

The Alaska Mental Health Trust Authority
Trust Land Office
BEST INTEREST DECISION AFFIRMED
JUNEAU SUBPORT SUBDIVISION LOT C2 - NEGOTIATED SALE

MHT 9100859
MH Parcel(s) C20499

Action: Adopt the Best Interest Decision dated December 15th, 2016 regarding the above referenced disposal as final, without modification. This decision document, combined with the Best Interest Decision dated December 15th, 2016, constitutes the final decision on this matter, in accordance with 11 AAC 99.040.

Notice under 11 AAC 99.050. The Trust Land Office published the public notice of the decision to complete a disposal through negotiated sale in the Alaska Dispatch News and the Juneau Empire on Friday, December 16th, 2016 for each publication, and distributed the notice to other interested public and private parties.

Summary of Comments: The notice period included receipt of comments from ten commenters, with two commenters in opposition and seven in support. An eighth comment in support was received, but was received after the deadline for the comment period. In summary, the majority of comments received were in support of the completion of the disposal through negotiated sale.

Of those in opposition, one commenter asked that the sale be, "halted", so that other potentially interested parties could make an offer on the property. This comment does not modify the decision. Section XIII of the Best Interest Decision included explicit instructions on how other interested parties could submit a qualifying competing offer, and none were received.

A commenter in opposition sought "reconsideration" and/or "postponement" of the sale for the following three reasons:

- i.) The commenter made reference to an internal audit of the Trust ordered by the State of Alaska Legislative and Budget Audit Committee in a Memorandum of December 2nd, 2016, and commented that the sale be "postponed" pending the completion of the audit. This comment does not modify the decision which is done in accordance with statute and regulation. The Trust Land Office is not required to alter business dealings or processes on the announcement of the audit. Any necessary changes to business dealings or processes resulting from the audit findings would occur after the completion of the audit and would affect future operations.
- ii.) The commenter requested a "reconsideration" be made to ensure that, resultant to the purchase, "...there will continue to be ongoing benefits to the mental health consumer community.". This comment does not modify the decision. The comment is also not a formal post-final decision request for reconsideration under 11. AAC 99.060. The ongoing direct benefits to the mental health consumer community from the subsequent owner are not a typical factor of consideration in the decision by the Trust Land Office to sell land. Revenue creation for the Trust from the Trust's non-cash assets is the reason land was given to the Trust. 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 shall consider the interactive Trust management principles in accordance with 11 AAC 99.020.

- iii.) The commenter requested that, "Information should be made available that indicates that the price reported for the sale represents best value for consumers based on appraisal." This comment does not modify the decision. Consistent with Trust management principles included under 11 AAC 99.020, appraisal information and additional market research has been analyzed and evaluated to qualify the offer as at, or above, current market value.

Trust Authority Consultation: The Alaska Mental Health Trust Authority was consulted on this matter on November 17th, 2016.

Modifications: As no comments were received suggesting that the Best Interest Decision dated December 15th, 2016 should be substantively modified in any way to better serve the interest of the Trust and its beneficiaries, the Executive Director has determined that no change shall be made to that document.

Final Decision of the Executive Director: Considering all of the above, the Executive Director of the Trust Land Office hereby adopts the Best Interest Decision dated December 15th, 2016 as final.

Reconsideration: Persons who submitted timely written comments during the notice period ending January 16th, 2017 at 4:30PM AKST, are eligible to request reconsideration of this final best interest decision under 11 AAC 99.060(b) within 20 calendar days after publication of the notice or receipt of the final decision, whichever is earlier. A request for reconsideration must be submitted in writing to the Executive Director. Before filing an appeal to the Superior Court under AS 44.62.560, a person must be eligible to request and must actually request reconsideration within the time specified above.

The Executive Director shall order or deny reconsideration within 20 calendar days after receiving the written request for reconsideration. If the Executive Director takes no action during the 20-day period following the request, 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.

APPROVED:



John Morrison
Executive Director

1-19-17

Date