



**Alaska Railroad Corporation  
Board of Directors  
Real Estate Committee Agenda**

Date: March 11, 2026

Time: 9:00 AM

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Join Zoom Meeting

<https://us02web.zoom.us/j/84953798782?pwd=HSfEt1sG4h8rNZShfbfmHjoNpakLaa.1>

Meeting ID: 849 5379 8782

Passcode: 910654

Dial In: 1 669 444 9171 or 1 346 248 7799

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**Customer Communication:**

- Customer Meetings

**Board Action Items:**

➤ *AFE's / Resolutions to be presented to the Board: NONE*

➤ *Contracts to be presented to the Board:*

- Contract No. 21273 – SAW Jacques, LLC – Fairbanks Reserve
- Contract No. 21270 – Usibelli Coal Mine, Inc. – Healy Reserve
- Contract No. 20551 and No. 20552 – Pruhs Corporation – Anchorage Reserve

**Briefing / Update**

Seward

- Dock Traffic
- Freight Dock Project
- Passenger Dock and Terminal Project Construction Status
- Board Meeting and Community Outreach Events Schedule - June 4 and 5

Whittier

- City of Whittier Land Sale

Anchorage

- Odom Building
- 200 Post Road LLC (Black Gold Express)

- Tim B Hester Holdings, LLC (Purr-Ferred Pet Food LLC) 2548 N Post Rd
- Downtown Edge Condos at the Rail Celebration Event – May 20, 5-7PM

#### Fairbanks

- Letter of Non-Objection extending Roads and Crossing Contract 3761-City of Fairbanks
- Chena Trail alignment review referred by FAST to the Walk, Ride, and Roll Advisory Committee

#### Executive Session Agenda:

- Matters, if any, appropriate for Executive Session that are identified by the Committee members and successfully moved for inclusion in the Executive Session.

Committee Members: Committee of the Whole

## LEASE SUMMARY

LESSEE: Saw Jacques, LLC

CONTRACT NO: 21273

**LEASE DESCRIPTION:** Lots 1 through 6 of Block K and the 60' wide unused roadway between Lot 6, Block J and Lot 1, Block K of the Fairbanks Reserve, containing approximately 36,000 square feet. At the election of the lessee, the real property subject to the lease may further include an additional area comprised of the 60' wide unused roadway between Lot 6, Block K and Lot 1, Block L of the Fairbanks Reserve containing approximately 6,000 square feet.

### KEY CONTRACT PROVISIONS:

Estimated Effective Date: TBD

Prior Annual Rent: \$7,200.00 annually

Lease Term: Thirty-five (35) Years

Rent Rate: 8%

Option to Extend: N/A

Rent Adjustment: Rent adjusted every 5 years with adjusted annual rent not to exceed 135% of the prior year's annual rent or to decrease to less than 65% of the prior year's annual rent.

Lease Area: No more than 42,000 sq. ft., more or less.

Base Annual Rent: \$TBD (based on upcoming 2026 appraised value)

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PUBLIC NOTICE: Yes, public comment will expire March 26, 2026.

LEGAL REVIEW: Yes

INTENDED USE: Office, warehouse storage, and shop space consistent with Lessee's business.

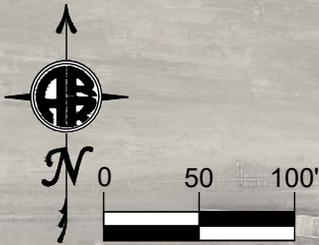
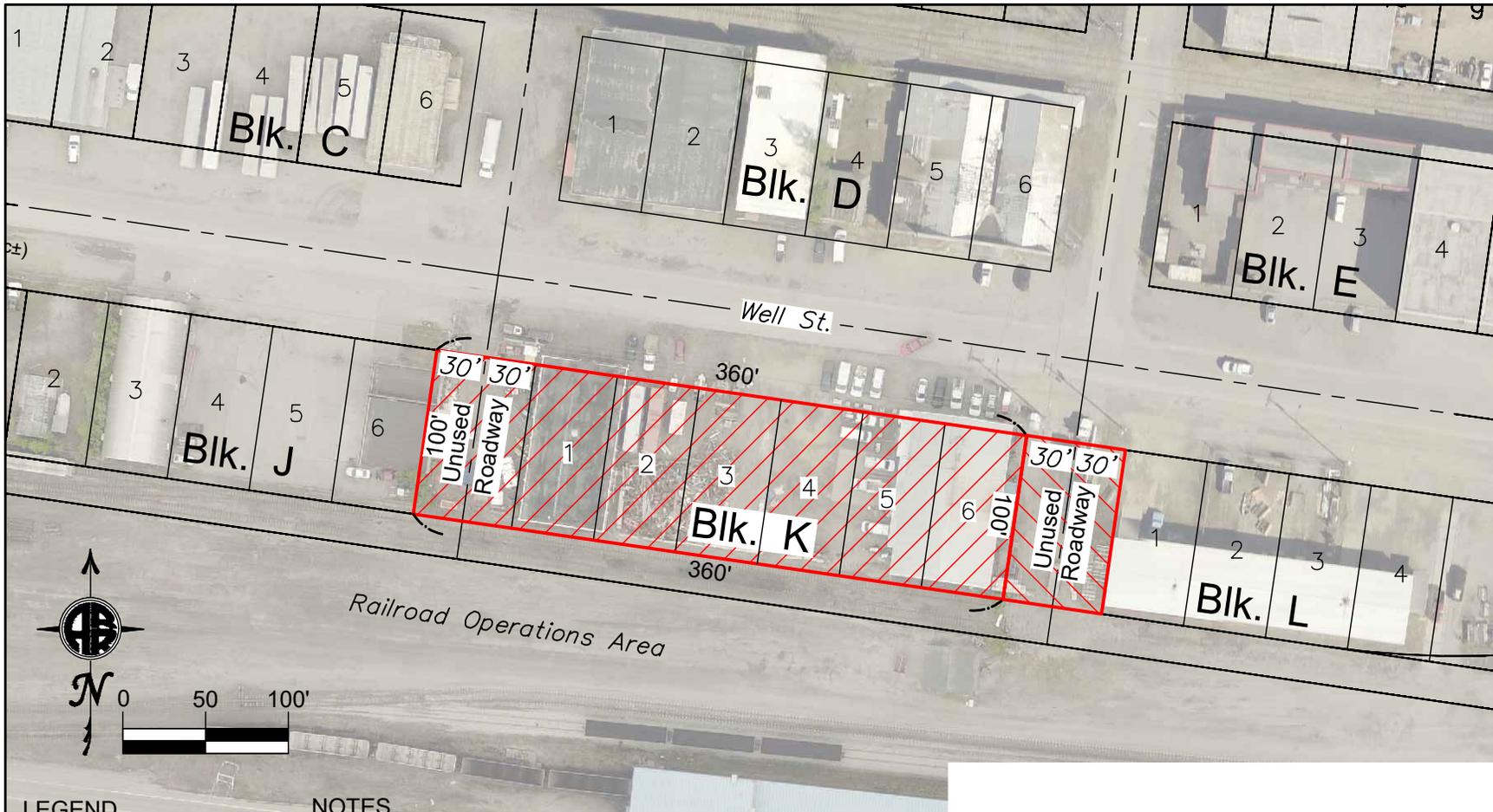
**SUMMARY AND RECOMMENDATIONS:** The prospective lessee currently leases the above-described 36,000 square foot area under a short-term commercial lease for a term of five (5) years. The current lease was scheduled to expire October 31, 2025, but remains in place in holdover status. The current lessee is requesting a new thirty-five (35)-year commercial lease for the existing 36,000 square-foot lease parcel, and is considering leasing the adjoining additional 6,000 square-foot area described above. The current lessee will decide whether to lease the additional area before execution of the new lease. Staff seeks approval to lease the entire 42,000 square-foot area in order to

accommodate a lease of the entire area should the prospective lessee so request. Approval is recommended.

APPROVED: \_\_\_\_\_ Board Meeting Date: \_\_\_\_\_

Jennifer Mergens  
ARRC Board Secretary

DRAFT



**LEGEND**

- Parcel Line
- Lease Parcel
- Option Area
- - - Centerline

**NOTES**

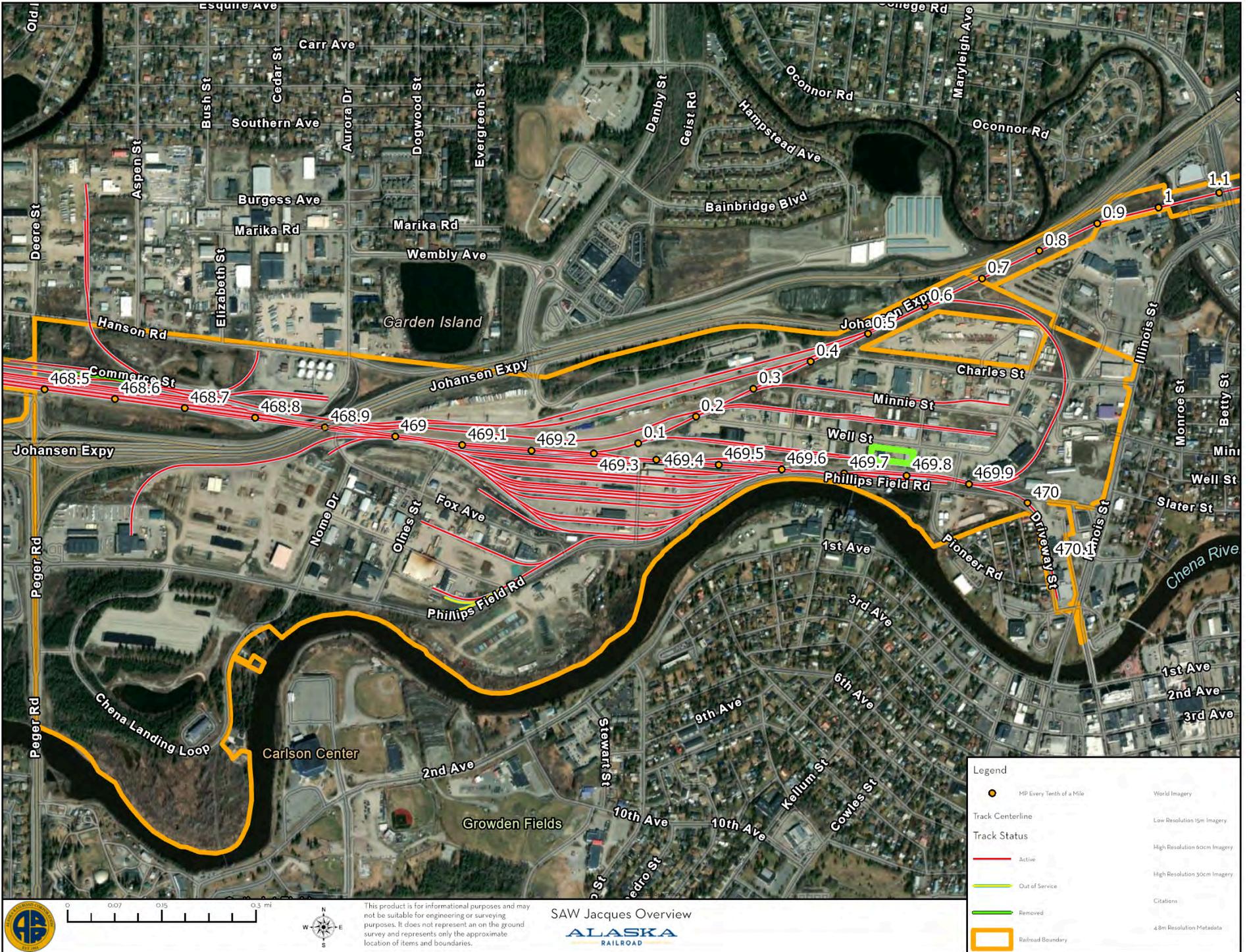
1. The Lots and Blocks shown on this drawing are based on the Alaska Railroad unrecorded plat titled "Fairbanks Terminal Reserve Leasing Areas and Yard", having file number 3542, Sheets 1 of 3 and 2 of 3, dated Feb 23, 1961.
2. Together with Legal Description as Schedule 1 attached to and made apart of.

EXHIBIT A | ARRC CONTRACT NO. 21273  
 COMMERCIAL LEASE - SAW Jacques, LLC  
 Area = 36,000 sq ft | Option Area = 6,000 sq ft  
 LOCATED WITHIN:  
 SW1/4 Sec. 3, & NW1/4 Sec. 10, T. 1 S., R. 1 W., F.M.

**ALASKA RAILROAD CORPORATION**  
 REAL ESTATE DEPARTMENT, LAND SERVICES  
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500

FAIRBANKS RECORDING DISTRICT	SHEET 01 OF 01
DRAWN: JSR	CHECKED: DCA
DATE: 2/13/2026	

DRAWING: 21273-L.dwg



## LEASE SUMMARY

LESSEE: Usibelli Coal Mine, Inc.

CONTRACT NO: 21270

**LEASE DESCRIPTION:** Lease of three parcels of land located within Sections 5, 6, 7, and 8, Township 12 South, Range 7 West, Fairbanks Meridian, forming a combined total of approximately 468.9 acres.

### KEY CONTRACT PROVISIONS:

Estimated Effective Date: January 1, 2026

Base Annual Rent: \$20,020.00 (based on 2025 appraised value)

Expiration Date: December 31, 2060

Prior Annual Rent: \$17,290.00 annually

Lease Term: Thirty-five (35) Years

Rent Rate: 8%

Option to Extend: N/A

Lease Area: 468.9 acres, more or less

Rent Adjustment: Rent adjusted every 5 years with adjusted annual rent not to exceed 135% of the prior year's annual rent or to decrease to less than 65% of the prior year's annual rent.

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PUBLIC NOTICE: Yes, public comment will expire March 20, 2026.

LEGAL REVIEW: Yes

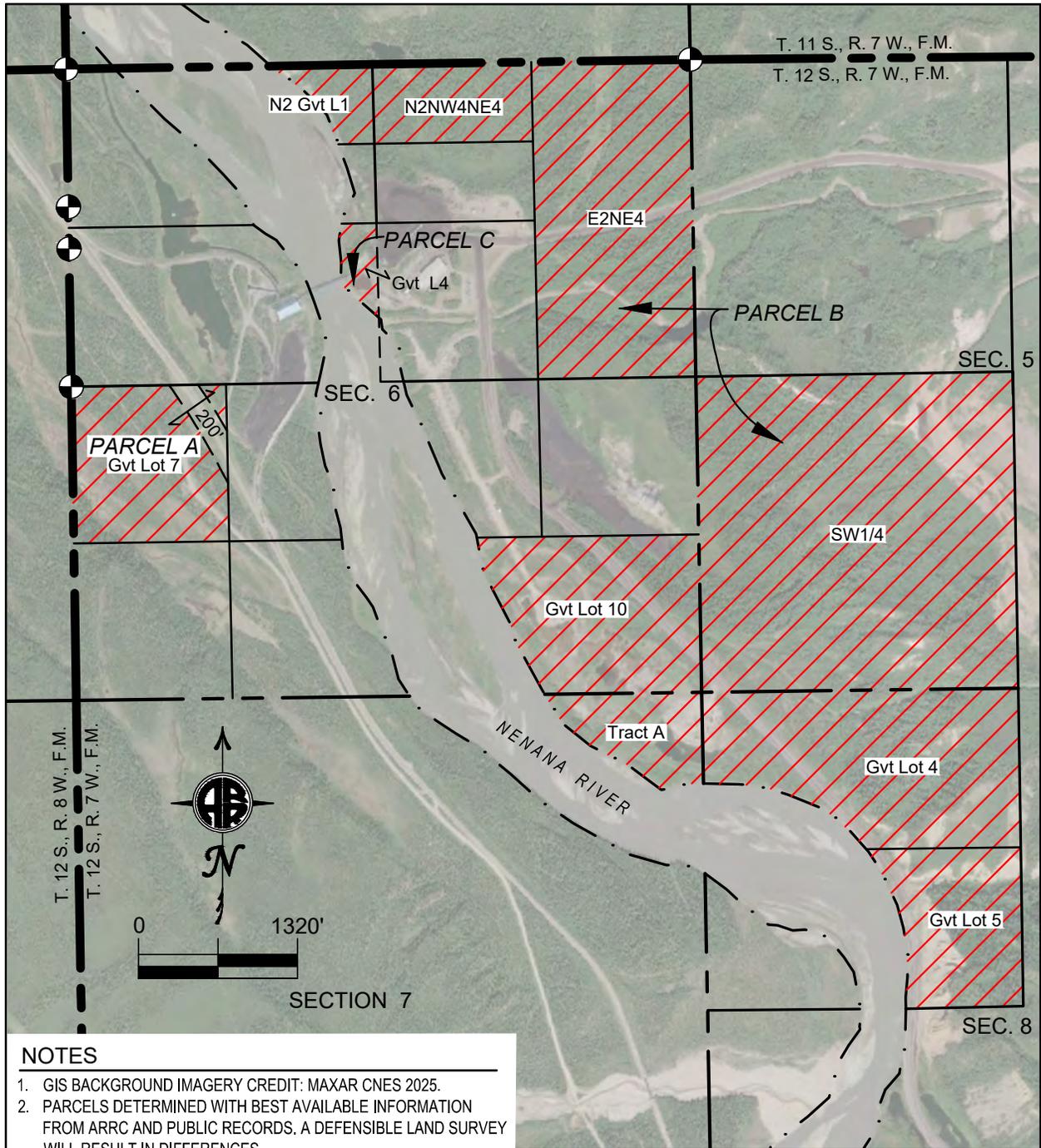
INTENDED USE: Coal handling, transportation and other activities consistent with Lessee's business; provided, however, that no extraction of coal shall be allowed on the leased premises.

SUMMARY AND RECOMMENDATIONS: Lessee currently leases the property under a ground lease for a term of thirty-five (35) years. The current lease expired December 31, 2025, but remains in place in holdover status. Lessee is requesting a new thirty-five (35)-year ground lease. Approval is recommended.

APPROVED: \_\_\_\_\_

Jennifer Mergens  
ARRC Board Secretary

Board Meeting Date: \_\_\_\_\_



**NOTES**

1. GIS BACKGROUND IMAGERY CREDIT: MAXAR CNES 2025.
2. PARCELS DETERMINED WITH BEST AVAILABLE INFORMATION FROM ARRC AND PUBLIC RECORDS. A DEFENSIBLE LAND SURVEY WILL RESULT IN DIFFERENCES.
3. SCHEDULE 1 ATTACHED HERETO AND MADE APART OF.

**LEGEND**

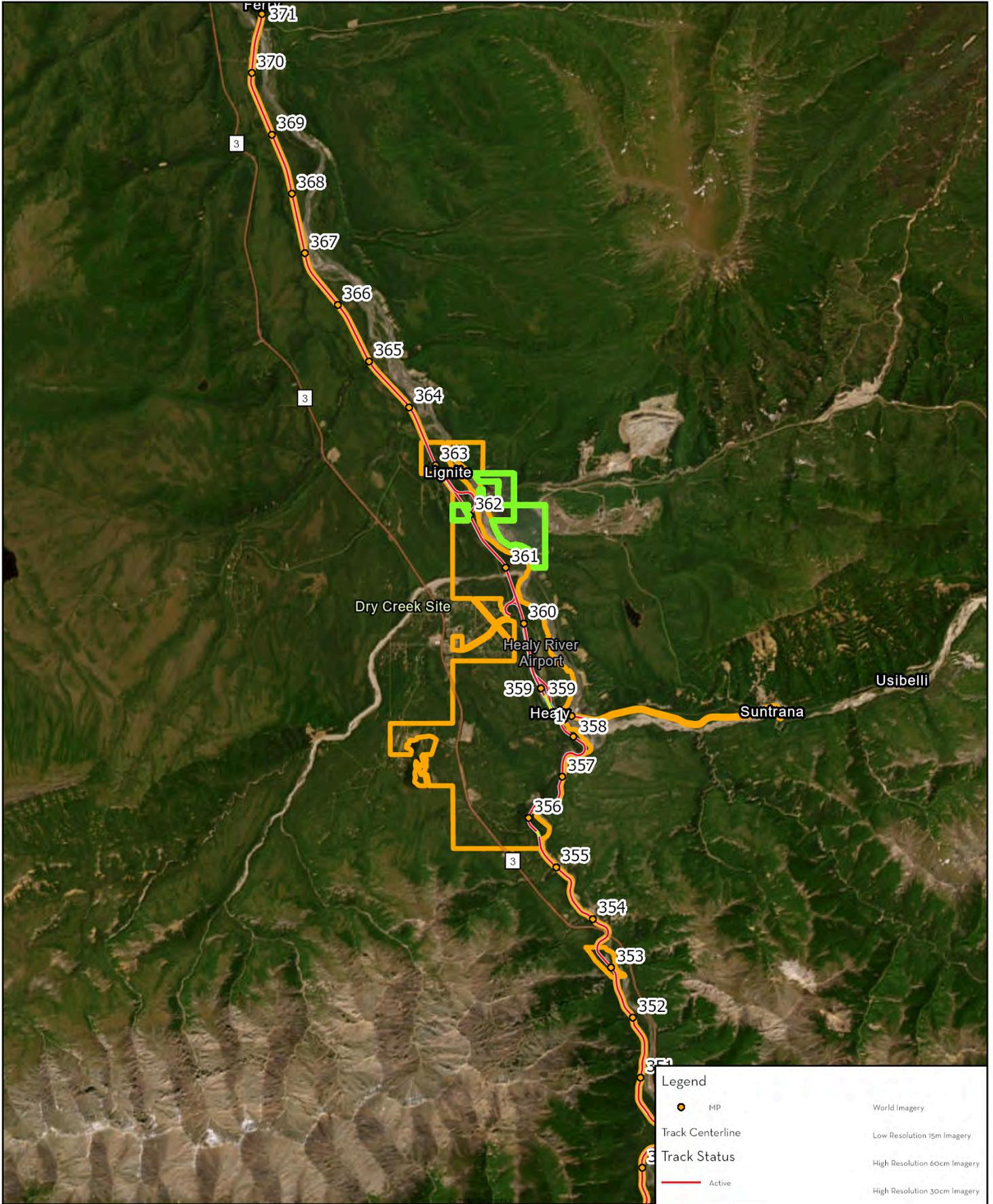
-  SURVEYED GLO/BLM MON.
-  LEASE 21270 PARCEL AREAS
-  SECTION LINE
-  TOWNSHIP LINE
-  OTHER PARCEL LINE

EXHIBIT A | ARRC CONTRACT NO. 21270  
 GROUND LEASE - Usibelli Coal Mine, Inc.  
 TOTAL AREA = 468.9 acres  
 LOCATED WITHIN  
 T. 12 S., R. 7 W., FM;  
 SECTIONS 5, 6, 7, and 8

**ALASKA RAILROAD CORPORATION**  
 REAL ESTATE DEPARTMENT, LAND SERVICES  
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500

FAIRBANKS RECORDING DISTRICT	SHEET 1 OF 1
DRAWN: JSR	CHECKED: DCA
	2/25/2026

DRAWING NAME: L21270.dwg



0 0.5 1 2 mi

This product is for informational purposes and may not be suitable for engineering or surveying purposes. It does not represent an on the ground survey and represents only the approximate location of items and boundaries.



### ARRC General Map Print



#### Legend

- MP
- Track Centerline
- Track Status
- Active
- Out of Service
- Removed
- Railroad Boundary
- World Imagery
- Low Resolution 15m Imagery
- High Resolution 60cm Imagery
- High Resolution 30cm Imagery
- Citations
- 75m Resolution Metadata

## LEASE AMENDMENT SUMMARY

LESSEE: Pruhs Corporation

CONTRACT NOS: 20551 & 20552

**PROPOSED AMENDED LEASE DESCRIPTION:** Proposed lease amendments involve two lease parcels of land located within the ARRC Anchorage Reserve, situated between Viking Drive and the Ship Creek Pedestrian Trail, located within U.S. Survey 9112, SE 1/4, Secs. 8 & 9, T13N, R3W, S.M. the Alaska Railroad Anchorage Reserve, containing approximately 152,179 square feet in total. (Leased premises for Contract No. 20551 currently contains approximately 68,757 square feet and leased premises for Contract No. 20552 currently contains approximately 80,723 square feet, for a current total area for the two parcels of 149,480 square feet. The proposed amendment would shift the joint boundary of the parcels to the east and add a small amount of additional land to the parcel under Contract No. 20552. The overall effect of the proposed changes will be to increase the size of the Contract No. 20551 premises to 81,261 square feet and to decrease the size of the Contract No. 20552 premises to 70,918 square feet, for a resulting total area of the two parcels of 152,179 square feet.)

### KEY CONTRACT PROVISIONS:

Estimated Effective Date of Amendment: April 1, 2026

Lease Term: Twenty-four (24) Years remain on the current lease terms. Both leases are scheduled to expire on June 30, 2050. Lease terms will be unaffected by the requested amendments.

Option to Extend: N/A

Lease Area Following Amendment: 81,261 (L20551) and 70,918 (L20552) square feet, more or less.

Base Annual Rent Following Amendment: L20551 - \$78,010.56  
L20552 \$62,407.84 (based on 2025 appraised value). Total rent: \$140,418.40.

Prior Annual Rent: L20551 - \$66,006.72  
L20552 - \$71,036.24. Total Rent: \$137,042.96

Rental Rate: 8%

Rent Adjustment: Every 5 years from commencement of lease, with adjusted annual rent not to exceed 135% of the prior year's annual rent or to decrease to less than 65% of the prior year's annual rent

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**PUBLIC NOTICE:** Lease areas were previously public noticed in 2020. Requested amendments constitute moving of the line separating the two leaseholds, held by the same entity, plus the addition of a deminimis amount of land (2,699 square feet) to the eastern leasehold.

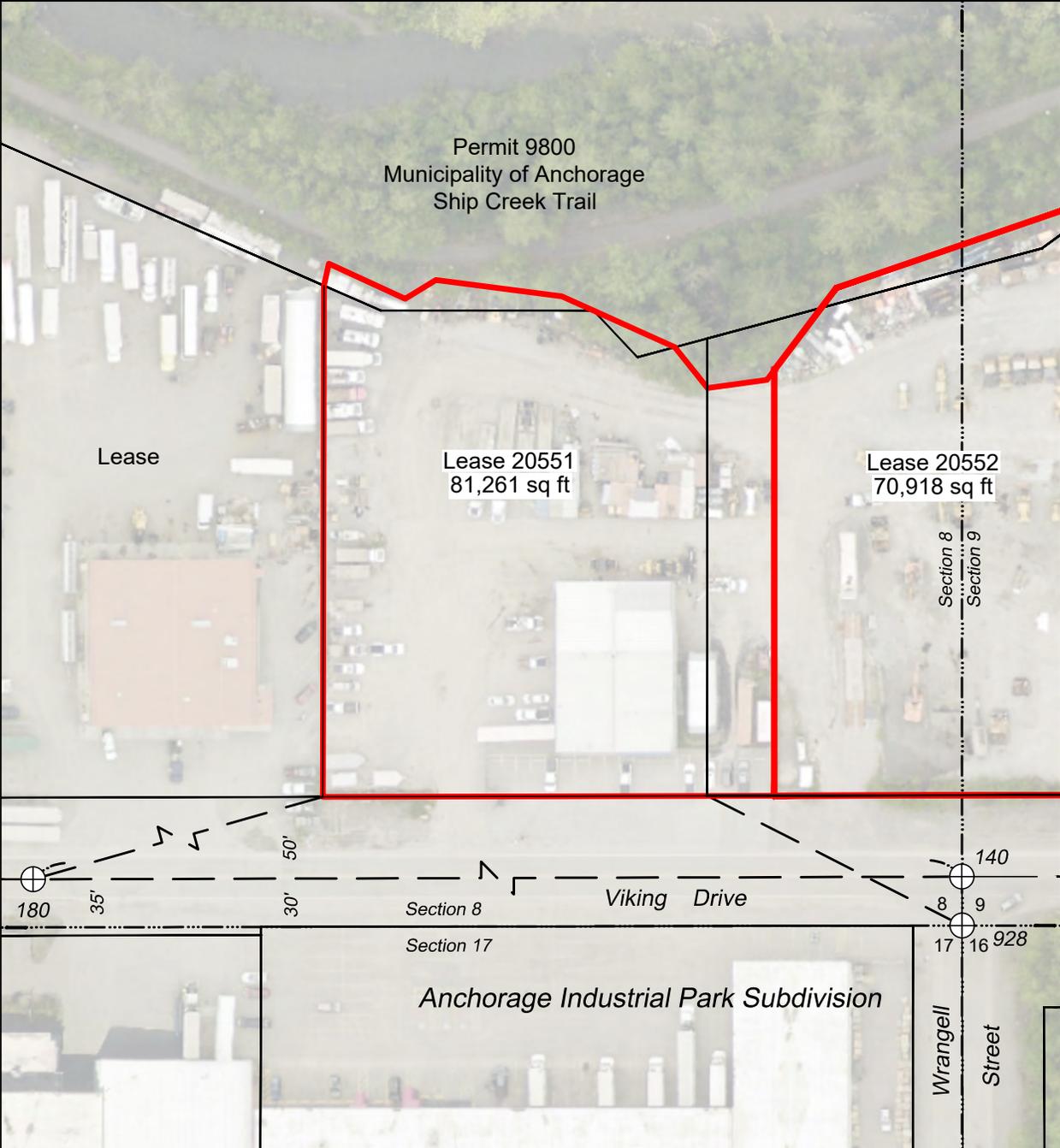
LEGAL REVIEW: Yes

**INTENDED USE:** Construction activities, including office and yard.

**SUMMARY AND RECOMMENDATIONS:** Lessee leases two adjoining lease parcels in the Anchorage Reserve. Lessee is requesting an adjustment of the respective existing leased premises to relocate the common boundary separating the two leaseholds. Relocating the boundary approximately 41 feet to the east will increase the lease area of Contract No. 20551 and reduce the lease area of Contract 20552, each by approximately 12,500 square feet. This adjustment of the common boundary would align lease boundaries with existing surface improvements and uses. A small amount of additional land also will be added at the northern boundary of the Contract No. 20552 parcel. Approval is recommended.

**APPROVED:** \_\_\_\_\_ **Board Meeting Date:** \_\_\_\_\_  
Jennifer Mergens  
ARRC Board Secretary

DRAFT



Notes:  
 The meridian of this exhibit is based on monuments 140, 180 and 928 of Plat 2009-55.

**Legend**  
 — Revised Lease Area  
 — Existing Lease or Contract

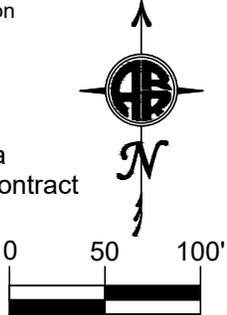
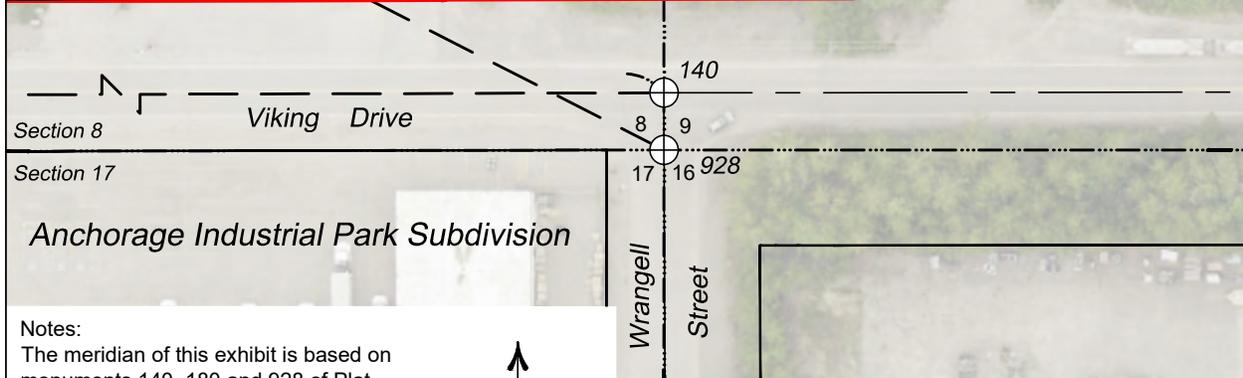
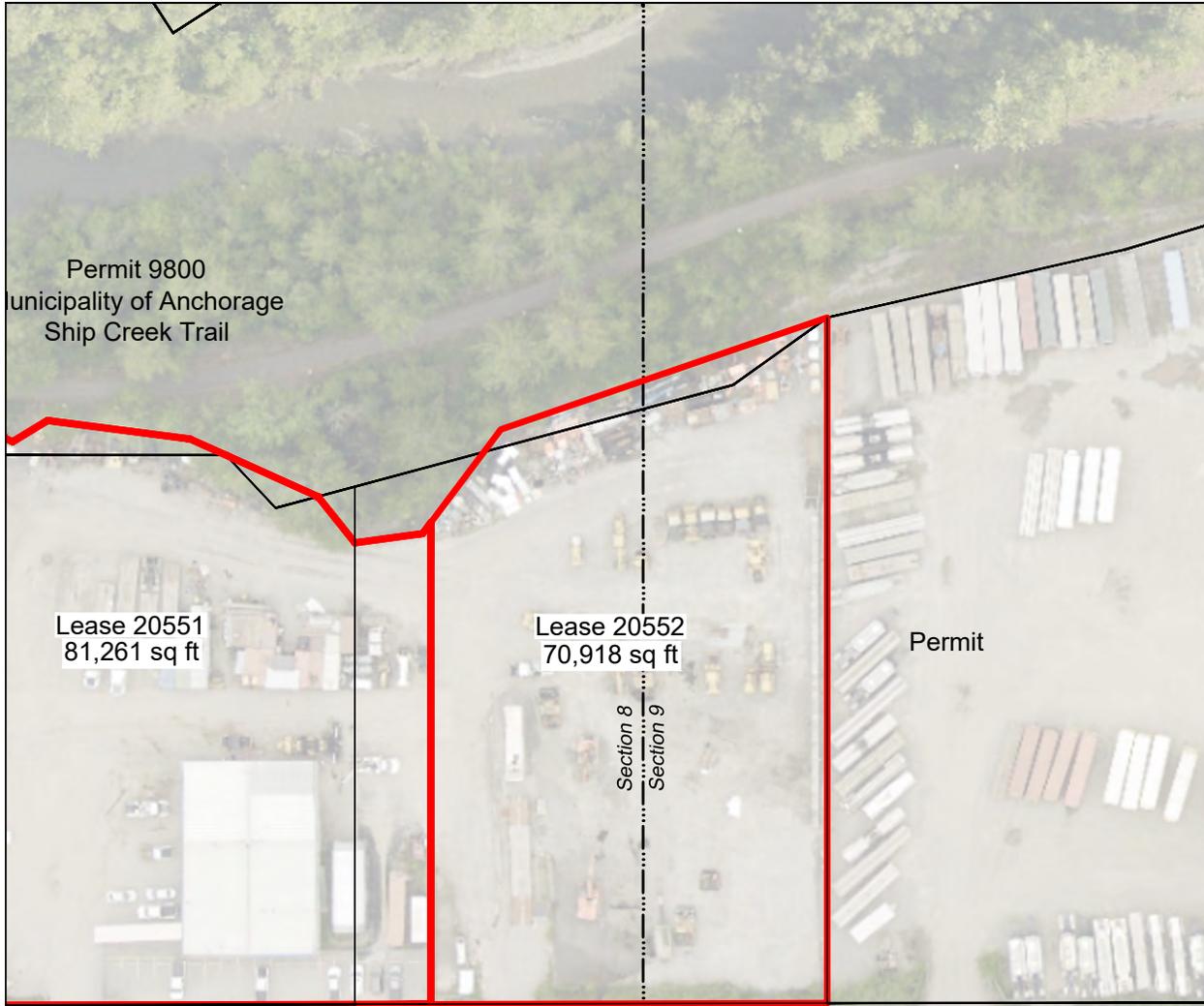


EXHIBIT A | ARRC CONTRACT NO. 20551  
 LEASE - PRUHS CORPORATION  
 Area = 81,261 sq ft  
 LOCATED WITHIN  
 USS 9112 and also Sec. 8, T13N, R3W, S.M.

**ALASKA RAILROAD CORPORATION**  
 REAL ESTATE DEPARTMENT, LAND SERVICES  
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500

ANCHORAGE RECORDING DISTRICT	SHEET 01 OF 01	
DRAWN: JSR	CHECKED: ---	DATE: 3/2/2026



**Anchorage Industrial Park Subdivision**

Notes:  
The meridian of this exhibit is based on monuments 140, 180 and 928 of Plat 2009-55.

**Legend**  
——— Revised Lease Area  
 ——— Existing Lease or Contract

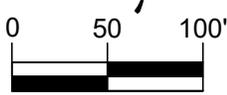
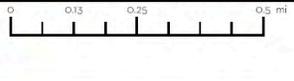


EXHIBIT A | ARRC CONTRACT NO. 20552  
 LEASE - PRUHS CORPORATION  
 Area = 70,918 sq ft  
 LOCATED WITHIN  
 USS 9112 and also Sec. 8 & 9, T13N, R3W, S.M.

**ALASKA RAILROAD CORPORATION**  
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ANCHORAGE RECORDING DISTRICT	SHEET 01 OF 01	
DRAWN: JSR	CHECKED: ---	DATE: 3/2/2026



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Pruhs Overview  
**ALASKA**  
 RAILROAD

**Legend**

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- 9.8m Resolution Metadata



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## **DRAFT June 4-5 Schedule Board Meeting and Community Events- Seward Alaska**

### **Thursday June 4-**

6:00-11:20 AM Travel to Seward via Coastal Classic– on the Denali Car

11:30 AM Seward Depot to Library

11:45 AM-1:00PM Lunch at the Library Community Room

1:00-4:00 PM ARRC Board Meeting at the Library Community Room

4:00 PM Harbor 360 Hotel (CHECK-IN TIME 4pm)

5:00 PM dinner private room (Highliner or Apollo)

**7:30-9:00 PM Community Open House at the New Terminal**

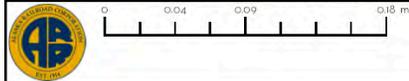
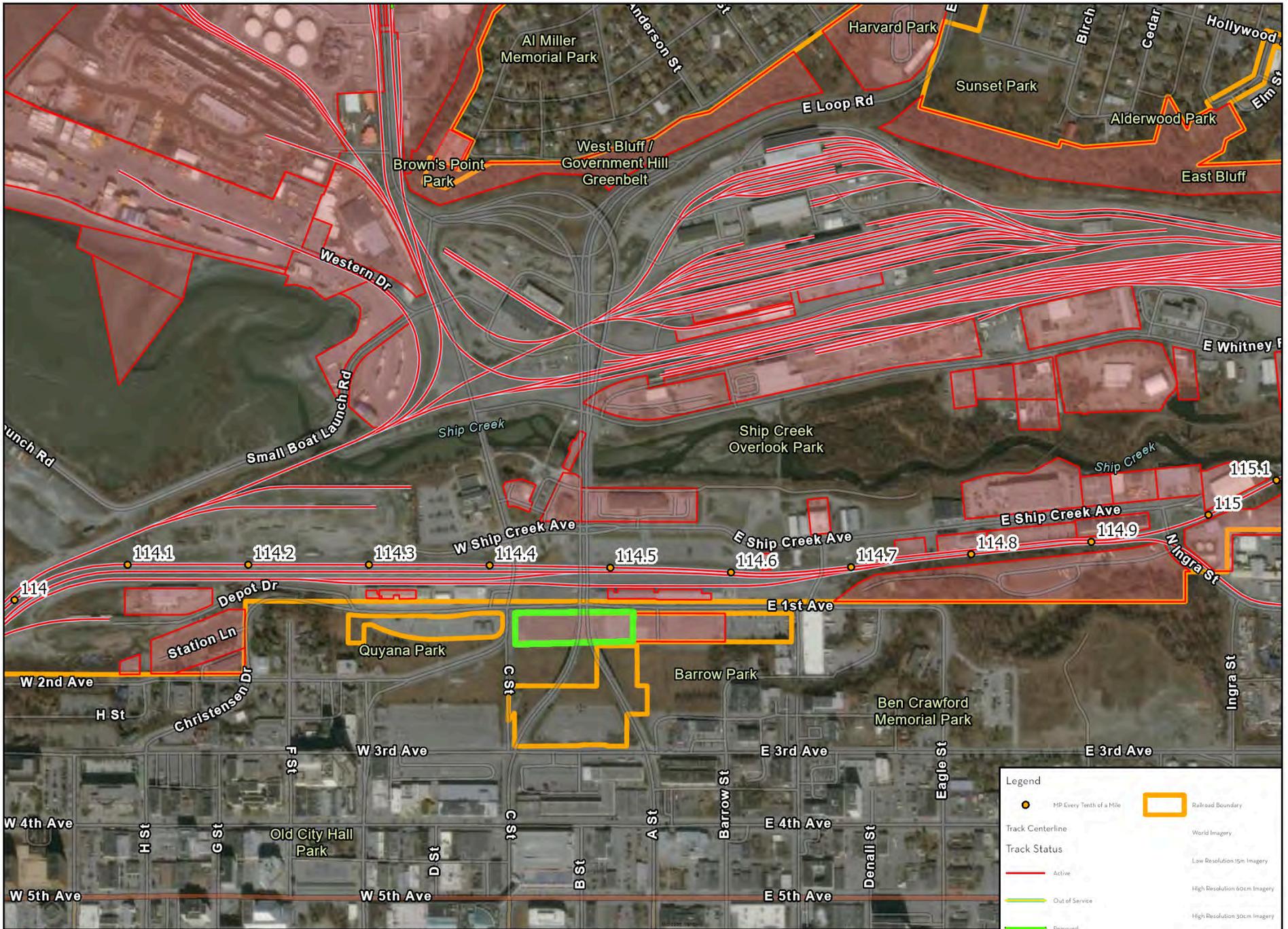
### **Friday June 5-**

10:00-11:00AM on-site Cruise Dock and Yard Tour – if there is interest

11:30 AM- 1:00 PM – Lunch

**1-2 PM DALE R. and CAROL ANN LINDSEY ALASKA RAILROAD TERMINAL Naming Ceremony with Ribbon Cutting**

2:00 or 2:30 PM Bus back to Anchorage OR Denali Car if people want to stay until 6pm (if people want to stay then I can set up SeaLife Center Tours, take them around town, etc.)

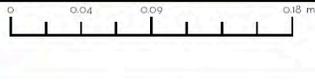


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Odom Building - Overview  
**ALASKA RAILROAD**

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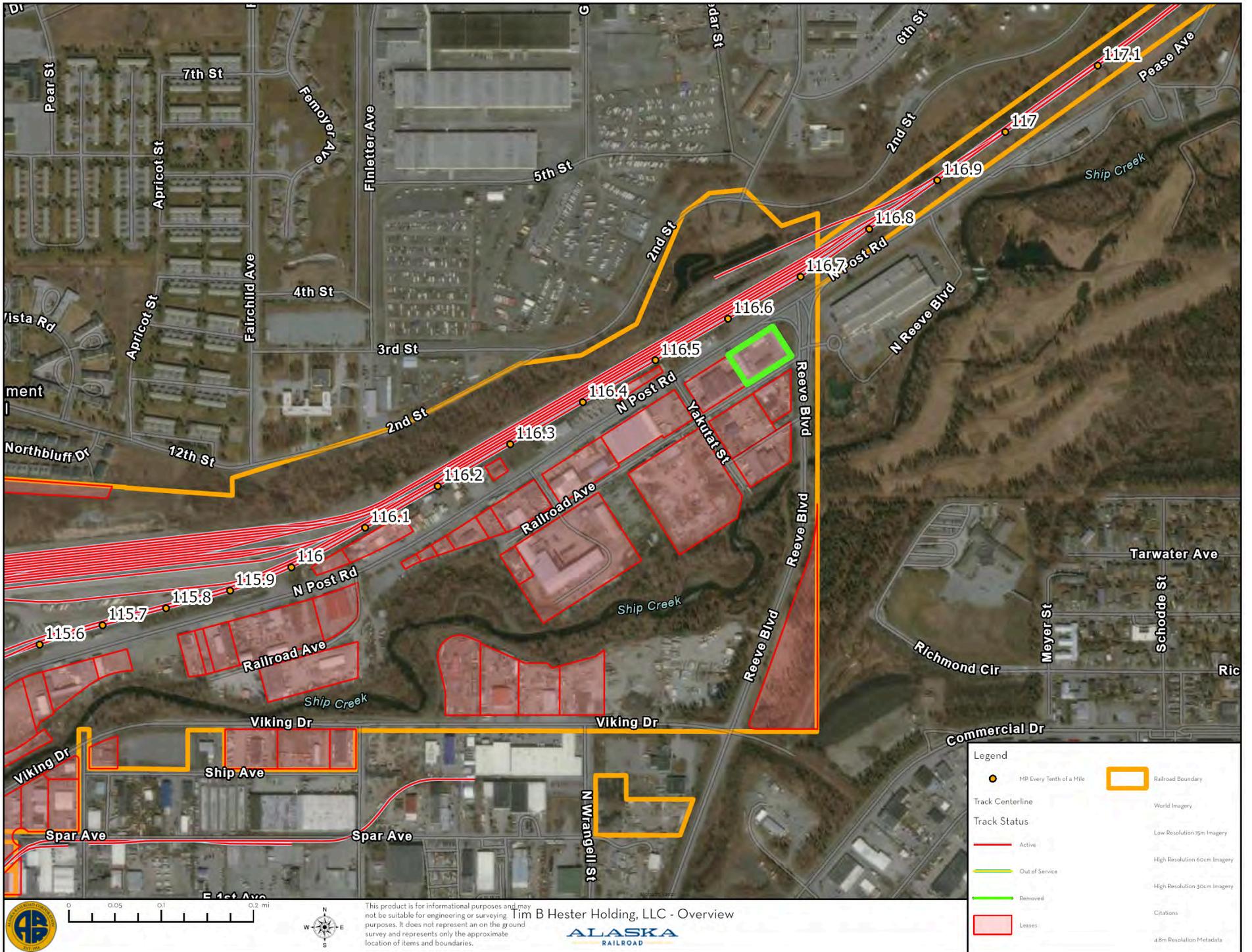
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200 Post Road, LLC - Overview

**ALASKA RAILROAD**

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**SAVE THE DATE notification prior to official invitation distribution.**

**The Rail Downtown Edge Condos  
Completion Celebration**

**Wednesday, May 20, 2026**

**5:00 pm - 7:00 pm**

**49th State Brewing @ The Rail**

**721 Depot Dr, Anchorage, AK 99501**

