

ALASKA

RAILROAD

2019 REPORT TO THE ALASKA LEGISLATURE **LAND SALES AND RIGHT-OF-WAY**

published February 2019



REPORT PURPOSE

Pursuant to Section 23, Chapter 64, SLA 2018, the Alaska Railroad Corporation is required to report annually – from 2019 through 2021 – to the Alaska Legislature regarding the status of land sales approved by the Alaska Legislature in 2018, and certain issues relating to the Alaska Railroad right-of-way.

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Land Sales and Exchanges

Fairbanks Reserve Land

Land Description: Approximately 77.32 acres of rail land located in the Alaska Railroad Corporation (ARRC) Fairbanks Terminal Reserve, within Section 9, Township 1 South, Range 1 West, Fairbanks Meridian, described as Tracts 1 - 10, Chena Landings Subdivision, recorded as Plat 2000-31 in the Fairbanks Recording District.

Status: Several residential building lots, totaling approximately 2.53 acres were sold and conveyed in 2018. One lot remains to be sold in the first phase of the project. ARRC intends to offer residential building lots in the second phase of the project during 2019.

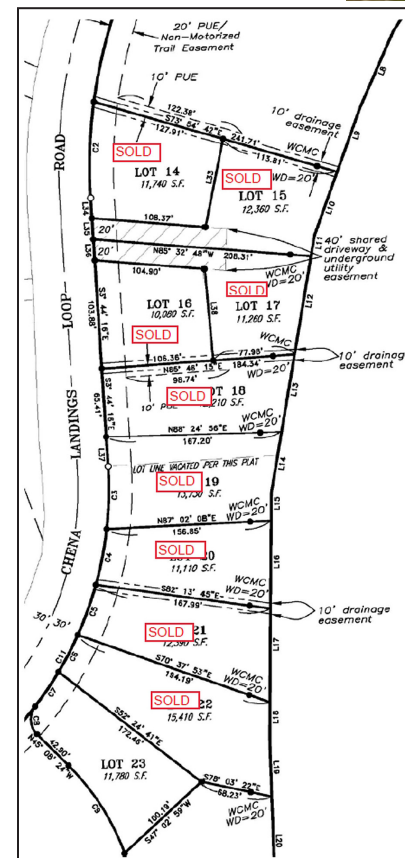
Healy Reserve Land

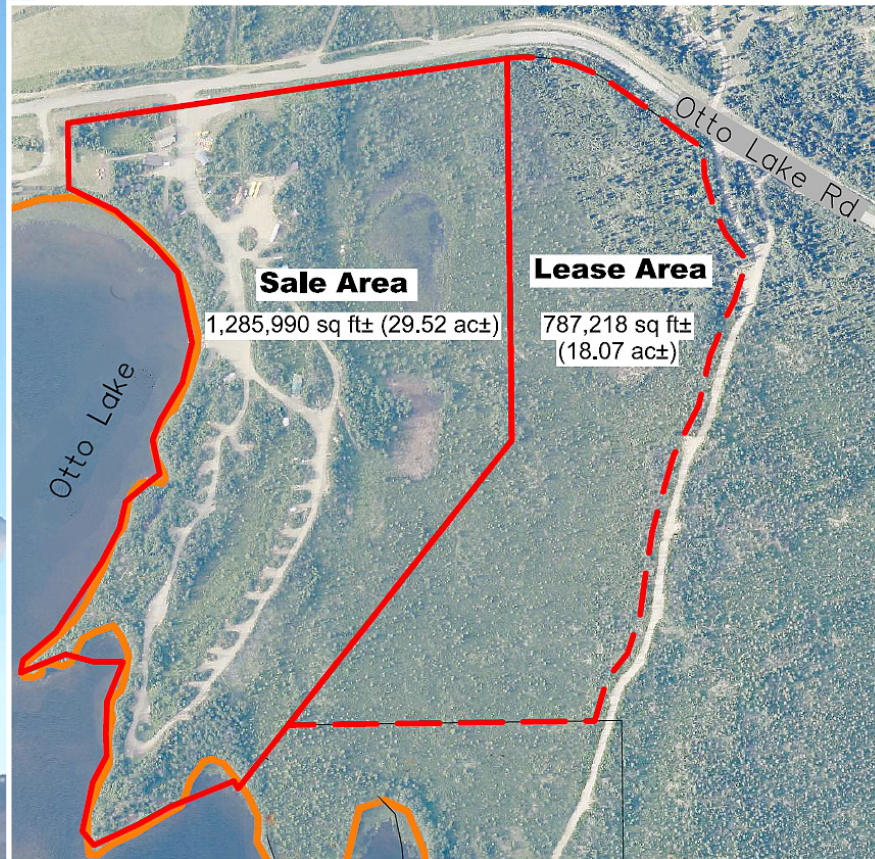
Land Description: Approximately 464.57 acres of rail land located in the ARRC Healy Reserve, within Section 18, Township 12 South, Range 7 West, Fairbanks Meridian, described as Blocks 1, 2, 3, 4, 5, and 6, and Tracts B, D, F, G, and H, Tri-Valley Subdivision, recorded as Plat 78-9 in the Nenana Recording District, to Usibelli Coal Mine, Inc.

Status: Property has been sold and conveyed to Usibelli Coal Mine, Inc. Closing and recording of conveyance documents occurred in mid-October 2018.

Land Description: Approximately 29.52 acres of rail land located in the ARRC Healy Reserve near Otto Lake, recorded as Plat No. 96-10 in the Nenana Recording District, to Alaska Tourism Development, LLC.

Status: The property has been sold and conveyed to Alaska Tourism Development, LLC. Closing and recording of conveyance documents occurred in late December 2018 and early January 2019. Due to a clerical error in the permitting legislation, further legislation is needed to sell the remaining 18 acres of land that were originally approved for sale by the ARRC Board of Directors





in early 2018 but inadvertently omitted from the legislation.

Eagle River Reserve Land

Land Description: Approximately 399.2 acres of rail land located in the ARRC Eagle River Reserve, within Sections 25, 26 and 35, Township 16 North, Range 2 West, Seward Meridian, to Eklutna, Inc.

Status: ARRC is in ongoing negotiations with Eklutna, Inc. regarding this proposed land exchange. Property is expected to be transferred by early summer 2019.

Anchorage Reserve Land

Land Description: Approximately 20.2 acres of rail land located in the ARRC Anchorage Reserve, within Section 7, Township 13 North, Range 3 West, Seward Meridian, and Section 12, Township 13 North, Range 4 West, Seward Meridian, to the Municipality of Anchorage.

Status: Located at the Port of Alaska, this land is in the process of being surveyed and replatted. Sale is expected to be completed by early summer 2019.

Land Description: Approximately 11.3 acres of rail land located in the ARRC Anchorage Terminal Reserve, within Section 8, Township 13 North, Range 3 West, Seward Meridian, to NeighborWorks Alaska.

Status: Discussion with Neighborworks continues, however the ARRC Board of Directors has not considered nor approved this land sale.

Land Description: Approximately 4.95 acres of rail land located in the ARRC Anchorage Terminal Reserve, within Sections 8 and 17, Township 13 North, Range 3 West, Seward Meridian, to 1048 Whitney Road, Anchorage, LLC.

Status: The Alaska Railroad Corporation Board of Directors did not approve this land sale.

Land Description: Approximately 48.91 acres of rail land located in the Alaska Railroad Anchorage Terminal Reserve, within Section 7, Township 13 North, Range 3 West, Seward Meridian, to 660 Western Drive, Anchorage, LLC.

Status: The Alaska Railroad Corporation Board of Directors did not approve this land sale.

Alaska Railroad Right-of-Way

In 2018, the Alaska Legislature amended AS 42.40.350(a) to read:

“The corporation shall receive from the United States and, in its own name, take title to all rail property transferred under 45 U.S.C. 1201 - 1214 (Alaska Railroad Transfer Act of 1982), except that the corporation does not have authority over any right, title, or interest in property transferred under this subsection that was not vested in the United States at the time of transfer.”

Additionally, AS 42.40.410 was amended to read:

“In this section, land or interest in land that is not conclusively owned by the United States at the time of transfer is not available and does not satisfy the exception from legislative approval under AS 42.40.285(5)(C).”

(New language underlined.)

Pursuant to this language, the Alaska Railroad Corporation has requested that the Alaska Congressional Delegation determine the feasibility of an independent third party investigation into the status of federal ownership of the Alaska Railroad right-of-way at the time of transfer to the State of Alaska. In the meantime, the Alaska Railroad continues to have discussions with adjoining residential landowners and elected officials to find an equitable solution to this right-of-way issue.



