

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

**FINAL FINDING AND DECISION**

of a  
Land Offering in the Fairbanks North Star Borough  
**Boulder Lode Subdivision – ADL 420891**  
*AS 38.05.035(e), AS 38.05.045*

and its  
**RELATED ACTION:**  
**Mineral Order 1220 (Closing)**  
*AS 38.05.185 and AS 38.05.300*

This Final Finding and Decision (FFD) complements and updates the Preliminary Decision (PD) dated June 30, 2023. The PD (attached) and related action have 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 Conveyance Section (LCS) recommends offering for sale State-owned land for private ownership within the Boulder Lode project area (ADL 420891), 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 Boulder Lode project area, LCS may develop a subdivision of no more than ten parcels each no smaller than one acre. This project area is located within the Fairbanks North Star 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 is one related action with this proposal:

Mineral Order: DNR proposes to close the project area to new mineral entry through Mineral Order 1220.

Public notice for this related action was conducted concurrently with the notice for the primary action's PD.

**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*.

## Final Finding and Decision

Boulder Lode Subdivision – ADL 420891

Page 2 of 10

For related actions, *AS 38.05.300 Classification of Land* and *AS 38.05.185 Generally* allow for mineral orders.

### III. Public Participation and Input

Pursuant to *AS 38.05.945 Notice*, public notice inviting comment on the PD for the proposed primary action and a draft of the related action was published and distributed in the following manner:

- Posted under State of Alaska Online Public Notice from June 30 to August 22, 2023.
- Posted on DNR Land Sales website from July 3 to August 22, 2023.
- Notices mailed to the Fairbanks North Star Borough per *AS 38.05.945(c)(1)*.
- Mailed to the Steese postmaster in Fairbanks with a request to post for 30 days, per *AS 38.05.945(c)(4)*.
- Mailed to the Doyon regional corporation per *AS 38.05.945(c)(2)-(3)*.
- Mailed to the Fairbanks Soil and Water Conservation District.
- Mailed to 284 landowners in the vicinity of the offering.
- Sent notification to area state legislators and to multiple state agencies.
- Notified parties via the DNR Land Sales subscribers lists by email and the DNR Land Sales Facebook account.

The public notice stated that written comments were to be received by 5:00 PM, August 22, 2023 to ensure consideration and eligibility to appeal. For more information, refer to the PD.

LCS held a public meeting at the Fairbanks DNR office on July 19, 2023, during the public comment period, to share and receive information about the proposed Boulder Lode Subdivision. Some meeting participants asked what type of input they could provide. LCS clarified that any input is allowable, but specific information that may inform decision making on the proposed subdivision is most helpful, such as the preferred size of parcels.

Subdivision access was a significant topic of discussion at the meeting. LCS showed maps of the project area to illustrate the Old Steese Highway and Summer Avenue access routes and stated a preference for direct access from Old Steese Highway. Participants provided several comments, such as concerns about the speed of traffic on Old Steese Highway and limited visibility of oncoming traffic. This topic is addressed in the **Summary of Public Notice and Comments** section below. Some participants stated that they would understand if residents with homes next to the undeveloped portion of Summer Avenue preferred subdivision access to be from Old Steese Highway. A resident that owns undeveloped property with frontage on the undeveloped portion of Summer Avenue preferred that road as the subdivision access route.

Several participants had questions about subdivision development affecting their property value and FNSB's platting process, while some expressed concerns about greenspace next to their property being developed or more water wells impacting existing wells in the area. LCS provided a summary of the FNSB platting process and stated that it was very low probability for a few more residential wells to significantly impact local groundwater resources, but referred interested parties to FNSB Community Planning and DNR DMLW's Water Section, respectively, for more details. Questions about development within the project area affecting adjacent property values were too hypothetical to directly address.

## Final Finding and Decision

Boulder Lode Subdivision – ADL 420891

Page 3 of 10

To help address potential development scenarios for the Boulder Lode Subdivision, LCS discussed the three options summarized in the public notice letters sent to nearby landowners:

- Create ten parcels each approximately 1.3 acres with access developed from Old Steese Highway.
- Create four parcels each somewhere around 2 to 5 acres with access developed from Old Steese Highway.
- Sell the 14.3-acre parcel without further subdivision.

This summary of ideas helped frame the discussion with meeting participants about how parcel sizes would compare to the surrounding area and minimum zoning requirements. Some participants seemed to prefer the four-parcel design concept. LCS highlighted that selling the parcel without further subdivision would present the most uncertainty about future property development, as a future private owner could develop to the limit of platting and zoning requirements, such as up to 13 parcels each at least one-nominal acre.

Some meeting participants expressed concern about relic landforms from mining exploration within the project area, such as potential for further settling of the collapsed mining shafts. This topic is addressed in the **Summary of Public Notice and Comments** section below. Some participants commented about the potential for drainage and erosion downhill if there was development within Boulder Lode. LCS described that the subdivision platting process would include a drainage plan developed by a licensed engineer that would guide road design. LCS requested that participants follow up with detailed information that would allow DNR to evaluate specific concerns. Some participants asked about access to information from the project files. LCS stated that the references from the PD could be provided and that our files are open to public inspection upon request.

Should this project move forward, final subdivision design and survey will be completed by an Alaska licensed surveyor. The surveyor will submit a platting application including a preliminary plat to the local platting authority prior to survey. This process will be subject to Fairbanks North Star Borough (FNSB) ordinances and codes. During the process the public will have opportunity at the local level to provide additional comment and feedback prior to final establishment of lot corners and monuments.

Subdivision design will be submitted to the FNSB for review in accordance with Title 17 *Subdivisions* of their ordinances.

Chapter 17.12.030F *Action on major plat applications*. “All plans, data, and other supporting material shall be available for public inspection at the Department of Community Planning at least 14 calendar days prior to the time set for Platting Board review.”

Chapter 17.12.030D *Major Plats*. “Verbal testimony by parties and interested persons may be given at the platting board meeting.”

## Final Finding and Decision

Boulder Lode Subdivision – ADL 420891

Page 4 of 10

### IV. Summary of Comments

DNR DMLW LCS received comments from the Alaska Department of Transportation, FNSB Community Planning Department, the Fairbanks Trap Club, and seven private individuals. All comments received during the public comment period are summarized below.

Alaska Department of Transportation (DOT) Comment: DOT has no comment at this time.

LCS Response: Thanks for your review of the PD.

FNSB Community Planning Department Comment: The FNSB Regional Comprehensive Plan designates the Boulder Lode project area as preferred residential land. This designation is given to land relatively close to urban destinations, on slopes of 20% or less, without designated wetlands, and with lower probability of permafrost.

The project area is zone Rural Residential (RR). The proposed subdivision of up to 10 lots, each no smaller than one acre, meets RR zoning requirements.

Please provide a draft preliminary plat or conceptual subdivision design to FNSB Platting and schedule a pre-application meeting.

The project area is within the Tan Terra Road Service Area. Access from the Old Steese Highway will require a permit from Alaska DOT. Access from Summer Avenue will require a permit from FNSB Rural Services.

LCS Response: Thanks for your review of the PD. LCS and FNSB Platting had a pre-application meeting on February 8, 2023 to discuss drafts of the conceptual subdivision design. LCS has discussed with DOT Northern Region the potential of accessing the subdivision directly from the Old Steese, and DOT indicated they would likely issue a permit.

Fairbanks Trap Club Comment: Please notify potential purchasers about the Fairbanks Trap Club north of Hagelbarger Avenue. The club is active and provides seasonal operation for recreational trap shooting.

LCS Response: LCS will note in offering materials the presence of the nearby Fairbanks Trap Club so that potential purchasers are aware that trap shooting will likely be audible from the proposed Boulder Lode Subdivision.

Comments regarding subdivision location and suitability: Four commenters expressed support for the subdivision project because of its location, quality of the property, surrounding residential development, and the need for new buildable lots in the Fairbanks area. An additional commenter stated the property is nice and in a good location without explicitly stating support for the subdivision proposal.

LCS Response: LCS appreciates your input on the subdivision proposal.

Comments regarding subdivision parcel size: Seven commenters provided input on parcel size and/or number of parcels proposed for the Boulder Lode Subdivision. Two commenters supported creating up to ten parcels, a scenario where the average parcel size would be approximately 1.3 acres. Four commenters supported creating fewer parcels of larger size, such as approximately 2 to 5 acres. Some of these four commenters stated that the smaller-parcel

## Final Finding and Decision

Boulder Lode Subdivision – ADL 420891

Page 5 of 10

design would be problematic because of the slopes along the project area western side, room needed for septic systems, or avoiding placing too much traffic onto Old Steese Highway in this location. One of these commenters mentioned that adjacent subdivision parcels seemed too small and crowded. One commenter preferred that the property be sold without any further subdivision or development.

LCS Response: LCS appreciates all commenters providing input and raising valuable considerations about development scenarios. LCS is still considering the various options, including new conceptual designs based on public input about slopes and buildable area within parcels.

While this final finding and decision will allow LCS to create a subdivision of up to ten parcels, as proposed in the PD, LCS's preliminary plat application to the FNSB will make public our proposed subdivision design. The FNSB platting process will allow the public to review and comment on the subdivision design before it is submitted to the platting board for approval.

While LCS hasn't yet finalized the number of parcels to be created within the subdivision, selling the property without any further subdivision is not preferred. LCS values having parcels for our annual auction that are close to communities and are desirable for residential development. Developing a subdivision with multiple parcels would better achieve this goal while allowing LCS to realize greater long-term revenue potential. Furthermore, selling the property without further subdivision would present the greatest uncertainty about future development of the property, which was a topic of concern for several attendees at the July public meeting. Under private ownership, the property could be developed to the maximum extent allowed by zoning, which could result in up to 13 parcels as small as one nominal acre.

Comments regarding subdivision access: Several commenters provided input or questions about access to the subdivision project area:

- One commenter assumed that access would be developed from both Old Steese Highway and Summer Avenue, and therefore noted that local traffic would likely reroute through the subdivision to avoid Vernal Street and Summer Avenue in winter. The same commenter stated that a junction of Summer Avenue and Old Steese Highway across from the McGrath-Old Steese intersection would be dangerous.
- One commenter stated no opposition to developing access on Summer Avenue, but would be concerned about a dead end on that road without a developing a cul-de-sac.
- One commenter sought clarification on where within the project area an access road would connect to Old Steese Highway.
- One commenter expressed concern that the property slopes steeply towards Old Steese Highway where traffic is traveling 50 miles per hour or more.

LCS Response: Thanks for your input and questions. LCS proposes to develop access to the Boulder Lode Subdivision from Old Steese Highway or Summer Avenue, but not both. Currently LCS prefers direct access from Old Steese Highway.

The Summer Avenue right-of-way (ROW) does not extend to Old Steese Highway. LCS currently proposes for the subdivision access road to be located approximately in the center of the subdivision western boundary. DOT and FNSB requirements would prohibit

## Final Finding and Decision

Boulder Lode Subdivision – ADL 420891

Page 6 of 10

subdivision access being too close to the McGrath Road and Old Steese Highway intersection.

If LCS developed subdivision access along Summer Avenue, only the portion of the Summer Avenue ROW necessary to access the Boulder Lode Subdivision would be developed. In this scenario, the cul-de-sac allowing vehicles to turnaround would be within the Boulder Lode Subdivision.

An access road to the Boulder Lode Subdivision from Old Steese Highway would be designed to meet FNSB standards, which sets limits for maximum allowable slopes for roads and intersections, among other design requirements. Access onto Old Steese Highway would require a permit from DOT, which considers the speed limit of the road being accessed and the sightlines for oncoming traffic. LCS's proposal for subdivision design would need to satisfy both FNSB and DOT requirements.

Individual comment on snow and drainage management: One commenter recommended that the subdivision design provide room for snow plowed from the roads in winter, adding that they have seen neighboring residents pushing snow from their driveways across Old Steese Highway. The commenter stated that property development tends to increase spring runoff, therefore they anticipate that development within the project area will increase spring drainage onto Vernal Street and Summer Avenue, but that the Tan Terra Road Service Area will be able to deal with this change.

LCS Response: Thanks for your detailed consideration of the subdivision proposal. Based on topography, it is likely for drainage from the western subdivision area to flow toward Old Steese Highway and drainage from the eastern subdivision area to flow toward Summer Avenue. Considering that many developed areas of the FNSB lack organized road maintenance, it is beneficial to the local neighborhood that DOT and the Tan Terra Road Service Area manage the roadways in the vicinity of the Boulder Lode Subdivision such that the surrounding drainage infrastructure is maintained. Note that the FNSB's subdivision platting process requires the creation of a drainage plan which includes consideration of drainage to and across roads within the subdivision, while subsequent property owners will have the responsibility for receiving and appropriately managing drainage within their property.

Subdivision access from Old Steese Highway would provide ample room for snow storage near the proposed intersection given that there is additional DOT owned property between the Old Steese ROW and the Boulder Lode project area. LCS will consider making the subdivision access road ROW at least 50-feet wide to help ensure there is sufficient room for road maintenance, such as snow storage, for the Road Service Area. Note that FNSB subdivision requirements would likely only mandate a 40-foot-wide road ROW.

Individual comment on the management of adjacent roads: One commenter noted that the speed limit on Old Steese Highway (50 mph) is too high considering the sight distance around corners, the presence of pedestrians, and no shoulders. The commenter compared this to nearby McGrath Road, which has a speed limit of 35 mph, even in the areas that have long sight lines and wide shoulders. The commenter recommended reconsidering the closure of the northern connection of McGrath Road onto Old Steese adjacent to the Hagelbarger and Old Steese intersection.

## **Final Finding and Decision**

Boulder Lode Subdivision – ADL 420891

Page 7 of 10

LCS Response: Old Steese Highway and McGrath Road are an interesting contrast in terms of speed limits. However, both roads are maintained and managed by DOT. LCS recommends directing inquiries to DOT about considering the appropriateness of the speed limit along Old Steese Highway and explaining the closure of the northern connection of McGrath Road to Old Steese Highway.

Individual comment on impact to an adjacent property owner: One commenter stated that they bought a parcel along Hagelbarger Avenue because the adjacent state land provided a buffer and a place to walk. They were told the state land would remain undeveloped.

LCS Response: While it is understandable that development of vacant land is not desired by all adjacent property owners, it is difficult to understand how someone would be confident that the Boulder Lode project area would remain undeveloped. DNR has not designated this land to be retained in State ownership for public use, such as with other areas of State land, such as the Chena River or Lower Chatanika State Recreation Areas.

Individual comment on subdivision economics: One commenter questioned whether the Boulder Lode Subdivision could provide return on investment considering the road development costs, past mining activity, and ensuring drainage is directed away from downhill property owners.

LCS Response: LCS has considered multiple options for subdivision development, ranging from one to ten parcels, including new scenarios influenced by public comment. Although the forecasted costs and revenue change depending on the development scenario, Boulder Lode is within an area with relatively high land values. The potential parcel values appear to exceed expected development costs. However, one of LCS's primary goals is to provide land for Alaskans, therefore it is not a prerequisite that every land sale project generates short-term profit.

The access road into the Boulder Lode Subdivision will need to meet FNSB platting requirements, which includes consideration of drainage to and across the road. However, subsequent property owners will have the responsibility for receiving and appropriately managing drainage within their property.

Written follow-up comments from attendees of the July 19, 2023 public meeting: One commenter stated that they have walked along trails within the subdivision project area, like many of the meeting attendees, but doesn't see this as providing claim to using the land in the future unless one purchases property there. One commenter characterized most of the meeting comments as "not in my backyard" concerns, but stated that this isn't inherently right or wrong. One commenter noted that a DNR representative mentioned in the meeting that a realtor provided input via a phone call and stated opinions of value for the proposed subdivision. When asked for details, the DNR representative stated the realtor's opinions of value could not be divulged and that DNR did not currently have any estimated values for the land.

LCS Response: Thanks for sharing your observations from the July public meeting about Boulder Lode. LCS is open to input of all types.

General state land managed by DNR is open to public use, such as walking along trails within the Boulder Lode project area. Because this won't be the case when the land is privately owned, LCS is considering creating pedestrian trail easements along some parcel boundaries to connect the subdivision access road to the undeveloped Summer Avenue

## Final Finding and Decision

Boulder Lode Subdivision – ADL 420891

Page 8 of 10

ROW south of the subdivision. This would allow public access to neighborhood roads between Boulder Lode and the neighboring subdivisions.

The July public meeting about the proposed Boulder Lode Subdivision was held to provide an overview of the subdivision proposal, receive public input, and answer questions. LCS has estimated values for the land, but doesn't provide an economic analysis of projected subdivision costs and potential revenues during a public meeting because it would distract from the purpose of the meeting.

The FNSB tax assessed value for the entire Boulder Lode Subdivision (14.3 acres) is currently \$8,893 per acre, whereas parcels in the immediate vicinity range from \$14,000 to \$25,000 per acre. Note that larger parcels will have a lower per-acre value than smaller parcels of comparable quality. The realtor that provided input over the phone estimated that parcels within the Boulder Lode project area could be worth around \$30,000 per acre. Note that it is commonly assumed in the Fairbanks area real estate market that tax assessed values are lower than fair market values.

Individual comments on aspects of the subdivision for additional evaluation: One commenter wanted several aspects of the subdivision proposal to have further evaluation, including:

- Mining activity within the project area created long trenches and shafts.
- Mature poplar trees within the project area provide a wind buffer for surrounding properties and utility lines that would be lost if removed.
- Vacant land provides a corridor for moose to help to avoid motor vehicle collisions on Old Steese Highway and Hagelbarger.
- The lack of sidewalks on adjacent roads; the vacant land provides a place where property owners can walk.

LCS Response: Many of the issues raised are beyond reasonable considerations for creating a small subdivision surrounded by residential development.

Adjacent landowners should have no expectation of controlling the vegetation on neighboring land to serve as a wind break for improvements and vegetation on their property. Note that utility companies typically have the right to remove hazard trees as necessary to protect their infrastructure.

Neither DOT nor the Alaska Department of Fish & Game requested that the Boulder Lode project area be retained in State ownership for moose habitat or traffic safety. It is unclear how a small area of vacant land ringed by residential development and surrounded by highways could serve as a corridor for wildlife.

The trenches within the Boulder Lode project area from past mining activity aren't inherently problematic and will not inhibit road construction. If parcels are created and sold, future property owners can choose to level any trenches within their property, which would be relatively straightforward as part of typical residential development. As stated in the PD, DNR DMLW Mining Section asserted that the former mining shafts present little to no risk for future development beyond minimal subsidence. However, LCS agrees that some of the collapsed mining shafts within the project area are worth further investigation prior to road development or parcel sale. LCS intends to hire an Alaska-licensed engineer to evaluate whether these shafts should be addressed prior to the sale of parcels.



## **Final Finding and Decision**

Boulder Lode Subdivision – ADL 420891

Page 9 of 10

LCS acknowledges that it is often unwelcome for vacant public land to be developed, especially for those in the immediate proximity. Because of interest in maintaining some ability to walk within the Boulder Lode project area, LCS is considering creating pedestrian trail easements along some parcel boundaries to connect the subdivision access road to the undeveloped Summer Avenue ROW south of the subdivision. This would allow public access to neighborhood roads between Boulder Lode and the neighboring subdivisions away from Old Steese Highway.

### **V. 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 an organized borough; therefore, no Traditional Use Finding is required.

### **VI. Modifications to Decision and/or Additional Information**

The recommended action has not been modified from the original proposed actions described in the PD.

Recommendation and Approval of the Final Finding and Decision follow.

**Final Finding and Decision**


Boulder Lode Subdivision – ADL 420891

Page 10 of 10

**VII. Final Finding and Decision**

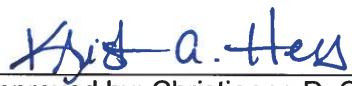
The Land Conveyance Section recommends proceeding with the action as described in the Preliminary Decision. This action is undertaken under relevant authorities. Offering these parcels for sale will help meet the State’s goal to provide land for settlement for sale to the public and raise revenue for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

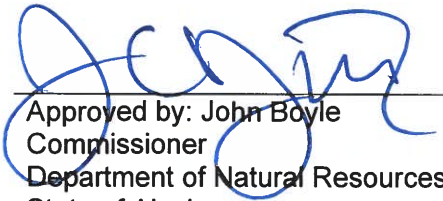
  
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Recommended by: Timothy Shilling  
Natural Resource Manager  
Land Conveyance Section  
Division of Mining, Land and Water  
Department of Natural Resources  
State of Alaska

Dec. 18, 2023  
Date

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.

  
for \_\_\_\_\_  
Approved by: Christianna D. Colles  
Director  
Division of Mining, Land and Water  
Department of Natural Resources  
State of Alaska

12/19/23  
Date

  
\_\_\_\_\_  
Approved by: John Boyle  
Commissioner  
Department of Natural Resources  
State of Alaska

27 Dec 27  
Date

## **Reconsideration Provision**

An eligible person affected by this decision of the department, and who provided timely written comment or public hearing testimony to the department, may request reconsideration to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any request for reconsideration must be received by the Commissioner's Office within twenty (20) calendar days after issuance of the decision under 11 AAC 02.040. The Commissioner may order or deny a request for reconsideration within thirty (30) calendar days after issuance of the decision. If the Commissioner takes no action on a request for reconsideration within thirty (30) days after issuance of the decision, the request for reconsideration is considered denied. The Commissioner's decision on reconsideration, other than a remand decision, is a final administrative order and decision of the department. An eligible person must first request reconsideration to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department.

Reconsideration may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918 or sent by electronic mail to [dnr.appeals@alaska.gov](mailto:dnr.appeals@alaska.gov). Reconsideration 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)-(b). A copy of 11 AAC 02 is available on the department's website at <https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.

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

**PRELIMINARY DECISION**  
**Boulder Lode Subdivision – ADL 420891**

**Proposed Land Offering in the Fairbanks North Star Borough**  
*AS 38.05.035 (e), AS 38.05.045*

**RELATED ACTION:**  
**Proposed Mineral Order (Closing)**  
*AS 38.05.185 and AS 38.05.300*

**PUBLIC COMMENT PERIOD ENDS 5:00PM, TUESDAY, AUGUST 22, 2023**

**I. Proposed Action(s)**

*Preliminary Decision: Boulder Lode Subdivision - ADL 420891*

*Attachment A: Vicinity Map*

*Attachment B: Public Notice*

*Public is also invited to comment on the proposed related actions:*

*Draft Mineral Order (Closing) MO 1220*

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.

LCS proposes to sell land within the Boulder Lode project area for the purpose of providing land for settlement by developing a subdivision of no more than ten parcels each no smaller than one acre. Subdivision design may include additional tracts, as necessary. The project area consists of approximately 14.3 acres identified for disposal by this proposed action. The project area may be subdivided and offered in multiple stages.

If this proposed primary action is approved, the actual area offered for sale may consist of all or only a portion of the overall project area. After consideration of public comment, the size and boundaries of the project area will be described in a subsequent Final Finding and Decision, if the project proceeds to that step. Additional adjustments may be made prior to subdivision, as described in the applications to the platting authority, as needed to reserve areas for public use, minimize conflicts between uses, or ensure compliance with platting requirements.

Proposed Related Action: This related action will be developed separately, however; public notice is being conducted concurrently.

*Mineral Order (Closing):* DNR proposes a mineral order to close the project area to new mineral entry. There are no active mining claims within the project area. Refer to the

## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 2 of 17

Mineral Activity and Order(s) subsection of this document for more information on this proposed related action.

This related action will be developed separately. However, approval of the proposed actions are dependent upon one another in that one action will not proceed without approval of all actions.

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

Public Meeting: LCS will hold a public meeting to discuss the proposal and share information. The meeting will be held at DNR Northern Regional Office at 3700 Airport Way in Fairbanks on Wednesday, July 19, 2023.

See **Section XVIII. Submittal of Public Comments** at the end of this document 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 FFD will be issued.

## **II. Method of Sale**

LCS proposes to offer for sale land within the project area as described herein, through a future offering under *AS 38.05.045 Generally*.

Parcels offered through this action are offered fee-simple for the surface estate only. For more information about the land sales program, please visit the website at <http://landsales.alaska.gov>.

## **III. Authority**

DNR has the authority under *AS 38.05.045 Generally* to sell State-owned land if, on preparation and issuance of a written finding, it is determined to be in the best interest of the State, as required by *AS 38.05.035(e) Powers and Duties of the Director*. Article VIII, Section 1, of the Constitution of the State of Alaska states "It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." In addition, if it is deemed appropriate, DNR has the authority to develop and offer parcels larger than 5 acres under the allowances listed in *AS 38.04.020(h) Land Disposal Bank*.

For related actions, *AS 38.05.300 Classification of Land* and *AS 38.05.185 Generally* allow for mineral orders.

## **IV. Administrative Record**

The project file, Boulder Lode Subdivision - ADL 420891, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Eastern Tanana Area Plan (ETAP) for State Lands adopted August 2015 and associated land classification files.
- *Alaska Interagency Wildland Fire Management Plan, 2021 (2022 Review)*.

## Preliminary Decision

Boulder Lode Subdivision – ADL 420891

Page 3 of 17

- *Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes.*
- *Alaska Resource Data File No. FB089* (McGrath occurrence).
- *Arsenic Exposure from Private Wells – Fairbanks Area, 2016.* State of Alaska Epidemiology Bulletin No. 14, May 17, 2016.
- *Arsenic, Nitrate, Iron, and Hardness in Groundwater, Chena Hot Springs Road, Steele Creek Road, and Gilmore Trail Areas (T.1N., R.1E., FM), Fairbanks, Alaska.* 1982. USGS Open-File Report 82-356.
- Custom Web Soil Survey Report for this project, USDA, Natural Resource Conservation Service (NRCS).
- *Naturally occurring arsenic in interior Alaska groundwater,* Alaska DNR DGGS Information Circular 71.
- *Radon in Alaska – Current Knowledge and Recommendations.* State of Alaska Epidemiology Bulletin No. 25, October 6, 2015.
- Other case files, reports, or documents referenced herein.

## 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 LCS's proposal to offer State-owned land within the defined project area for disposal and to conduct the proposed mineral order as described herein. The scope of this proposal does not include the control of post-patent use and LCS does not intend to impose deed restrictions for this purpose.

## VI. Location

The project area is located within DNR's Northern Region, approximately 6 miles northeast of Fairbanks and 3 miles south of Fox. See *Attachment A: Vicinity Map.*

*Platting Authority:* The project area is within the Fairbanks North Star Borough (FNSB) and subject to the borough's platting authority.

*Native Regional and Village Corporations:* The project area is within the boundaries of the Doyon regional corporation. There are no Native villages located within 25 miles of the project area.

## VII. Property Description

Government Lot 12 of Section 18, according to the BLM supplemental plat of Section 18, Township 1 North, Range 1 East, Fairbanks Meridian, Alaska, accepted for the Director on July 30, 1984 by the Deputy State Director for Cadastral Survey, Alaska, containing 14.3 acres, more or less.

## VIII. Title

Title Report No.11814, current as of April 1, 2019 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under patent 50-86-0408, dated September 5, 1986. The applicable State case file is GS-958. The parcel is subject to the reservations, easements and exceptions contained in the federal patent.

## Preliminary Decision

Boulder Lode Subdivision – ADL 420891

Page 4 of 17

### *State Reservations of Title:*

*Retention of and Access to Mineral Estate:* In accordance with *Section 6 (i) of the Alaska Statehood Act* and *AS 38.05.125 Reservation [of Rights to Alaska]*, the State retains ownership of the mineral estate that may be in or upon the land that it sells. This retention is for all minerals, including both locatable minerals (such as gold, copper and silver, etc.), and leasable minerals (such as oil, gas, coal, etc.).

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 **XIII. Access To, Within, and Beyond Project Area**.

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

Where they exist within the project area, State third-party interests will be described in land sales brochures.

## **IX. Physical Characteristics and Hazards**

Information about the project area is based on internal research, information received during agency review, and ground field inspection conducted in September 2017, March 2018, September 2018, and September 2022. 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.

*Terrain and Major Features:* Most of the project area slopes to the west, except for the eastern portion that slopes to the south. Slopes vary from approximately 5 to 13%.

*View:* Local views.

## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 5 of 17

*Vegetation:* Primarily mature poplars and birch with limited white spruce. The understory consists largely of high bush cranberry, dwarf dogwood, wild rose, and grasses.

*Soils:* Soils within the project area generally consist of 20 to 40 inches of well-drained silt loam over weathered schist bedrock. These soils are extremely susceptible to gullyng and may be mildly susceptible to seasonal frost action. The DNR Division of Geological and Geophysical Surveys (DGGs) noted that the project area is underlain by three or more feet of loess over bedrock and with little to no potential for permafrost. Some well logs for water wells drilled within the Blueberry Ridge Subdivision north of the project area reported permafrost encountered near the ground surface to 63 - 100 feet deep. These occurrences of permafrost were limited to parcels on the north side of the ridge that have a northern or northwestern aspect. The NRCS custom web soil report states that development of residential structures in this soil complex can be complicated by slope and depth to bedrock. However, the slopes within the project area are moderate and residential development surrounds the project area.

*Wetlands:* No wetlands have been identified within the project area.

*Geologic Hazards:* According to information provided by DNR DGGs, the project area is within the Fairbanks seismic zone, which has been active within the last 150 years with earthquakes of magnitudes between 5.0 and 6.0. The nearby Salcha seismic zone has had the largest recorded seismic event within Interior Alaska (magnitude 7.3 in 1937). The risk posed by building within an active seismic zone should be accommodated by following appropriate construction best practices. While there are currently no residential building code requirements within the FNSB, the City of Fairbanks specifies the seismic design category D1 from the International Residential Code (IRC). The International Code Council makes the IRC available for public access on their website.

Intrusion of radon gas into occupied buildings is a significant hazard in Alaska, and test data has shown that buildings in Fairbanks have some of the highest concentrations in the state. Radon gas is hazardous because inhaled particles undergo radioactive decay, presenting a long-term risk of lung cancer for individuals with sufficient exposure. DNR DGGs provides resources for the public on testing indoor air for radon and reducing radon intrusion into buildings. The most effective means of radon mitigation are integrated into new building construction.

*Fire Information:* Pursuant to observations from the various field inspections and information received from the Division of Forestry, fire risk in the area is likely low. There is no reported history of fires within the vicinity. The project area is within the Steese Fire Service Area.

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 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 "Critical." The policy on areas with the "Critical" management option reads that wildfires "occurring in the Critical



## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 6 of 17

Management Option or that threaten Critical sites are assigned the highest priority for suppression actions and assignment of available firefighting resources.” The Fire Management Plan states that there is no guarantee of protection from wildfire in any management option.

*Flood Hazard:* The project area is within FEMA Flood Insurance Rate Map Community Number 02090C3440J. The project area is within flood Zone X, defined as being outside of the 0.2% annual chance floodplain.

*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). There are 20 subsurface water rights within a ¼-mile of the project area boundary. Well logs in the vicinity indicate well depths ranging from 100 to 200 feet and yields ranging from 2 to 15 gallons per minute. DNR DGGS noted that groundwater in the area is generally of good quality, typically with high hardness and low iron content, but with relatively low yields and large drawdown. High levels of arsenic have been found in several wells within a mile of the project area. There is large variability in the arsenic concentrations in well water from areas where arsenic is known to occur. In a study of arsenic exposure from private water wells around Fairbanks, the State of Alaska Epidemiology recommended that homeowners should test private wells annually for arsenic and other contaminants.

*Utilities:* This area is currently served by the Golden Valley Electric Association. Electrical distribution lines currently exist on several boundaries of the project area.

*Waste Disposal:* A FNSB operated transfer station accessible from the Old Steese Highway is located approximately four miles south of the project area. All on-site wastewater disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.

## **X. Background**

The Boulder Lode Subdivision project area is located immediately east of the Old Steese Highway in the hills north of Fairbanks within a developed residential area. The project area was identified by a public nomination to sell State owned land circa 2017. LCS initiated the proposal for the Boulder Lode Subdivision soon after receiving the nomination.

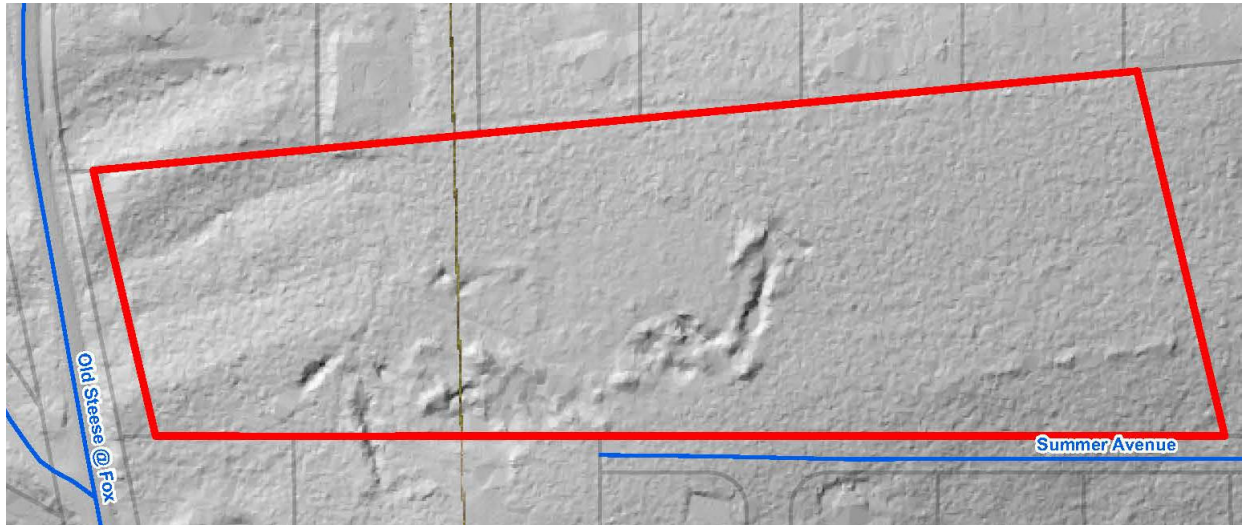
The project area is a portion of the former Boulder Lode federal mining claim defined by US Mineral Survey 2248. Exploration within the mining claim included an 80-foot shaft which collapsed due to inadequate bracing, according to the Alaska Resource Data File (ARDF) citing a 1957 study specific to the claim. While the ARDF stated that subsequent prospecting was limited to surface work and short shafts, the notes from Mineral Survey 2248 for survey work conducted in 1972 document four mining shafts with depths ranging from 33 to 100 feet. The BLM closed the federal mining claim in 1976. State mining claims ADL 353610 and ADL 353611 were staked within the project area in 1982. The State received patent to the project area in 1986 and the mining claims were abandoned in 2010. Based on the affidavits of annual labor, there was little activity within the State mining claims beyond clearing of vegetation, limited excavations, and some testing. Multiple overgrown trenches and overburden piles remain within the project area from the mining exploration. USMS 2248 documents the location of four shafts; nothing clearly identifiable as a shaft was located during DNR field inspections. DNR DMLW

## Preliminary Decision

Boulder Lode Subdivision – ADL 420891

Page 7 of 17

Mining Section stated that these former shafts present little to no risk for future development beyond minimal subsidence. The surface disturbances from mining exploration are visible in a digital terrain model accessible from DGGS's Elevation Portal, as illustrated below where the subdivision project area is defined by a red polygon.



A narrow trail runs approximately east-west from the utility corridor adjacent to the Old Steese Highway through the eastern boundary of the project area. The trail presumably originates from prior mining activities. There appears to be very little use of the trail based on field inspections. The trail largely traverses the center of the project area where a subdivision access road would likely be developed. DNR does not intend to reserve public access specifically for this trail.

The project area is mostly gently sloping with a westerly to southwesterly aspect. It is well drained and vegetated with balsam poplar, quaking aspen, birch, and limited white spruce. The project area is situated near the top of a hill that provides warmer air temperatures in winter because of the regional inversion. It is surrounded by other residential property and is well suited for settlement.

The land in the project area vicinity is privately owned and primarily residential with parcels ranging in size from approximately 1 to 3 acres. The land to the north, east, and west of the project area is part of the Blueberry Ridge Subdivision. This subdivision created a small parcel (Lot 13, Block 2) approximately 0.4 acres in area located between the Old Steese Highway and the project area that is currently owned by the Alaska Department of Transportation (DOT). The Bobbi's Park and Prospect Park Subdivisions bound the project area to the south.

DNR is considering several options for development, including subdividing the project area into ten parcels each approximately 1.3 acres in area or four parcels between 2.5 and 5 acres. Per FNSB requirements, subdivision of the project area would require construction of access to FNSB road standards. DNR is considering constructing a cul-de-sac road from the Old Steese Highway.

## Preliminary Decision

Boulder Lode Subdivision – ADL 420891

Page 8 of 17

### XI. Planning and Classification

The project area was not captured in the Eastern Tanana Area Plan (adopted 2015). Pursuant to Determination NC-10-004-D03 signed October 20, 2017 and Determination NC-10-004D12 signed August 14, 2020, the project area has been included in nearby unit F-47. Lands within this unit are currently designated Settlement, and classified Settlement Land. The general management intent of the area plan and Unit F-47 was reviewed for consistency with the proposed offering.

*Fairbanks Region/Unit F-47 Considerations:* The ETAP states that portions of F-47 are of sufficient size to warrant disposal after careful evaluation.

*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 in offering materials as appropriate. Specific areawide management intent and management guidelines affecting this proposal are discussed below.

Coordination and Public Notice: Management guidelines provide that public notice will be given for the disposal of land pursuant to *AS 38.05.945 Notice*, and recommends review of the FNSB comprehensive plan and zoning map.

Public notice for this action is being conducted in accordance with *AS 38.05.945 Notice*. Refer to *Attachment B: Public Notice* and **Section XVIII. Submittal of Public Comments** for more information. The comprehensive plan and zoning of the FNSB were reviewed and considered. The project area is within the Preferred Residential designation of the FNSB Regional Comprehensive Plan, and is zoned Rural Residential.

Cultural Resources: Management guidelines call for coordination with the Office of History and Archaeology (OHA) if OHA determines that a cultural survey may be required during agency review of a proposed land disposal. Cultural surveys should be considered where OHA reported sites exist or where there is a high potential for such sites to exist.

During agency review, OHA indicated that there are no reported cultural resource sites within the identified area. OHA did not recommend a cultural resource survey. OHA will be notified should any discovery of cultural resources occur during the development of this project, and offering materials will include information regarding archaeological sites.

Fish and Wildlife Habitat: Areawide management guidelines for fish and wildlife habitat apply to areas designated or co-designated Habitat. Management guidelines do not address any specific management intent or management guidelines specific to settlement.

Management intent specific to Unit F-47 did not address any habitat considerations. ADF&G was consulted during agency review and stated no fish or wildlife concerns.

## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 9 of 17

Forestry: Management guidelines for forestry state that timber harvests are appropriate in settlement-designated land to reduce wildfire potential, support subdivision development, or help provide access. The subdivision access road into the Boulder Lode project area will be too small and of insufficient value for commercial timber harvest. DNR is not proposing any timber harvest in advance of subdivision development.

Materials: Areawide management guidelines state that if a settlement area contains high-value material resources, they should be identified and retained for future use. DNR is not aware of any high-value materials within the project area and does not intend to retain a material site.

Public Access: Management guidelines cover general public access and management of trails within and between developing areas. Generally, before selling State land, DNR will reserve public use easements pursuant to the requirements of *11 AAC 51.015 Standards for Public Easements*.

LCS is proposing to develop a subdivision accessible by a road meeting the requirements of FNSB Title 17 without any additional access reservations.

Settlement: This section provides management guidelines regarding:

- Planning and coordination with local plans and governments.
- Types of settlement and land offerings.
- Protection, management, and enhancement of other resources.
- Design guided by considerations such as the cost of public services and ensuring access.

These guidelines have been considered in the development of this proposal. The proposed project will not interfere with any critical recreation or environmental resources and is consistent with local plans and zoning. LCS will solicit input from local landowners and the FNSB through the public notice and comment process.

Subsurface Resources: This section provides management guidelines regarding mineral closures and oil and gas resources. To close an area to mining, the DNR Commissioner must determine that mining is incompatible with a significant use of the surface estate.

The Boulder Lode Subdivision is currently subject to leasehold location order 39. To avoid potential conflicts between the surface estate and subsurface estate, LCS proposes to close the project area to mineral entry. Refer to the *Mineral Activity and Order(s)* section for more information. If approved, Mineral Order 1220 will close the project area to mineral entry. During the agency review for this project, DNR Division of Oil and Gas (DOG) expressed no objection to the proposed disposal, and noted there are no DOG authorizations or pending applications in the immediate vicinity.

DNR DGGS noted in agency review that the project area is within 1,000 feet of a known lode-gold vein called the McGrath occurrence. Several shafts are depicted on US Mineral Survey 2248. DGGS noted that after the 1950s, most of the prospecting has been confined to surface work, and it is unlikely that mineral exploration or

## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 10 of 17

development will occur in the project area due to it being surrounded by a residential subdivision.

The proposed offering will be consistent with areawide land management policies and general management intent of the ETAP and specific management unit if the proposed mineral order is approved in accordance with *AS 38.05.300 Classification of Land* and *AS 38.05.185 Generally*.

Mineral Activity and Order(s): No current mineral activity has been identified on these lands. The entirety of the project area will be closed to mineral entry if the mineral order is approved in accordance with *AS 38.05.185 Generally* and *AS 38.05.300 Classification of Land* for a land disposal. The proposed mineral order, if approved, will close the area to new mineral entry only and will not affect current existing mining claims.

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 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. ETAP states that areas designated settlement should be closed to mineral prior to sale.

Local Planning: The project area is within the FNSB and property purchased through this proposed offering will be subject to the applicable zoning, ordinances, and restrictions of the borough. The project area is within the boundary of the FNSB Regional Comprehensive plan. Review of that plan did not indicate any conflicts with proposed land disposal. The FNSB has zoned the area Rural Residential, which requires a minimum lot size of 40,000 square feet.

## **XII. Traditional Use Finding**

The project area is located within the FNSB and a traditional use finding is therefore not required per *AS 38.05.830 Land Disposal in the Unorganized Borough*. However, information on current or traditional use is welcomed and can be given during the public comment period. See the **Section XVIII. Submittal of Public Comments** at the end of this document and *Attachment B: Public Notice* for details on how to submit comment.

## **XIII. Access To, Within, and Beyond Project Area**

Legal access to the project area is via Summer Avenue, which connects to Hagelbarger Avenue, a connector road between the Old Steese and Steese Highways. Summer Avenue is a 50-foot wide road right-of-way dedicated by the Grand View Subdivision to the east, continuing through the Prospect Heights Subdivision along the southerly boundary of the project area. Summer Avenue is unconstructed past its intersection with Vernal Street, leaving approximately 450 feet of undeveloped road between Summer Avenue and the project area.

## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 11 of 17

Legal access to the project area is also from the Old Steese Highway, if DOT grants access across Lot 13, Block 2 of the Blueberry Ridge Subdivision.

The project area is within the Tan Terra Road Service Area administered by the FNSB. The project area is subject to the platting authority of the FNSB. Approval of platting actions and dedication of rights-of-way will require separate processes and public notices through the borough.

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

DNR has not identified any public, navigable, or anadromous water bodies within the project area. If any such water bodies are discovered, parcels will be subject to access reservations in accordance with *AS 38.05.127 Access to Public or Navigable Water*, and a 50-foot building setback from the OHW of the water body.

*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. Standards for easements are provided in *11 AAC 51.015* or by local platting ordinances. Final width and location of easements and reservations will be determined as part of the local platting process, which will include an additional opportunity for public participation.

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

- Public access easements.
- 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 project development.
- A 5-foot survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5-foot direct line-of-sight easement from the control station to an azimuth mark or other control monument.

## **XIV. Hazardous Materials and Potential Contaminants**

During the field inspections conducted from 2017 through 2022, field staff did not observe any environmental hazards within the project area. An abandoned scooter and various trash, such as empty 55-gallon drums and gas cans, were observed on the property; however, no hazardous materials were observed. There are no known environmental hazards present within

## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 12 of 17

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.

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

### **XV. 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. In order to offer the property for sale, a combination of survey, subdivision, and/or platting actions may be required.

This proposed project area is located within the FNSB, and therefore survey and platting will be subject to the relevant subdivision standards. The borough's platting requirements provide for separate public notice periods and processes for platting actions. These additional opportunities for public involvement occur after DNR issues a FFD, if this proposed action is approved.

In accordance with *AS 38.05.840 Appraisal*, an appraisal meeting DNR standards will be required within two years of the date fixed for the sale of any parcel developed under this proposed action. DNR will consider selling project area parcels in multiple offerings over time to mitigate "flooding" the local market.

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.

### **XVI. 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 July 9 through July 25, 2018. 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:  
DNR Division of Forestry and DNR Division of Parks and Outdoor Recreation.

*DNR DMLW LCS Response:* LCS appreciates your review of our proposal.

## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 13 of 17

*Department of Fish and Game (ADF&G) Comment:* ADF&G had no fish or wildlife concerns related to the subdivision. ADF&G recommended a subdivision design retaining the recreational use trail within the project area.

*DNR DMLW LCS Response:* LCS appreciates ADF&G's review of the subdivision proposal. The trail within the project area appears to be primarily a relic from past mining activities. There is little indication of trail use and the draft update of the FNSB Recreational Trail Plan does not show any trails within or nearby the project area.

If public comment indicates support, LCS may reserve a short trail easement along a parcel boundary connecting the subdivision access road and the adjacent undeveloped Summer Avenue right-of-way (i.e. public land), assuming subdivision road access is from the Old Steese Highway. If subdivision access is developed instead from Summer Avenue, DNR would not reserve such a trail easement to the Old Steese Highway because it would encourage pedestrian use of a road with frequent, high-speed vehicle traffic.

*DNR Division of Oil and Gas (DOG) Comment:* DOG expressed no objection to the proposed disposal, and noted there are no DOG authorizations or pending applications in the immediate vicinity. DOG appreciates LCS alerting potential purchasers about the State retention of and access to the mineral estate, and that mineral orders do not apply to leasable mineral resource exploration, development, or production.

*DNR DMLW LCS Response:* LCS will continue to provide information about State reservations of title and the applicability of mineral orders on the mineral estate in decision documents and the sales materials.

*DNR Office of History and Archaeology (OHA) Comment:* Review of the Alaska Heritage Resource Survey database indicated there were no known cultural resource sites within the subdivision area. However, OHA noted that only a very small portion of the state has been surveyed. Should inadvertent discoveries of cultural resources occur, OHA should be notified so that they may evaluate whether the resources should be preserved in the public interest.

*DNR DMLW LCS Response:* LCS appreciates OHA's review of the proposed decision. OHA will be contacted should any discoveries be made during development. LCS will continue to notify potential purchasers of archaeological requirements in the land sale offering materials.

*DNR Department of Environmental Conservation (DEC) Comment:* DEC noted that the project area is not near an active registered public water system source. Because future residents within the project area might install non-public wells, DEC recommends informing prospective well owners of best management practices for well installation.

*DNR DMLW LCS Response:* LCS appreciates your review of our proposal. LCS will refer any interested parties to DEC for current guidance on best management practices for water wells.



## **Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 14 of 17

*DNR Division of Geological & Geophysical Surveys (DGGS) Comment:* DGGS described the project area soil conditions and geologic hazards, as summarized in **Section IX. Physical Characteristics and Hazards**, and mineral resources as summarized in **Section XI. Planning and Classification**.

*DNR DMLW LCS Response:* LCS appreciates DGGS providing information relevant to the proposed subdivision. The information has been incorporated into this preliminary decision.

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

- Alaska Association of Conservation Districts.
- Alaska Mental Health Trust Land Office.
- Alaska Railroad.
- Department of Commerce, Community, and Economic Development.
- Department of Natural Resources:
  - Division of Agriculture,
  - Office of Project Management and Permitting, and
  - State Pipeline Coordinator's Section.
- Fairbanks Soil and Water Conservation District.
- University of Alaska.

## **XVII. 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 Preliminary Decision and draft mineral order.

In accordance with *AS 38.05.946 (a) Hearings*, a municipality or corporation entitled to receive notice under *AS 38.05.945 (c)* may hold a hearing within 30 days after receipt of the notice. If a hearing is held, the Commissioner (or representative) shall attend the hearing. The Commissioner has discretion whether 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 or draft mineral order, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to any of the proposals will not be considered significant changes requiring additional public notice.

If the proposals are approved and no significant change is required, the Preliminary Decision and draft mineral order including any deletions, minor changes, and summary of comments and LCS responses will be issued as a subsequent Final Finding and Decision and Mineral Order 1220 without further notice. All related actions will be developed separately. However, approval of any action is dependent upon one another. One action will not proceed without approval of all actions.

## Preliminary Decision

Boulder Lode Subdivision – ADL 420891

Page 15 of 17

Only persons from whom LCS receives timely, written comment during the identified comment period will be eligible to file a request for reconsideration of the Final Finding and Decision and Mineral Order 1220. Upon approval and issuance of a Final Finding and Decision and this action, a copy of the decision and order will be made available online at <http://landsales.alaska.gov/> and sent with an explanation of the request for reconsideration process to any party who provides timely written comment.

LCS 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 B: Public Notice*.

### **DEADLINE TO SUBMIT WRITTEN COMMENT IS 5:00 PM, TUESDAY, AUGUST 22, 2023**

#### **XVIII. Alternatives and Discussion**

LCS is considering the following alternatives:

Alternative 1: (Preferred) Create a subdivision consisting of no more than ten parcels each no smaller than one acre and offer those parcels for sale. This proposal includes the mineral order.

Alternative 2: (Status Quo) Do not offer the project area for private ownership. Retain the land in State ownership.

Article VIII, Section 1 of the Alaska Constitution states, "it is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." Furthermore, *AS 38.05.045 Generally* has placed this charge with DNR, and the legislature has provided funding to administer the land sale program.

Alternative 1 provides a method for DNR to meet these obligations and provides an opportunity for the public to obtain residential parcels in a desirable area. Subdividing the property prior to sale would create parcels with constructed access and of similar size to the surrounding residential development. However, DNR may elect to sell the project area as one parcel without further subdivision or development. This proposal, if approved in a subsequent Final Finding and Decision, will allow LCS to sell the land with financial return to the State and benefit to the public.

The mineral order is necessary to allow for the sale of the project area. The primary action and related action are dependent upon one another, and if LCS does not approve the subdivision project, the mineral order will not be processed.

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

**Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 16 of 17

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

Recommendation follows.

**Preliminary Decision**

Boulder Lode Subdivision – ADL 420891

Page 17 of 17

**X. Recommendation**

This Preliminary Decision for the proposed disposal of State lands and Mineral Order 1220 described throughout this document and its attachments are consistent with the overall management intent for State-owned land. Alternative 1 is the preferred alternative because it provides the maximum opportunity for offering State land to the public, and helps meet the mission of the land sales program. The Preliminary Decision described above, as represented by the preferred alternative, has been reviewed and considered. I find that the recommended action may be in the best interest of the State and that it is hereby approved to proceed to public notice.

This is a Preliminary Decision, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed disposal of State lands and Mineral Order 1220. If the decision is approved, Mineral Order 1220 will accompany and precede any Final Finding and Decision issued.

*Colin M. Craven*

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Prepared by: Colin Craven  
Natural Resource Specialist  
Land Sales Section  
Division of Mining, Land, and Water  
Department of Natural Resources  
State of Alaska

June 30, 2023

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Date

*T. Shilling*

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Approved by: Timothy Shilling  
Natural Resource Manager II  
Land Sales Section  
Division of Mining, Land, and Water  
Department of Natural Resources  
State of Alaska

June 30, 2023

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Date

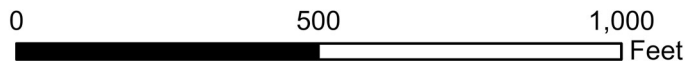


# Attachment A: Vicinity Map Boulder Lode Subdivision ADL 420891



Per Use Policies of the Fairbanks North Star Borough, Alaska

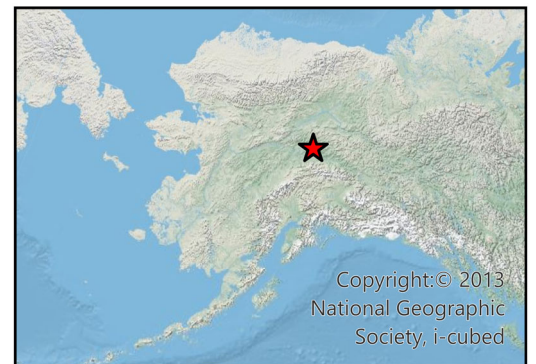
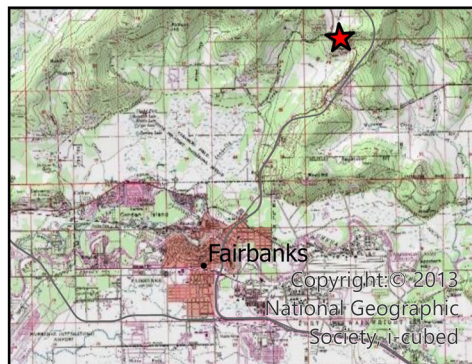
-  Project Area
-  Parcel Boundaries
-  Roads



C. Craven  
June 29, 2023

Section 18, Township 1 North, Range 1 East  
Fairbanks Meridian

For more information contact:  
Colin Craven  
Department of Natural Resources  
Division of Mining, Land, and Water  
Land Conveyance Section  
907.451.2730  
land.development@alaska.gov



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

**ATTACHMENT B: PUBLIC NOTICE**

Requesting Input for a Proposed Land Offering:  
**Boulder Lode Subdivision – ADL 420891**

**COMMENT PERIOD ENDS 5:00PM, TUESDAY, AUGUST 22, 2023**

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

The project area is approximately 6 miles northeast of Fairbanks and 3 miles south of Fox, within the Fairbanks North Star Borough. The project area has access from the platted (not constructed) Summer Street and across DOT property adjacent to the Old Steese Highway.

Project size: 14.3 acres

To obtain the notice, Preliminary Decision, Mineral Order, or instructions on submitting comment, go to <http://landsales.alaska.gov/> or <http://aws.state.ak.us/OnlinePublicNotices/>. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 8:00 AM and 4:30 PM in Anchorage at 907-269-8400 or Fairbanks at 907-451-2705 (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, Tuesday, August 15, 2023.

Pursuant to *AS 38.05.945 Notice*, the public is invited to submit comment on either the Preliminary Decision or Mineral Order 1220 for which notice is being conducted concurrently. If commenting on more than one proposed action, separate comments should be submitted for each. **The deadline for public comment is 5:00PM, TUESDAY, AUGUST 22, 2023.** 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 Colin Craven, 3700 Airport Way, Fairbanks, AK, 99709, fax # 907-451-2751, [land.development@alaska.gov](mailto:land.development@alaska.gov). If you have questions, call Colin Craven at 907-451-2730.

If no significant change is required, the Preliminary Decision and related action, including any minor changes and a summary of comments and responses, will be issued as the Final Finding and Decision and Mineral Order 1220, without further notice. A copy of the Final Finding and Decision and related action will be sent to any persons who commented timely on the Preliminary Decision.

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