

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

PRELIMINARY DECISION
ADL 234762

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

RELATED ACTIONS
Proposed Amendment to the Southeast Susitna Area Plan
AS 38.04.065
Proposed Land Classification Order
AS 38.04.065 and AS 38.05.300
Proposed Mineral Order (Closing)
AS 38.05.185 and AS 38.05.300

PUBLIC COMMENT PERIOD ENDS 5:00 PM, WEDNESDAY AUGUST 19, 2026

Executive Summary: The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW) proposes to convey approximately 19,950 acres (subject parcel) of State-owned land in the Matanuska-Susitna Borough to the Alaska Industrial Development and Export Authority (AIDEA) through a noncompetitive public and charitable use conveyance. AIDEA is a political subdivision of the state with the statutory purpose of advancing economic prosperity and the general welfare of the people of the state by facilitating energy and resource development projects. AIDEA proposes to establish a multi-use industrial and energy development district that serves the public interest by creating jobs, improving energy reliability, and diversifying the economy. The proposed conveyance is subject to existing authorizations, third party interests, and borough zoning and platting authority. With due consideration given to the cumulative impacts and public purpose of the proposed conveyance, DNR finds that disposal of the subject parcel to AIDEA for no cost¹ is in the public interest, it serves a public purpose, and is in the best interests of the state.

I. Proposed Action

Preliminary Decision: Approval of Proposed Noncompetitive Sale to Public and Charitable Use Applicant ADL 234762

Attachment A: Vicinity Map

Attachment B: Legal Description

Attachment C: Public Notice

¹ The term “no cost” conveyance used in this decision describes a conveyance in which AIDEA will not provide compensation for the value of the land. However, AIDEA will still be responsible for administrative costs related to acquiring the subject parcel, including but not limited to the costs of survey.

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Attachment D: Draft Affidavit Acknowledging Conditions of Land and Releasing the State from Related Liability

Attachment E: Survey Determination

Public is also invited to comment on the proposed related actions

Attachment F: Draft Amendment to the Southeast Susitna Area Plan (SSAP) SC-08-001A04

Attachment G: Draft Land Classification Order CL SC-08-001A04

Attachment H: Draft Mineral Order (Closing) MO 1330

Proposed Primary Action - Noncompetitive Sale: DNR proposes to convey the subject parcel through a noncompetitive conveyance at no cost to AIDEA under Alaska Statute (AS) 38.05.810(a) Public and Charitable Use. The subject parcel is located within DNR's Southcentral Region, approximately two miles north of the City of Houston in the Matanuska-Susitna Borough. See *Attachment A: Vicinity Map* for a visual depiction of the subject parcel.

Proposed Related Actions: These related actions will be developed separately; however, public notice is being conducted concurrently.

Area Plan Amendment: DNR proposes to amend the SSAP to designate approximately 15,100 acres, more or less, within units P-01, P-02, P-03, H-06, and U-01 as Settlement. This amendment will also split U-22 into two subunits. Unit U-22a will be comprised only of land within Sections 5 and 6 of S018N002W that are part of ADL 234762. This unit will be designated Settlement, which converts to the classification Settlement Land. The remaining land will become part of unit U-22b and retain the existing designation of Habitat and Water Resources, which converts to a classification of Wildlife Habitat Land and Water Resources. Refer **Section VIII. Planning, Classification, and Mineral Orders** of this document for more information on this proposed related action.

Land Classification Order: In relation to the Area Plan Amendment, DNR proposes to reclassify 15,100 acres, more or less, within units P-01, P-02, P-03, H-06, U-01, and U-22a as Settlement. Refer to **Section VIII. Planning, Classification, and Mineral Orders** of this document for more information on this proposed related action.

Mineral Order (Closing): DNR proposes to close the subject parcel to new mineral entry. There are no current mining claims located within the subject parcel. There are active gas leases within the subject parcel that this conveyance will be subject to. Refer to **Section VIII. Planning, Classification, and Mineral Orders** for more information on this proposed related action.

However, approval of each proposed action is dependent upon approval of the others; one action will not proceed without the approval of all other related actions.

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See **Section XVI. Submittal of Public Comments** and *Attachment C: Public Notice* for details on how to submit a comment for consideration. After consideration of timely, written comments, DNR will issue a Final Finding and Decision (FFD) stating whether the State intends to move forward with the proposed and related actions and identifying any changes from the Preliminary Decision.

II. Authority

DNR's land management policies are governed by Article VIII, section 1 of the Alaska Constitution, which 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." Consistent with Article VIII, section 1, the legislature adopted AS 38.04.005(a) which states, "In order to provide for maximum use of state land consistent with the public interest, it is the policy of the State of Alaska to plan and manage state-owned land to establish a balanced combination of land available for both public and private purposes." Additionally, AS 38.05.035(e) preconditions disposal of state land on a finding that the disposal serves the best interests of the State. These constitutional and statutory provisions confirm that DNR is to promote the development of natural resources on state lands by making the lands available for maximum use in a manner consistent with the public interest.

AIDEA is a state public corporation that was created to undertake projects to "foster[] the expansion of exports of goods, services, and raw materials of the state."² Such development, especially of State natural resources and lands is often consistent with the principles that guide DNR's management of state lands outlined above.³

Under AS 38.05.810(a)(1), DNR may dispose of state land to a state or federal agency or political subdivision for no cost if the commissioner "ensures . . . that disposals of land under this subsection serve[s] a public purpose and are in the public interest." In doing so, DNR must consider "the terms of grant under which the land [being considered for disposal] was acquired by the state."

AS 38.04.010(a) provides DNR with additional direction as it reviews AIDEA's AS 38.05.810 application. AS 38.04.010(a) states that DNR, "[i]n making state land available for private use, the director shall seek to guide year-round settlement to areas where public services already exist, or can be extended with reasonable economy, *or where development of a viable economic base is probable*." The phrase "where development of a viable economic base is probable" is relevant given AIDEA requests state lands to develop a multi-use industrial and energy development district and the lands identified have existing access and relative proximity to already existing towns.

Collectively under these statutes, DNR may dispose of state land at no cost or for less than the appraised value to a state agency or political subdivision if the disposal is in the best

² AS 44.88.010 - .070.

³ AS 44.88.070; *see* AS 38.04.005 and AS 38.05 generally.

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interests of the public. Under AS 38.05.810(a), DNR's best interest finding also must consider: (1) the terms of the grant under which the land was acquired by the State; (2) how the applicant will use the lands and if that use is in the public interest and for a public purpose. AS 38.05.810(g) requires that the State retain a reversionary interest in land conveyed under .810(a), unless DNR determines that the waiver is in the public interest.

Related actions are supported by statutory authority in AS 38.04.065 (Land Use Planning and Classification), AS 38.05.300 (Classification of Land), and AS 38.05.185 (Generally), allow for amendments and special exceptions to area plans, land classifications, and mineral orders.

III. Administrative Record

The case file for Alaska Division of Lands (ADL) 234762 constitutes the administrative record for this proposed action. Also incorporated by reference are:

- Southeast Susitna Area Plan (adopted April 28, 2008) and associated land classification files
- DNR case files:
 - ADL 52374-A: Public access Rights-of-Way (ROWs) for hunting and fishing trails
 - ADL 230260: 25-year entry authorization for the construction, survey, operation, and maintenance of the Haessler-Norris Trail System.
 - RST 95: Houston-Willow Creek Trail
 - RST 169: Herning Trail-Question Creek
 - ADLs 394297, 394298, 394299, 394300, 394301, 394302: Competitive Oil and Gas Leases
- Federal patents 1207175, 1217118, 1224125, 1226353, 50-67-0014, 1232336, 1228180

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

IV. Scope of the Proposal

The scope of this proposal, under the statutes described in the preceding **Section II. Authority**, is limited and specific to the following conditions: (A) that AIDEA qualifies for disposal at no cost under AS 38.05.810(a); (B) that the disposal of this state land is in the public interest and for a public purpose; (C) a waiver of the reversionary interest is in the public interest; (D) the State has accounted for the reasonably foreseeable cumulative impacts resulting from the conveyance; (E) that DNR considered "the terms of the grant under which the land was acquired by the State; and (F) that in summation the proposed disposal is in the best interests of the State.

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AIDEA seeks to acquire these “State lands near Houston, Alaska to establish a multi-use industrial and energy development district that catalyzes private investment and creates durable jobs for Mat-Su residents.”⁴ AIDEA anticipates that the multi-use industrial and energy development district could host a variety of complementary uses, including but not limited to:

- An intermodal logistics hub adjacent to the Alaska Railroad centerline and the George Parks Highway.
- Energy and utility corridors (e.g., electric, natural gas, fiber optic) to serve tenants and enable further energy development.
- Innovation and advanced manufacturing pads.
- Development of scalable data centers that leverage existing and planned utility corridors.
- Utilization of on-site gravel and rock resources to enhance the viability of AIDEA development projects.

According to AIDEA, “[t]hese activities directly foster job creation through construction, ongoing operations, and tenant engagement, and can be advanced using AIDEA’s broad statutory authority – including the power to acquire, own, lease, and operate real property and related facilities (AS 44.88.172 and AS 44.88.080(5), (6), (8), (14), and (32)).”⁵ AIDEA proposes to use the parcel to “alleviate unemployment and grow Alaska’s economy by financing, owning, operating, or leasing projects and development projects; issuing bonds; entering partnerships; contributing land as an in-kind equity stake; and enabling private lenders through participation loans.”⁶ About employment opportunities, AIDEA states that its “planned development of the land will lead to construction jobs, operations jobs, vendor yards, equipment service depots, and small manufacturers, data centers, and workforce housing.”⁷

The scope of this decision does not include AIDEA’s post-patent use. Upon conveyance to AIDEA, the land will no longer be considered state land under DNR’s control to be managed consistent with the Alaska Land Act.⁸ Control and post-patent development of the parcel would be addressed under AIDEA’s purpose and power statutes as described in AS 44.88.070 and AS 44.88.080, and in accordance with AIDEA’s subsequent development plans and disposals to third parties. Any development will also be subject to Matanuska-Susitna Borough authority. Land uses in the conveyed parcel must comply with any applicable borough permitting requirements and zoning regulations.

⁴ See AIDEA Development Plan, p. 1

⁵ *Id.* at p. 2.

⁶ *Id.* at p. 4.

⁷ *Id.* at p. 5-6.

⁸ AS 44.88.190.

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The proposed related actions will be issued concurrently with the FFD. These actions are described in more detail in **Section VIII. Planning, Classification, and Mineral Orders.**

V. Description of Subject Parcel

- a. Location: The subject parcel is located within DNR's Southcentral Region, approximately two miles north of Houston in the Matanuska-Susitna Borough, within Township 18 North, and Township 19 North, all Seward Meridian. See *Attachment A: Vicinity Map* and *Attachment B: Legal Description* for additional information.

<i>USGS Map Coverage:</i>	Anchorage C-7 and C-8
<i>Platting Authority:</i>	Matanuska-Susitna Borough
<i>Regional Corporation:</i>	Cook Inlet Region, Inc.
<i>Village Corporation:</i>	Knikatu Inc.
<i>Federally Recognized Tribes:</i>	Knik Tribe

- b. Legal Description:
The legal description of the subject parcel is included as *Attachment B: Legal Description* due to length.

The legal description of the proposed mineral order is the same as the subject parcel.

- c. Parcel Description
The northern boundary of the subject parcel runs east along Deception Creek for approximately six miles to the foothills of the Talkeetna Mountains before turning directly south to the minor bluffs overlooking the Little Susitna River. The southern boundary of the subject parcel overlies section lines that run roughly parallel to the course of the Little Susitna River. The western boundary of the subject parcel overlies section lines that are located approximately two miles east of the Parks highway.

The western area of the subject parcel is characterized by gently rolling hills and interspersed, non-contiguous wetlands. To the East, the subject parcel climbs into the foothills of the Talkeetna Mountains where the terrain is defined by steeper slopes rising above flat benches and smaller ravines. The primary vegetation throughout the subject parcel is characterized by a forested mix of birch and spruce, with grassy meadows surrounding the wetland areas.

Zero Lake Road provides practical access to the subject parcel, but most of the secondary roads that currently exist within the subject parcel were constructed by the Alaska Division of Forestry and Fire Protection (DFFP) for the purposes of timber sale administration and wildland fire access. DFFP has invested in the construction of 23.9 miles of active, inactive, and planned forestry roads. In addition to forestry roads, there are approximately 41.8 miles of documented

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trails within the subject parcel that tie into larger trail networks such as the Haessler-Norris.

VI. Title

Based on preliminary title research, the State holds fee title to the land and mineral estate. All lands within the subject parcel are general grant lands conveyed to the State for general purposes under the Alaska Statehood Act, Section 6(b), as amended.

- Patent was executed to the State of Alaska on March 28, 1960, as Patent No. 1207175; on February 9, 1961, as Patent No. 1217118; on November 21, 1961, as Patent No. 1224125; on April 16, 1962, as Patent No. 1226353; on August 15, 1962, as Patent No. 1228180; on June 19, 1963, as Patent No. 1232336; and on July 13, 1966, as Patent No. 50-67-0014.
- The applicable State case files are General Selection (GS) 2, GS 330, and GS 536. The subject parcel is subject to the reservations, easements, and exceptions contained in the federal patents.

Any potential title clouds identified upon issuance of the title report and omitted from this decision will be incorporated into the Final Finding and Decision and resolved prior to conveyance.

State Reservation of Title:

Mineral Estate: Under Section 6(i) of the Alaska Statehood Act and AS 38.05.125, the State retains title to oil, gas, coal, ore, minerals, fissionable material, geothermal resources, and fossils. The State reserves access to explore and develop these resources, consistent with AS 38.05.130 (Damages and Posting of Bond).⁹

Navigable Waters: Under AS 38.05.126(b) and the Public Trust Doctrine, the State holds navigable or public waters in trust for public use and reserves access consistent with AS 38.05.127.

Alaska Native Interest: Within Cook Inlet Region, Inc. boundaries; no Alaska Native interests are identified within the parcel.

Other Interests: The conveyance is subject to an Oil and Gas Exploration License Conversion Lease (DOG 202411 CL) effective February 1, 2025, covering Competitive Oil and Gas Leases ADLs 394297–394302. The lease is limited to hydrocarbons and does not include rights to sand, gravel or rock. Surface access for lease operations will require engagement with AIDEA as the surface estate owner.

⁹ The proposed related mineral order would close the area to further mineral entry to mitigate surface use conflicts.

VII. Background

AIDEA is a state-owned corporation and political subdivision of the state housed within the Department of Commerce, Community, and Economic Development, but with a separate and independent legal existence.¹⁰ The statutory purpose of AIDEA is to promote the general prosperity and economic welfare of the state by facilitating the advancement of energy, industry, and resource development projects.¹¹ To fulfill their statutory purpose and advance energy and industrial projects, AIDEA has been granted special powers of financing to more effectively facilitate investment in large-scale projects.¹²

On June 2, 2026, AIDEA submitted to DMLW a completed revised application to purchase state land under AS 38.05.810, serialized as ADL 234762. In the application, AIDEA proposes to develop a multi-use industrial and energy development district with initial and later phase development by financing, owning, operating, and leasing tenant-specific facilities and logistical infrastructure. AIDEA anticipates implementing this development through the powers granted to it under AS 44.88.070 and AS 44.88.080; statutes that provide AIDEA with a financing toolkit that includes the authority to:

- issue direct loans to finance development projects and facilities to support economic growth in Alaska.¹³
- issue revenue bonds for shared infrastructure and site preparation.¹⁴
- manage the loan participation program which partners with Alaskan financial institutions to provide affordable commercial financing for anchor tenants.¹⁵
- manage other funding tools offered under the Sustainable Energy Transmission and Supply (SETS) Program.¹⁶
- manage the small business and economic development loan program which enables small businesses in qualifying communities to access direct loans for a range of purposes, including real property acquisition, equipment purchases, and working capital. Through this loan program AIDEA is authorized to provide financing to private individuals or business entities supporting the establishment or expansion of local enterprises.¹⁷
- manage the New Markets Tax Credit (NMTC) assistance program for supporting development projects such as logistics hubs, manufacturing centers, training facilities, and energy infrastructure upgrades.¹⁸

¹⁰ AS 44.88.020

¹¹ AS 44.88.010; AS 44.88.070.

¹² AS 44.88.088 - .855.

¹³ AS 44.88.080(7).

¹⁴ AS 44.88.090.

¹⁵ AS 44.88.155 - .159.

¹⁶ AS 44.88.650-.690.

¹⁹ AS 44.88.140.

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¹⁷ AS 44.88.400 - .430.

Additionally, AIDEA has statutory exemptions and options for payments in lieu of taxes due to its public and governmental function.¹⁹

Current Uses of Subject Parcel:

Forestry:

Since acquisition by the State, the subject parcel has been used primarily for forestry purposes. Historical DFFP timber sales in the subject parcel total 2,834.4 acres, with 2,029.3 acres currently proposed for potential future sale. DFFP monitors forest health and inventories in three long-term forest inventory plots within the subject parcel. The 480-acre Mike Peacock Experimental Forest (managed by DFFP via ILMA) is located directly south of the subject parcel along Zero Lake Road. The proposed conveyance does not affect the Experimental Forest's management or access.

Trails:

The subject parcel is also used for recreational purposes such as hunting, fishing, Off-Road Vehicle (ORV) use, and sled-dog mushing. These uses are aided by a network of trails, including legal easements and RS 2477 trails. The nature and purpose of the known trails within the conveyance are described in detail in **Section X. Access, Including Access to and Along Public or Navigable Water:**

Water Resources:

There are less than five known wells in the subject parcel, and the exact location and condition of those wells is not currently known. Despite the lack of specific data regarding existing use of area-wide water resources, certain general information is known.

Existing Water Rights: There are no existing water rights in the project area that would conflict with future operations.

Groundwater Resources: DMLW Water Section reviewed several dozen well logs to evaluate the presence of groundwater at depth, and any records of water production. Most of the wells in the area are for residential domestic use and are tested at relatively low flowrates of approximately five gallons per minute. The City of Houston drilled two wells at 203 feet in depth (WELTS Log 11933, 11703) and was able to produce approximately five gallons per minute.

Surface Water: Several small anadromous creeks cross the area but are not likely to provide large volumes of water for out-of-stream uses. The Little Susitna River flows south of the project site and provides flows in the range of 50 CFS in the winter to 2,000 CFS in the summer months.

¹⁹ AS 44.88.140.

VIII. Planning, Classification, and Mineral Orders

Planning

The subject parcel is located within the SSAP, Kashwitna-Willow Uplands Region (Units U-0,1, U-22), Big Lake-Houston Region (Units H-32, H-06, H-07), Willow Region (Unit W-01), and the Palmer-Wasilla Region (Units P-01, P-02, P-03). The SSAP was formally adopted in 2008.

The plan designates the management units within the subject parcel as Forestry (F), Habitat (Ha), Settlement (Se), and Water Resources (Wr). The SSAP states the management intent for Units P-01, P-02, P-03, U-01, U-22a, H-06, H-07, as follows:

P-01 (Ha): Manage parcel to protect the moose calving, rutting, and winter concentration areas.

P-02 (F): Manage parcel consistent with Susitna Forest Guidelines and Forest Resources Practices Act. Provide mitigation measures to mitigate significant impacts on moose wintering concentration areas. Recreation use of this parcel is to be considered in a FLUP prepared by DOF. Significant trails are to be protected and recreational activity is to be accommodated in timber harvest design.

P-03 (F): Appropriate for land disposal during the planning period. Settlement areas should avoid areas of wetlands, concentrating development in better drained, better soil types. Protect anadromous stream and Bench Lake. Maintain a 100' protection area around lake and along anadromous stream. Maintain public access and provide a public use site on lake.

U-01 (F): Manage unit consistent with requirements of Forestry section of Chapter 2 [SSAP] and with applicable Susitna Forestry Guidelines and Forest Practices Act requirements. Protect anadromous streams and moose winter concentration and rutting areas. Maintain the Central Mail Trail, Mail Trail Connector, and Willow Mountain Trail corridors. Other recreational areas and corridors may exist within this unit and a review to determine if other such uses exist should occur prior to or concurrent with Forest Land Use Plan preparation.

U-22 (Ha, Wr): Manage unit to protect its habitat and water resource values. Maintain trail access.

H-06 (F): Unit is to be managed for its timber values. Local and regional trails are to be maintained.

H-07 (Se): Unit is considered appropriate for land disposal during planning period.

The proposed conveyance will be consistent with area-wide land management policies and general management intent of the SSAP and specific management unit if the proposed area plan amendment is approved in accordance with AS 38.04.065 Land Use Planning and Classification, AS 38.05.300 Classification of Land, and AS 38.05.185 Generally. The units within the subject parcel are currently designated as Forestry, Habitat, and Water Resources, and Settlement. With the exception of Unit H-07 which is already classified as Settlement, the other designations will require a conversion to a

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classification of Settlement through the proposed area plan amendment to the SSAP prior to disposal.

Area Plan Amendment:

The amendment SC-08-001A04 to the 2008 SSAP will change the goals and management guidelines in units P-01, P-02, P-03, H-06, U-01, and the portions of unit U-22 within sections 5 and 6 of S018N002W to be consistent with those of Settlement lands. This amendment will also split U-22 into two subunits. Unit U-22a will be comprised only of land within Sections 5 and 6 of S018N002W that are part of ADL 234762. This unit will be designated Settlement, which converts to the classification Settlement Land. The remaining land will become part of unit U-22b and retain the existing designation of Habitat and Water Resources, which converts to a classification of Wildlife Habitat Land and Water Resources.

The management intent of the areas described within units P-01, P-02, P-03, H-06, U-01, and U-22a, is as follows:

“Area is considered appropriate for disposal in association with ADL 234762. See Chapter 2 for additional guidance on Settlement, Shorelands and Stream Corridors, Fish and Wildlife Habitat, and Public Access.”

A land classification order formally designating units P-01, P-02, P-03, H-06, U-01, and U-22b as Settlement will accompany this decision as a separate related action.

Mineral Order:

DNR proposes to close the subject parcel to new mineral entry in accordance with AS 38.05.185 Generally and AS 38.05.300 Classification of Land. This mineral closing order would not prevent the removal and/or use of rock, gravel, or sand resources.²⁰ There are no current mining claims located within the subject parcel. Closing the parcel to new mineral entry is consistent with the management intent and minimizes the potential for conflict between the land estate and mineral estate users. If approved by the Commissioner, Mineral Order 1330 will close the subject parcel to new mineral entry. If the Commissioner approves the public and charitable conveyance, the mineral order will accompany the FFD. The approval of the mineral order is a separate action issued concurrently with the FFD; however, approval is dependent upon one another in that one action will not proceed without the approval of both actions.

Mineral orders, which close an area to mineral entry, also close the area to new exploration and development of locatable minerals (e.g. gold, copper, platinum, etc.). Such mineral orders do not apply to leasable minerals (e.g. 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 of Posting of Bond stipulates that the land

²⁰ See Section XI. Reservation of Mineral Estate.

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estate owner will be compensated for damages resulting from mineral exploration and development.

Local Planning:

The project area is within the Matanuska-Susitna Borough, but is not zoned.

Flood Risk:

The portions of the parcel that run along the south bank of Deception Creek are in areas of high-risk flood hazard, zone AE. This zone, and the limit of the study area, can be viewed in detail on FEMA's National Flood Hazard Layer Viewer. Project development includes plans for setbacks, crossings, and drainage consistent with the ordinary high-water lines, low-impact, flood-compatible uses within buffers, and exclusion of permanent structures within setback buffers. In addition, areas of the subject parcel that are mapped as organic or weakly indurated soil will be preferentially retained as drainage and stormwater-management areas.

IX. Traditional Use Findings

The subject parcel is located within the Matanuska-Susitna Borough, and a traditional use finding is therefore not required per AS 38.05.830 Land Disposal in the Unorganized Borough.

Additional information on traditional use is welcome during the public comment period and if this proposal is approved, DNR will address the information received in a subsequent FFD, if one is issued. See **Section XVI. Submittal of Public Comments** and *Attachment C: Public Notice* for details on how to submit a comment.

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

Public Access:

Constructed access to the subject parcel is via Zero Lake Road, a gravel road that connects to the George Parks Highway just north of milepost 59. Zero Lake Road travels approximately 3.5 miles before crossing into the project area, and then continues for 1.5 miles, more or less, before transitioning into an ORV trail system. Zero Lake Road also provides access to Zero Lake, the Haessler-Norris trail system, numerous private parcels, and a private airport known as Black Spruce Airport.

Access also exists by section line easements, RST 95, Houston -Willow Creek Trail, RST 1691, Herning Trail-Question Creek, and Public Access Easement ADL 230260, to the Parks Highway.

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

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51.035 Determination of Navigable and Public Water, 11 AAC 51.045 Easements to and Along Navigable and Public Water, and 11 AAC 53.450 Buffer Strips, Reserved Areas, and Public Easements.

The project area does not contain any navigable waters for title purposes per AS 39.04.062. The only potential navigable water, Bench Lake, is 29 acres in size. There is an existing trail on a seismic line and an ORV trail around the lake but no indication of boat use. The following waters are public water per AS 38.05.126 and AS 38.05.127 as defined in AS 38.05.965(21):

- Unnamed stream in SW1/4SE1/4 Section 12, T18N, R2W, SM;
- Unnamed Stream in NE1/4 Section 16, up to a Y in Section 9, both branches of the Y, the western branch within the SW1/4NE1/4 Section 9 and the eastern branch into the NW1/4NW1/4 Section 10, T18N, R2W, SM;
- Unnamed Stream in the NW1/4 Section 16, T18N, R2W, SM;
- Unnamed Stream in SW1/4NE1/4 Section 17, T18N, R2W, SM;
- Bench Lake and its unnamed outlet within Sections 8, 17, and 18, T18N, R2W, SM;
- Unnamed Stream that flows on the north/south section line between Section 18, T18N, R2W, SM and Section 13, T18N, R3W, SM;
- Unnamed stream within the SW1/4SW1/4 Section 14 and E1/2 & SE1/4NW1/4 Section 15, T18N, R3W, SM;
- Unnamed Stream from Zero Lake Road near the south section line of Section 4, flowing in and out of the project in Section 4, 5, and 6 T18N, R3W, SM;
- Unnamed Stream and unnamed ponds from within W1/2 Section 32, through Section 31 and 30, T19N, R3W, SM;
- Deception Creek from within the NW1/4NW1/4 Section 5, T18N, R2W, SM through Section 6, T18N, R2W, SM, then as the north boundary of the project in Sections 19, 20, 29, 28, 33, 34, and 35, T19N, R3W, SM.

Waters within or bordering the subject parcel that have been identified as anadromous include: Deception Creek (AWC 247-41-10200-2120-3020), Lilly Creek (AWC 247-41-10100-2231-3080), AWC 247-41-10100-2231-3050, Coho Creek (AWC 247-41-10100-2271), AWC 247-41-10100-2285, AWC LIKE 247-41-10100-2287, Bench Lake (247-41-10100-2287-0010), AWC 247-41-10100-2291-3020, AWC 247-41-10100-2291-3008, Fast Creek (AWC 247-41-10100-2295), Poddle Creek (AWC 247-41-10100-2301).

Easements and Setbacks:

The subject parcel is subject to section line easements. A 50-foot 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. For section lines running through the subject parcel, 50 feet measured on each side of the section line, for a total width of 100 feet, will be reserved. Easements and setbacks that the proposed conveyance will be subject to include, but are not limited to:

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- ADL 131: The portion of Zero Lake Road located within S018N003W16 may not constitute legal public access. ADL 131 was issued in 1957 as a private non-exclusive easement to provide roadway access to a nearby homestead parcel. The roadway extends north from the southern boundary of Section 16 to the junction of ADL 230260 and continues easterly towards Zero Lake. As the road was authorized as a private easement to a grantee that is now deceased, the South-Central Regional Office (SCRO) does not consider this route to constitute legal public access. Lands underlying a portion of the route in the SE 1/4 of Section 16 have been conveyed to the City of Houston subject to ADL 131, but this likely preserves access only to the private grantee.
- ADL 230731: The portion of Zero Lake Road located within S018N003W 4,5, and 9 may not constitute legal public access. ADL 230731 represents an application which was closed and combined with ADL 230260, which covered the northern portion of Zero Lake Road.
- ADL 52374-A: This route may not be fully valid and does not constitute a full highway easement. ADL 52374 was issued on a conditional basis and is only valid in locations where the underlying lands passed through state ownership. Additionally, ADL 52374-A was issued to authorize existing 50-foot trails as-is, and specifically noted for use as “*swamp buggy, tracked vehicles, and horse trails*”. ADL 52374-A appears to be largely co-located with RST 95 within the project area.
- ADL 230260: Trails serialized under this ADL constitute legal public access. ADL 230260 does not represent an issued easement and the entry authorization for the trail expired on February 22, 2024, as the Matanuska-Susitna Borough (grantee) neither provided the required survey, nor requested an extension prior to expiration. Even if the entry authorization were not expired, the Regional Manager’s Decision for ADL 230260 only authorized development and maintenance activities consistent with a primitive trail system and clearly specified that the authorization was not intended to “*authorize the modification of the natural landscape or placement of features that exceed the definition of ‘unimproved land’ provided by AS 09.65.200*”. Finally, the Regional Manager’s Decision did not contemplate a perpetual easement and recommended a term of 25 years from the date of signature.
- There are two RS 2477 trails that cross the project area: RST 95 (Houston-Willow Creek Trail) and RST 1691 (Herning Trail-Question Creek). After a review of the casefiles for each RST, the Public Access Assertion and Defense (PAAD) unit asserts that the validity of these trails is not in question, they do provide legal access, and that the routes delineated in Mapper are sufficiently close to the historical trail’s alignment as assessed against USGS bulletins and topographic maps. The standard corridor width of RS 2477 trails and other trails of regional or statewide significance is a minimum of 100 feet (50 feet on each side of the centerline).

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- Additional reservations and/or restrictions required through the local platting authority.

Where appropriate, reservations and restrictions will be depicted on the plat and described in plat notes. Prior to conveyance AIDEA will be required to complete the survey of the subject parcel to include all easements according to directions set forth in **Section VIII. Stipulations**, and in Attachment E: Survey Determination.

1. A notice to proceed to survey will be issued if no requests for reconsideration are received, or when requests for reconsideration are resolved, after the issuance of the FFD. The applicant must hire a surveyor, and the surveyor must apply to DMLW's Survey Section for Survey Instructions. The applicant's survey must be approved by DMLW and the local platting authority, if any, as set forth in the Survey Instructions. Survey costs shall be borne by the applicant.

Along the anadromous streams in the project area, area wide planning requires riparian buffers of 100-150 feet landward from the ordinary highwater line on each side of the river. This buffer prohibits residential structures, fences, and other non-water-dependent structures that will obstruct passage or those uses that may be prohibited by state regulations. Buffer widths of up to 300 feet may be authorized if, after consultation with the Alaska Department of Fish and Game, it is determined that larger widths are necessary to protect fisheries, wildlife, or habitat.

Development within the subject parcel is also subject to a building setback of 100 feet landward from all anadromous waters for the purpose of protecting riparian fish habitat, water quality, and recreation values along anadromous and high-value resident fish waters. This building setback applies only to non-water-dependent uses. The setback area shall remain vegetated to maintain habitat values and stream stability. SSAP guidelines require that measures be implemented to prevent adverse changes including erosion, turbidity, sedimentation, and temperature differences within the waterbody or adjacent wetlands.

XI. Reservation of Mineral Estate

In accordance with section 6(i) of the Alaska Statehood Act and AS 38.05.125 Reservation, the State, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing and producing the reserved mineral resources. Exploration and development, if any, which could occur, would be consistent with AS 38.05.130 Damages and Posting of Bond and other applicable statutes and regulations. The mineral estate reserved by the State does not include rock, gravel, or sand resources. Because the on-site-materials strategy described in section 4 of AIDEA's updated developed plan depends on AIDEA control of the sand and gravel estate, this disposal under AS 38.05.810, together with the materials authority under AS 38.05.565, conveys to AIDEA the materials needed for surface

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development and for those materials to be used by AIDEA as an in-kind equity for other eligible projects.

XII. Hazardous Materials and Potential Contaminants

An inspection by DNR employees on 19 May 2026 noted three informal shooting ranges along Zero Lake Road and the trails to the north. Inspection of these sites found evidence of long-term firearms use, including spent casings, gravel backstops, abandoned vehicles, and other solid waste that had been used as targets. Past inspections have also noted several other illegal dumping sites which included abandoned vehicles, household appliances, and household trash. All observations were informal and noted during unrelated field inspections in the area.

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

The applicant will be required to submit an affidavit (Attachment D) acknowledging the condition and history of the site prior to purchase.

XIII. Stipulations

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

1. As a condition of sale, the applicant must sign an affidavit acknowledging the condition of the land and releasing the State from related liability due to the presence of potential hazards.
2. A notice to proceed to survey will be issued if no requests for reconsideration are received, or when requests for reconsideration are resolved, after the issuance of the FFD. The applicant must hire a surveyor, and the surveyor must apply to DMLW's Survey Section for Survey Instructions. The applicant's survey must be approved by DMLW and the local platting authority, if any, as set forth in the Survey Instructions. Survey costs shall be borne by the applicant.
3. Upon approval of the survey, a notice to proceed to purchase will be issued to the applicant. Within the time period specified in the proceed to purchase notice, the applicant must submit the following to DNR:
 - A signed and notarized affidavit acknowledging the condition of the land and releasing the State from related liability.

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- A completed and signed Declaration of Intent form.
 - A completed Veteran's Land Discount form (if eligible).
 - Payoff amount plus patent applicant and recordation fees OR minimum 5% of the purchase price as a deposit plus land sales contract application and recordation fees. Fees are established under 11 AAC 05.100 Land Disposals and 11 AAC 05.200 Recorder's Office and are subject to change. Some fees have been reduced by Director's Order Number 3.
4. Prior to the completion of the purchase and issuance of a state conveyance document, the applicant must remain in good standing with respect to all terms of the Contract for the Sale of Real Property throughout its term, if such a contract is issued. The applicant must also remain in compliance with all applicable state and local ordinances and regulations, including all applicable taxes. Failure to do so may result in termination of the Contract for the Sale of Real Property.

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

Restrictions and Reservations

Any conveyance document will be issued subject to the following restrictions and reservations:

1. Valid existing rights, including reservations, easements, and exceptions in the U.S. Patent, or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record.
2. Reservation of the mineral estate pursuant to Section 6(i) of the Alaska Statehood Act and AS 38.05.125 Reservation; and reservation of reasonably necessary access to the mineral estate in accordance with AS 38.05.130 Damages and Posting of Bond.
3. AS 38.05.810(g) Public and Charitable Use, states that the commissioner shall retain a reversionary interest on each sale or other disposal granted under AS 38.05.810(a) or (e) Public and Charitable Use, unless the reversionary interest is waived. In this case, the commissioner shall waive the reversionary interest clause.
4. The Public Trust Doctrine provides that the State holds certain resources (such as wildlife, minerals, and waters rights) in trust for public use and the "government owes a fiduciary duty to manage such resources for the common good of the public as beneficiary."²¹ Patent will be subject to RS 2477 rights-of-way, easements to and along

²¹ *Kanuk ex rel. Kanuk v. State, Dept. of Natural Resources*, 335 P.3d 1088, 1100 (Alaska 2014).

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public water under AS 38.05.127, and any other easements reserved and managed by DNR, which will be held in public trust.

XIV. Survey

The subject parcel for the Houston Site is within the Matanuska-Susitna Borough (MSB) Platting Authority. Alaska State Land Surveys (ASLS) will require platting authority approval for conveyance.

A survey determination was provided by DMLW Survey Section on November 20, 2025. The accompanying survey determination memo detailed the areas within the subject parcel that have been surveyed, the areas that have not been surveyed, and the areas that will require a record of survey. Details are provided in Attachment E: Survey Determination.

XV. Compensation/Appraisal

As a political subdivision of the state, AIDEA is eligible for a public and charitable sale under 38.05.810(a) at no cost. This is justified by the public purpose of the conveyance and discussed in detail in the **Section VII. Background**.

XVI. Decision

In reviewing AIDEA's AS 38.05.810(a) application, DNR must: (A) determine whether AIDEA qualifies for a no cost disposal under AS 38.05.810(a); (B) evaluate whether the disposal of this state land to AIDEA is in the public interest and for a public purpose; (C) determine if a waiver of the reversionary interest in AS 38.05.810(g) is in the public interest; (D) consider the reasonably foreseeable cumulative impacts resulting from the conveyance of this land to AIDEA; and (E) consider "the terms of the grant under which the land was acquired by the State."

As the below confirms, DNR approves AIDEA's request. DNR finds that AIDEA qualifies for a no cost conveyance of the land, that their proposed use of the land serves a public purpose and is in the public interest. DNR also waives the AS 38.05.810(g) reversionary interest, finding such a waiver is in the public interest. DNR finds that AIDEA's proposed disposal of state land is in the best interest of the State.

A. AIDEA is eligible for a no cost disposal under AS 38.05.810(a).

Under AS 38.05.810(a), a no cost disposal of state land may be made to a "state or federal agency or political subdivision." By statute 44.88.020, AIDEA is "a public corporation of the state and a body corporate and politic constituting a political subdivision within the Department of Commerce, Community, and Economic Development."²² By the

²² AS 44.88.020.

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expressed language in AS 44.88.020, AIDEA is a political subdivision of the state and thus eligible for a no cost disposal under AS 38.05.810.

B. DNR finds that the proposed disposal of state land to AIDEA for no cost is in the public interest and serves a public purpose.

AIDEA's statutes confirm that its acquisitions and projects are in the public interest and serve a public purpose. In creating AIDEA, the legislature recognized that its investments and development projects would serve the public interest and be for a public purpose. AS 44.88.010(a)(10) ("The legislature finds, determines, and declares that it is in the public interest to promote the prosperity and general welfare of all citizens of the state."); AS 44.88.010(c) ("It is further declared to be the policy of the state, in the interests of promoting the health, security, and general welfare of all the people of the state, and a public purpose of the state."); and AS 44.88.070 ("The purpose of the authority is to promote, develop, and advance the general prosperity and economic welfare of the people of the state") all clearly demonstrate the intent of the legislature to align AIDEA's purpose with the public purpose. This makes AIDEA's land conveyance application unique. AIDEA is not simply a political subdivision of the State, but a political subdivision expressly tasked with undertaking development projects that serve the public interest and are for a public purpose²³.

"Public interest" and "public purpose" as used in AS 44.88.010 and AS 44.88.070 dovetails with that same language found in AS 38.05.810; a statute that authorizes the DNR Commissioner to convey state land to a political subdivision like AIDEA for less than fair market value (which can include a no cost conveyance) for projects that are in the "public interest" and serve a "public purpose."

Consistent with AS 44.88.010, AS 44.88.070 and thus AS 38.05.810, AIDEA intends to use this land for a public purpose and which is in the public interest. With this land, AIDEA proposes:

- to establish a multi-use industrial and energy development district;
- to develop an intermodal logistics hub adjacent to the Alaska Railroad centerline and the George Parks Highway;
- to develop energy and utility corridors (e.g., electric, natural gas, fiber optic) to serve tenants and enable further energy development, including through the construction of workforce-housing subdivisions;
- to develop advanced manufacturing pads;
- to develop scalable data centers that leverage existing and planned utility corridors;
- to utilize on-site gravel and rock resources to enhance the viability of other AIDEA development projects. Gravel and rock resources may be utilized to build shared infrastructure such as pads, internal roads, rail spurs, and utility corridors at

²³ 11 AAC 98.010 (Public Purpose).

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materially lower cash than through importing aggregate. These resources can also be contributed as in-kind equity into eligible projects. Treating these rock and gravel resources as a recurring equity asset would generate ongoing revenue that returns to the State through the AIDEA dividend (AS 44.88.088); and

- Create stewardship areas and setbacks along Deception Creek. Parcels directly south of Deception Creek will incorporate vegetated buffers, flood-compatible uses (trails, non-structural storage), and engineered utility crossings protecting the ordinary high-water mark zones.

The conveyance will serve a public purpose and be in the public interest because it will:

- Create construction jobs for grading, utilities, rail interface, and building pads, and operations jobs across logistics, manufacturing, energy services, technology, and complementary businesses.
- Diversify the regional and statewide economy by catalyzing private investment and adding sectors beyond traditional resource extraction.
- Support education and training (e.g., potential partnerships with regional workforce programs and training providers) to prepare Alaskans for technical roles.
- Improve energy reliability and cost stability for industrial operations, strengthening competitiveness.
- Increase local procurement for materials, services, and maintenance, supporting large and small businesses and contractors in nearby communities (Houston, Big Lake, Willow, Wasilla, Palmer).
- Leverage existing transportation corridors to reduce logistics costs and improve access for local employers and workers.

Lastly, the location of this parcel and the access to these lands matches DNR's statutory directives, which only further confirms that the proposed disposal is in the public's interest and serves a public purpose. By statute, DNR should make lands available "where public services already exist, or can be extended with reasonable economy . . . *where development of a viable economic base is probable.*"²⁴ These parcels, and AIDEA's proposed development of these parcels, satisfy this statutory directive. This land already has road access, Alaska Railroad access, and is relatively close to both Houston and Willow. AIDEA intends to "establish a multi-use industrial and energy development district" on this land. AIDEA intends to develop these lands into "a viable economic base" and the location of and access to these lands make AIDEA's proposed development "probable." This further reinforces DNR's reasoning under this section.

For these reasons, DNR finds that a less than fair market value or no cost conveyance of this land to AIDEA of the land described herein is appropriate under AS 38.05.810(a).

²⁴ AS 38.04.010(a).

C. DNR determines that waiver of the statutory reversionary interest for this conveyance of state land to AIDEA is in the public interest.

Under AS 38.05.810(g), DNR is required to “retain a reversionary interest on each” disposal it grants under AS 38.05.810. DNR “may waive the reversionary interest on a written determination that the waiver is in the public interest.”

Inclusion of a reverter clause would impose a degree of uncertainty to long-term land ownership in the proposed conveyance parcel and would therefore limit the ability of AIDEA to fully exercise the bonding authority and financing options available under statute. It is in the public interest that AIDEA has long-term predictability and a higher level of confidence for potential tenants, financiers, and investors. Based on these findings, DNR waives AS 38.05.810(g)’s reversionary interest.

D. There will be cumulative impacts associated with conveying this parcel to AIDEA, but DNR finds those impacts can be mitigated.

In *Sullivan v. REDOIL*, the Alaska Supreme Court held “that consideration of cumulative impacts is constitutionally required [by DNR] throughout all phases of a project.”²⁵ A *REDOIL* review of a project’s cumulative impacts must be completed for all DNR disposals.²⁶ To comply with the Alaska Supreme Court’s direction in *REDOIL*, DNR must conduct a “whole-project analysis” that “takes into account all aspects of a project, considered as a whole *and its existing development context*.”²⁷ DNR’s *REDOIL* review does not need to consider future and speculative impacts.²⁸

There are likely cumulative impacts related to the conveyance of approximately 19,500 acres of land out of state ownership for the purpose of an industrial development project. The cumulative impacts that may result from conveyance of the subject parcel can reasonably be expected to include:

- Loss of public access to state land, and reduced access to trails and an area traditionally used for travel and outdoor recreation.
- Potential impacts to surface water resources resulting from infrastructure development, and impacts to subsurface water resources resulting from the water usage needs of a multi-use industrial and energy development district.
- Potential impacts to fish and wildlife populations resulting from the loss of habitat.

²⁵ *REDOIL*, 311 P.3d 625, 634 (Alaska 2013).

²⁶ *ONC v. Boyle*, 579 P.3d 434, 439-440 (Alaska 2025)(quoting Alaska Const. art. VIII, §§ 1–2).

²⁷ *REDOIL*, 311 P.3d at 636 (quoting *Greenpeace, Inc. v. State Office of Management and Budget*, 79 P.3d 591, 893–94 (Alaska 2003)) (emphasis added)).

²⁸ *Id.*

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- Removal of land from the state's timber resources inventory. This impact may be mitigated by selling the timber generated through clearing and conversion of the land to prepare for commercial and light industrial uses.

Additional impacts are dependent on the specific nature of development that occurs and are therefore impossible to assess with reasonable accuracy prior to development of a tenant-specific development plan. Through careful planning and coordination with state agencies, potential impacts can be minimized or mitigated to offset any detrimental impacts that may occur. AIDEA will be subject to all applicable State permitting requirements.

The proposed conveyance will not close or vacate any legal easements or RS 2477 trails. Full or partial vacation of section-line easements, RS 2477s rights-of-way, easements "to and along public water" under AS 38.05.127, and any other easements reserved and managed by DNR will require a separate public process undertaken by both DNR's Easement Vacation Unit and the Matanuska-Susitna's Platting Division.

E. The State acquired this land by General Grant conveyance which does not affect DNR's decision to convey this land to AIDEA.

Upon statehood, Alaska was granted a land entitlement of 105,000,000 acres of federal land under three types of grants: Community (400,000 acres), National Forest Community (400,000 acres), and General (102,550,000 acres). The 102,550,000 acres of General Grant lands were to be selected from the vacant, unappropriated, and unreserved public lands in Alaska for the purpose of furthering the economic development of the State. This general purpose supports a broad latitude of uses, as provided in AS 38.04 and AS 38.05. This includes managing the lands for their "maximum use," which includes conveying lands for development purposes.

These are General Statehood Grant lands. AIDEA intends to use the lands for economic and industrial development. AIDEA's proposed uses align with the intended purpose of General Grant lands under which the State received title.

F. To conclude, DNR finds that disposal of the identified state lands to AIDEA for no cost is in the best interests of the state.

DNR has determined that conveying the subject parcel for no cost is in the best interests of the state and in doing so that the conveyance serves a public purpose and is in the public interest.

The legislature created AIDEA as a state public corporation to invest and develop projects that serve a public purpose and are in the public interest. AIDEA would be satisfying its statutory goals – as well as AS 38.05.810's goals – with these lands. The conveyance will enable AIDEA to create jobs, undertake economic diversification, provide education and

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training opportunities, and improve the State's energy reliability. Such uses provide a public benefit and serve a clear public purpose.

Conveying this land for no cost reduces AIDEA's upfront land and capital costs to accelerate public-purpose development while still providing direct remuneration to the State for services rendered (e.g. survey costs) during the conveyance of the subject parcel. Conveyance at no cost also improves the rate of return on the project and de-risks private investment because the project thereby carries less cash risk for the same asset base and can be structured for repayment of the State's contribution through lease revenues, profit distributions to AIDEA's stake, and through the AIDEA dividend. All of which supports AIDEA's statutory mission by providing the necessary property rights needed to secure investment funding, to construct site improvements, and to develop commercial, light industrial, and energy sector businesses.

In the alternative, DNR could retain this parcel. By retaining the parcel, DNR would continue to use the subject parcel for primarily forestry purposes and would therefore continue to collect proceeds from timber sales while also continuing to incur the costs associated with administration of timber sales, development of access roads, and maintenance of existing access. With consideration given to the nature of the reported trespass in the area (e.g. informal shooting range, illegal dumping areas), continued accumulation of waste and hazardous material could potentially lead to costs associated with mitigation, cleanup, or liability at a future date. By conveying the land to AIDEA, DNR would be aiding in job creation and private investment. This conveyance would make land with road access, railroad development and proximity to Houston and Willow available for development that would have direct and indirect positive effects on the State of Alaska's economy. As noted in subsection XVI, D, there are potential impacts associated with conveying this land out of state ownership; but DNR believes those impacts can be mitigated by the proposed stipulations and restrictions or because additional process will be required for certain development. For these reasons, DNR finds that given AIDEA's proposed use, retaining this land for continued DNR management is not in the public interest and would not serve a public purpose.

XVII. DMLW and Agency Review

Conveyance application documents were distributed within DMLW for review from 10 December 2025 to 26 December 2025. Information and comments during this internal review were received from multiple sections and were considered and included in the preparation of this PD. Agency review will be conducted concurrently with the public comment period. The intent of the agency review will be to request comments from agencies that may be affected by a conveyance decision. Agencies will be given the opportunity to evaluate and comment on AIDEA's land request to determine if the State should retain all or a portion of the subject lands, and if so, provide supporting reasons for the requested action. Additionally, agencies are requested to identify any stipulations that may be appropriate if the land is to be conveyed out of state ownership.

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XVIII. Submittal of Public Comments

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

Pursuant to AS 38.05.945 Notice, DNR is issuing public notice inviting comment on this PD, draft mineral order, draft land classification order, and draft area plan amendment.

DNR will consider all timely, written comments received. If analysis of such comments indicates the need for significant changes to the PD, draft mineral order, draft Land Classification Order, or area plan amendment, 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 PD, mineral order, land classification order, and area plan amendment, including any deletions, minor changes, and summary of comments and DNR responses will be issued as a subsequent FFD without further notice. The 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.

Only persons from whom DNR receives timely, written comment during the identified comment period will be eligible to file a request for reconsideration of the FFD, SSAP Amendment SC-08-001A04 Land Classification Order CL SC-08-001A04, and Mineral Order 1330. Upon approval and issuance of a FFD and these actions, a copy of the decision, orders, and amendment 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.

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

DEADLINE TO SUBMIT WRITTEN COMMENT IS 5:00 PM, WEDNESDAY AUGUST 19, 2026

XIX. Recommendation and Preliminary Decision

This PD for the proposed disposal of State lands described herein is consistent with the overall management intent for State-owned lands and the public interest.

Conveyance of this land to AIDEA provides the maximum and best use of the land and thus is in the best interest of the State. The AS 38.05.810(a) conveyance of land to AIDEA for less than fair market value will strengthen Alaska's economy, create jobs for local communities, and diversify the State's economic base while safeguarding public trust

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interests and environmental standards through applicable planning, classification, and access protections.

This is a Preliminary Decision; analysis of public comments may result in changes. The FFD will address significant issues or concerns raised during agency review and public review. If the applicant cannot complete required stipulations, DMLW may close the purchase application.

Finding: The recommended action may be in the best interest of the State. It is hereby approved to proceed to public notice.

Christy Colles

Approved by: Christy Colles

Director

Division of Mining, Land and Water

Alaska Department of Natural Resources

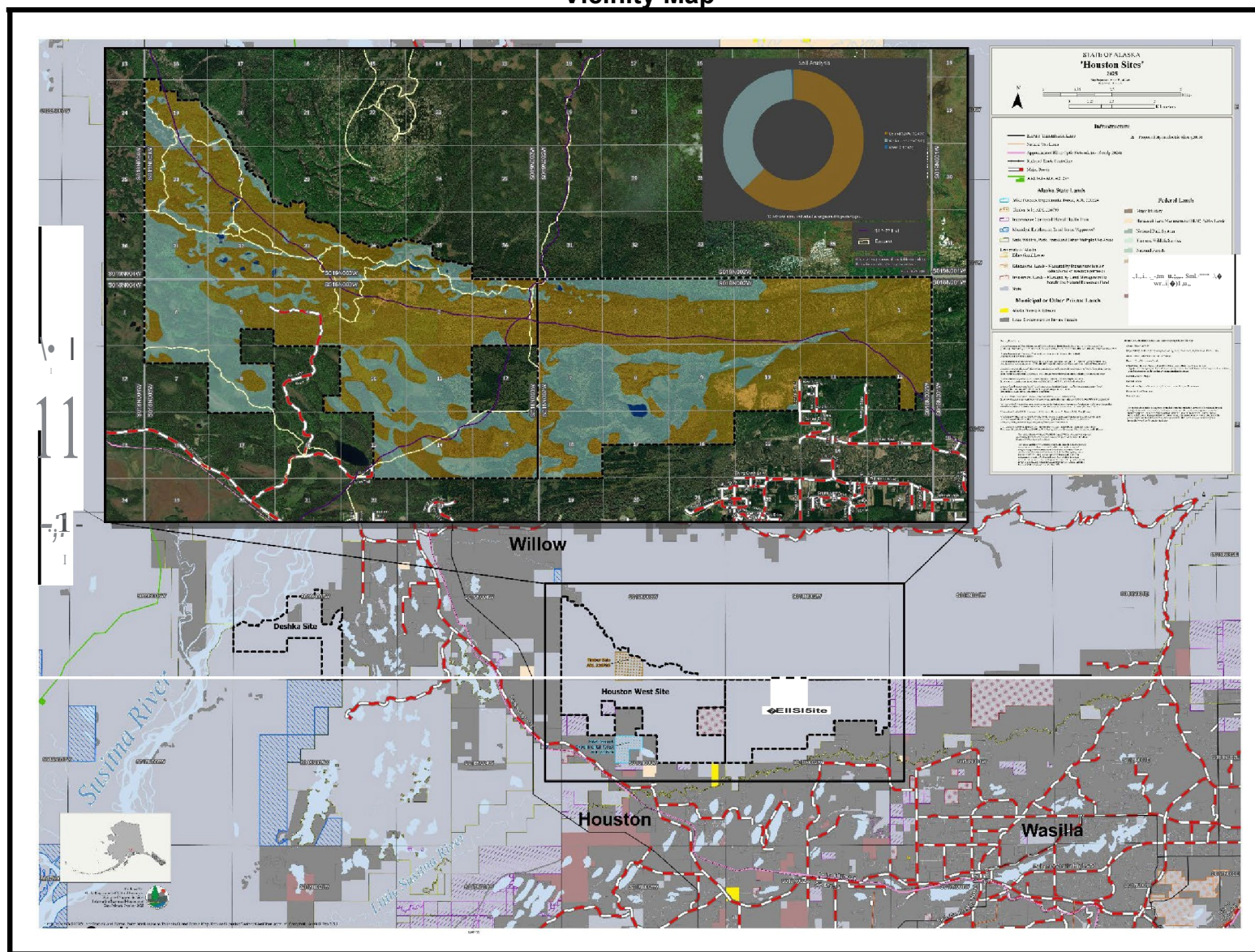
State of Alaska

7/10/2026

Date of Signature

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Attachment A Vicinity Map



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**Attachment B
Legal Description**

TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA

SECTIONS 1 THROUGH 4; LOT 1, NE1/4 NW1/4, N1/2 NE1/4 SECTION 7; AND N1/2 NW1/4, S1/2 N1/2, S1/2 SECTION 8, OF TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT APPROVED BY THE U.S. SURVEYOR GENERAL'S OFFICE IN JUNEAU, ALASKA, ON APRIL 2, 1917, CONTAINING APPROXIMATELY 3,278.88 ACRES, MORE OR LESS.

SECTION 5: LOTS 1, 2, 3, AND 4, S1/2 N1/2, N1/2 S1/2, S1/2 SW1/4;

SECTION 6: LOTS 1, 2, 3, 4, 5, 6, AND 7, SE1/4 NW1/4, S1/2 NE1/4, E1/2 SW1/4,

SE1/4; SECTION 9: SE1/4 SE1/4;

SECTION 10: N1/2, N1/2 S1/2, S1/2 SE1/4, SE1/4 SW1/4, SW1/4 SW1/4; SECTION

11: ALL;

ACCORDING TO THE PLAT APPROVED BY THE U.S. SURVEYOR GENERAL'S OFFICE IN JUNEAU, ALASKA, ON APRIL 2, 1917, CONTAINING 2,496.99 ACRES, MORE OR LESS.

SECTIONS 13 AND 14; NE1/4, SE1/4 SECTION 15, OF TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT APPROVED BY THE U.S. SURVEYOR GENERAL'S OFFICE IN JUNEAU, ALASKA, ON DECEMBER 4, 1915, CONTAINING APPROXIMATELY 1,600 ACRES, MORE OR LESS.

TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA

TOWNSHIP 19 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA

PORTION OF TRACT A OF TOWNSHIP 19 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON MARCH 21, 1966, LOCATED SOUTHWESTERLY OF DECEPTION CREEK, CONTAINING APPROXIMATELY 4,096 ACRES, MORE OR LESS.

LOT 4 OF U.S. SURVEY NO. 4716, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON JULY 23, 1965, LOCATED SOUTHWESTERLY OF DECEPTION CREEK, CONTAINING APPROXIMATELY 76 ACRES, MORE OR LESS.

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AGGREGATING APPROXIMATELY 4,172 ACRES, MORE OR LESS.

TOWNSHIP 18 NORTH, RANGE 2 WEST, SEWARD MERIDIAN, ALASKA

PORTION OF TRACT A, OF TOWNSHIP 18 NORTH, RANGE 2 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON APRIL 9, 1963, CONTAINING APPROXIMATELY 7,946.96 ACRES, MORE OR LESS.

N1/2, N1/2 SE1/4, SW1/4 SE1/4 OF SECTION 12, OF TOWNSHIP 18 NORTH, RANGE 2 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON NOVEMBER 18, 1960, CONTAINING APPROXIMATELY 440 ACRES, MORE OR LESS.

AGGREGATING APPROXIMATELY 8,386.96 ACRES, MORE OR LESS.

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AS 38.05.810(a) Public and Charitable Use – ADL 234762

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**Attachment C
Public Notice**

Requesting Input for a Proposed Noncompetitive Sale to Public and Charitable Use
Applicant:

COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, AUGUST 19, 2026

The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW) proposes to convey approximately 19,950 acres (subject parcel) of State-owned land in the Matanuska-Susitna Borough to the Alaska Industrial Development and Export Authority (AIDEA) through a noncompetitive public and charitable use conveyance.

Location: The subject parcel is located within DNR's Southcentral Region, approximately two miles north of Houston in the Matanuska-Susitna Borough, within Township 18 North, and Township 19 North, all Seward Meridian.

To obtain a copy of the Preliminary Decision, Amendment to the Southeast Susitna Area Plan, Land Classification Order, Mineral Order, or instructions on submitting comment, go to <https://aws.state.ak.us/OnlinePublicNotices/>. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 8:00AM and 4:30PM in Anchorage at 907-269-8400, Fairbanks at 907-451-2705, or the Southeast Land Office in Juneau at 907-465-3400 (TTY for the hearing impaired for all locations: 711 for Alaska relay or 800-770-8973), or go to <https://dnr.alaska.gov/commis/pic/> for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, Wednesday, AUGUST 19, 2026.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment on the Preliminary Decision, Draft Area Plan Amendment, Draft Land Classification Order, and Draft Mineral Order 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, WEDNESDAY, AUGUST 19, 2026.** Only persons from whom DNR DMLW LCS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision or related actions. Written comment may be received by email, fax, or postal mail. To submit comments or for direct inquiries, contact Daniel Jenkins: dmlwprogramsupport@alaska.gov, fax # 907-269-8916, or 550 W. 7th Ave. Ste. 1050, Anchorage, AK, 99501. If you have questions, call Daniel Jenkins at 907-269-8609.

If no significant change is required, the Preliminary Decision and related actions including any minor changes and a summary of comments and responses, will be

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AS 38.05.810(a) Public and Charitable Use – ADL 234762

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issued as the Final Finding and Decision, Area Plan Amendment SC-08-001A04, Land Classification Order NO SC-08-001A04, Mineral Order 1330 without further notice. A copy of the Final Finding and Decision and the related actions will be sent to any persons who commented timely on the Preliminary Decision.

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

Attachment D

**Draft Affidavit Acknowledging Condition of Lands and Releasing the State from
Related Liability**

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

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

ADL 234762

We, Alaska Industrial Development and Export Authority (AIDEA), whose address is 813 W Northern Lights Boulevard, Anchorage, AK 99503 being first duly sworn under oath, state and declare as follows:

1) We are the fee simple purchaser of state-owned lands that we have heretofore had an agreement with the State of Alaska, Department of Natural Resources (DNR) to purchase for the development of a multi-use industrial and energy development district. The legal description of the land we are acquiring (hereinafter “the acquired property”) is as follows:

TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA

SECTIONS 1 THROUGH 4; LOT 1, NE1/4 NW1/4, N1/2 NE1/4 SECTION 7; AND N1/2 NW1/4, S1/2 N1/2, S1/2 SECTION 8, OF TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT APPROVED BY THE U.S. SURVEYOR GENERAL’S OFFICE IN JUNEAU, ALASKA, ON APRIL 2, 1917, CONTAINING APPROXIMATELY 3,278.88 ACRES, MORE OR LESS.

SECTION 5: LOTS 1, 2, 3, AND 4, S1/2 N1/2, N1/2 S1/2, S1/2 SW1/4;

SECTION 6: LOTS 1, 2, 3, 4, 5, 6, AND 7, SE1/4 NW1/4, S1/2 NE1/4, E1/2 SW1/4,

SE1/4; SECTION 9: SE1/4 SE1/4;

SECTION 10: N1/2, N1/2 S1/2, S1/2 SE1/4, SE1/4 SW1/4, SW1/4 SW1/4; SECTION

11: ALL;

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ACCORDING TO THE PLAT APPROVED BY THE U.S. SURVEYOR GENERAL'S OFFICE IN JUNEAU, ALASKA, ON APRIL 2, 1917, CONTAINING 2,496.99 ACRES, MORE OR LESS.

SECTIONS 13 AND 14; NE1/4, SE1/4 SECTION 15, OF TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT APPROVED BY THE U.S. SURVEYOR GENERAL'S OFFICE IN JUNEAU, ALASKA, ON DECEMBER 4, 1915, CONTAINING APPROXIMATELY 1,600 ACRES, MORE OR LESS.

TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA

TOWNSHIP 19 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA

PORTION OF TRACT A OF TOWNSHIP 19 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON MARCH 21, 1966, LOCATED SOUTHWESTERLY OF DECEPTION CREEK, CONTAINING APPROXIMATELY 4,096 ACRES, MORE OR LESS.

LOT 4 OF U.S. SURVEY NO. 4716, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON JULY 23, 1965, LOCATED SOUTHWESTERLY OF DECEPTION CREEK, CONTAINING APPROXIMATELY 76 ACRES, MORE OR LESS.

AGGREGATING APPROXIMATELY 4,172 ACRES, MORE OR LESS.

TOWNSHIP 18 NORTH, RANGE 2 WEST, SEWARD MERIDIAN, ALASKA

PORTION OF TRACT A, OF TOWNSHIP 18 NORTH, RANGE 2 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON APRIL 9, 1963, CONTAINING APPROXIMATELY 7,946.96 ACRES, MORE OR LESS.

N1/2, N1/2 SE1/4, SW1/4 SE1/4 OF SECTION 12, OF TOWNSHIP 18 NORTH, RANGE 2 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON D.C., ON NOVEMBER 18, 1960, CONTAINING APPROXIMATELY 440 ACRES, MORE OR LESS.

AGGREGATING APPROXIMATELY 8,386.96 ACRES, MORE OR LESS.

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4) We affirm that in the event of any future sale, assignment, or other transfer of our ownership interest in the acquired property to another person or entity, we will disclose any potential contamination.

STATE OF ALASKA)
) ss.)
____ Judicial District)

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**Attachment E
Survey Determination**

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
Division of Mining, Land and Water**

“Putting Alaska’s resources to work - now and in the future!”

MEMORANDUM

DATE: November 20, 2025
TO: Dan Jenkins, Program Support, DMLW
THROUGH: Gwendolyn Gervelis, PLS, Survey Section Chief, DMLW ^{GMG}
FROM: Elizabeth Anderson, PLS, CFedS, Statewide Platting Supervisor, Survey Section
SUBJECT: **Preliminary Survey Determination SURV 20255143**
Pending application for Houston East and West Sites-AIDEA

All described parcels for Houston Sites East and West are within the Matanuska-Susitna Borough (MSB) Platting Authority. Alaska State Land Surveys (ASLS) for conveyance will require platting authority approval.

The following described lands are determined by the Survey Section to be SURVEYED:

Houston West Site (portion):

TOWNSHIP 18 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA

SECTION 5: LOTS 1, 2, 3, AND 4, S1/2 N1/2, N1/2 S1/2, S1/2 SW1/4;

SECTION 6: LOTS 1, 2, 3, 4, 5, 6, AND 7, SE1/4 NW1/4, S1/2 NE1/4,

E1/2 SW1/4, SE1/4; SECTION 9: SE1/4 SE1/4;

SECTION 10: N1/2, N1/2 S1/2, S1/2 SE1/4, SE1/4 SW1/4,

SW1/4 SW1/4; SECTION 11: ALL;

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AS 38.05.810(a) Public and Charitable Use – ADL 234762

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ACCORDING TO THE PLAT APPROVED BY THE U.S. SURVEYOR GENERAL'S OFFICE IN JUNEAU, ALASKA, ON APRIL 2, 1917, CONTAINING 2,496.99 ACRES, MORE OR LESS.

Comments:

Patent was executed to the State of Alaska on March 28, 1960, as Patent No. 1207175; on February 9, 1961, as Patent No. 1217118; and on April 16, 1962, as Patent No. 1226353.

Legal access is by section line easement, RST 95, Houston-Willow Creek Trail, RST 1691, Herning Trail-Question Creek, and Public Access Easement ADL 230260, to the Parks Highway.

The following described lands are determined by the Survey Section to be UNSURVEYED:

Houston East Site:

Portion of Tract A, of Township 18 North, Range 2 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management in Washington D.C., on April 9, 1963, containing approximately 7,946.96 acres, more or less.

N1/2, N1/2 SE1/4, SW1/4 SE1/4 of Section 12, of Township 18 North, Range 2 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management in Washington D.C., on November 18, 1960, containing approximately 440 acres, more or less.

Aggregating approximately 8,386.96 acres, more or less.

Comments:

Patent was executed to the State of Alaska on June 19, 1963, as Patent No. 1232336, and on August 15, 1962, as Patent No. 1228180.

Legal access is by section line easement to RST 1691, Herning Trail-Question Creek, RST 95, Houston-Willow Creek Trail to the Parks Highway.

11 AAC 51.015 requires survey and platting of easements before selling, leasing, or otherwise disposing of the land estate. RST 1691, Herning Trail-Question Creek Trail, an R.S. 2477 right-of-way, encumbers Section 12 and Tract A of these parcels.

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Section 12 only requires a Record of Survey to as-built RST 1691. Records of Survey do not require platting authority approval.

The portion of the parcel within Tract A selects only the N1/2 of Protracted Sections 16 and 17. These sections are unsurveyed; they will require an Alaska State Land Survey (ASLS) to subdivide and monument.

Bench Lake within this parcel meets the acreage for public water and may be navigable with additional research. Survey is not required to reserve an access easement under AS 38.05.127, per 11 AAC 51.015. Survey is required to exclude navigable water acreage from the conveyance.

Houston West Site (portion):

Sections 1 through 4; Lot 1, NE1/4 NW1/4, N1/2 NE1/4 Section 7; and N1/2 NW1/4, S1/2 N1/2, S1/2 Section 8, of Township 18 North, Range 3 West, Seward Meridian, Alaska, according to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on April 2, 1917, containing approximately 3,278.88 acres, more or less.

Sections 13 and 14; NE1/4, SE1/4 Section 15, of Township 18 North, Range 3 West, Seward Meridian, Alaska, according to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on December 4, 1915, containing approximately 1,600 acres, more or less.

Portion of Tract A of Township 19 North, Range 3 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of The Interior, Bureau of Land Management in Washington D.C., On March 21, 1966, located southwesterly of Deception Creek, containing approximately 4,096 Acres, more or less.

Lot 4 of U.S. Survey No. 4716, according to the plat accepted by the United States Department of The Interior, Bureau of Land Management in Washington D.C., On July 23, 1965, located southwesterly of Deception Creek, containing approximately 76 Acres, more or less.

Aggregating approximately 4,172 acres, more or less.

Comments:

Patent was executed to the State of Alaska on March 28, 1960, as Patent No. 1207175; on February 9, 1961, as Patent No. 1217118; on April 16, 1962, as Patent No. 1226353, and on July 13, 1966, as Patent No. 50-67-0014.

Deception Creek is anadromous, AWC 247-41-10200-2120-3020 and is

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considered public water. Additional research is needed to determine navigability.

Legal access is by section line easement to RST 1691, Herning Trail-Question Creek Trail, RST 95, Houston-Willow Creek Trail, and Public Access Easement ADL 230260, to the Parks Highway to the Parks Highway.

11 AAC 51.015 requires survey and platting of easements before selling, leasing, or otherwise disposing of the land estate. RST 1691, Herning Trail-Question Creek Trail, and RST 95, Houston-Willow Creek Trail, R.S. 2477 rights-of-way, and Public Access Easement ADL 230260 encumbers portions of the above-described parcels.

Zero Lake Road is depicted within Section 4 and will require additional research during the decisional process for authorization.

Sections and portions of Sections as above-described within Township 18 North, Range 3 West, Seward Meridian only require a Record of Survey to as-built RST 1691, RST 95, and Public Access Easement ADL 230260. Records of Survey do not require platting authority approval.

Tract A, Township 18 North, Range 4 West, Seward Meridian excludes protracted Section 36. Sections within the Tract A are unsurveyed; this will require an Alaska State Land Survey (ASLS) to exclude Section 36, determine acreage, and monument.

Lot 4, U.S.S. No. 4716 will require an Alaska State Land Survey (ASLS) to subdivide, determine acreage, and monument.

Attachment F
Draft Amendment to the Southeast Susitna Area Plan

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

SOUTHEAST SUSITNA AREA PLAN AMENDMENT
SC-08-001A04

**Palmer-Wasilla Region Units P-01, P-02, and P-03, Big Lake-Houston Region Unit
H-06, and the Kashwitna-Willow Uplands Regions Units U-01 and U-22**

related to a
Noncompetitive Public and Charitable Land Sale – ADL 234762

The Commissioner of the State of Alaska, Department of Natural Resources (DNR) finds that the following amendment to the Southeast Susitna Area Plan (SSAP), adopted April 2008 meets the requirements of AS 38.04.065 Land Use Planning and Classification and 11 AAC 55.010-030 Land Planning and Classification for land use plans and hereby adopts the amendment. DNR will manage state lands within the area of the revision consistent with this designation and management intent. See the following attachment for more detailed information.

Designation and Classification: This amendment will designate units P-01, P-02, P-03, H-06, and U-01 Settlement, which converts to the classification of Settlement Land.

This amendment will also split U-22 into two subunits. Unit U-22a will be comprised only of land within Sections 5 and 6 of S018N002W that are part of ADL 234762. This unit will be designated Settlement, which converts to the classification Settlement Land. The remaining land will become part of unit U-22b and retain the existing designation of Habitat and Water Resources, which converts to a classification of Wildlife Habitat Land and Water Resources.

Management Intent: The management intent for the areas described within units P-01, P-02, P-03, H-06, U-01, and U-22b, is as follows:

“Area is Considered appropriate for disposal in association with ADL 234762. See Chapter 2 for additional guidance on Settlement, Shorelands and Stream Corridors, Fish and Wildlife Habitat, and Public Access.”

The management intent for unit U-22b remains to manage unit to protect its habitat and water resources values. Maintain trail access.

Preliminary Decision

AS 38.05.810(a) Public and Charitable Use – ADL 234762

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Easements and Setbacks: Section lines within the project area are subject to a 50-foot section line easement on each side of surveyed or protracted section lines on state-owned land in accordance with AS 19.10.010. The project area is subject to existing easements and RS 2477 trails.

Setbacks, easements, and buffers adjacent to waterbodies will be required within most of the project area, and should be applied as required in the Shorelands and Stream Corridors in Chapter 2.

Approved by: John Crowther
Commissioner-Designee
Department of Natural Resources
State of Alaska

Date

**SOUTHEAST SUSITNA AREA PLAN AMENDMENT
SC-08-001A04**

**Palmer-Wasilla Region Units P-01, P-02, and P-03, Big Lake-Houston Region Unit H-06,
and the Kashwitna-Willow Uplands Regions Units U-01 and U-22
related to a
Noncompetitive Public and Charitable Land Sale – ADL 234762**

Location and Legal Description: The project area is located in the Matanuska-Susitna Borough, near the city of Houston, Alaska, North and East of the George Parks Highway. See attached map for a depiction of the amendment lands and Attachment B of the associated Preliminary Decision for a legal description of the subject lands.

Authority: The authority to revise plans derives from AS 38.04.065(b) Land Use Planning and Classification. 11 AAC 55.030(f) Land Use Plan defines when a revision constitutes a plan amendment.

Current Plan: The Southeast Susitna Area Plan (SSAP) contains the following designations, classifications, and management intent for the subject units.

Palmer- Wasilla Region

Unit P-01 is designated Habitat which converts to the classification of Wildlife Habitat Land: Manage parcel to protect the moose calving, rutting, and winter concentration areas.

Unit P-02 is designated Forestry which converts to a classification of Forest Land. Manage parcel consistent with Susitna Forest Guidelines and Forest Resources Practices Act. Provide mitigation measures to mitigate significant impacts on moose wintering concentration areas. Recreation use of this parcel is to be considered in a FLUP prepared by DOF. Significant trails are to be protected and recreational activity is to be accommodated in timber harvest design.

P-03 is designated Forestry, which converts to a classification of Forest Land. Appropriate for land disposal during the planning period. Settlement areas should avoid areas of wetlands, concentrating development in better drained, better soil types. Protect anadromous stream and Bench Lake. Maintain a 100' protection area around lake and along anadromous stream. Maintain public access and provide a public use site on lake.

Big Lake-Houston Region

H-06 is designated Forestry, which converts to a classification of Forest Land. Unit is to be managed for its timber values. Local and regional trails are to be maintained.

Kashwitna-Willow Uplands Region

U-01 is designated Forestry, which converts to a classification of Forest Land. Manage unit consistent with requirements of Forestry section of Chapter 2 [SSAP] and with applicable Susitna Forestry Guidelines and Forest Practices Act requirements. Protect anadromous streams and moose winter concentration and rutting areas. Maintain the Central Mail Trail, Mail Trail Connector, and Willow Mountain Trail corridors. Other recreational areas and corridors may exist within this unit and a review to determine if other such uses exist should occur prior to or concurrent with Forest Land Use Plan preparation.

U-22 is designated Habitat and Water Resources which converts to the classification of Wildlife Habitat Land and Water Resources Land. Manage unit to protect its habitat and water resource values. Maintain trail access.

Proposed Plan Amendment: This amendment will designate approximately 15,100 acres within units P-01, P-02, P-03, H-06, and U-01 as Settlement. This amendment will also split U-22 into two subunits. Unit U-22a will be comprised only of land within Sections 5 and 6 of S018N002W that are part of ADL 234762. This unit will be designated Settlement, which converts to the classification Settlement Land. The remaining land will become part of unit U-22b and retain the existing management intent and designation of Habitat and Water Resources, which converts to a classification of Wildlife Habitat Land and Water Resources.

Explanation: The SSAP was adopted in April of 2008. One of the goals of the plan is to sell, lease or protect suitable land for future use for private commercial and industrial uses. At the time the plan was developed on a few parcels were identified for this use. The State of Alaska has received an application from AIDEA for the purchase of state-owned land through a noncompetitive public and charitable use sale under Alaska Statute (AS) 38.05.810(a). The area proposed for conveyance is to be developed into a multi-use industrial and energy development district that will serve the public by increasing job opportunities, diversifying Alaska's economy, and contributing to a reliable energy supply.

Under the SSAP, land designated and classified as Settlement Land are determined by factors including, but not limited to, road access, topography, suitability for development, and minimal conflicts with recreation, scenic values, important fish and wildlife resources, or resource development. Compatibility with adjacent land uses and SSAP plan designations are also considered. This area is considered suitable for disposal due to favorable upland geography, nearby population, and proximity to energy and transportation infrastructure. This plan amendment will update classification and the management intent of the subject units to facilitate disposal of land within the project area in line with the overall management goals of the SSAP by providing suitable public land for transfer for public purposes, including industrial and commercial development. Amending the plan to allow land disposal of the subject parcels would allow suitable state land to be conveyed to AIDEA for the purposes of providing land for energy and resource development projects.

Requirements of AS 38.04.065(b): The factors identified in this section of statute have been considered, and the proposed action is consistent with that portion of the statute.

Preliminary Decision

AS 38.05.810(a) Public and Charitable Use – ADL 234762

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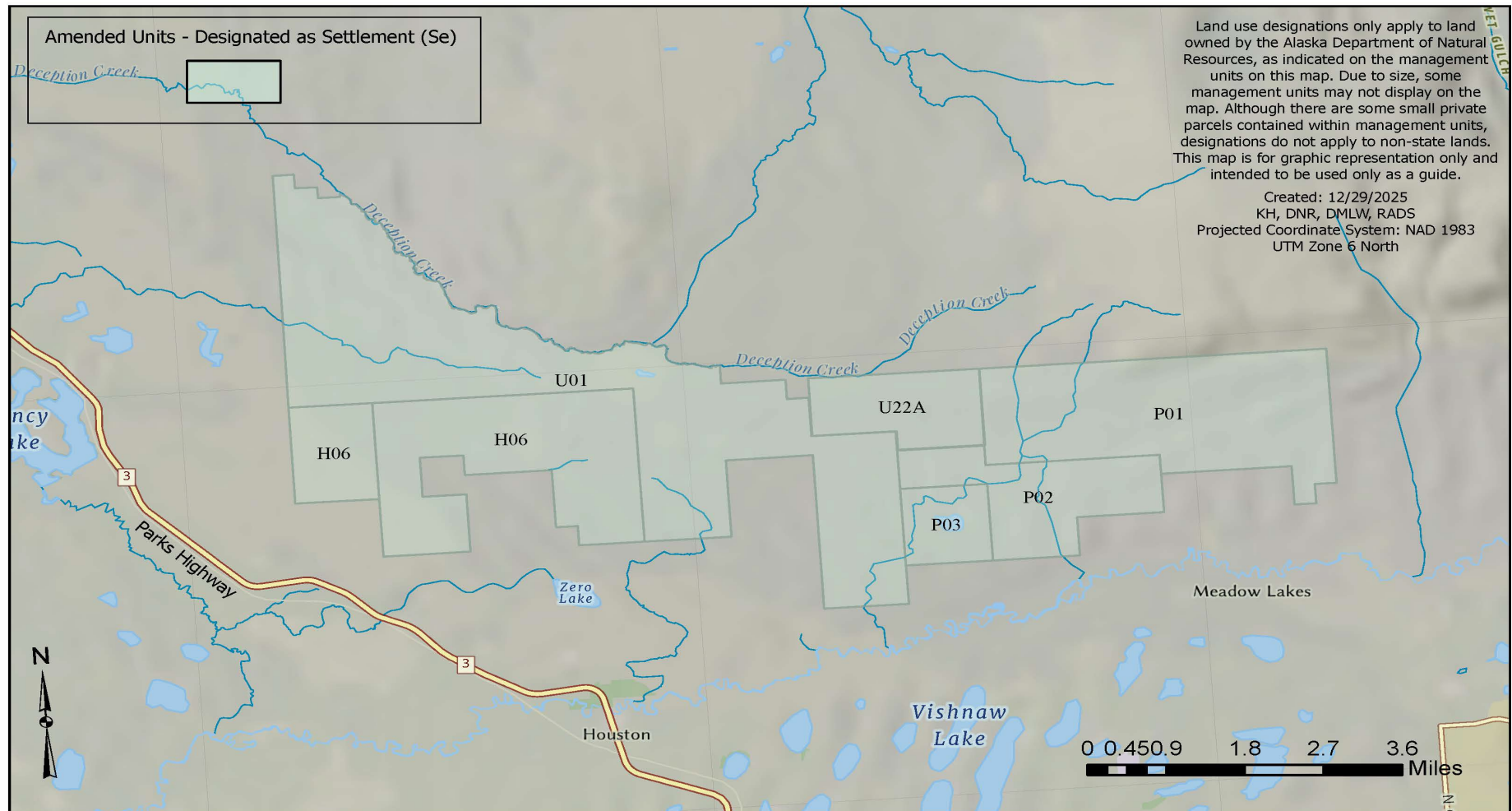
Southeast Susitna Area Plan (SSAP) Amendment SC-08-001A04



Palmer-Wasilla Region Units P-01, P-02, and P-03, Big Lake-Houston Region Unit H-06, and the Kashwitna-Willow Uplands Regions Units U-01 and U-22A

related to a

Noncompetitive Public and Charitable Land Sale—ADL 234762



Preliminary Decision

AS 38.05.810(a) Public and Charitable Use – ADL 234762

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Attachment G
Draft Land Classification Order
STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

LAND CLASSIFICATION ORDER
NO SC-08-001A04

Related to AIDEA Noncompetitive Public and Charitable Land Sale – ADL 234762

- I. Name: AIDEA Public and Charitable Land Sale
- II. The classification in Part III is based upon the following:
- Southeast Susitna Area Plan, adopted on April 28, 2008;
 - Area Plan Amendment to the Southeast Susitna Area Plan No. SC-08-001A04; and
 - Preliminary Decision, Public and Charitable Land Sale – ADL 234762, dated July 10, 2026, and the subsequent Final Finding and Decision for same.
- III. Classification by this Action: Settlement Land. See attached map.

Legal Description:

Township 18 North, Range 3 West, Seward Meridian, Alaska

Sections 1 through 4; Lot 1, NE1/4 NW1/4, N1/2 NE1/4 Section 7; and N1/2 NW1/4, S1/2 N1/2, S1/2 Section 8, of Township 18 North, Range 3 West, Seward Meridian, Alaska, according to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on April 2, 1917, containing approximately 3,278.88 acres, more or less.

Section 5: Lots 1, 2, 3, and 4, S1/2 N1/2, N1/2 S1/2, S1/2 SW1/4; Section 6: Lots 1, 2, 3, 4, 5, 6, and 7, SE1/4 NW1/4, S1/2 NE1/4, E1/2 SW1/4, SE1/4; Section 9: SE1/4 SE1/4; Section 10: N1/2, N1/2 S1/2, S1/2 SE1/4, SE1/4 SW1/4, SW1/4 SW1/4; Section 11: all; According to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on April 2, 1917, containing 2,496.99 acres, more or less.

Sections 13 and 14; NE1/4, SE1/4 Section 15, of Township 18 North, Range 3 West, Seward Meridian, Alaska, according to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on December 4, 1915, containing approximately 1,600 acres, more or less.

Aggregating approximately 7,375.87 acres, more or less.

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Township 19 North, Range 3 West, Seward Meridian, Alaska

Portion of Tract A of Township 19 North, Range 3 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management, in Washington D.C, on March 21, 1966, located Southwesterly of Deception Creek, containing approximately 4,096 acres, more or less.

Lot 4 of U.S. Survey No. 4716, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management, in Washington D.C., on July 23, 1965, located Southwesterly of Deception Creek, containing approximately 76 acres, more or less.

Aggregating approximately 4,172 acres, more or less.

Township 18 North, Range 2 West, Seward Meridian, Alaska

Portion of Tract A, of Township 18 North, Range 2 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management, in Washington D.C., on April 9, 1963, containing approximately 7,946.96 acres, more or less.

N1/2, N1/2 SE1/4, SW1/4 SE1/4 of Section 12, of Township 18 North, Range 2 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management in Washington D.C., on November 18, 1960, containing approximately 440 acres, more or less.

Aggregating approximately 8,386.96 acres, more or less.

See attached map.

- IV. The classification supersedes and replaces all existing land classification orders within the 2008 Southeast Susitna Area Plan boundary related to ADL 234762.
- V. This order is issued under the authority granted by *AS 38.04.065 Land Use Planning and Classification* and *AS 38.05.300 Classification of Land* to the Commissioner of the Department of Natural Resources. The above-described lands are hereby designated and classified as indicated. Nothing shall prevent the reclassification of these lands if warranted in the public interest.

Approved: _____

John Crowther, Commissioner-Designee
Department of Natural Resources

Date

Preliminary Decision

AS 38.05.810(a) Public and Charitable Use – ADL 234762

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**Attachment H
Draft Mineral Order
STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER**

**COMMISSIONER'S ADMINISTRATIVE FINDING
MINERAL ORDER NO. 1330
Closing Lands to Mineral Entry**

Noncompetitive Public and Charitable Land Sale – ADL 234762

Pursuant to AS 38.05.035 *Powers and Duties of the Director*, the State of Alaska, Department of Natural Resources, Division of Mining, Land, and Water (DMLW) proposes to issue a Final Finding and Decision serialized ADL 234762 to convey state-owned land under AS 38.05.810(a), “*Noncompetitive Public and Charitable Sale*.”) The project area is located within the Matanuska-Susitna Borough, in Southeast Susitna Area Plan, adopted April 2008. Affected management units are within the Palmer-Wasilla Region Units P-01, P-02, P-03, Big Lake-Houston Region Unit H-06, and the Kashwitna-Willow Uplands Region Units U-01, U-22. In conjunction with the Preliminary Decision for ADL 234762 dated July 10, 2026, and the related Southeast Susitna Area Plan Amendment SC-08-001A04, DMLW proposes to close the project area to mineral entry as described in the attached Mineral Order Number 1330.

DMLW requests that the mineral estate of approximately 19,950 identified in the attached mineral order, be closed to mineral entry and location, in accordance with AS 38.05.300 for a land disposal. Mining activity on the subject land would be incompatible with the proposed project’s land estate use. The lands do not contain any known mineral deposits and were not selected for mineral values. There are no mining claims on the lands.

DMLW requests that the mineral estate of 19,950 acres more or less, identified in the attached mineral order and map, be closed to mineral entry and location, in accordance with AS 38.05.300 Classification of Land for land disposal. Mining activity on the parcel would be incompatible with the current and proposed land estate use. The land does not contain any known mineral deposits and was not selected for mineral values. There are no mining claims on the land.

In accordance with AS 38.05.185(a) and AS 38.05.300, I find that the best interests of the State of Alaska and its residents are served by closure of the land to entry under the mineral location and mining laws of the State of Alaska as described by Mineral Order (Closing) No. 1330.

Approved:

John Crowther, Commissioner-Designee
Department of Natural Resources

Date

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**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND, AND WATER
MINERAL ORDER No. 1330**

☒ Closing Lands to Mineral Entry

☐ Opening Lands to Mineral Entry

I. Name: Noncompetitive Public and Charitable Land Sale – ADL 234762

II. Reason for Mineral Order: This Mineral Order is based upon the attached Commissioner's Administrative Finding, applicable statutes, and the written justification contained in the following:

- Southeast Susitna Area Plan, adopted 2008;
- Southeast Susitna Area Plan Amendment SC-08-001A04, adopted April 28, 2008; and
- Preliminary Decision, Public and Charitable Land Sale – ADL 234762, dated July 10, 2026, and the subsequent Final Finding and Decision for same.

III. Authority: AS 38.05.185 and AS 38.05.300.

IV. Location and Legal Description: The project area is located in the Matanuska-Susitna Borough, near the city of Houston, Alaska, North and East of the George Parks Highway, more specifically described below, and as depicted on the attached map.
Township 18 North, Range 3 West, Seward Meridian, Alaska

Sections 1 through 4; Lot 1, NE1/4 NW1/4, N1/2 NE1/4 Section 7; and N1/2 NW1/4, S1/2 N1/2, S1/2 Section 8, of Township 18 North, Range 3 West, Seward Meridian, Alaska, according to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on April 2, 1917, containing approximately 3,278.88 acres, more or less.

Section 5: Lots 1, 2, 3, and 4, S1/2 N1/2, N1/2 S1/2, S1/2 SW1/4; Section 6: Lots 1, 2, 3, 4, 5, 6, and 7, SE1/4 NW1/4, S1/2 NE1/4, E1/2 SW1/4, SE1/4; Section 9: SE1/4 SE1/4; Section 10: N1/2, N1/2 S1/2, S1/2 SE1/4, SE1/4 SW1/4, SW1/4 SW1/4; Section 11: all: According to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on April 2, 1917, containing 2,496.99 acres, more or less.

Sections 13 and 14; NE1/4, SE1/4 Section 15, of Township 18 North, Range 3 West, Seward Meridian, Alaska, according to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska, on December 4, 1915, containing approximately 1,600 acres, more or less.

Aggregating approximately 7,375.87 acres, more or less.

Township 19 North, Range 3 West, Seward Meridian, Alaska

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Portion of tract a of Township 19 North, Range 3 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management, in Washington D.C, on March 21, 1966, located Southwesterly of Deception Creek, containing approximately 4,096 acres, more or less.

Lot 4 of U.S. Survey No. 4716, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management, in Washington D.C., on July 23, 1965, located Southwesterly of Deception Creek, containing approximately 76 acres, more or less.

Aggregating approximately 4,172 acres, more or less.

Township 18 North, Range 2 West, Seward Meridian, Alaska

Portion of Tract A, of Township 18 North, Range 2 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management, in Washington D.C., on April 9, 1963, containing approximately 7,946.96 acres, more or less.

N1/2, N1/2 SE1/4, SW1/4 SE1/4 of Section 12, of Township 18 North, Range 2 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management in Washington D.C., on November 18, 1960, containing approximately 440 acres, more or less.

Aggregating approximately 8,386.96 acres, more or less.

V. Mineral Closing: This order is subject to valid existing rights and is issued under the authority granted by AS 38.05.185 – .275 and AS 38.05.300 to the Alaska Department of Natural Resources. In accordance with AS 38.05.185(a), I find that the best interests of the State of Alaska and its residents are served by closing the land described in this mineral order to entry under mineral location and mining laws of the State of Alaska. The above-described lands are hereby closed to entry under the locatable mineral and mining laws of the State of Alaska.

Concur:

Christianna Colles, Director
Division of Mining, Land and Water
Department of Natural Resources

Date

Approved:

John Crowther, Commissioner-Designee
Department of Natural Resources

Date