

The Alaska Mental Health Trust Authority
Trust Land Office
BEST INTEREST DECISION
Chugach Electric Assn. Electrical Run Realignment
Term Non-Exclusive Easement at Community Park Loop, Anchorage, AK

MHT: **9201031**
MH Parcels: **SM-1523, SM-1524**

In accordance with AS 38.05.801 et seq. and the implementing regulations governing Alaska Mental Health Trust (“Trust”) land management (11 AAC 99), Trust land shall be managed consistently with the responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)). This means that management shall be conducted solely in the best interest of the Trust and its beneficiaries.

In determining the best interest of the Trust and its beneficiaries, and in determining consistency between state law and the Alaska Mental Health Enabling Act, the Executive Director of the Alaska Mental Health Trust Land Office (“TLO”) shall, at a minimum, consider the following interactive Trust management principles in accordance with 11 AAC 99.020:

- Maximization of long-term revenue from Trust land;
- Protection of the corpus;
- Protection and enhancement of the long-term productivity of Trust land;
- Encouragement of a diversity of revenue-producing uses of Trust land; and
- Management of Trust land prudently, efficiently, and with accountability to the Trust and its beneficiaries.

I. Proposed Use of Trust Land. Term Non-Exclusive Easement

II. Applicant/File #. Chugach Electrical Association, Inc. / MHT 9201031

III. Subject Property.

A. Legal Description.

Located in Section 21 in Township 13 North, Range 3 West, Seward Meridian, and more particularly described as:

An easement 1,507.66 feet long and 20 feet wide within a portion of Lots 1 and 3 of Block 1 and Tract 3A, of Community Park Alaska Subdivision, according to the plat filed in the Anchorage Recording District on September 4, 1985, as Plat No. 85-218, containing 0.75 acres, more or less, as depicted in Attachment A – Area Map.

Final acreage is dependent on a future as-built survey.

B. Settlement Parcel Numbers. SM-1523, SM-1524

C. Site Characteristics/Primary Resource Values. The proposed action lies within the Community Park Subdivision at the northwest corner of Northern Lights Boulevard and Bragaw Street in Anchorage. The surrounding area is characterized by a mix of developed beneficiary-serving and institutional facilities, revenue-producing leased parcels, and natural features. The subdivision includes dense tree canopy, functioning streams, and wetlands contiguous with the Municipality of Anchorage's Chester Creek Greenbelt.

The general landscape presents a park-like or campus-like setting due to municipal trail connections, mature vegetation, nearby creek corridors, and adjacency to residential neighborhoods, municipal parkland, and Public Lands and Institutions (PLI) zoning. Primary resource values include wetland and stream habitat, recreational trails, and compatibility with existing institutional and beneficiary-serving uses, the parcels may also contribute to the Trust's revenue-generating land portfolio in the future.

D. Historical and Existing Uses of the Property. The subject parcels lie within the Community Park Subdivision, an area historically used for a mix of institutional, service-oriented, and open-space functions consistent with PLI zoning. Existing uses surrounding the easement area include beneficiary-serving facilities, municipal trails, natural open space, and associated institutional operations.

Portions of the parcels have also supported long-standing electric utility infrastructure. A 20-foot Chugach Electric Association (CEA) easement established in 1953, and a 40 x 61-foot airspace easement created in 1985 under municipal ownership, have historically accommodated overhead electrical conductors crossing the lot. These utility features represent the primary historical encumbrances on the specific portion of the parcels affected by the proposed action. Outside of these utility improvements, the surrounding land has remained in institutional and open-space use consistent with subdivision-wide patterns

E. Adjacent Land Use Trends. Adjacent lands consist of established residential neighborhoods, municipal parkland, Anchorage School District property, University of Alaska lands, and other institutional PLI-zoned tracts. Regional trends emphasize continued institutional, educational, medical, supportive-service, and recreation-oriented uses. Planned or potential transportation improvements, including the long-discussed Bragaw Extension, may increase development interest and institutional intensification in the vicinity. The area is expected to experience steady demand for service-oriented uses and improved multimodal access.

F. Previous State Plans/Classifications. None.

G. Existing Plans Affecting the Subject Parcel. The parcels fall within the Municipality of Anchorage and are zoned Public Lands and Institutions (PLI). This

zoning district is designed to accommodate civic, institutional, public service, and quasi-public uses. PLI zoning does not hinder the proposed easement action and is consistent with historic and ongoing uses in the subdivision.

H. Apparent Highest and Best Use. The highest and best use of the parcels is continued institutional, utilities-compatible, and beneficiary-supportive use consistent with historic operations in the Community Park Subdivision and the Community Park Loop Master Plan. The proposed easement action aligns with this use and does not preclude future development compatible with PLI zoning or institutional needs.

IV. Proposal Background. Chugach Electric Association, Inc. (CEA) requests a new easement from the Alaska Mental Health Trust to support construction, operation, and maintenance of upgraded electrical distribution facilities along Bragaw Street and at the intersection of Bragaw Street and Northern Lights Boulevard. The project will underground existing primary distribution lines to increase system capacity and improve reliability for thousands of customers in northeast Anchorage. CEA proposes to install the new underground facilities within a revised easement corridor located directly adjacent to Bragaw Street and to remove the existing overhead conductors that currently cross the parcel. To accommodate this updated configuration, the Trust Land Office has requested the relinquishment of two legacy easements shown on the 1985 plat: the historic 20-foot CEA land easement and a 40-by-61-foot municipal airspace easement. Eliminating these easements will align the recorded easements with the modernized utility layout and remove outdated encumbrances from Trust land.

V. Terms and Conditions. The proposed action includes authorizing surface use of the described portions of Trust land under a non-exclusive term easement, with options for extension as appropriate. A Construction License has been issued to allow entry, permitting, construction, and initial operation. Upon completion of construction and submission of an as-built survey acceptable to the TLO, a corresponding easement will be issued, and the Construction License will terminate automatically.

VI. Resource Management Considerations. The proposal is consistent with the “Resource Management Strategy for Trust Land” (RMS), which was adopted October 2021 in consultation with the Trust and provides for the TLO to maximize return at prudent levels of risk, prevent liabilities, and convert nonperforming assets into performing assets.

VII. Alternatives. 1.) Deny CEA’s relocation request, which would retain the existing overhead electrical alignment and associated encumbrances across the parcels. Under this alternative, the Trust would also forgo the benefit of CEA-funded relocation work that would otherwise remove legacy easements and improve the developable condition of the land. This action would also be counter to the Trust’s Community Park Loop Master Plan.

VIII. Risk Management Considerations.

- A. Performance Risks.** Performance risks will be mitigated through the TLO’s standard Easement Agreement document.
- B. Environmental Risks.** There are no known environmental risks associated with the proposed easement.
- C. Public Concerns.** Subject to comments resulting from the public notice, there are no other known public concerns.

IX. Due Diligence.

- A. Site Inspection.** TLO Staff have inspected the parcels in the past and are generally familiar with the Trust parcels affected by this decision. TLO Staff would inspect the activity periodically throughout the life of this authorization.
- B. Valuation.** Easement terms are competitive market rate that maximize the revenue of the lands.
- C. Terms and Conditions Review.** The standard TLO Easement Agreement documents have been reviewed by the Department of Law.

X. Authorities.

- A. Applicable Authority.** AS 37.14.009(a), AS 38.05.801, and 11 AAC 99 (key statutes and regulations applicable to Trust land management and disposal).
- B. Inconsistency Determination.** As the proposed negotiated easement is specifically authorized under 11 AAC 99, any relevant provision of law applicable to other state lands is inapplicable to this action if it is inconsistent with Trust responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)) as clarified by AS 38.05.801 and Alaska Mental Health Trust land regulations (11 AAC 99). 11 AAC 99 includes determinations that certain State statutes applicable to other State land do not apply to Trust land unless determined by the Executive Director, on a case-by-case basis, to be consistent with 11 AAC 99.020. The State Statutes deemed inconsistent with Trust management principles and inapplicable to Trust land by these regulations have not been applied to this decision or this action, including, but not limited to, AS 38.04 (Policy for Use and Classification of State Land Surface), AS 38.05.035 (Powers and Duties of the Director), AS 38.05.300 (Classification of Land), AS 38.05.945 (Notice), AS 38.05.946 (Hearings), and 11 AAC 02 (Appeals).

- XI. Trust Authority Consultation.** The Alaska Mental Health Trust Resource Management Committee was consulted on April 23, 2025. The Committee recommended that the proposed transaction be forwarded to the Alaska Mental Health Trust board of trustees. On May 21, 2025, the board of trustees adopted the motion stating:

“The Alaska Mental Health Trust Board of Trustees concur with the disposal of a portion of Trust parcels SM-1523 and SM-1524 through a term nonexclusive easement to Chugach Electric Association.”

- XII. Best Interest Decision.** Given the information above and the information contained in the complete record, the Executive Director finds that the proposed transaction is in the best

interest of the Trust, subject to the terms and conditions addressed in this decision. The decision is based upon the consideration of the five Trust management principles set out in 11 AAC 99.020 and is in full compliance with 11 AAC 99. This decision does not preclude the TLO from determining that an alternative proposal will serve the best interest of the Trust. A future determination of that nature will require a best interest decision specific to the proposal.

A. Non-competitive Disposal Determination. 11 AAC 99.020(d) allows for the disposal of Trust land through a competitive basis, unless the Executive Director, in consultation with the Trust Authority, determines in a written decision required by 11 AAC 99.040 that a non-competitive disposal is in the best interest of the Trust and its beneficiaries. Given that no other entity is positioned to construct, relocate, or operate the specific electrical facilities involved in this request, the likelihood of another party submitting a qualified offer for the same project is negligible. As such, authorizing a non-competitive disposal is warranted to support the necessary utility realignment, comply with the guidance in the Trust's Community Park Loop Master Plan, and associated benefits to Trust land .

XIII. Opportunity for Comment. Notice of this Best Interest Decision will take place as provided under 11 AAC 99.050. Persons who believe that the decision should be altered because it is not in the best interest of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles set out in 11 AAC 99.020 or any other provision of 11 AAC 99, must provide written comments to the TLO during the notice period. Following the comment deadline, the Executive Director will consider timely written comments that question the decision on the basis of the best interest of the Trust and its beneficiaries or inconsistency with 11 AAC 99. The Executive Director may then, in his or her discretion, modify the decision in whole or in part in response to such comments or other pertinent information, or affirm the Best Interest Decision without changes. The Best Interest Decision as modified or affirmed will become the final agency action, subject to reconsideration procedures under 11 AAC 99.060. Additional notice will be provided for a substantially modified decision. If no comments are received by the end of the notice period, this Best Interest Decision will be affirmed, and the proposed action taken. (See notice for specific dates.)

XIV. Reconsideration. To be eligible to file for reconsideration of this Best Interest Decision, or to file a subsequent appeal to the Superior Court, a person must submit written comments during the notice period.

Persons who submit timely written comments will be provided with a copy of the final written decision and will be eligible to request reconsideration within 20 calendar days after publication of the notice or receipt of the decision, whichever is earlier under 11 AAC 99.060(b). This request must be accompanied by the fee established by the Executive Director under 11 AAC 99.130, which has been set at \$500, to be eligible for reconsideration. The Executive Director shall order or deny reconsideration within 20 calendar days after receiving the request for reconsideration. If the Executive Director takes no action during the 20-day period following the request for reconsideration, the request is

considered denied. Denial of a request for reconsideration is the final administrative decision for purposes of appeal to the superior court under AS 44.62.560.

XV. Available Documents. Background documents and information cited herein is on file and available for review at the TLO, located at 2600 Cordova Street, Suite 201, Anchorage, Alaska 99503. Phone: (907) 269-8658. Email: mhtlo@alaska.gov.

The disposal action proposed by this decision will occur no less than 30 days after the first publication date of this decision, and after the conclusion of the TLO administrative process. For specific dates or further information about the disposal, interested parties should contact the TLO at the above address, or visit the website at: <https://alaskamentalhealthtrust.org/trust-land-office/>.

XVI. APPROVED:

Jusdi Warner
Executive Director
Alaska Mental Health Trust Land Office

Date

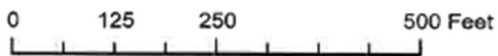
Attachment A: Area Map



MHT 9201031

A variable width construction easement along the eastern edge of Mental Health parcels SM-1523 and SM-1524.

- Roads
- MHT 9201031
- ▭ Mental Health Parcel



Alaska Mental Health Trust Authority
Trust Land Office
Notice under 11 AAC 99.050 of
Decision to Issue Chugach Electric Assn. Electrical Run Realignment
Term Non-Exclusive Easement at Community Park Loop, Anchorage, AK
MHT #9201031

Notice is hereby given that, pursuant to the provisions of AS 38.05.801 and 11 AAC 99, the Executive Director of the Alaska Mental Health Trust Land Office (TLO) has determined that it is in the best interest of the Alaska Mental Health Trust and its beneficiaries to complete non-exclusive term easement of certain Trust land to the Chugach Electric Association. The basis for this determination is explained in a written best interest decision prepared by the Executive Director pursuant to 11 AAC 99.040.

The Trust land affected by the decision is located in Anchorage, Alaska, and is more particularly described as: An easement 1,507.66 feet long and 20 feet wide within a portion of Lots 1 and 3 of Block 1 and Tract 3A, of Community Park Alaska Subdivision, according to the plat filed in the Anchorage Recording District on September 4, 1985, as Plat No. 85-218, containing 0.75 acres, more or less, , located within Section 21, Township 13 North, Range 3 West, Seward Meridian, containing approximately 0.75 acres (MH Parcel(s) SM-1523, SM-1524). Final acreage is dependent on a future as-built survey.

Persons who believe that the written decision should be altered because it is not in the best interest of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles set out in 11 AAC 99.020, or any other provision of 11 AAC 99, must provide written comments on or before **4:30 PM, June 23, 2026. Comments should be submitted to the TLO at 2600 Cordova Street, Suite 201, Anchorage, AK 99503, or by fax (907) 269-8905 or email mhtlo@alaska.gov.** Following the comment deadline, the Executive Director will consider timely comments that question the decision on the basis of the best interest of the Alaska Mental Health Trust and its beneficiaries or inconsistency with 11 AAC 99, and the best interest decision may be changed in response to such written comments or other information. Commenting parties will be provided a copy of the final best interest decision after the end of the notice period.

To be eligible to file for reconsideration of the best interest decision, or to file a subsequent appeal to the Superior Court, a person must have submitted written comments during the notice period. Eligible persons will have twenty (20) calendar days after published notice of or receipt of the final written decision to request that the Executive Director reconsider the decision under 11 AAC 99.060(b).

Copies of the written decision are available at the Trust Land Office, or at <https://alaskamentalhealthtrust.org/trust-land-office/>. If you have any questions concerning this action, please contact the Trust Land Office at (907) 269-8658.

In compliance with the Americans with Disabilities Act, the Alaska Mental Health Trust is prepared to accommodate individuals with disabilities. Please contact the Trust Land Office at (907) 269-8658 for assistance. Requests for assistance must be received at least 96 hours prior to the comment deadline in order to ensure that any necessary accommodations can be provided.

The Executive Director of the TLO reserves the right to waive technical defects in this notice or to amend, postpone, or vacate the best interest decision.

Signed by:
Jeffrey Green

5/22/2026

Jusdi Warner
Executive Director

Date
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for