

MEMO

To: Corri Feige– Resource Management Committee Chair
Date: 10/16/2025
Re: Request to Lease Trust Land at Less than Fair Market Value
Grant Amount: \$286,920 annually – the annual grant amount is determined by the difference between the fair market value of the property and below market lease amount
Grant Term: 10-year lease
Grantee: Assets, Inc.
Project Title: Assets, Inc. Less than Fair Market Value Lease

REQUESTED MOTION:

The Resource Management Committee recommends the Full Board approve the annual lease rent of \$36,000, with a 10% rent increase every 5 years, for a 10-year lease for Tract 5A of the Community Park Subdivision, Plat 73-41, containing 3.00 acres, in Anchorage, Alaska to Assets, Inc.

Assigned Program Staff: Heather Phelps

STAFF ANALYSIS

Assets, Inc. requests a long-term lease at less than fair market value for the real property located at 2330 Nichols Street, Anchorage, Alaska. Assets, Inc. currently uses this property to provide services to individuals with developmental disabilities and mental health disorders. Direct services offered at this location include clinical services, case management, and community recovery support services. Additionally, administrative and case management support is conducted from this location to support housing and service continuums for Trust beneficiaries. This location also houses Assets, Inc.'s central office for administrative duties and a print shop and bindery, which provide employment and training opportunities to individuals Trust beneficiaries with developmental disabilities and serious mental health disorders.

The last executed lease with the Alaska Mental Health Trust Authority was July 1, 2016 and expires June 30, 2026. Assets, Inc. serves 100% trust beneficiaries and is committed to serving Trust beneficiaries at this location.

Trust Authority Office staff has determined that sufficient information was provided by the organization, per 20 AAC 40.710, to warrant a less than fair market value lease, and that the project aligns with the Mental Health and Addiction Intervention focus area to serve Trust beneficiaries.

Staff recommend the approval of a lease of Trust land at less than fair market value under 20 AAC 40.710.

COMP PLAN IDENTIFICATION

Area of Focus	Objective	Comments
Area of Focus 3: Economic & Social Well-being	3.3 Expand resources that promote successful, long-term employment for Trust beneficiaries	

PROJECT DESCRIPTION

Assets, Inc. sent a letter to the Trust Authority staff requesting a long-term lease at less than fair market value under 11 AAC 99.110 and 20 AAC 40.710 to continue providing behavioral health services to Trust beneficiaries at the property located at 2330 Nichols Street. Their letter requests a 20-year lease with a nominal annual lease of \$12,757.23. At this location, Assets serves Trust beneficiaries with developmental disabilities and/or mental illness. This location includes case management, therapy, and community recovery support services. The area also houses administrative services and a print shop and bindery, providing employment and training to Trust beneficiaries. Assets, Inc. will continue to use the property to address the development disability and mental health disorder needs of the Alaska Mental Health Trust Authority beneficiaries in the Anchorage community. 100% of the people served by Assets, Inc. are Trust beneficiaries.

PARCEL DESCRIPTION

The portions of the real property are legally described as Tract 5A, according to the plat for Tracts 4B and 5A, COMMUNITY PARK SUBDIVISION, according to official plat hereof recorded as Plat No. 73-44. The Municipality tax identification number is 004-171-000. The Trust owns the land and buildings. Area: 23,400 Square feet, 3 acres, more or less. The real property is generally consistent with the following exhibit below.



PROJECT BUDGET

Grantee	Initial Appraised Value	Annual LTFMV Rent	LTFMV Rent Percent of Appraised Value	Initial Appraised Annual FMV Rent	Term	Total "granted" annually	Total "granted" for term
Assets, Inc.	\$3,600,000	\$36,000	1.00%	\$322,920	10	\$286,920	\$2,869,200

WHO WE SERVE

Assets, Inc. celebrated its 40th Anniversary in 2020. The organization was founded by determined parents and friends of individuals with disabilities and was known for many years as Alaska Specialized Employment and Training Services. Assets, Inc.'s mission is to improve the employment opportunities of individuals with developmental disabilities and/or mental illness who need substantial supports.

In 1980, a print shop, bindery and other in-house contracts provided employment opportunities for the initial 80 adults served by Assets. Today, the print shop is still in operation, still providing high quality products, including F&G, Business Monthly, etc.

Assets, Inc. is the 64th largest private employer in the State of Alaska, with over 270 employees, 41.97% of whom are individuals with disabilities. Each member contributes to the local economy and plays a valued role in the community.

ESTIMATED NUMBERS OF BENEFICIARIES SERVED EXPERIENCING:

Mental Illness:	58
Developmental Disabilities:	93
Substance Abuse	0
Traumatic Brain Injuries:	2
Secondary Beneficiaries (family members or caregivers providing support to primary beneficiaries):	0

Attached Exhibits:

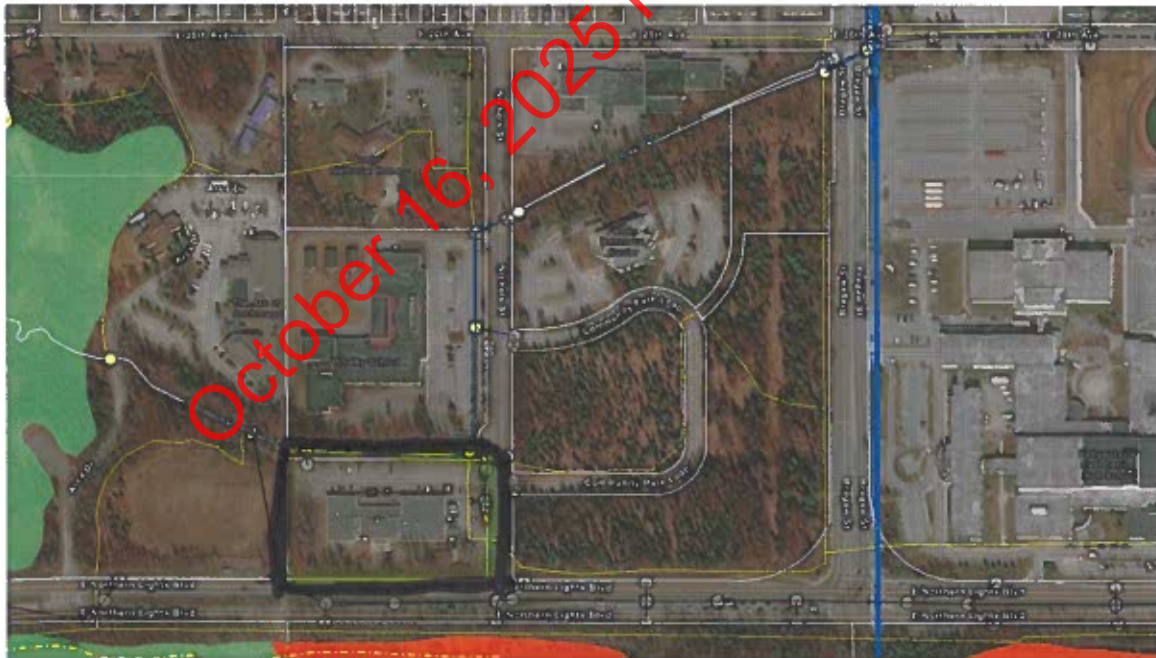
1. Trust Authority Suitability Request Letter
2. Trust Land Office Suitability Letter
3. Assets, Inc. Request for Less than Fair Market Letter

October 16, 2025 RMC Meeting

Jusdi Warner
Executive Director, Trust Land Office
Department of Natural Resources
Jusdi.warner@alaska.gov

August 5, 2025

Trust Authority Office (TAO) staff requests that the Trust Land Office (TLO) determine whether the Trust Land MH Parcel of the real property located at 2330 Nichols Street, Anchorage, AK, is suitable for the use proposed by Assets, Inc. The portions of the real property are legally described as Tract 5A, according to the plat for Tracts 4B and 5A, COMMUNITY PARK SUBDIVISION, according to official plat hereof recorded as Plat No. 73-44. The Municipality tax identification number is 004-171-000. The Trust owns the land and buildings. Area: 23,400 Square feet, 3 acres, more or less. The real property is generally consistent with the following exhibit below.



Assets, Inc. has provided a letter requesting a long-term lease for the property below market value under 11 AAC 99.110 and 20 AAC 40.710. Assets, Inc. occupies the existing property located at 2330 Nichols Street under a current long-term lease agreement with the Alaska Mental Health Trust Authority. The last executed lease with the Alaska Mental Health Trust Authority was July 1, 2016 and expires June 30, 2026. This property is

currently used to provide needed services to individuals with developmental disabilities and mental health disorders. Specifically, this location acts as Assets, Inc.'s central office location where administrative duties are provided to ensure individuals served have access to housing, community support, case management, and therapy in a clinical setting. Direct services provided at this location include clinical services, case management, and community recovery support services. Additionally, administrative and case management support is conducted from this location to support our housing and service continuums for Trust beneficiaries.

In 1980, a print shop and bindery were established, providing employment and training opportunities to individuals served by Alaska Specialized Employment and Training Services (now Assets). This print shop is still in operation today. It has grown to include many other employment opportunities for individuals with developmental disabilities and serious mental health disorders throughout the Anchorage community. Assets Printing operates at the 2330 Nichols Street location and still provides meaningful jobs for Trust beneficiaries.

Assets, Inc. will continue to use the property to address the development disability and mental health disorder needs of the Alaska Mental Health Trust Authority beneficiaries in the Anchorage community. 100% of the people served by Assets Inc. are Trust beneficiaries.

The request is attached and summarized below:

1. A letter from the Assets, Inc. requesting the use of Trust land at less than fair market value, an organization that serves individuals with developmental disabilities and mental health disorders.
2. The request includes the Assets, Inc.'s contact information.
3. The request included a sufficient property description to identify the location and area to be used.
4. Assets, Inc. has requested to pay less than fair market value for the long-term lease of the land to continue administrative and direct services, including clinical services, case management, and community recovery support services, for individuals with developmental disabilities and mental health disorders.
5. Assets, Inc. requests a 20-year lease.
6. Assets, Inc. request asks for a nominal annual lease fee of \$12,757.23.

With the information above, the TAO staff has determined that the organization has provided sufficient information as guided by 20 AAC 40.710. The TAO staff reviewed the Assets, Inc. appraisal conducted in July 2025 and determined that a 1% of fair market value over a ten-year lease is

recommended at \$36,000 per year. Thank you for considering this below-market lease proposal.

Sincerely,

Eric D. Boyer, MPH
Senior Program Officer, TAO

Cc: Dr. Mary Wilson, CEO TAO
Katie Baldwin-Johnson, COO TAO
Jeff Green, Deputy Director TLO

October 16, 2025 RMC Meeting



Trust
Land Office

Eric D. Boyer, MPH
Senior Program Officer
Alaska Mental Health Trust Authority
eric.boyer@alaska.gov

2600 Cordova Street, Suite 201
Anchorage, AK 99503
Tel 907.269.8658
alaskamentalhealthtrust.org/trust-land-office/

September 26, 2025

The Trust Land Office (TLO) has reviewed the request from the Alaska Mental Health Trust Authority Staff, received August 5, 2025, to determine the suitability of the proposed use of Trust property, estimated fair market value and annual rent, and use requested by Assets, Inc.

The parcel involved in the proposed use is SM-1522 and is legally described as Tract 5A, according to the plat for Tracts 4B and 5A, Community Park Subdivision, according to the official plat thereof recorded as Plat No. 73-41, records of the Anchorage Recording District, Third Judicial District, State of Alaska.

The property is located at 2330 Nichols Street, Anchorage. The parcel comprises 3.00 acres and is improved with a 23,400-square foot commercial building. It is currently zoned PLI, Public Lands and Institutions; this zoning designation is intended to provide for major public and quasi-public civic, administrative, and institutional uses and activities. Given the parcel size, building characteristics, and zoning, it is the TLO's conclusion that the property is suitable for the proposed use by CSS.

In July 2025, the TLO had the fair market value of the parcel and structure, including the fair market rent, appraised by Black Smith, Bethard & Carlson, LLC. The appraisal used a sales approach of similar properties within the region that recently sold or leased and determined the fee simple fair market value of the land and improvements to be \$3,600,000.00. The lease for these types of structures on the parcel in this market area was appraised to be \$1.15 per square foot on a net basis, making the estimated fair market lease rental of the structure to be \$322,920 annually. Please contact the TLO with any additional questions.

Sincerely,
Signed by:

Jusdi Warner

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Jusdi Warner

Executive Director
Trust Land Office



Assets Incorporated
2330 Nichols Street
Anchorage, Alaska 99508
Phone: (907) 279-6617

July 22, 2025

Eric Boyer, MPH
Senior Program Officer
Alaska Mental Health Trust Authority
3745 Community Park Loop, 200
Anchorage, Alaska 99508

JUL 28 REC'D

Dear Eric,

Thank you for acting on behalf of Assets, Inc., an Alaska nonprofit organization, regarding the lease renewal for the property at 2330 Nichols Street. As requested in the statute / guidelines, the contact information for Assets, Inc. is as follows:

Chuck Almasy
Chief Operating Officer / Interim Executive Director
Assets, Inc.
2330 Nichols Street
Anchorage, Alaska 99508
Office: (907) 334-8627
Chuck_Almasy@assetsinc.org

A description of the property that we seek to continue to use is as follows:

Lessee: Assets, Inc.

Property: The parcel of land upon which the 'Building' is located, which land is legally described as—Tract 5A, according to the plat for Tracts 4B and 5A, COMMUNITY PARK SUBDIVISION, according to official plat thereof recorded as Plat No. 73-41

Area: 23, 400 square feet, 3 acres

Address: 2330 Nichols Street, Anchorage, AK 99508

This property is currently used to provide needed services to individuals with developmental disabilities and mental health disorders. Specifically, this location acts as our main office location where administrative duties are provided to ensure individuals served have access to housing, community support, case management, and therapy in a clinical setting. Clinical services, case management, and community recovery support services are provided at our main building. In addition, administrative and case management support is conducted from this location to support our housing and service continuums.

In 1980, a print shop and bindery were established; providing employment and training opportunities to individuals served by E.T.C.A (now Assets). This print shop is still in operation today and has grown to include many other employment opportunities for individuals with developmental disabilities and serious mental health disorders, throughout our community. Assets Printing operates out of the 2330 Nichols Street location and still provides meaningful jobs for our stakeholders.

Assets, Inc. would greatly appreciate the Alaska Mental Health Land Trust considering a 20-year lease at an annual rate of \$12,757.23.

Assets, Inc. values the long-term partnership we have established with the Alaska Mental Health Trust Authority and Land Trust. Assets, Inc. is passionate about individuals with disabilities and mental health disorders thriving in and contributing to their community. The services we provide are based on the belief that every person has the right to live, work, and recreate in their community. Our mission is to make a difference in the lives of those we serve, and together, we are doing just that for our beneficiaries! We sincerely appreciate your willingness to advocate on our behalf. Thank you.

Should you need additional information, please contact Chuck Almas at (907) 334-8627.

Respectfully,



Chuck Almas
Chief Operating Officer / Interim Director