



STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

Division of Mining, Land and Water

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INSTRUCTIONS FOR COMPLETING A DEVELOPMENT PLAN FOR A PUBLIC AND CHARITABLE USE PURCHASE APPLICATION

A development plan is a written statement (narrative) and a sketch or blueline drawing describing the proposed use and development of state land. The information in a development plan is needed to provide a complete review of the application and the proposed use and development.

Insufficient information in the development plan in support of a public and charitable use purchase application or failure to provide a development plan may delay the application's processing.

Guidelines for Preparing a Development Plan. The development plan must include the following:

- 1) **Written Project Description:** A detailed written description (narrative) of the intended use and level of planned development and an explanation of the sketch or blueline drawing. Following is a list of specific information to be included in the narrative, if applicable to the proposed project:
 - a) **Project Description.** Describe the type of activities and development planned for the site; describe and explain the items shown on the sketch or blueline.
 - b) **Legal Description.** Provide a legal description of the parcel, i.e., a metes and bounds description, survey, lot and block, aliquot part, or other legal description.
 - c) **Access.** Describe the existing and planned access and mode of transportation.
 - d) **Building and Other Structures.** Describe each planned building or structure.
- 2) **Project Maps:** A detailed visual representation of the intended use and level of planned development to include the following:
 - a) **Maps.** A USGS map at a scale of at least 1:63,360 showing the location of the proposed project.
 - b) **Sketch or Blueline Drawing.** A sketch of the planned development drawn to scale to include the following, if applicable to the proposed project:
 - i. Section, Township, and Range lines; North arrow; scale; and legend.
 - ii. All property boundaries, ordinary or mean high water lines, and existing or proposed rights-of-way; major topographic features such as roads, streams, rivers, and lakes, and their geographic names.
 - iii. Location and dimensions of any buildings, and other structures and improvements, appropriately labeled.
 - iv. Location of any buried or above-ground utility lines (power, water, fuel, natural gas, etc.); sewage facilities, including sewage and wastewater outfall point; underground water system; and water source (if any).
 - v. Location where any hazardous substances, including but not limited to oil, lubricants, fuel oil, gasoline, solvents, and diesel fuel, are stored. Method of storage (tank, drum, etc.).
 - vi. Location of parking areas and areas for storage of inactive vehicles; snow storage areas; storage areas for any other items not mentioned above.

DEVELOPMENT PLAN FOR A PUBLIC AND CHARITABLE USE PURCHASE APPLICATION

Date: December 10, 2025

ADL # (assigned by DNR):

Written Project Description (additional pages may be attached if necessary)

See attached AIDEA Development Plan with Appendices.

In signing this development plan, the applicant hereby attests that the information herein provided is true and correct to the best of the applicant's knowledge, and the required map(s) and sketch or blueline drawing of the proposed project are attached.

Brandon Brefczynski
Digitally signed by Brandon
Brefczynski
Date: 2025.12.10 16:35:52 -09'00'

Signature

December 10, 2025

Date

AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120, unless the information qualifies for confidentiality under AS 38.05.035(a)(8) and confidentiality is requested, or qualifies for confidentiality AS 43.05.230, AS 45.48, or other state or federal laws. Public information is open to inspection by you or any member of the public. A person who is the subject of the personal information may challenge its accuracy or completeness under AS 40.25.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210. In submitting this form, the applicant agrees with the Department to use "electronic" means to conduct "transactions" (as those terms are used in the Uniform Electronic Transactions Act, AS 09.80.010 – AS 09.80.195) that relate to this form and that the Department need not retain the original paper form of this record: the Department may retain this record as an electronic record and destroy the original.

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Received date stamp

Development Plan for Public and Charitable Use Purchase Application

Alaska Industrial Development and Export Authority (AIDEA) | Houston Sites, Mat-Su Borough

Applicant: Alaska Industrial Development and Export Authority (AIDEA)

Statutory Basis: AS 38.05.810(a)(1) — disposal of state land to a state agency or political subdivision. AIDEA is a public corporation and political subdivision of the State under AS 44.88.020 and is statutorily directed to act in the public interest under AS 44.88.010.

Subject Lands: Approximately 20,000 acres of State land near Houston, Alaska (Mat-Su Borough), in three townships of the Seward Meridian (S019N003W, S018N003W, and S018N002W) — ≈20,018 acres by the Appendix 2 parcel tables and ≈19,949 acres by the Appendix 1 soil analysis — as legally described in Appendix 2 and depicted in Appendix 1 and the Houston East Site materials map.

1) Written Project Description

1a) Project Description

AIDEA seeks to acquire and assemble a contiguous package of 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. The district directly advances AIDEA's statutory mission to “promote, develop, and advance the general prosperity and economic welfare of the people of the state” by financing, owning, leasing, or operating projects and development projects (AS 44.88.070; AS 44.88.080; AS 44.88.172).

The district is organized around six complementary use types, each tied to specific statutory authority and to AIDEA's financing toolkit. Key elements include, but are not limited to:

- **Intermodal Logistics & Rail-Served Industrial Park.** Heavy and light industrial pads, warehouse/logistics hubs, and a materials laydown zone sited adjacent to the Alaska Railroad centerline and the major road corridors shown on the DNR map (AS 44.88.080(5)–(6), (14), (32); AS 44.88.900(14)(A), (B), (G)).
- **Energy & Utilities Enablers.** Distribution-ready utility corridors (electric, natural gas, fiber) to serve tenants and enable qualified energy development — micro-grid, storage, and transmission improvements — consistent with the SETS program (AS 44.88.650–.690). Financing may include SETS loans and guarantees and bonds (AS 44.88.680, .690; AS 44.88.090).
- **Innovation & Advanced Manufacturing Pads.** Flexible sites for small and medium manufacturers and technology firms, supported through AIDEA loan participations (AS 44.88.155–.159) and business assistance programs (AS 44.88.500–.560).
- **Data Center Development.** Designated sites for secure, scalable data centers leveraging existing and planned utility corridors for robust electric, natural-gas, and fiber connectivity (AS 44.88.080(5), (6), (14)).
- **On-Site Materials (Gravel and Rock) as a Development Asset.** AIDEA may identify, permit, extract, and utilize the gravel, sand, and rock on the acquired lands — both to build shared infrastructure and to contribute such materials as in-kind equity into eligible projects (AS 44.88.080(5), (14); AS 44.88.172). Treating these materials as a recurring equity asset, rather than a one-time sale, generates ongoing revenue that returns to the State through the AIDEA dividend (AS 44.88.088), which has totaled over \$500 million cumulatively since 1997. See Sections 4 and 5.
- **Stewardship Areas & Setbacks along Deception Creek.** Parcels south of Deception Creek (a meandered stream) will incorporate vegetated buffers, flood-compatible uses (trails, non-structural storage), and engineered utility crossings protecting the ordinary high-water mark zones referenced in Appendices 1 and 2 and confirmed by the surficial-geology mapping.

In addition to these uses, portions of the district may be developed as **workforce-housing subdivisions** that support local employees of anchor tenants and contribute to community stability.

These activities rest on AIDEA's broad statutory authority to acquire, own, lease, and operate real property and related facilities: AS 44.88.080(5) (acquire property for projects); AS 44.88.080(6) (lease, sell, or dispose of property); AS 44.88.080(8) (invest in and hold interests in real property); and AS 44.88.080(14) (acquire, own, and operate facilities and infrastructure). AIDEA may also create subsidiaries to own and operate assets (AS 44.88.178).

1b) Legal Description

The land selections cover sections in three townships of the Seward Meridian, with full sections, aliquot parts, and meander-based descriptions referenced to the ordinary high-water mark of Deception Creek. The authoritative parcel-by-parcel list, with approximate acreage and legal descriptions, is set out in **Appendix 2**. AIDEA's conveyance request will cite each parcel's aliquot part as shown and attach an updated sketch keyed to section, township, and range lines.

Summary of requested parcels (full table and acreage in Appendix 2):

Township (Seward Meridian)	Sections Requested	Approx. Acreage
S019N003W	Sections 19, 20, 28, 29, 33, 34, 35 (uplands south of Deception Creek, to the ordinary high-water line); full Sections 30, 31, 32	≈ 4,198
S018N003W	Full Sections 1–4, 6, 10–11, 13–14; aliquot parts of 5 (EXCEPT S½ SE¼), 7 (N½ N½), 8 (EXCEPT N½ NE¼), 9 (SE¼ SE¼), 15 (NE¼ & SE¼)	≈ 7,380
S018N002W	Full Sections 1–10, 18; aliquot parts of 11 (N½), 12 (N½ and SE¼ EXCEPT SE¼ SE¼), 16–17 (NE¼ & NW¼)	≈ 8,440
Total (approximate)		≈ 20,018

1c) Access

Primary access uses existing major highways and local roads, the Alaska Railroad centerline, and the designated corridors for electric transmission, natural gas, and fiber-optic networks depicted on the attached maps. The Houston East Site materials map confirms a network of major and minor roads and RS 2477 trails crossing the selection. The title report (Section 1e) further identifies an existing ADF&G public-access right-of-way (ADL 52374) and BLM section-line easements (50 feet on either side of section lines), which AIDEA will treat as fixed access corridors. Because the conveyance footprint adjoins lands of varying status — State patented/tentatively approved, State selected or topfiled, University of Alaska investment lands, and municipal or private parcels — AIDEA will confirm access alignments and easements with DNR, DOT&PF, ADF&G, and the Mat-Su Borough as part of phasing.

1d) Buildings and Other Structures

Initial development will focus on graded pads, laydown yards, the utility backbone, and rail-adjacent improvements — much of it constructed from on-site gravel and rock (see Section 4). Subsequent phases will deliver tenant-specific structures (warehouses, light-manufacturing shops, training facilities, utility substations, energy-storage enclosures, and data-center buildings) under AIDEA leases or development agreements (AS 44.88.080(6), (8), (14)). AIDEA may form a subsidiary to hold operating assets and concessions (AS 44.88.178).

1e) Title Status and Existing Encumbrances

A Limited Liability Report by Stewart Title of Alaska (Report No. 2828990, effective February 2, 2026) confirms that **fee simple title to the seven parcels comprising the selection is vested in the State of Alaska**, supporting conveyance to AIDEA under AS 38.05.810. The State's title derives from United States patents recorded between 1960 and 1966 and from State selections under Section 6(b) of the Alaska Statehood Act (Act of July 7, 1958), including Tract A in T19N R3W and Lot 4 of U.S. Survey 4716. AIDEA would take title subject to the following matters of record, which the development program is designed to accommodate:

- **Oil and gas lease (most of the selection).** A State of Alaska oil and gas exploration-license conversion lease (ADLs 394297–394302; lessees Daniel K. Donkel 25% and Samuel H. Cade 75%), effective February 1, 2025 through January 31, 2035 and continuing so long as production in paying quantities continues, affects Parcels 3, 4, 5, 6, and 7. It grants the exclusive right to explore for and produce oil, gas, and associated substances and to install pipelines and structures. The lease is limited to hydrocarbons and does **not** convey rights to sand, gravel, or rock; AIDEA's surface development and on-site-materials program (Section 4) will be sited and sequenced to coordinate with the lessees' rights and any applicable DNR mitigation measures.
- **Reserved minerals and subsurface substances.** The record reflects reservations of minerals and surface/subsurface substances — including coal, oil, gas, sand, gravel, and rock — with no representation as to present ownership. Because the on-site-materials strategy in Section 4 depends on AIDEA controlling the sand and gravel estate, AIDEA will confirm, as part of the conveyance, that the disposal under AS 38.05.810 (together with materials authority under AS 38.05.565) conveys or otherwise secures the materials estate needed for the planned uses.
- **Public-access right-of-way (ADF&G).** A Department of Fish and Game right-of-way permit (ADL 52374; recorded 2018-026176-0) for improvement, marking, maintenance, or construction of existing public access routes crosses the area (Parcels 1–6). Any construction that would use, divert, or obstruct State waters requires prior approval from the ADF&G Commissioner — a coordination step folded into the governance and stewardship plan.
- **Section-line and RS 2477 easements.** BLM section-line easements (50 feet on either side of section lines, per 43 U.S.C. 932 / AS 19.10.010) and RS 2477 rights-of-way apply throughout. These are treated as fixed corridors in the access and phasing plan.
- **Navigable-water and riparian matters.** Beds of Deception Creek and Lilly, Nancy, and Clinker Creeks (between mean-high-water lines), and associated riparian and channel-migration matters, are reserved — reinforcing the Deception Creek setbacks and stewardship approach in Section 3d.
- **Tentative approval (USS 4716, Lot 4).** A 2013 tentative approval (2013-023103-0) affects Lot 4 of U.S. Survey 4716 within Parcel 7; AIDEA will confirm its patent status as part of due diligence.
- **Borough taxes/assessments.** Any Matanuska-Susitna Borough taxes or assessments will be addressed; AIDEA's public-purpose status and PILT options (AS 44.88.140(b)) are discussed in Section 3b.

None of these matters impairs the public-purpose conveyance; each is a routine encumbrance that the phased, capability-based development plan is structured to respect.

2) Project Maps (per DNR Guidance)

- **Area Map (Appendix 1):** A current State of Alaska land-status area map of the Houston Sites (East and West) is attached, depicting the infrastructure the plan relies on — electric transmission lines, natural-gas lines, the approximated fiber-optic network, the Alaska Railroad centerline, major roads, and the AKLNG alignment (ADL 421297) — together with surrounding land status. The map also includes a soil analysis classifying the ≈19,949-acre selection as 62.6% upland (≈12,490 ac), 37.0% wetland (≈7,385 ac), and 0.4% water (≈74 ac), which informs Sections 3d and 6.
- **Surficial Geology / Materials Map (Houston East Site):** A derivative geologic-materials map is attached, depicting surficial material units across the selection (gravel-and-sand, mixed coarse/fine, organic, and bedrock units), infrastructure, and land status. It is the resource basis for Sections 4 and 6 and is derived from Reger, R.D., Combellick, R.A., and Pinney, D.S. (1994), Derivative Geologic-Materials Map of the Anchorage C-7 NW and C-8 NE Quadrangle, Alaska, DGGs Report of Investigation 94-25 / 94-26 (Alaska DNR, Division of Geological & Geophysical Surveys).
- **Sketch / Blueline Drawing (to be attached):** Section, township, and range lines; north arrow, scale, and legend; ordinary high-water lines for Deception Creek; existing and proposed rights-of-way; major

topography; building footprints; utility lines (power, water, fuel/natural gas); sewage/wastewater locations; parking and snow storage; and hazardous-substances storage areas, consistent with DNR requirements.

3) Economic Development Rationale & Statutory Authority

3a) AIDEA's Purpose & Powers (AS 44.88.070; AS 44.88.080)

The plan advances AIDEA's mission to alleviate unemployment and grow Alaska's economy by financing, owning, operating, or leasing projects and development projects; issuing bonds; entering partnerships; and enabling private lenders through participation loans.

3b) AIDEA Financing Toolkit

Each district use is matched to one or more AIDEA financing instruments:

- **Direct Loans** to finance development projects and facilities (AS 44.88.080(7)).
- **Revenue Bonds** for shared infrastructure and site preparation (AS 44.88.090), backed by project or general revenues.
- **Loan Participation Program** with Alaskan financial institutions for anchor-tenant financing (AS 44.88.155–.159).
- **SETS Program** (AS 44.88.650–.690) for transmission upgrades, energy storage, and micro-grids — e.g., a behind-the-meter data park on an on-site micro-grid providing resilient power while improving grid reliability.
- **Small Business and Economic Development Loan Program** (AS 44.88.400–.430).
- **New Markets Tax Credit (NMTC) Assistance** (AS 44.88.700–.799) to attract private investment and lower project costs.
- **Public Purpose & Tax Treatment.** Essential public/governmental function with statutory exemptions and the option of payments in lieu of taxes (PILT) (AS 44.88.140(b)).

3c) Jobs Creation Strategy (Conceptual Framework)

To avoid speculative figures, AIDEA will measure job creation through commitments in tenant agreements and financing covenants (e.g., minimum employment targets tied to leased space or capital deployed), supported by:

- **Construction Jobs:** grading, utilities, rail interface, and building pads.
- **Operations Jobs:** logistics, manufacturing, maintenance, training instructors, and utility O&M.
- **Supplier & SME Pipeline:** vendor yards, equipment-service depots, and small manufacturers financed via AIDEA programs.
- **Data Centers:** direct IT, operations, security, and maintenance employment plus a multiplier from complementary businesses.
- **Workforce Housing:** affordable, accessible housing helping anchor tenants attract and retain skilled employees.

3d) Environmental & Land Stewardship

The site's own data establish a clear development-versus-stewardship split. The soil analysis on the Appendix 1 area map classifies the ≈19,949-acre selection as **62.6% upland (≈12,490 acres)**, **37.0% wetland (≈7,385 acres)**, and **0.4% water (≈74 acres)**. The wetland share corresponds closely to the organic (OR) and weakly indurated (BW) units on the Houston East Site materials map and to the south-of-Deception-Creek parcels — confirming that development can be concentrated on the ≈12,490 upland acres while the remaining ≈7,459 wetland/water

acres are reserved for buffers, drainage, and habitat. AIDEA will use this distinction to align development intensity with land capability and to support DNR's best-interest finding:

- **Deception Creek setbacks.** Setbacks, crossings, and drainage consistent with the ordinary high-water lines; low-impact, flood-compatible uses within buffers; no permanent structures inside setback buffers. The “south of Deception Creek” parcels in S019N003W (Sections 19, 20, 28, 29, 33, 34, 35) are limited to uplands above the ordinary high-water mark and suit stewardship and buffer roles.
- **Organic / wetland units as buffers.** Areas mapped as organic (OR) and weakly indurated (BW) — nil-to-poor construction-material value — will be preferentially retained as drainage, habitat, and stormwater-management areas, reducing wetland fill and permitting risk.
- **Corridor consolidation.** Utility corridors will follow existing electric, natural-gas, and fiber alignments where feasible to minimize fragmentation, coordinated with NEPA review and applicable permits.

3e) Governance & Implementation

- **AIDEA Board Actions.** Board resolutions will authorize acquisitions, financing, equity contributions, and subsidiary formation (AS 44.88.178).
- **Project Subsidiaries / SPVs.** AIDEA may form single-purpose subsidiaries to hold land, materials, and operating assets and to receive in-kind equity contributions (Sections 4 and 5).
- **Local and Agency Coordination.** Mat-Su Borough (land use), DOT&PF (rights-of-way), DEC (environmental), DNR (land and materials conveyance and best-interest findings; including the DNR Division of Oil and Gas regarding the existing lease), ADF&G (public-access ROW and water-use approvals), and the Alaska Railroad (rail-served components).
- **Encumbrance coordination.** Development phasing will respect the existing oil and gas lease (ADLs 394297–394302), the ADF&G public-access ROW (ADL 52374), and section-line/RS 2477 easements identified in the title report (Section 1e), siting surface uses to avoid conflict with lessees' and easement holders' rights.
- **Sequence from conveyance to development.** (1) DNR best-interest finding and conveyance under AS 38.05.810; (2) AIDEA Board authorization and subsidiary formation; (3) resource permitting and backbone construction using on-site materials; (4) phased tenant development under leases, development agreements, and equity structures.

4) On-Site Materials and Gravel-as-Equity Applications

4a) Legal Framework (adapted to the Houston Sites)

- **DNR materials-disposal authority (AS 38.05.565).** DNR may dispose of materials such as gravel to state agencies and political subdivisions at less than fair market value — or at no cost — where the Director finds the disposal serves the public interest.
- **DNR land-and-resource disposal authority (AS 38.05.810(a)).** DNR may dispose of state land or resources to a state agency or political subdivision for a public purpose at less than appraised value, with Commissioner approval — the same authority under which AIDEA seeks the Houston Sites.
- **Regulatory baseline and discretionary override.** Under 11 AAC 05.130(e), the first 5,000 cubic yards per public project per year are waived, with additional volume at a nominal base price (11 AAC 71.090). AS 38.05.565 and AS 38.05.810(a) override this default for larger volumes when supported by a written public-interest determination and a best-interest finding (AS 38.05.035(e)), with public notice (AS 38.05.945) and Commissioner approval.
- **Precedent.** Large material grants for public-purpose projects — Road to Tanana (≈720,000 cy under AS 38.05.810(a) at nominal cost) and the Northern Rail Extension (first tranche free, remainder at base rate) — confirm both authority and practice.

Because AIDEA holds (upon conveyance) the surface estate, much of this material can be developed directly by AIDEA for the district's own infrastructure, with formal DNR materials authorizations used where required for specific extraction sites. As noted in Section 1e, AIDEA will confirm during conveyance that it secures the sand and gravel estate (the existing oil and gas lease is limited to hydrocarbons and does not reach these materials), so that the on-site-materials program rests on clear title.

4b) On-Site Resource Basis

The attached Houston East Site materials map identifies the surficial geologic units and their relative suitability as construction material. The most development-relevant units are:

Map Unit	Composition	Gravel & Sand	Sand	Mixed C/F	Crushed Agg.	Riprap / Armor
GS	Gravel and sand	Good	Good	Poor	Good	Nil
GM	Mixed coarse and fine	Moderate	Moderate	Good	Poor	Nil
BA	Well-indurated sedimentary rock	Nil	Poor	Poor	Mod. to good	Poor to mod.
BW	Weakly indurated sedimentary rock	Nil	Poor to mod.	Poor	Poor	Nil
OR	Organic materials	Nil	Nil	Nil	Nil	Nil

Source: material-availability table on the Houston East Site map (Reger et al., 1994, DGGs RI 94-25/94-26). "Good" ≈ 80%+ probability of locating good deposits; "moderate" ≈ 30–80%; "poor" < 30%; "nil" ≈ none.

The mapping shows extensive **GS** (gravel-and-sand) and **GM** (mixed) units across the better-drained uplands — the same areas best suited to pads, roads, and utility corridors — while **OR** (organic) and **BW** units concentrate in the lower, wetter ground reserved for stewardship and buffers. This co-location of usable material and developable ground is the physical foundation of the materials-as-equity strategy.

4c) Application at the Houston Sites

- **Build shared infrastructure with on-site material.** Permitting on-site GS/GM borrow sources lets AIDEA construct pads, internal roads, rail spurs, and utility corridors at materially lower cash cost than importing aggregate, while BA bedrock units provide a potential crushed-aggregate and riprap source.
- **Contribute material as in-kind equity into project SPVs.** Rather than selling material once at a nominal rate, AIDEA can contribute permitted material — valued at its delivered-and-installed worth — as an in-kind equity stake into a single-purpose project entity (logistics, energy, or data-campus SPV), converting a one-time disposal into a continuing ownership interest.

4d) Why This Serves the State

- **Lowers capital costs** for anchor projects, because site preparation and a portion of equity are satisfied in kind rather than in cash.
- **Improves project IRR** and de-risks private investment (Section 5), accelerating development timelines.
- **Creates ongoing revenue** returning to the State through the AIDEA dividend (AS 44.88.088) — a recurring stream that can substantially exceed the value of a one-time material sale.

5) Land-as-Equity and IRR Enhancement

5a) Land as an In-Kind Equity Contribution

The same logic that applies to on-site materials applies, at larger scale, to the land itself. Once AIDEA holds the Houston Sites under AS 38.05.810, it is not limited to leasing or selling at market value. Under AS 44.88.080(5), (6), and (8) and AS 44.88.172, AIDEA may **contribute land as an in-kind equity stake** into specific development projects — logistics hubs, energy infrastructure, data campuses, and workforce housing — held through project SPVs (AS 44.88.178). Contributing land as equity rather than selling it:

- **Reduces upfront project cash requirements**, because the land basis replaces a portion of the cash equity a private sponsor would otherwise raise;
- **Improves project IRR**, because the project carries less cash at risk for the same asset base; and
- **Can be structured for repayment of the State's contribution over time** through lease revenues, profit distributions to AIDEA's stake, and ultimately the AIDEA dividend — so the land's value is recovered and recycled rather than spent.

5b) Illustrative IRR Narratives (qualitative)

- **Data / energy campus.** Substituting an AIDEA in-kind contribution of pad-ready land and on-site materials for a slice of cash equity reduces the cash invested for the same net operating income, lifting equity IRR by **several percentage points** relative to a cash-only structure and improving appeal to private co-investors. AIDEA retains a minority stake whose distributions flow back to the State.
- **Rail-served logistics hub.** AIDEA's contribution of graded, materials-supplied pads and corridor land lowers the sponsor's day-one capital outlay and shortens the path to occupancy. Improved IRR and reduced execution risk make private participation and AIDEA loan participations easier to syndicate, while AIDEA's retained interest preserves long-term public upside.

In both cases the State's contribution is an investment with a return, not a giveaway: it is recovered through lease income, profit distributions, and the AIDEA dividend, leaving the State a continuing co-owner of productive infrastructure.

6) Phasing Strategy, Resource Mapping, and Site Utilization

6a) Resource-Mapped Land Capability

- **S019N003W (≈ 4,198 acres)** — dominated by “south of Deception Creek” upland parcels (Sections 19, 20, 28, 29, 33, 34, 35) plus full Sections 30–32. Meander-limited sections suit **stewardship, buffers, and flood-compatible uses**; the three full sections offer contiguous developable ground.
- **S018N003W (≈ 7,380 acres)** — full Sections 1–4, 6, 10–11, 13–14 provide large contiguous blocks for **industrial, energy, and data/manufacturing pads**, with GS/GM units supplying on-site material.
- **S018N002W (≈ 8,440 acres)** — the largest, most contiguous block (full Sections 1–10 and 18), corresponding to the core of the “Houston East Site.” This township is the **primary developable core** and the natural anchor for Phase 1.

Read against the Appendix 1 soil analysis (≈12,490 upland acres, ≈7,385 wetland acres), this capability mapping lets AIDEA target the ≈ 12,490 acres of upland — concentrated in the S018N002W and S018N003W full sections — for active development, while the wetland-heavy meander parcels in S019N003W carry the stewardship and buffer load.

6b) Use-Suitability Overlay

Capability	Where (illustrative)	Basis
Rail-served industrial / logistics	Rail- and road-adjacent full sections in S018N002W and S018N003W	Railroad centerline and major roads; large contiguous parcels
Energy & utility corridors (SETS-eligible)	Existing electric/gas/fiber alignments crossing the selection	Corridor consolidation; SETS eligibility (AS 44.88.650–.690)
Data centers & advanced manufacturing	Well-drained GS/GM uplands near utility backbone	Power/fiber adjacency; on-site material for pads
Stewardship & buffers	South-of-Deception-Creek parcels (S019N003W) and mapped OR/BW units	Ordinary high-water setbacks; nil material value
On-site borrow / aggregate sources	Mapped GS, GM, and BA units	Material-availability table (Reger et al., 1994)

6c) Phased Development

- **Phase 1 — Backbone & rail-adjacent core.** Develop the utility backbone and rail-served pads in the S018N002W core using on-site GS/GM material; establish the first borrow sources and initial SPV(s).
- **Phase 2 — Data / industrial / manufacturing pads.** Build out data-center and advanced-manufacturing pads on well-drained uplands tied to the Phase 1 backbone, deploying land- and materials-as-equity structures.
- **Phase 3 — Workforce housing & expansion.** Add workforce-housing subdivisions and expansion parcels as anchor tenants mature, while permanently dedicating stewardship and buffer areas south of Deception Creek.

7) Revenue, Dividend, and Public Benefit Narrative

- **From assets to dividends.** Net income on AIDEA's retained equity stakes — funded by land and on-site materials rather than cash — flows to AIDEA, and under AS 44.88.088 a portion is paid to the State as the AIDEA dividend, supporting the general fund. A continuing equity interest produces a recurring return, in contrast to a one-time sale.
- **Public and charitable purpose under AS 38.05.810.** Conveyance serves clear public and charitable purposes: job creation across construction, operations, and the SME supplier pipeline; diversification of the Mat-Su and Railbelt economy; infrastructure and grid resilience; and enabling technology-driven growth such as data-center and advanced-manufacturing investment.
- **Greater long-term value than a sale.** Conveying the Houston Sites to AIDEA under AS 38.05.810, combined with these equity mechanisms, lets the State retain ownership upside and recover and recycle its contribution over time — producing greater cumulative public benefit than a one-time disposal and aligning AIDEA's and the State's incentives toward durable development.

Appendices and supporting records: Appendix 1 — State of Alaska land-status area map with soil analysis (≈19,949 acres; 62.6% upland / 37.0% wetland / 0.4% water). Appendix 2 — Parcel-by-parcel legal descriptions and approximate acreage by township (≈20,018 acres total). Houston East Site Materials Map — surficial geology and material-availability (Reger et al., 1994, DGGs RI 94-25/94-26). Title basis — Stewart Title of Alaska Limited Liability Report No. 2828990 (eff. Feb. 2, 2026) and recorded instruments: U.S. Patents 2009-015360-0, -015586-0, -015589-0, -015777-0, -016297-0, -018039-0; O&G lease 2025-004478-0 (ADLs 394297–394302); ADF&G ROW 2018-026176-0 (ADL 52374); tentative approval 2013-023103-0.

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

Land Conveyance Section
550 W. 7th Ave., Suite 640
Anchorage, AK 99501-3576
907-269-8594
dnr.noncompland@alaska.gov

Statewide TTY – 711 for Alaska Relay or 1-800-770-8973

APPLICATION FOR PUBLIC AND CHARITABLE USE PURCHASE OF STATE LAND
AS 38.05.810

Date: December 9, 2025

ADL# (assigned by DNR): _____

APPLICANT INFORMATION

Applicant's Name (please print): Alaska Industrial Development and Export Authority

Name of Applicant's Representative (please print): Brandon Brefczynski

Mailing Address: 813 W. Northern Lights Boulevard

City: Anchorage State: AK Zip Code: 99503

Message Phone: 907-771-3000 Work Phone: REDACTED Cell Phone: _____

Email: bbref@aidea.org Fax: _____

If the applicant is a non-profit corporation, a public utility or common carrier, is it registered and licensed in Alaska and presently in good standing? ☒ Yes ☐ No

If the applicant is a non-profit corporation, is it tax-exempt under federal law? ☒ Yes ☐ No

If the applicant is a non-profit corporation, please attach a copy of the non-profit corporation's State of Alaska business license, a resolution or other document authorizing the individual listed above to represent the non-profit corporation, and a copy of the non-profit corporation's federal tax-exempt certification (e.g., 501(c)(3) certification). If the applicant is a licensed public utility or common carrier, please attach a copy of the certificate of public convenience and necessity applicable to the application area. APPLICATIONS CANNOT BE ACCEPTED WITHOUT THIS DOCUMENTATION. THE STATE AT THIS TIME CANNOT ACCEPT APPLICATIONS FROM A TRUST.

Are you currently in default on, or in violation of, any purchase contract, lease, permit, or other authorization issued by the Department of Natural Resources under AS 38.05? ☐ Yes ☒ No

Within the past three years, has the Department of Natural Resources foreclosed or terminated any purchase contract or lease issued to you by the department? ☐ Yes ☒ No

PROPERTY INFORMATION

Legal Description: Lot(s) _____ Block/Tract _____ Name of subdivision _____

Survey # _____ Recorded plat # _____ Recording District _____

Meridian: ☐ Copper River ☒ Seward ☐ Fairbanks ☐ Umiat ☐ Kateel River

Township(s) _____ ☒ North ☐ South, Range(s) _____ ☐ East ☒ West, Section(s) _____, Acres _____
Township(s) _____ ☐ North ☒ South, Range(s) _____ ☐ East ☒ West, Section(s) _____, Acres _____
Borough, municipality, or community: Matanuska-Susitna Borough
General geographic location (waterbody, landmark): See attached map & tables with Township/Section descriptions
Are there improvements on the land? ☐ Yes ☒ No If Yes, who owns the improvements?

Describe the improvements and when they were built:

Is the land applied for subject to any existing leases? ☐ Yes ☐ No, or permits ☐ Yes ☒ No?

PUBLIC AND CHARITABLE USE INFORMATION

Check the statutory authority below under which you are applying. * You can only check one statutory authority.

- ☒ **AS 38.05.810(a)(1):** sale of state land to a state or federal agency or political subdivision.
- ☐ **AS 38.05.810(a)(2):** sale of coal deposits to a qualified public utility.
- ☐ **AS 38.05.810(a)(3):** sale of state land to a tax-exempt non-profit corporation, association, club, or society organized and operated for the management of a cemetery or solid waste or other public facility.
- ☐ **AS 38.05.810(a)(4):** sale of land within a state subdivision to a subdivision's nonprofit, tax-exempt homeowner's association.
- ☐ **AS 38.05.810(e):** sale of state land to a licensed public utility or licensed common carrier.

What is the intended use of the property?

See attached Development Plan with appendices.

What improvements do you plan to construct on the property?

See attached Development Plan.

ADDITIONAL REQUIRED INFORMATION

All additional forms must be completed, signed by the applicant(s), and returned with this application form. **Incomplete applications will not be accepted.**

- ☒ Agreement to Bear Costs
- ☒ Applicant Environmental Risk Questionnaire
- ☒ Development Plan

In signing this application, the applicant(s) hereby attest(s) that the information herein provided is true and correct to the best of the applicant(s') knowledge. False or incorrect information may result in the application being rejected; the application fee will not be returned.

Brandon Brefczynski Digitally signed by Brandon
Brefczynski
Date: 2025.12.10 16:34:58 -09'00'

Signature of authorized representative
Deputy Director, AIDEA

Title

December 10, 2025

Date

NOTICE TO APPLICANT:

*** This application will not be considered unless accompanied by the appropriate filing fee and completed in full. THE FILING FEE WILL NOT BE REFUNDED, NOR IS IT TRANSFERABLE. All checks are to be made payable to the Department of Natural Resources. The filing of this application and payment of the filing fee vests the applicant with no right or priority in the lands applied for. It merely expresses the desire to purchase a parcel of land when and if it becomes available. Filing an application serves the purpose of notifying the state that an individual is interested in purchasing land. It is not a claim, nor does it in any way obligate the state to sell land.**

*** For applications filed by a municipality under AS 38.05.810, if there is a remaining municipal entitlement under AS 29.65, the municipality may be required to file an application for a municipal entitlement instead, or the land transferred under AS 38.05.810 shall be credited toward fulfillment of the entitlement.**

*** AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120, unless the information qualifies for confidentiality under AS 38.05.035(a)(8) and confidentiality is requested, or qualifies for confidentiality AS 43.05.230, AS 45.48, or other state or federal laws. Public information is open to inspection by you or any member of the public. A person who is the subject of the personal information may challenge its accuracy or completeness under AS 40.25.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210. In submitting this form, the applicant agrees with the Department to use “electronic” means to conduct “transactions” (as those terms are used in the Uniform Electronic Transactions Act, AS 09.80.010 – AS 09.80.195) that relate to this form and that the Department need not retain the original paper form of this record: the Department may retain this record as an electronic record and destroy the original.**

For Department Use Only

Application received date stamp

Receipt Type: 8A – Application

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

Land Conveyance Section
550 W. 7th Ave., Suite 640
Anchorage, AK 99501-3576
907-269-8594
dnr.noncompland@alaska.gov

Statewide TTY – 771 for Alaska Relay or 1-800-770-8973

**PREFERENCE RIGHT/PUBLIC AND CHARITABLE USE PURCHASE OF STATE LAND
AGREEMENT TO BEAR COSTS**

ADL # (assigned by DNR)

I (we), the undersigned applicant(s), do hereby agree to bear the costs of public notice, survey, and appraisal, as may be required, in order to purchase the state land that is the subject of this application. These costs are in addition to the purchase price of the subject land.

Signature

Date

Signature

Date

Signature

Date

Alaska Industrial Development and Export Authority

Deputy Director

If applying on behalf of a governmental agency, municipality, business, or organization, please enter its name here and your position title.

Title

For Department Use Only
Selection received date stamp

Appendix 2

Figure 1 - S019N003W Land Selections with Approximate Acreage & Legal Descriptions

Township	Section	Acreage (Approx.)	Legal Description
S019N003W	19	480	All that portion of Section 19, Township 19 North, Range 3 West, Seward Meridian, Alaska, lying southerly of Deception Creek, a meandered stream, as shown on the official plat of survey of said township; said tract comprising all uplands lying south of the ordinary high water mark of Deception Creek within the above-described sections; of Deception Creek within the above-described sections; containing 480 acres, more or less.
S019N003W	20	88	All that portion of Section 20, Township 19 North, Range 3 West, Seward Meridian, Alaska, lying southerly of Deception Creek, a meandered stream, as shown on the official plat of survey of said township; said tract comprising all uplands lying south of the ordinary high water mark of Deception Creek within the above-described sections; of Deception Creek within the above-described sections; containing 88 acres, more or less.
S019N003W	28	44	All that portion of Section 28, Township 19 North, Range 3 West, Seward Meridian, Alaska, lying southerly of Deception Creek, a meandered stream, as shown on the official plat of survey of said township; said tract comprising all uplands lying south of the ordinary high water mark of Deception Creek within the above-described sections; of Deception Creek within the above-described sections; containing 44 acres, more or less.
S019N003W	29	480	All that portion of Section 29, Township 19 North, Range 3 West, Seward Meridian, Alaska, lying southerly of Deception Creek, a meandered stream, as shown on the official plat of survey of said township; said tract comprising all uplands lying south of the ordinary high water mark of Deception Creek within the above-described sections; of Deception Creek within the above-described sections; containing 480 acres, more or less.
S019N003W	30	640	All of Section 30, Township 19 North, Range 3 West, Seward Meridian, Alaska
S019N003W	31	640	All of Section 31, Township 19 North, Range 3 West, Seward Meridian, Alaska
S019N003W	32	640	All of Section 32, Township 19 North, Range 3 West, Seward Meridian, Alaska
S019N003W	33	588	All that portion of Section 33, Township 19 North, Range 3 West, Seward Meridian, Alaska, lying southerly of Deception Creek, a meandered stream, as shown on the official plat of survey of said township; said tract comprising all uplands lying south of the ordinary high water mark of Deception Creek within the above-described sections; of Deception Creek within the above-described sections; containing 480 acres, more or less.
S019N003W	34	354	All that portion of Section 34, Township 19 North, Range 3 West, Seward Meridian, Alaska, lying southerly of Deception Creek, a meandered stream, as shown on the official plat of survey of said township; said tract comprising all uplands lying south of the ordinary high water mark of Deception Creek within the above-described sections; of Deception Creek within the above-described sections; containing 480 acres, more or less.
S019N003W	35	244	All that portion of Section 35, Township 19 North, Range 3 West, Seward Meridian, Alaska, lying southerly of Deception Creek, a meandered stream, as shown on the official plat of survey of said township; said tract comprising all uplands lying south of the ordinary high water mark of Deception Creek within the above-described sections; of Deception Creek within the above-described sections; containing 480 acres, more or less.
Total Acreage (Approx.)		4,198	

Figure 2 - S018N003W Land Selections with Approximate Acreage & Legal Descriptions

Township	Section	Acres (Approx.)	Legal Description
S018N003W	1	640	All of Section 1, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	2	640	All of Section 2, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	3	640	All of Section 3, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	4	640	All of Section 4, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	5	560	All of Section 5, Township 18 North, Range 3 West, Seward Meridian, Alaska, EXCEPT the South Half of the Southeast Quarter (S½ SE¼).
S018N003W	6	640	All of Section 6, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	7	140	North Half of the North Half (N½ N½) of Section 7, Township 18 North, Range 3 West, Seward Meridian, Alaska, containing 160 acres, more or less.
S018N003W	8	560	All of Section 8, Township 18 North, Range 3 West, Seward Meridian, Alaska, EXCEPT the North Half of the Northeast Quarter (N½ NE¼).
S018N003W	9	40	Southeast Quarter of the Southeast Quarter (SE¼ SE¼) of Section 9, Township 18 North, Range 3 West, Seward Meridian, Alaska, containing 40 acres, more or less.
S018N003W	10	640	All of Section 10, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	11	640	All of Section 11, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	13	640	All of Section 13, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	14	640	All of Section 5, Township 18 North, Range 3 West, Seward Meridian, Alaska
S018N003W	15	320	Northeast Quarter (NE¼) and Southeast Quarter (SE¼) of Section 15, Township 18 North, Range 3 West, Seward Meridian, Alaska, containing 320 acres, more or less.
Total Acreage (Approx.)		7,380	

Figure 3 - S018N002W Land Selections with Approximate Acreage & Legal Descriptions

Township	Section	Acres (Approx.)	Legal Description
S018N002W	1	640	All of Section 1, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	2	640	All of Section 2, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	3	640	All of Section 3, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	4	640	All of Section 4, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	5	640	All of Section 5, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	6	640	All of Section 6, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	7	640	All of Section 7, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	8	640	All of Section 8, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	9	640	All of Section 9, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	10	640	All of Section 10, Township 18 North, Range 2 West, Seward Meridian, Alaska
S018N002W	11	320	North Half (N $\frac{1}{2}$) of Section 11, Township 18 North, Range 2 West, Seward Meridian, Alaska, containing 320 acres, more or less.
S018N002W	12	440	North Half (N $\frac{1}{2}$) and Southeast Quarter (SE $\frac{1}{4}$) EXCEPT the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 12, Township 18 North, Range 2 West, Seward Meridian, Alaska, containing 440 acres, more or less.
S018N002W	16	320	Northeast Quarter (NE $\frac{1}{4}$) and Northwest Quarter (NW $\frac{1}{4}$) of Section 16, Township 18 North, Range 2 West, Seward Meridian, Alaska, containing 320 acres, more or less.
S018N002W	17	320	Northeast Quarter (NE $\frac{1}{4}$) and Northwest Quarter (NW $\frac{1}{4}$) of Section 17, Township 18 North, Range 2 West, Seward Meridian, Alaska, containing 320 acres, more or less.
S018N002W	18	640	All of Section 18, Township 18 North, Range 2 West, Seward Meridian, Alaska
Total Acreage (Approx.)		8,440	

