

# Memorandum



**To:** Brent Fisher, Chair of the Board of Trustees  
**Through:** Corri Feige, Resource Management Committee Chair  
**From:** Jusdi Warner, Executive Director  
**Date:** February 19, 2026  
**Subject:** January 22, 2026 – Resource Management Committee Meeting Summary

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The Resource Management Committee met on January 22, 2026, and received an extensive update of key TLO activities from the Executive Director Report including the carbon and subdivision programs, status of previous committee actions, and land sales. The committee was also presented with updates on the Icy Cape Industrial Heavy Minerals Project. Fort Knox Audit matters and TLO Personnel matters were discussed in Executive Sessions. Lastly, the committee was presented with five (5) consultations presented by TLO staff. The proposed actions require approval or concurrence from the full board of trustees and will move forward to the board of trustees at the February 18-19, 2026, full board of trustees meeting.

Two less than fair market value lease approvals that were recommended to the full board on October 15, 2025, will also move forward to the full board of trustees at the February 18-19, 2026, full board of trustees meeting following the Trust Authority Public Notice period where no comments were received.

***Board Action Required:*** *The following proposed actions requiring full board approval or concurrence were recommended to the full board of trustees at the January 22, 2026, RMC meeting:*

## Meeting Summary:

### 1. Consultation - City and Borough of Wrangell Land Exchange

***MOTION:*** *"The Alaska Mental Health Trust Authority board of trustees concur with the decision to exchange Trust parcels located in and around Wrangell with the City and Borough of Wrangell in a value for value land exchange of up to \$1,650,000. Parcel(s) received by the Trust will be disposed of through the Trust's competitive or over the counter land sale programs."*

**Anticipated Revenues/Benefits:** This proposal provides the Executive Director with an opportunity to exchange Trust parcels, in a value for value exchange, that would be challenging to develop due to topography, adjacent land use trends, potential land slide concerns, and existing encumbrances and trespass for a parcel that is an excellent candidate for subdivision and inclusion in the Trust's land sale programs. It is anticipated that the eventual cumulative sale price once the parcel is subdivided will exceed the current appraised value of \$1.65MM. Additionally, a portion of the future sales will likely be done through land sale contract which will contribute additional interest income revenues.

### 2. Consultation - FY2027 – 2032 Parcel Inventory for Statewide Land Sale Programs

***MOTION:*** *"The Alaska Mental Health Trust Authority Board of Trustees concur with creating a pool of approximately 20 subdivision lots and small to large tract parcels to be subdivided that may be disposed of through the TLO's Statewide Land Sale Programs."*

**Anticipated Revenues/Benefits:** By having an inventory of parcels to select from that has been through the TLO's administrative process, the TLO can consolidate costs such as appraisals and parcel inspections over multiple land sale years, have more flexibility to respond timely to public interest, market trends, and more effectively sell the parcels, thereby increasing overall land sales revenue generated through the TLO land sale programs. The TLO's goal is to generate up to \$6 million during the five-year sale period. Land sales have performed very well over the last two years, and it is possible for this trend to continue with the TLO's ability to provide inventory in areas where demand is high. However, with elevated interest rates the option to finance a parcel becomes less attractive and sales may slow as a result. Exact revenues received will be dependent on the number of land sale contracts issued, payoffs, and interest rates. These anticipated revenues will be realized over up to a twenty-year period for each land sale year. Remaining parcels not sold within this five-year period may continue to generate revenue in future years as they are sold and potentially financed.

### 3. Consultation - Administrative Order 360

**MOTION:** *"The Alaska Mental Health Trust Authority Board of Trustees approve the Trust Land Office's compliance with Administrative Order 360 and submission of proposed amendments to 11 AAC 99 (Exhibit A) through the Department of Natural Resources to the Department of Law's Legislation, Regulations, and Legislative Research Section."*

**Anticipated Revenues/Benefits:** Three key benefits of these changes are accelerated decision-making through reduced notice and appeal periods; a more streamlined consultation and written decision process – in particular to allow for concurrent processes to save time; and updating language that has become outdated since the regulations were promulgated in 1997, which will ensure that administrative processes for managing Alaska Mental Health Trust land are current and efficient. The Resource Management Committee discussed a potential policy that may follow any regulation promulgation which would allow the TLO to extend a public notice out to the 30 days if needed.

### 4. Consultation - Alaska LNG Project - MHT 9400930

**MOTION:** *"The Alaska Mental Health Trust Authority board of trustees concur with the decision to issue a negotiated term easement to 8 Star Alaska, LLC for a portion of Trust parcels FM-1179, FM-1323, FM-1326, FM-1329, FM-1333, FM-1341, FM-1342, FM-1348, FM-1349, FM-1354, FM-1418, FM-1419, FM-1427, SM-1530-A01, and SM-7017."*

**Anticipated Revenues/Benefits:** Revenue to the Trust includes an annual rental fee starting at \$0.50/linear foot annually during the construction phase and escalating to be \$0.85/linear foot/ annually and escalating in 5-year increments.

### 5. Consultation - Hilcorp Alaska, LLC – Negotiated Oil & Gas Lease – MHT 9300103

**Motion:** *"The Alaska Mental Health Trust Authority board of trustees concur with the negotiated lease of Trust land, a portion of parcel S70437 near Tyonek with Hilcorp Alaska, LLC for the exploration and development of oil and gas resources."*

**Anticipated Revenues/Benefits:** Revenue to the Trust includes an annual rental fee starting at \$10/acre/year and escalating to \$14/acre/year for lease year 5, and increasing annually should production continue during the agreement past the 5-year term. Rental fees are a credit against the royalty due on production for that lease year. Any production that occurs will be subject to a 12.5 percent royalty.

**Board Action Required:** The following proposed actions requiring full board of trustees' approval or concurrence were recommended to the full board of trustees at the October 16, 2025, RMC meeting:

**Meeting Summary:**

**1. Approval – Assets, Inc. Less than Fair Market Value Lease**

**MOTION:** "The Alaska Mental Health Trust Authority Board of Trustees 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."

**Anticipated Revenues/Benefits:** 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 Trust beneficiaries with developmental disabilities and serious mental health disorders. 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 Economic and Social Well Being 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. Staff recommend an annual lease rent of \$36,000 for a 10-year lease with a 10% rent increase every 5 years. This would result in a minimum of \$286,920 "granted" in-kind annually and \$2,869,200 "granted" in-kind for the term of the agreement.

**2. Approval – Catholic Social Services Less than Fair Market Value Lease**

**MOTION:** "The Alaska Mental Health Trust Authority Board of Trustees approve the annual lease rent of \$37,000 for a 1-year lease for Lot 1, Block 1 of the Community Park Loop Subdivision, Plat 85-218, containing 3.46 acres, in Anchorage, Alaska to Catholic Social Services."

**Anticipated Revenues/Benefits:** Catholic Social Services requests a one year-term lease at less than fair market value for the real property located at 3710 East 20<sup>th</sup> Avenue, Anchorage, Alaska. Catholic Social Services (CSS) currently uses this property for the St. Francis House Food Pantry and the storage of household goods. CSS subleases a portion of the property to Kids' Corp. In 2023, the St. Francis House Pantry served over 4,700 households and almost 14,000 people, who came to seek relief from hunger or food insecurity. A recent survey of program recipients shows that approximately 29% of households reported themselves or a family member who experienced a mental health condition that qualifies them as a Mental Health Trust beneficiary. Extrapolating the survey results to the population served, the pantry serves approximately 4,040 AMHTA Beneficiaries or household members each year.

The sublessee, Kids' Corp, provides a Head Start program. They serve approximately 80 children who are Mental Health Trust beneficiaries, about 30% of all children enrolled in the program. 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 Economic and Social Well Being 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. Staff recommend an annual lease rent of \$37,000 for a 1-year lease. This would result in a minimum of \$357,404 "granted" in-kind annually and \$357,404 "granted" in-kind for the term of the agreement.

cc: *Board of Trustees*  
*Mary Wilson, CEO Alaska Mental Health Trust Authority*