immediately developed. As written in the PD, LSS intends to subdivide and offer land in the project area in multiple stages. This will help to avoid a sudden increase in population. As the purchased parcels are gradually developed, property owners and new members of the community may assist in development and maintenance of infrastructure.

Comments regarding land to be set aside for public use, such as schools, community centers, and recreation: Two comments were received expressing interest in reserving state land for public uses, such as schools, fire departments, community centers, and recreational activities.

DNR DMLW LSS Response: Thank you for your comments. Regarding retained land for potential fire services, LSS intends to retain a portion of the northeast 1/4 of Section 27, Township 18 North, Range 12 East in State ownership. Regarding recreational activities, trails in use throughout the project area will be incorporated into subdivision design, as appropriate.

Regarding retaining land for other public uses, under *AS 38.05.810(b)-(d)* land can qualify for a non-competitive lease or sale to a non-profit corporation, association, club, or society operated for charitable, religious, scientific, or educational purposes, or for the promotion of social welfare, or a youth encampment. Applications to lease or purchase land for Public/Charitable Use are available at DNR DMLW Public Information Centers in Fairbanks and Anchorage.

Currently, Tok is an unincorporated community within the Unorganized Borough, of which DNR is the platting authority. In the event that the community of Tok chooses to incorporate, the newly formed local government would receive land entitlements which can be used for public services, such as those described in the above comment.

Comment: The commenter noted that there is no indication that there will be any power or further development of roads in this area.

DNR DMLW LSS Response: As stated in the PD, LSS intends to coordinate with DNR DOF Tok Area Forestry to brush subdivision rights-of-ways (ROWs) and section lines, which will reduce vegetation (less fuel for wildfires) and may provide additional access in the project area. Also stated in the PD, subdivision design will include utility easements. Once land is purchased, property owners may choose to extend power to their parcels.

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Comment: The commenter suggested land sales north of Tok, rather than additional land sales south of Tok.

DNR DMLW LSS Response: As LSS can only offer land classified as settlement, this limits opportunities for land offerings north of Tok. Pursuant to conversations with DOF, the area immediately north of Tok, adjacent to the Alaska Highway has dense fuel loads which present high fire concerns. However, the proposed Mukluk project area is adjacent to several cleared areas and fuel breaks, providing some protection from wildfires. In addition, the proposed project area is adjacent to land which has sold well in recent offerings.

Comment: The commenter stated that additional State land sales would depress prices in the area.

DNR DMLW LSS: Parcels will be offered for sale at the appraised market value, and are typically offered over multiple years as opposed to in a single offering to avoid flooding the market in the area and help preserve current values.

Comment: The commenter stated that they purchased a large parcel adjacent to the project area several years ago because the remoteness of the area was appealing. They expressed concern that with the proposed land offering the remoteness of the area will be lost, and traffic, infrastructure, and noise will increase along with potential security hazards. They questioned the State of Alaska's (SOA) motive for land offerings in the project area and felt that it is not in the best interest of the residents.

DNR DMLW LSS: Thank you for your comment. As stated in the PD, LSS intends to offer large parcels sizes to allow for lower density development, minimizing the impact of increased traffic, infrastructure, and noise that additional land sales may bring. Prior SOA land sales created much of the private land surrounding the proposed Mukluk Subdivision and this land offering will provide the same opportunity to future purchasers. Though not expressed in the written comments or at the Public Open House held for the proposed Mukluk Subdivision, there has been public interest for land offerings in Tok. In last year's spring auction (Auction #486), majority of parcels up for sale in Tok were purchased with sealed bids by Alaskan residents, providing many Alaskans the opportunity to reside and recreate in their own piece of Alaska.

VI. Modifications to Decision and/or Additional Information

Pursuant to public comment, field inspection, coordination with DOF Tok Area Forestry, the recommended action has been modified from the original proposed action described in the Preliminary Decision to reduce the project area to:

- Section 27, Township 18 North, Range 12 East, Copper River Meridian according to the plat accepted by the Bureau of Land Management on December 16, 1959; and,
- Sections 3 and 10, Township 17 North, Range 12 East, Copper River Meridian, according to Alaska State Cadastral Survey No. 2012-10, recorded on February 5, 2013 in the Fairbanks Recording District as plat #2013-12

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All encompassing approximately 1,920 acres within the Fairbanks Recording District, Fourth Judicial District, Alaska.

As the project area is being reduced, it is recommended that the DNR may develop a subdivision of no more than 150 parcels, reduced from 230 parcels as proposed in the PD.

In addition, LSS will retain in State ownership a portion of the northeast 1/4 of Section 27, Township 18 North, Range 12 East, Copper River Meridian, including the DOF cleared “safe passage” area.

Recommendation and Approval of the Final Finding and Decision follow.

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VII. Final Finding and Decision

The Department recommends proceeding with the action as described in the Preliminary Decision and amended herein. This action is undertaken under relevant authorities. Offering these parcels for sale will help meet the State’s goal to provide land for settlement for sale to the public and raise revenue for the State.

The findings presented above have been reviewed and considered. Public Notice has been accomplished in accordance with *AS 38.05.945 Notice* and comments received were considered. The project file has been found to be complete and the requirements of all applicable statutes have been satisfied. The actions are consistent with constitutional and statutory intent for State-owned land and this action is undertaken under relevant authorities.

Under the authority of the applicable statutes, it is hereby found to be in the best interest of the State of Alaska to proceed with the recommended action(s) as described and referenced herein.

(signature on file)

Recommended by: Tim Shilling
Competitive Land Sales Manager
Land Sales Section
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

04/03/2020

Date

(signature on file)

Approved by: Martin W. Parsons
Director
Division of Mining, Land, and Water
Department of Natural Resources
State of Alaska

04/22/2020

Date

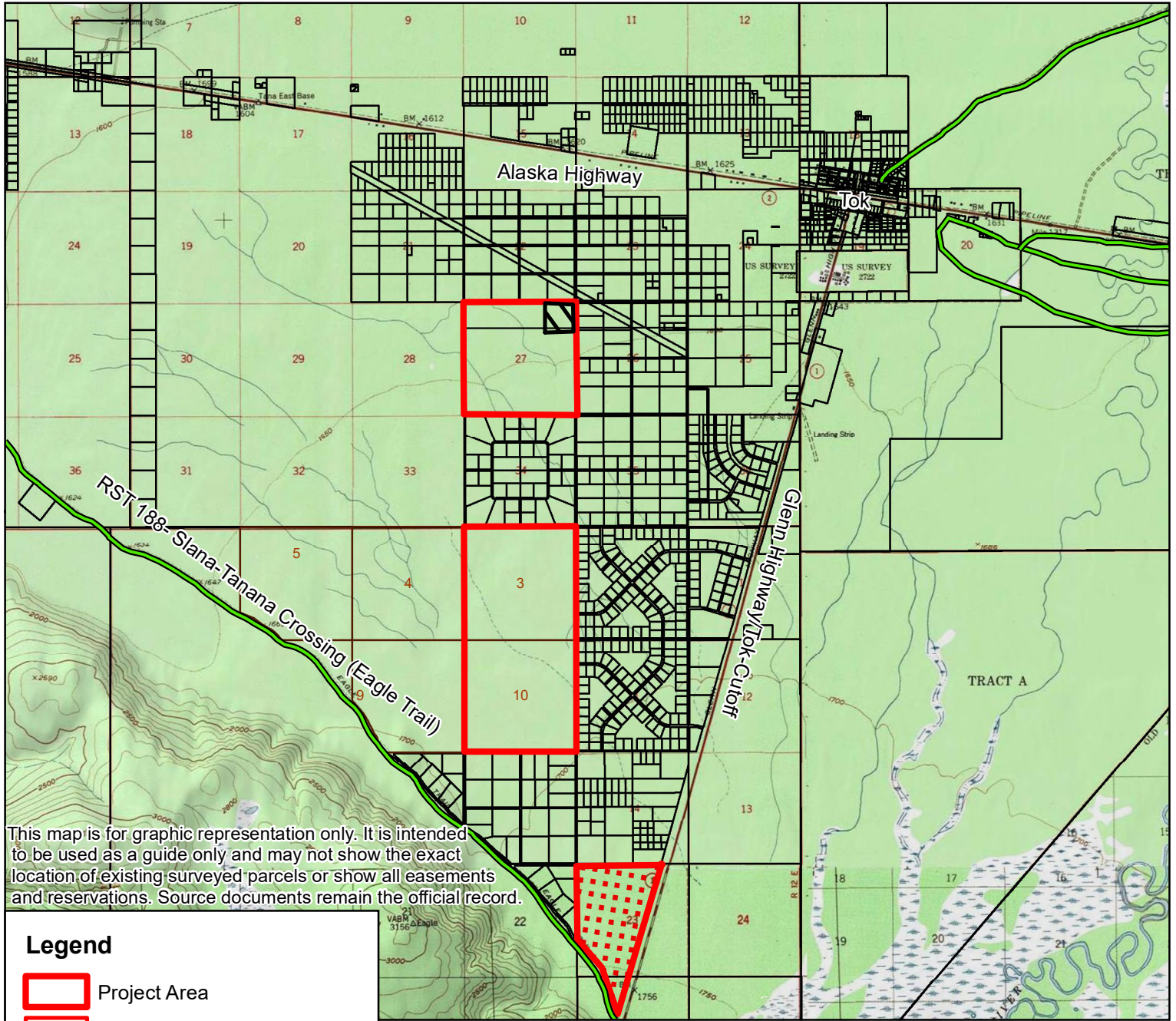
Appeal Provision

A person affected by this decision who provided timely written comment or public hearing testimony on the preliminary decision may appeal it, in accordance with *11 AAC 02*. Any appeal must be received within 20 calendar days after the date of “issuance” of this decision, as defined in *11 AAC 02.040(c) and (d)* and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Under *11 AAC 02.030*, appeals filed under *11 AAC 02* must be accompanied by the fee established in *11 AAC 05.160(d)(1)(F)*, which has been set at \$200 under the provisions of *11 AAC 05.160 (a) and (b)*.

If no appeal is filed by the appeal deadline, this decision goes into effect as a final order and decision on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with *11 AAC 02* before appealing this decision to Superior Court (*11 AAC 02.020 (a) and (b)*). A copy of *11 AAC 02* may be obtained from any regional information office of the Department of Natural Resources.







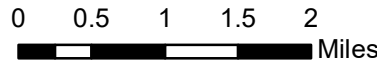
Vicinity Map Mukluk Subdivision ADL 421095



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

-  Project Area
-  Removed Area
-  Retained in State Ownership
-  RS2477 Trail



Section 3 & 10, Township 017N
Section 27, Township 018N
Range 012E, Copper River Meridian

KNF 03/03/2020

USGS QUAD 1:63.360
Tanacross B-5
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