POSSIBLE MOTION

I MOVE TO grant preliminary approval of a proposed tidelands lease request filed by Petro Marine Services for 7,082 square feet adjacent 1 Lincoln Street.

Note: Following preliminary approval, the applicant will then go back to the Planning Commission and go through the minor subdivision process before coming back to the Assembly for approval of a lease authorization ordinance.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To:

Mark Gorman, Municipal Administrator

Mayor McConnell and Members of the Assembly

From:

Maegan Bosak, Planning and Community Development Director

Samantha Pierson, Planner I

Subject:

Lease of Tidelands to Petro Marine Services

Date:

June 7, 2016

Recently Petro Marine Services approached the Planning Department with a request to lease tidelands from the City and Borough of Sitka. The Planning Department is processing this request in accordance with existing procedures. Following SGC, an ordinance is required to authorize the Class III tideland lease. Petro Marine is requesting preliminary approval from the Assembly in order to proceed with the tideland lease.

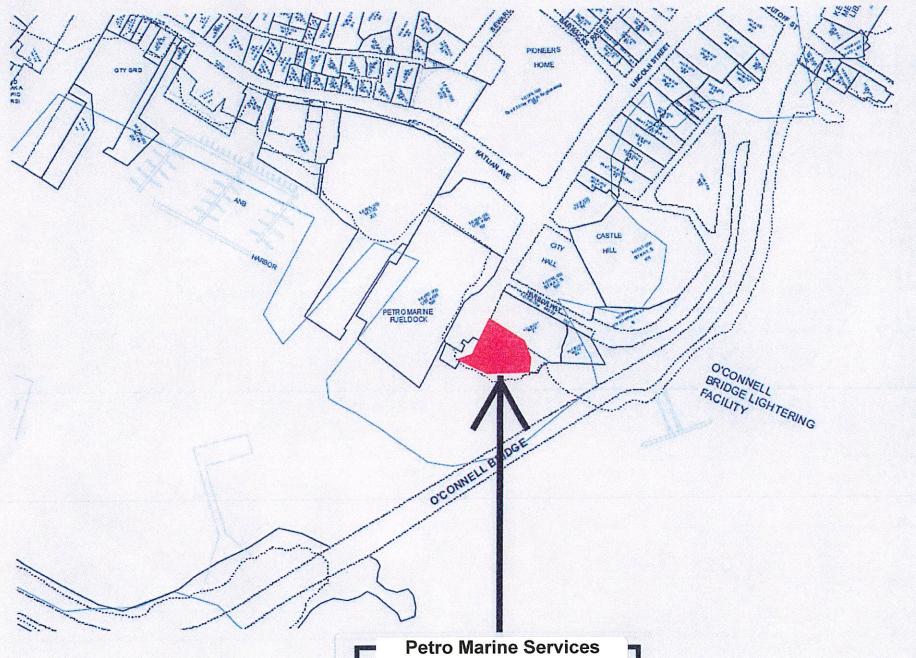
The Planning Commission heard the request for preliminary approval at their May 17, 2016 meeting. The Commission voted 5-0 to recommend preliminary approval of the tideland lease.

The tidelands request is 7082 square feet adjacent to property owned by Harbor Enterprises, Inc. at 1 Lincoln Street. The parcel is a portion of ATS 15. The tidelands are submerged. The applicant states the intent to build a new fuel dock on the tidelands in order to improve customer access to fuel services. In addition, the proposed dock is designed to better contain fuel spills than the existing dock. The applicant has requested a 50 year lease.

The City Assessor, Wendy Lawrence, determined a fee simple assessed value of \$102,300.00. Code assigns an annual lease rate of 4.5%, resulting in a minimum annual lease payment of \$4603.50. This amount will be the starting bid for a sealed bid process.

Following preliminary Assembly approval, the applicant will then go to the Planning Commission for approval of a minor subdivision, through the Historic Preservation Commission and the Port and Harbors Commission, through a public competitive bid process, then back to the Assembly for a final land lease ordinance.

RECOMMENDED ACTION: Pass a motion granting preliminary approval.

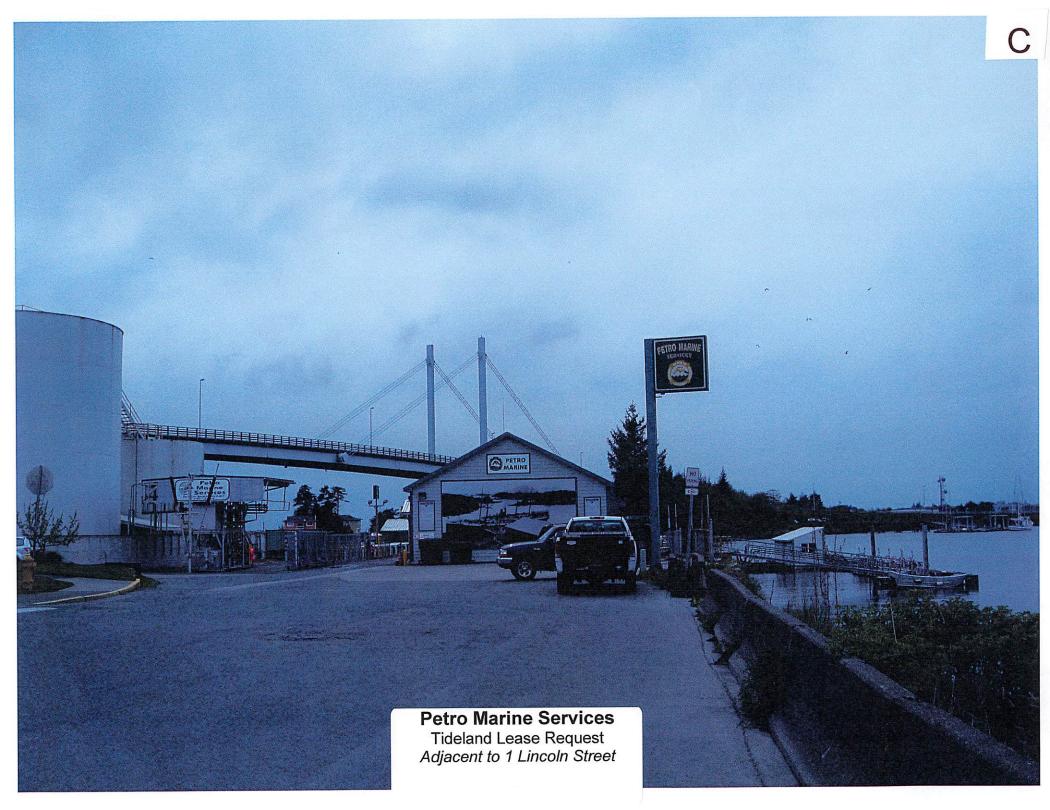


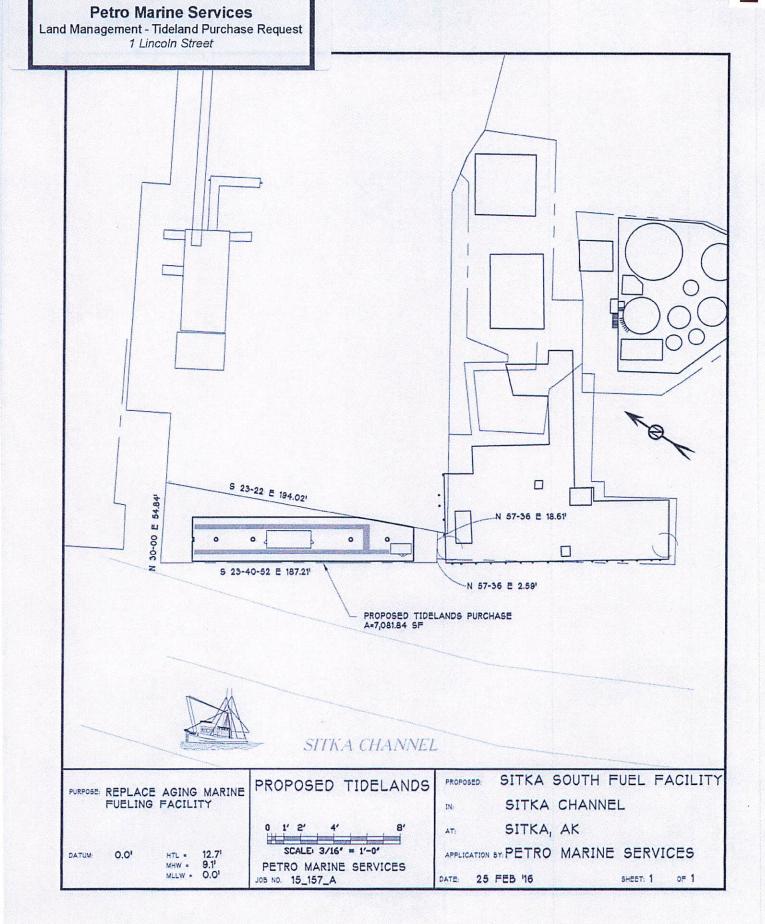
Petro Marine Services
Tideland Lease Request
Adjacent to 1 Lincoln Street

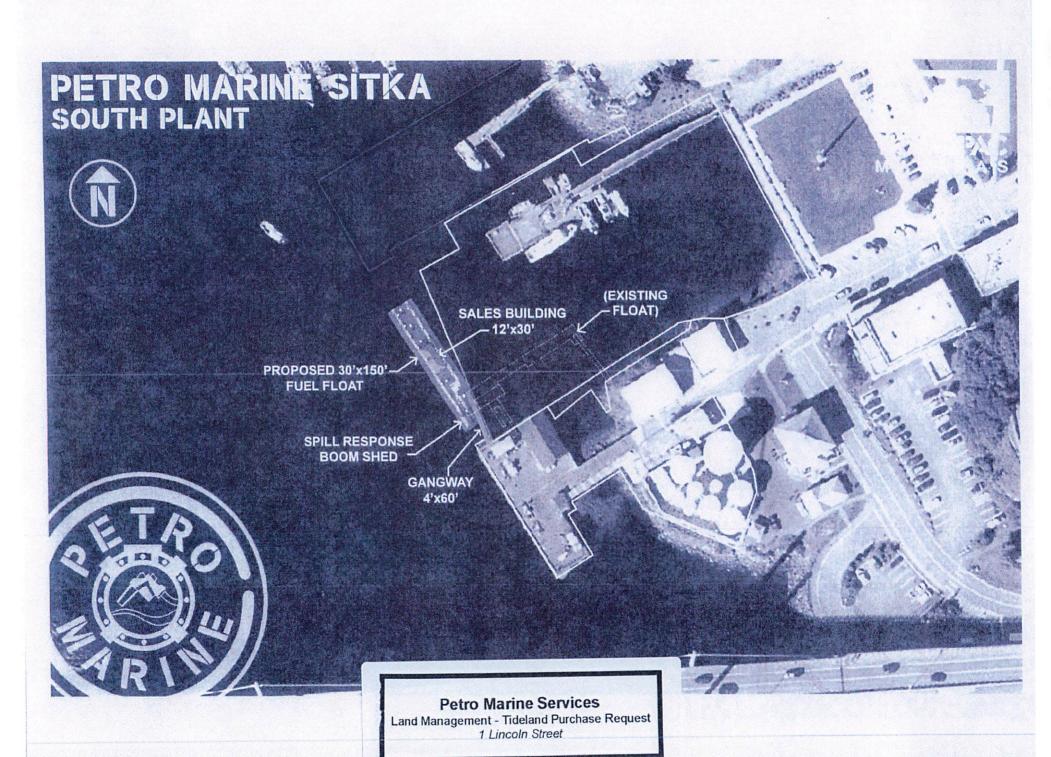


Adjacent to 1 Lincoln Street

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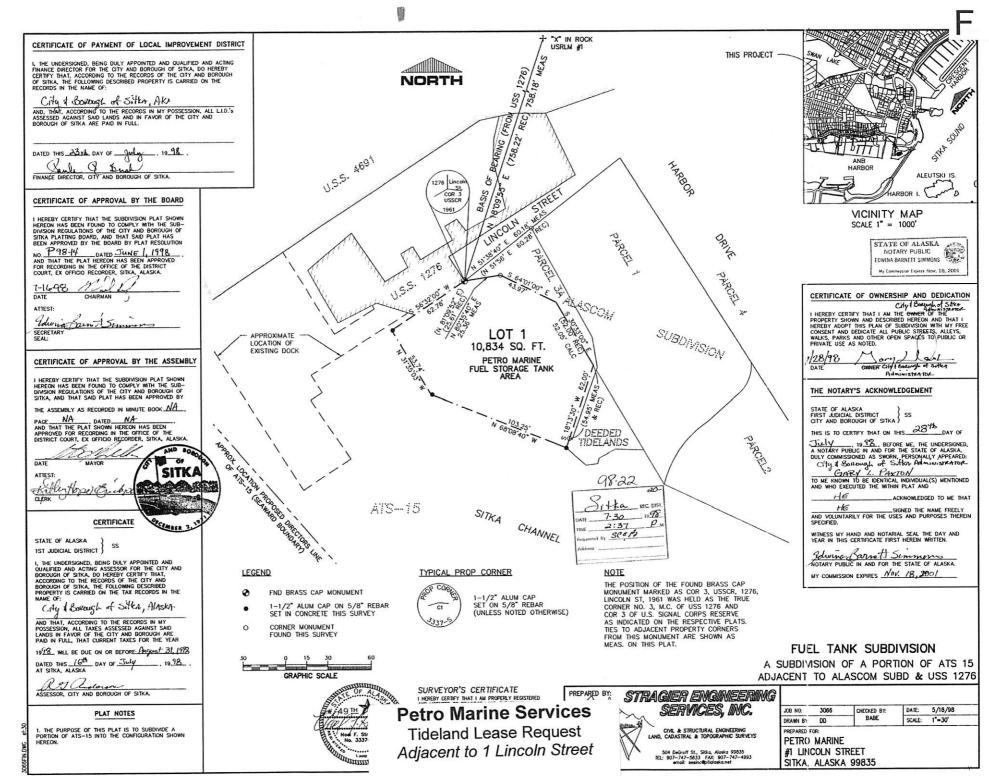


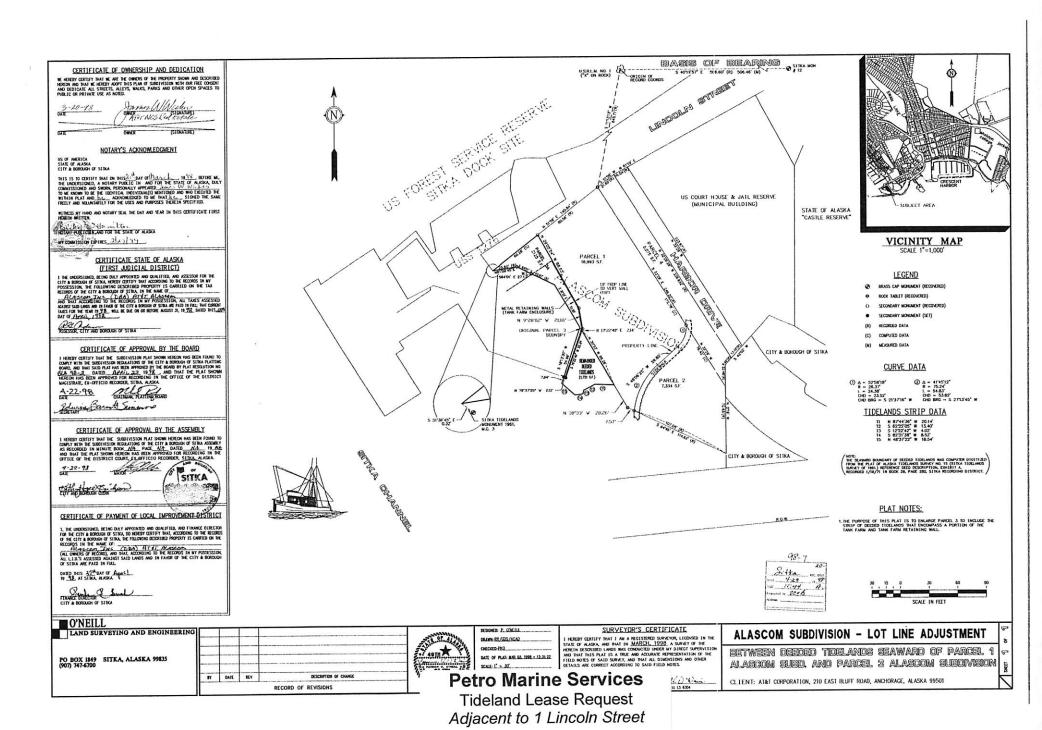














CITY AND BOROUGH OF SITKA

Minutes - Final

Planning Commission

Chris Spivey, Chair Darrell Windsor, Vice Chair Tamie (Harkins) Parker Song Debra Pohlman Randy Hughey

Tuesday, May 17, 2016

7:00 PM

Sealing Cove Business Center

- CALL TO ORDER AND ROLL CALL
- II. CONSIDERATION OF THE AGENDA
- III. CONSIDERATION OF THE MINUTES
- A Approval of the minutes from the May 3, 2016 meeting.

Pohlman/Windsor moved to APPROVE the May 3, 2016 minutes. Motion PASSED 5-0.

IV. REPORTS

C

D

- B Planning Regulations and Procedures.
- V. THE EVENING BUSINESS

Annual review of a conditional use permit granted to Phyllis Hackett for an accessory dwelling unit at 707 Lake Street. The property is also known as Lot 21 Block 11, according to the amended plat of Sirstad Addition No. 2. The owner of record is Phyllis A. Hackett.

Pierson described the history of the conditional use permit. The Planning Commission originally denied the permit, but the Assembly approved the request. No comments have been received since the permit was approved.

Hughey/Parker Song moved to APPROVE the annual review. Motion PASSED 3-2. Spivey and Windsor voted against approval.

Public hearing and consideration of a variance request filed by Jamie Steinson for 224 Marine Street, in the R-1 residential zone. The variance is for an increase in lot coverage to 40% for the construction of a patio. The property is also known as Lot 1 Golden Subdivision. The request is filed by Jamie Steinson. The owners of record are Gary and Phyllis Mulligan.

Neither the applicant nor the owners were present.

Windsor/Pohlman moved to POSTPONE until a representative can attend a meeting. Motion PASSED 5-0.

E

Public hearing and consideration of a variance request filed by Peter Thielke for 722 Biorka Street, in the R-1 residential zone. The request is for the reduction of the easterly front setback from 20 feet to 6 feet, and the reduction of the southerly rear setback from 10 feet to 0 feet for the relocaton of a shed. The property is also known as a fractional portion of Lot 13, Block 14, U.S. Survey 1474, Tract A, identified on the deed as Parcel 2. The application is filed by Peter Thielke. The owner of record is Peter L. Thielke.

POSTPONED by consent, as the applicant could not be reached by phone.

F

Public hearing and consideration of a final plat for a major subdivision of ASLS 2015-06. The request is filed by Global Positioning Services, Inc. The owner of record is State of Alaska Department of Natural Resources Division of Mining, Land, and Water.

Scarcelli described the request for subdivision of state property. The lots will be primarily accessed via water, and will be intended for recreational use. Staff does not anticipate that roads will be developed in the near future. The applicant has agreed to include a plat note stating that the city is a party to all easements.

Stan Sears with Global Positioning Service represented the applicant. Access to some lots requires the use of easements. There are 4 or 5 coves for water access. Sears stated that the plat note making the city a party to all easements is acceptable to GPS.

Spivey stated that request is straight forward.

Parker Song/Pohlman moved to APPROVE the preliminary plat of a major subdivision for ASLS 15-06, and request that the final plat include a plat note that states that the municipality is a party to all easements. The request is filed by Global Positioning Services. The owner of record is Alaska Department of Natural Resources Division of Mining, Land, and Water. Motion PASSED 5-0.

Public hearing and consideration of a tideland sale application filed by Forrest Dodson for tidelands adjacent to 263 Katlian Avenue.

Bosak explained the request. The applicant previously purchased the tidelands seaward of 263 Katlian, and now request to purchase tidelands adjacent to the house. Bosak stated the need to maintain public access to tidelands, and that tidelands may increase in value over time. Staff recommend denial of the sale, and recommend a Class I, month-to-month lease.

Forrest Dodson stated that he would prefer to purchase the property. Construction will cost \$10,000 more if he cannot acquire this parcel, and he would like to have more elbow room. Dodson stated that he believes there would be sufficient water access even if he was allowed to purchase the parcel. Hughey asked about current fill in the parcel. Dodson stated that the fill was temporary, and would have to be removed. Dodson stated that the parcel isn't being used. Hughey clarified that the previous proposal was to move the

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house onto the seaward parcel with parking in front.

Margie Esquiro stated that Dodson's wife does a great job of restoring old properties.

Hughey stated that work on the house will happen regardless of the approval of this purchase, and stated that it would serve the public good to preserve access to the tidelands. Pohlman stated that the Land Use Plan meetings have raised concerns for lands on Katlian that were taken for the WWII effort. Bosak stated that the applicant can move forward to the Assembly even if the Planning Commission does deny the request. At Pohlman's request, Bosak explained the difference between the 3 tideland lease classifications.

Parker Song/Hughey moved to DENY the proposed land sale of 1,017 square feet of tidelands adjacent 263 Katlian Avenue and instead encourage the applicants to apply for a Class I tideland lease. Motion PASSED 4-1.

Public hearing and consideration of a tideland lease request filed by Petro Marine Services for tidelands adjacent to 1 Lincoln Street.

Bosak explained the request for a 50-year Class 3 tideland lease. The request was originally a purchase request, but staff directed the applicant to pursue a lease. No public comment has been received. Staff recommend approval of the lease proposal.

Jerry Jacobs represented Petro Marine. Jacobs stated that Petro does not anticipate any change of hours. Windsor asked about access to the Forest Service dock. Jacobs stated that he believes the new dock will improve access. Hughey stated that it looks like a good idea. Bosak stated that staff anticipates that upland owners will respond to mailed notices if they anticipate problems. Jacobs stated the new dock will improve control of spills.

Hughey/Pohlman moved to RECOMMEND preliminary approval of the proposed tideland lease adjacent to 1 Lincoln Street filed by Petro Marine Services. Motion PASSED 5-0.

Public hearing and consideration of a conditional use permit request filed by Kristy Crews and Levi Hunt for a short-term rental at 3001 Mikele Street, in the R-1 residential zone. The property is also known as Lot 7 West Subdivision. The request is filed by Kristy Crews and Levi Hunt. The owners of record are Kristy M. Crews and Levi G. Hunt.

Pierson described the request, and read a letter of support from Peter and Michelle Kennedy at 3002 Mikele.

Kristy Crews stated that they are new to home ownership, and would like to experiment with various lengths of rentals.

Windsor clarified that a short-term rental must be used within 12 months or it becomes void.

Pohlman/Windsor moved to APPROVE the required findings for conditional use permit.

Required Findings for Conditional Use Permits. The planning commission shall

not recommend approval of a proposed development unless it first makes the following findings and conclusions:

- 1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity; nor
- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
- 2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation.
- 3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
- 4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety, and welfare of the community from such hazard.
- 5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
- Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The city may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest. The general approval criteria are as follows:

- 1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
- 2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
- 3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
- 4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
- 5. Community appearance such as landscaping, fencing and screening,

dependent upon the specific use and its visual impacts.

Motion PASSED 5-0.

Pohlman/Windsor moved to APPROVE the conditional use permit request for a short-term rental at 3001 Mikele Street, subject to conditions of approval. The property is also known as Lot 7 West Subdivision. The request is filed by Levi Hunt and Kristy Crews. The owners of record are Levi Hunt and Kristy Crews.

Conditions of Approval:

- 1. Contingent upon a completed satisfactory life safety inspection.
- 2. The facility shall be operated consistent with the application and plans that were submitted with the request.
- 3. The facility shall be operated in accordance with the narrative that was submitted with the application.
- 4. The applicant shall submit an annual report every year, covering the information on the form prepared by the Municipality, summarizing the number of nights the facility has been rented over the twelve month period starting with the date the facility has begun operation. The report is due within thirty days following the end of the reporting period.
- 5. The Planning Commission, at its discretion, may schedule a public hearing at any time following the first nine months of operations for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.
- 6. Failure to comply with all applicable tax laws, including but not limited to remittance of all sales and bed tax, shall be grounds for revocation of the conditional use permit.
- 7. Failure to comply with any of the above conditions may result in revocation of the conditional use permit.
- 8. The property owner shall register for a sales account prior to the Conditional Use Permit becoming valid.

Motion PASSED 5-0.

Public hearing and consideration of a conditional use permit request for marijuana retail at 1321 Sawmill Creek Road Suites O and P, in the C-2 commercial and mobile home zone. The property is also known as US Survey 2729. The request is filed by Mike Daly. The owner of record is Eagle Bay Inn LLC.

Scarcelli explained the request. Bays O and P will be reconfigured to house two facilities – one for retail and one for cultivation. Staff believes that parking is adequate. Staff recommends a condition of approval that the plaza's parking is striped to delineate 107 spaces. Scarcelli read a letter of concern submitted by Clyde Bright. Staff recommends approval. Windsor asked about electrical load. Scarcelli stated that the applicant has submitted the load calculation to staff.

Mike Daly stated that he is building airtight rooms and use filters to control odors. Daly stated that they will test for mold as they go. Daly stated that windows will be blacked out. Daly stated that eventually wants a smoke room for tourists. Spivey thanked Daly for thorough plans.

Joe D'Arienzo stated that this proposal will be a positive first step for the industry in town, and supports the application "whole heartedly."

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Jennifer Davis urged caution. Children and families frequent the theater and Pizza Express.

Jay Stelzenmeller stated that he is encouraged by the thorough work of the applicant and staff.

Parker Song stated that the plans are thorough, and it seems like a good location. Spivey stated that kids do play in the neighborhood, and families do frequent the plaza. Spivey stated that the applicant's plans are sufficient to mitigate any concerns. Hughey stated that the applicant has set a high bar for future applicants. Hughey stated concern that the applicant will invest heavily, and the conditional use permit could theoretically be revoked in the future. Windsor stated that there aren't many areas for marijuana retail in town. Bosak stated that the reception room is a nice feature.

Windsor/Hughey moved to APPROVE the required findings.

Required Findings for Conditional Use Permits. The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

- 1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity; nor
- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
- 2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation.
- 3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
- 4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety, and welfare of the community from such hazard.
- 5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
- Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The city may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest. The general approval

criteria are as follows:

- 1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
- 2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
- 3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
- 4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
- 5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

Specific Guidance from 22.24 on Findings for Marijuana Uses Findings of Fact: Upon review and considerations of the required criteria, the Planning Commission shall determine whether the proposed use(s) at the proposed project location are found to not present a negative impact to the public's health, safety, and welfare.

- 1. If such a finding can be made, then the proposed use shall be approved with standard regulations, dimensions, and setbacks.
- 2. In the alternative, where the Planning Commission finds negative impacts are present, the Planning Commission shall only approve conditional use permits where the negative impacts can be adequately mitigated by conditions of approval that preserve the public's health, safety, and welfare. These conditions of approval shall be case by case specific and in addition to the standard regulations.
- 3. If negative impacts to the public's health, safety, and welfare cannot be mitigated through conditions of approval then the Planning Commission shall so find and deny the proposed conditional use permit.

Motion PASSED 5-0.

Windsor/Parker Song moved to APPROVE the conditional use permit request filed by Mike Daly and Northern Lights, LLC for marijuana retail at 1321 Sawmill Creek Road, Units O & P, in the C 2 General Commercial and mobile home zone subject to the attached 12 conditions of approval. The property is also known as U.S. Survey 2729. The owner of record is Eagle Bay Inn, LLC.

Conditions of Approval:

- 1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing regulations.
- 2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal Building Official.

- 3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material handling plan, and comply with all fire safety regulations that satisfies the Fire Marshal or their designee and the Building Official.
- 4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.
- 5. All licensed facilities and/or uses shall establish an active sales account and business registration with the Municipality and shall comply with all standard & required accounting practices.
- 6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish and associated municipal license or conditional use permit.
- 7. All approved conditional use permits shall comply with all Sitka General Code or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit
- 8. Applicant shall provide a Parking Plan that complies with Section 22.20.100 for all uses present and proposed at the current property including striped parking spaces where feasible (i.e. concrete or asphalt areas).
- 9. Odor Control shall include charcoal filters and other best means to limit and mitigate odor impacts to surrounding uses. Should a meritorious odor complaint be received the Planning Commission may require additional odor control measures to mitigate any actual negative impacts.
- 10. The proposed retail site shall not be located within 500 feet of any school grounds, recreation or youth center, religious service building, or correctional facility that was legally established prior to approval of this conditional use permit as intended by licensing restriction and regulations of the state in 3 AAC Chapter 306.
- 11. This permit only conditionally approved the use of retail; however, at the same time, all legally vested uses operating within Units O and P must comply with all pertinent state and local regulations, licenses, and permits to remain
- 12. The Planning Commission may, at its discretion and upon receiving meritorious evidence of negative impacts to public health, safety, and welfare, schedule a review to address issues of concern and pursue mitigation through additional conditions if necessary.

Motion PASSED 5-0.

Public hearing and consideration of a conditional use permit request for marijuana cultivation at 1321 Sawmill Creek Road Suites O and P, in the C-2 general commercial and mobile home zone. The property is also known as US Survey 2729. The request is filed by Mike Daly. The owner

of record is Eagle Bay Inn LLC.

Scarcelli described the request for a cultivation facility. The applicants submitted their entire AMCO application. One public comment was received, with concerns for odors. Staff believe that parking is sufficient, but the lot should be striped. There is no known sensitive use within the 500 foot buffer zone. Staff recommend approval.

Mike Daly stated that he had nothing additional to contribute. Windsor asked if Daly anticipated difficulty with striping the parking lot. Daly replied that the owner has given consent to striping.

Michelle Cleaver stated that the owner has stated that the entire lot will be

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striped by the end of the month.

Parker Song/Pohlman moved to APPROVE the required findings.

Required Findings for Conditional Use Permits. The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

- 1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity; nor
- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
- 2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation.
- 3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
- 4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety, and welfare of the community from such hazard.
- 5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
- 6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The city may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest. The general approval criteria are as follows:

- 1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
- 2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
- 3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
- 4. Use characteristics of the proposed conditional use that affect adjacent

uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;

5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

Specific Guidance from 22.24 on Findings for Marijuana Uses Findings of Fact: Upon review and considerations of the required criteria, the Planning Commission shall determine whether the proposed use(s) at the proposed project location are found to not present a negative impact to the public's health, safety, and welfare.

- 1. If such a finding can be made, then the proposed use shall be approved with standard regulations, dimensions, and setbacks.
- 2. In the alternative, where the Planning Commission finds negative impacts are present, the Planning Commission shall only approve conditional use permits where the negative impacts can be adequately mitigated by conditions of approval that preserve the public's health, safety, and welfare. These conditions of approval shall be case by case specific and in addition to the standard regulations.
- 3. If negative impacts to the public's health, safety, and welfare cannot be mitigated through conditions of approval then the Planning Commission shall so find and deny the proposed conditional use permit.

Motion PASSED 5-0.

Parker Song/Pohlman moved to APPROVE the request the conditional use permit request filed by Mike Daly and Northern Lights, LLC for marijuana cultivation at 1321 Sawmill Creek Road, Units O & P, in the C-2 General Commercial and mobile home zone subject to the attached 12 conditions of approval. The property is also known as U.S. Survey 2729. The owner of record is Eagle Bay Inn, LLC.

Conditions of Approval:

- 1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing regulations.
- 2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal Building Official.
- 3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material handling plan, and comply with all fire safety regulations that satisfies the Fire Marshal or their designee and the Building Official.
- 4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.
- 5. All licensed facilities and/or uses shall establish an active sales account and business registration with the Municipality and shall comply with all standard & required accounting practices.
- 6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish and associated municipal license or conditional use permit.
- 7. All approved conditional use permits shall comply with all Sitka General

Code or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit

- 8. Applicant shall provide a Parking Plan that complies with Section 22.20.100 for all uses present and proposed at the current property including striped parking spaces where feasible (i.e. concrete or asphalt areas).
- 9. Odor Control shall include charcoal filters and other best means to limit and mitigate odor impacts to surrounding uses. Should a meritorious odor complaint be received the Planning Commission may require additional odor control measures to mitigate any actual negative impacts.
- 10. The proposed cultivation site shall not be located within 500 feet of any school grounds, recreation or youth center, religious service building, or correctional facility that was legally established prior to approval of this conditional use permit as intended by licensing restriction and regulations of the state in 3 AAC Chapter 306.
- 11. This permit only conditionally approved the use of cultivation; however, at the same time, all legally vested uses operating within Units O and P must comply with all pertinent state and local regulations, licenses, and permits to remain valid.
- 12. The Planning Commission may, at its discretion and upon receiving meritorious evidence of negative impacts to public health, safety, and welfare, schedule a review to address issues of concern and pursue mitigation through additional conditions if necessary.

Motion PASSED 5-0.

Public hearing and consideration of a conditional use permit request for marijuana cultivation at 4614 Halibut Point Road, in the C-2 general commercial and mobile home zone. The property is also known as Lot 3 of Carlson Resubdivision. The request is filed by Green Leaf, Inc. The owners of record are Connor K. Nelson and Valerie L. Nelson.

Scarcelli explained the request for a cultivation facility. The applicant has worked with staff to mitigate staff concerns. Cultivation tends to have lower traffic than other manufacturing uses. Staff have received public comment about noise from the fans; however, the property is commercially zoned. The applicant has proposed extensive ventilation. Staff recommends approval.

Aaron Bean asked that the application be amended to list Green Leaf, Inc. as the applicant. Spivey asked if the applicant plans to do retail in the future. Bean stated that he hopes to eventually do retail on a different lot at the same site. Spivey thanked the applicant for the thorough application.

Hughey/Pohlman moved to APPROVE the required findings.

Required Findings for Conditional Use Permits. The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

- 1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity; nor
- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.

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- 2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation.
- 3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
- 4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety, and welfare of the community from such hazard.
- 5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
- 6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The city may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest. The general approval criteria are as follows:

- 1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
- 2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
- 3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
- 4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
- 5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

Specific Guidance from 22.24 on Findings for Marijuana Uses Findings of Fact: Upon review and considerations of the required criteria, the Planning Commission shall determine whether the proposed use(s) at the proposed project location are found to not present a negative impact to the public's health, safety, and welfare.

1. If such a finding can be made, then the proposed use shall be approved with standard regulations, dimensions, and setbacks.

- 2. In the alternative, where the Planning Commission finds negative impacts are present, the Planning Commission shall only approve conditional use permits where the negative impacts can be adequately mitigated by conditions of approval that preserve the public's health, safety, and welfare. These conditions of approval shall be case by case specific and in addition to the standard regulations.
- 3. If negative impacts to the public's health, safety, and welfare cannot be mitigated through conditions of approval then the Planning Commission shall so find and deny the proposed conditional use permit.

Motion PASSED 5-0.

Hughey/Parker Song moved to APPROVE approve the conditional use permit request filed by Green Leaf, Inc. for marijuana cultivation at 4614 Halibut Point Road, in the C 2 General Commercial and Mobile Home zone, subject to conditions of approval. The property is also known as Lot 3 of Carlson Resubdivision. The owners of record are Connor K. Nelson and Valorie L. Nelson.

Conditions of Approval:

- 1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing regulations.
- 2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal Building Official.
- 3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material handling plan, and comply with all fire safety regulations that satisfies the Fire Marshal or their designee and the Building Official.
- 4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.
- 5. All licensed facilities and/or uses shall establish an active sales account and business registration with the Municipality and shall comply with all standard & required accounting practices.
- 6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish and associated municipal license or conditional use
- 7. All approved Conditional use permits shall comply with all Sitka General Code or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit
- 8. Applicant shall provide a Parking Plan that complies with Section 22.20.100 for all uses present and proposed at the current property including striped parking spaces where practical.
- 9. Odor Control shall include charcoal filters and other best means to limit and mitigate odor impacts to surrounding uses. Should a meritorious odor complaint be received the Planning Commission may require additional odor control measures to mitigate any actual negative impacts.
- 10. The proposed cultivation site shall not be located within 500 feet of any school grounds, recreation or youth center, religious service building, or correctional facility that was legally established prior to approval of this conditional use permit as intended by licensing restriction and regulations of the state in 3 AAC Chapter 306.
- 11. The Planning Commission may, at its discretion and upon receiving

meritorious evidence of negative impacts to public health, safety, and welfare, schedule a review to address issues of concern and pursue mitigation through additional conditions if necessary.

Motion PASSED 5-0.

M

Public hearing and consideration of a conditional use permit request for marijuana retail at 205 Harbor Drive, in the central business district. The property is also known as Lot 1 Van Winkle Subdivision. The request is filed by Mary Magnuson. The owners of record are Frank and Mary Magnuson.

Scarcelli reviewed the request. The ultimate decision about possible buffer zone issues would be determined by the state AMCO office. Staff recommends that the commission postpone the request to a later meeting so more information can be provided. Windsor asked if a postponement would "foul up" the process for the applicant. Scarcelli stated that he understands that the state is postponing some of their previously advertised dates. Spivey asked if staff have reached out to request additional information, and Scarcelli stated that he and Pierson had both been in touch with the applicant, requested additional information, and the applicant indicated that she would provide more information. Pohlman stated concern for proximity to the Lutheran Church.

Mary Magnuson stated that operations will be according to state regulations. Magnuson stated that she has difficulty luring her potential tenant before a permit is granted. The property has been retail in the past, and will be some sort of retail in the future. Magnuson stated that she believes her application is adequate. The building is already sprinkled and fire alarmed, has "tremendous" ventilation, and will have approximately 16 security cameras. Magnuson stated that she does not see the need to delay the request. Windsor asked if the applicant had plans for a smoking room, and Magnuson said no.

Margie Esquiro stated concern for the proximity to sensitive uses, and the city can be more stringent than the state.

Joe D'Arienzo stated that this is one of the only available sites in the central business district due to sensitive uses.

Scarcelli read a letter from Susan Jensen, in opposition to the proposal.

Windsor asked what would happen if the conditional use permit was granted but the state license was denied. Scarcelli stated that until a state license is granted, the conditional use permit is not activated. Hughey asked what would be required for staff to view the application as complete. Scarcelli stated that the ordinance pulls state regulations into municipal requirements, so the city can enforce issues as they arise; therefore, the planning department would like to receive the same information that is submitted to the state, including security, dversion, floor plan, and overall detailed plans. Parker Song asked if another retail would be analyzed to this extent. Bosak stated that uses that are conditional are analyzed by the framework in code.

Pohlman stated that community concerns have been raised, so she would like to see the lessee and his/her plans in full detail. Spivey stated that a conditional use requires detailed plans.

Windsor/Hughey moved to POSTPONE the item to June 21 and request that the applicant provide more information. Motion PASSED 5-0.

Ν

Public hearing and consideration of a conditional use permit request for a marijuana retail facility at 1321 Sawmill Creek Road J, in the C-2 commercial and mobile home zone. The property is also known as US Survey 2729. The request is filed by Anna Michelle Cleaver. The owner of record is Eagle Bay Inn, LLC.

Scarcelli described the request for marijuana retail. The applicant has provided the AMCO application. Parking is sufficient, but parking space striping should be a condition of approval. No sensitive uses are known within the state buffer zone. Staff recommends approval. Spivey stated that he notarized the state application, but has no financial gain at stake.

Michelle Cleaver stated that the owner intends to stripe 120 parking spaces by the end of the month. Hughey clarified that Cleaver would sell locally cultivated marijuana, and she stated yes.

Jeremy Twaddle asked about how odor is determined. Bosak stated that odor would be addressed if complaints were raised.

Jennifer Davis stated that she lives nearby, and is concerned that children and families use the plaza.

Windsor asked about the time requirements for review by the board. Bosak stated that review could occur at any time when a meritorious complaint is received which indicates that the operation is not in compliance with the conditions of approval.

Parker Song/Pohlman moved to APPROVE the required findings.

Required Findings for Conditional Use Permits. The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

- 1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity; nor
- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
- 2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation.
- 3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
- 4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety, and welfare of the community from such hazard.
- 5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.

6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The city may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest. The general approval criteria are as follows:

- 1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
- 2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
- 3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
- 4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
- 5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

Specific Guidance from 22.24 on Findings for Marijuana Uses Findings of Fact: Upon review and considerations of the required criteria, the Planning Commission shall determine whether the proposed use(s) at the proposed project location are found to not present a negative impact to the public's health, safety, and welfare.

- 1. If such a finding can be made, then the proposed use shall be approved with standard regulations, dimensions, and setbacks.
- 2. In the alternative, where the Planning Commission finds negative impacts are present, the Planning Commission shall only approve conditional use permits where the negative impacts can be adequately mitigated by conditions of approval that preserve the public's health, safety, and welfare. These conditions of approval shall be case by case specific and in addition to the standard regulations.
- 3. If negative impacts to the public's health, safety, and welfare cannot be mitigated through conditions of approval then the Planning Commission shall so find and deny the proposed conditional use permit.

Motion PASSED 5-0.

Parker Song/Pohlman moved to APPROVE the conditional use permit request filed by Anna Michelle Cleaver for marijuana retail at 1321 Sawmill Creek Road, Unit J, in the C 2 General Commercial and mobile home zone subject to the attached 11 conditions of approval. The property is also known as U.S. Survey 2729. The owner of record is Eagle Bay, LLC.

Conditions of Approval:

- 1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing regulations.
- 2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal Building Official.
- 3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material handling plan, and comply with all fire safety regulations that satisfies the Fire Marshal or their designee and the Building Official.
- 4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.
- 5. All licensed facilities and/or uses shall establish an active sales account and business registration with the Municipality and shall comply with all standard & required accounting practices.
- 6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish and associated municipal license or conditional use permit.
- 7. All approved conditional use permits shall comply with all Sitka General Code or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit
- 8. Applicant shall provide a Parking Plan that complies with Section 22.20.100 for all uses present and proposed at the current property including striped parking spaces where feasible (i.e. concrete or asphalt areas).
- 9. Odor Control shall include reasonable best means (such as high quality Commercial HEPA filter) to limit and mitigate odor impacts to surrounding uses. Should a meritorious odor complaint be received, the Planning Commission may require additional odor control measures to mitigate any actual negative impacts.
- 10. The proposed retail site shall not be located within 500 feet of any school grounds, recreation or youth center, religious service building, or correctional facility that was legally established prior to approval of this conditional use permit as intended by licensing restriction and regulations of the state in 3 AAC Chapter 306.
- 11. The Planning Commission may, at its discretion and upon receiving meritorious evidence of negative impacts to public health, safety, and welfare, schedule a review to address issues of concern and pursue mitigation through additional conditions if necessary.

Motion PASSED 5-0.

VI. PLANNING DIRECTOR'S REPORT

Bosak reported on the Assembly Lands Work Session from the previous week. The June 7 meeting will focus on acquisition, retention, and disposal of municipal lands, and will be held at the Fire Hall. The July 5 meeting is

cancelled.

VII. PUBLIC BUSINESS FROM THE FLOOR

Mary Magnuson stated that she was told that she would not have to disclose the identity of her lessee. Scarcelli stated that the tenant isn't relevant, but the details are relevant.

VIII.	ADJOUI	RNMENT
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Hughey/Windsor moved to ADJOURN at 9:44 PM. Motion PASSED 5-0.
ATTEST:
Samantha Pierson, Planner I



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

Date:

May 6, 2016

From: Maegan Bosak, PCDD

To:

Planning Commission

Re:

Petro Marine Services Tideland Lease Request

GENERAL INFORMATION

Applicant:

Petro Marine Services

P.O. Box 418 Sitka, AK 99835

Property Owner:

City and Borough of Sitka

Property Address:

Adjacent 1 Lincoln Street

Legal Description:

7082 sq ft submerged tidelands within

ATS 15

Parcel ID Number:

New parcel to be created

Size of Existing Lot:

7,082 square feet

Zoning:

WD Waterfront

Existing Land Use:

Unoccupied submerged tidelands

Utilities:

None

Access:

By water or Lincoln Street

Surrounding Land Use: Commercial

MEETING FLOW

- Report from Staff
- Applicant comes forward
- Applicant identifies him/herself provides comments
- Commissioners ask applicant questions
- Staff asks applicant any questions
- Floor opened up for Public Comment
- Applicant has opportunity to clarify or provide additional information
- Comment period closed brought back to the board
- **Findings**
- Motion of recommendation

ATTACHMENTS

Attachment A: Vicinity Map

Attachment B: Aerial Vicinity Map Attachment C: Parcel Pictures Attachment D: Application

Attachment F: Subdivision Plat Attachment G: Zoning Map Attachment H: Mailing List

Attachment I: City Department Staff Comments

PROJECT DESCRIPTION

Attachment E: Site Plan

Petro Marine is requesting a long term tideland lease adjacent their deeded tidelands at 1 Lincoln Street. The request includes 7,082 square feet for the purpose of relocating the existing floating fuel dock to the area and replacing it with a 150′ marine fueling dock.

The Assessor is working on establishing an assessment for the tidelands of which the lease would be charged a 4.5% annual fee, with an adjustment every 7 years, per SGC. The applicant has requested a 50 year lease period.

Following the Planning Commission meeting, the request will be presented to the Assembly for preliminary approval. From preliminary approval, a plat will be created and presented to the Commission again for subdivision approval. Port and Harbors and Historic Preservation will be consulted. A final lease ordinance will be authorized by the Assembly and then the parcel to be put out for competitive bid. This is a long and arduous process and one that Staff is hoping to streamline in the new land use plan.

BACKGROUND

In March, Petro Marine submitted a request to purchase additional tidelands adjacent their deeded tidelands at 1 Lincoln Street, for expansion of marine fueling services and dock realignment. The sales request was denied based on:

Possible limitations to use to upland property owners

Restriction of access to upland property owners

Comprehensive Plan Policy 2.4.12 To maintain public access to the waterfront, where feasible, in all zones

Municipally owned tidelands are limited and are not considered surplus to future community priorities.

The applicant was instead routed towards the lease process and resubmitted requesting a 50 year lease.

Only upland property owners have "preference rights" to tidelands, meaning that a sale or lease can be made without going to a public competitive bid process. For this small portion of property, the upland property owner is the Forest Service and CBS. The lease request requires a public competitive bid process.

Tidelands will continue to increase in value and be an asset to the citizens. Many feel the waterfront should be for public facilities and enjoyment, more of a benefit to the masses rather than an individual land owner. Tidelands are a very limited resource.

PCDD is in support of a Class III Tideland lease. This commercial designation lease requires a lengthy public notification period which allows concerns to be aired.

This option seems to be beneficial to all parties in that it allows the applicant the use of the property and allows CBS to retain the property should future needs arise.

ANALYSIS

Project / Site: The proposed tidelands are immediately adjacent 1 Lincoln Street. It is approximately 7,082 square feet of unoccupied submerged tidelands that are next to the current Petro Marine Fuel dock.

Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses: Same amount of vehicular traffic as currently observed. No increase in expected. Concerns stem from access and the restrictions that this new configuration could impose.

Amount of noise to be generated and its impacts on surrounding land use: Construction noise should be anticipated during install of the new dock facility. After that, Staff expects that noise would be similar to present use.

Odors to be generated by the use and their impacts: Odors from gas and boat exhaust should be anticipated.

Hours of operation: Unknown. Expect similar hours as present site.

Effects of vehicular and pedestrian safety: Public safety in general is a concern for any fuel facility. Commissioners should consider plans for spill response, boat congestion, dock falls and fire.

Ability of the police, fire and EMS personnel to respond to emergency calls on the site: Same as present.

Effects of signage on nearby uses: Limited change to signage.

Conformity with Comprehensive Plan: The Comprehensive Plan section 2.3.12 *To maintain public access to the waterfront, where feasible.*

RECOMMENDATION

It is recommended that the Planning Commission adopt the Director's analysis and move to recommend preliminary approval of the tideland lease adjacent 1 Lincoln Street.

If the Planning Commission approves the proposed tideland lease, the process would be this: The request would go to the Assembly for concept approval, followed by creation of a minor subdivision, through Ports and Harbors and Historic Preservation Commissions, public competitive bid and then back to the Assembly for a final land sale ordinance.

Recommended Motions:

1) I move to recommend preliminary approval of the proposed tideland lease adjacent to 1 Lincoln Street filed by Petro Marine Services.

Memorandum

TO: Maegan Bosak, Planning and Community Development Director

FROM: Wendy Lawrence, Assessing Director

Wendy Lawrence

SUBJECT: City and Borough of Sitka Tidelands Assessed Valuation for Proposed Lease -

Approximately 7,082 sf of a Portion of ATS 15/ADL 1966 (which is adjacent to:

PID: 1-0010-000 - #1 Lincoln)

DATE: May 12, 2016

The real property described above was inspected for the valuation of tideland parcel subject to a lease proposal of sloping tidelands adjacent to the Petro Marine fuel dock at #1 Lincoln Street.

The subject site consists of 7,082sf of sloping tidelands within ATS 15, located directly north and adjacent to Petro Marine's downtown facility. The depth of the water ranges from 15-35' more or less, is zoned waterfront, and is intended to be used as key waterfront access for this marine fueling facility. Use of this site would allow the applicant to reconfigure, expand and enhance the current fuel dock for greater efficiency and safety.

Tidelands within the City and Borough of Sitka are valued according to their classification: upland and filled tidelands are valued at the same rate as the regular land values for the area, with sloping and submerged tidelands valued at a percentage of the upland rate. This standard of valuation is used throughout Alaska, with price variances according to upland land values, zoning classifications, and adjustments for inferior or superior qualities in comparable sales. Acquisition of this site would enhance Petro Marine's waterfront access to this marine fueling business, and as such is valued at 45% of the upland land value for Petro Marine's #1 Lincoln overall facility.

Waterfront comparable sales prices per square foot range from \$26.05 to \$34.99 per upland square foot for this market area. The attached table shows the tideland comparable sales, with most weight being given to the subject's prior tideland purchase, at this same location, as Comparable #1 at a time-adjusted value of \$32.11/sf. Comparable #2 is similar in quality and location, and as such is weighted heavily as well at a time adjusted upland rate of \$34.99/sf. Comparable #3 is slightly inferior in location to the subject and brackets the subject at the low end of the range. All uses are commercial and all zoning classifications for the comparable sales are waterfront, similar to the subject property. Time adjustments were calculated at 2% per year prior to 2008, and 1% per year after.

Based upon the sales data available for this area, I have estimated the fee simple assessed value of \$102,300 for this proposed site. This figure was calculated by multiplying 45% of the upland square foot value of \$32.11 to the estimated square footage of 7,082 for these sloping tidelands, for a rounded fee simple value of \$102,300.

Comparable Sales Table Waterfront Tidelands Valuation									
2016								Up/Fill	ed Rate
							Ti	ime-Adj	Sale
Comp	PID	Location	Zoning	Sale Date	Sale Price	Size		\$/SF	Price/SF
1	1-0010-000	#1 Lincoln	W	11/20/98	\$45,800	2,125	\$	32.11	\$23.16
2	1-6655-000	201 Katlian	W	06/20/06	\$38,000	4,514	\$	34.99	\$31.68
3	1-6845-000	485 Katlian	W	01/26/16	\$20,800	5,327	\$	26.05	\$26.05
Range: \$26.05/sf to \$34.99/sf									

Samantha Pierson

From:

Stan Eliason

Sent:

Wednesday, March 16, 2016 9:42 AM

To:

Samantha Pierson

Subject:

Re: Land Purchase Inquiries

Samantha, I don't foresee any use of these tidelands with my operations.

Stan

Sent from my iPhone us my new email address: stan.eliason@cityofsitka.org

On Mar 14, 2016, at 12:32 PM, Samantha Pierson <samantha.pierson@cityofsitka.org> wrote:

Dear Department Heads,

Two parties have expressed interest in acquiring parcels of city-owned property. One inquiry concerns a the sale of a portion of tidelands adjacent to 1 Lincoln Street. The applicants state that they wish to create a new fuel dock on the property.

The second inquiry concerns the sale of Mineral Survey 1587, near Herbert Graves Island. The applicant wishes to purchase the property for personal use as a subsistence camp.

Like most land sales, these proposals will also receive formal review by the Historic Preservation Commission and the Port and Harbors Commission.

Before proceeding with a process to possibly dispose of these properties, a necessary step is to determine if they are surplus to the city's needs.

Therefore, I ask department heads to advise the Planning Department as to whether these parcels are surplus to their department's needs. Additionally, even if it is surplus, please advise if you are aware of a reason why it might be in the city's best interest to retain these properties in the city lands inventory.

Please respond by Tuesday, March 22, or let me know if you need more time. If we receive no response from a department, the Planning Department will consider there to be no objection to disposing of the property.

Feel free to give me a call if you would like more information. Thank you.

Sam

Samantha Pierson Planner I City and Borough of Sitka 100 Lincoln Street Sitka, AK 99835 (907) 747-1814

Petro Marine Services
Tideland Lease Request
Adjacent to 1 Lincoln Street

Samantha Pierson

From:

Dave Miller

Sent:

Monday, March 14, 2016 2:29 PM

To:

Samantha Pierson

Subject:

RE: Land Purchase Inquiries

Fire Department has no problems with the sale Dave Miller

From: Samantha Pierson

Sent: Monday, March 14, 2016 12:32 PM

To: cbs.deptheads.staff < cbs.deptheads.staff@cityofsitka.org>

Subject: Land Purchase Inquiries

Dear Department Heads,

Two parties have expressed interest in acquiring parcels of city-owned property. One inquiry concerns a the sale of a portion of tidelands adjacent to 1 Lincoln Street. The applicants state that they wish to create a new fuel dock on the property.

The second inquiry concerns the sale of Mineral Survey 1587, near Herbert Graves Island. The applicant wishes to purchase the property for personal use as a subsistence camp.

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Feel free to give me a call if you would like more information. Thank you.

Sam

Samantha Pierson Planner I City and Borough of Sitka 100 Lincoln Street Sitka, AK 99835 (907) 747-1814

Petro Marine Services
Tideland Lease Request
Adjacent to 1 Lincoln Street

D

Applicant		
Applicant's Name:	Petro Marine Services	Phone: <u>747-3414</u>
If application is a corp	ooration, give name of agent:	Jerry Jacobs
Mailing Address:	Box 418, Sitka AK 99835	
Requested Property	SEE ATTACHED DRAWING	
Legal Descripti	on: LotBlock	U.S. Survey No
Existing Subdiv	vision	
Street Address		
Intended Use (circle):	Residential Private Recreation	Commercial Industrial
area in question, and re- environmental protection	place it with a structure designed to	
Current use and appea		elands adjacent to the Petro Marine
Historical Use: See atta	ached comments.	
Proposed construction drawings	or improvement: 150' marine fue	eling dock – see attached
costs, 2) a subdivision plat	the sale to proceed, 1) an additional \$15 will be required, and 3) an appraisal wi unicipality and the applicant.	50 will be required to cover advertising ll be required. The cost of the appraisal
Signature:		Date: 3/2/16

Attachment to Land Sales Application

Petro Marine Services

Reason for requesting sale (continued)

Petro Marine is considering a reconfiguration of the marina for several reasons. These include:

<u>Upgrade Aging Equipment.</u> The existing marina has been in place since the mid 1980's. The proposed marina will be much like the one we built at our Katlian St. facility in 2012. That design incorporates improved control valves, among other features, that do not allow fuel to flow unless the valves are energized by an attendant.

<u>Public Safety.</u> The new configuration improves access to the USFS dock by reducing conflicts between boat traffic to our marina and the float plane the USFS brings in to their dock during the summer. Boat traffic to the proposed marina would be much farther from the USFS dock than it is at present, reducing the chance of a boat/plane collision.

The proposed design includes a covered ramp, reducing the possibility of slips, trips and falls due to the buildup of snow and ice. The design also contains permanently mounted safety ladders. Incidents at City harbors over the last few years have shown the value of this equipment. Due to its configuration and method of construction, installing ladders on the existing dock is not practical.

Enhanced Spill Response. The design of the marina provides immediate containment of any fuel spilled on the marina surface itself. In addition, the plan calls for staging spill containment boom in a shed on the marina. This boom can be easily deployed to contain spills to the water surrounding the marina itself and the adjacent piling dock. The pontoon design means that, in combination with deployed boom, the marina itself is part of a containment system that allows for rapid control of a fuel spill.

<u>Enhanced Fire Suppression Capability.</u> At the request of the Fire Chief, the water supply line to the north plant marina (constructed in 2012) is equipped with fittings for the connection of fire hoses. It was the Chief's opinion that this would significantly improve the Fire Departments ability to fight a fire there. This design could also be incorporated into the proposed marina.

Historical Use (continued)

The Lincoln St. fuel facility has been an important location for re-fueling both local and out of town vessels for well over 100 years. In the 30's, 40's and 50's, the tidelands in question were home to a piling dock owned by Standard Oil Company (picture attached). Since that time, most of the vessels that have come in to fuel up at either of the docks at the Lincoln St. facility have transited and/or moored in the area above these tidelands (pictures attached).



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Notice of Public Hearings

The Assembly of the City and Borough of Sitka will hold a public hearing during a regular meeting scheduled Tuesday, June 14, 2016 on the following item:

A. <u>Public hearing and consideration of a tideland lease request filed by Petro</u>

Marine Services for tidelands adjacent to 1 Lincoln Street.

The Assembly may take action on June 14, 2016. The Assembly meeting will begin at 6:00 pm at University of Alaska Southeast, 1332 Seward Avenue, Room 229 in Sitka.

Interested residents are encouraged to make comments during the meeting and written comments can be submitted to the Municipal Clerk at 100 Lincoln Street.

Parcel ID: 10001000 STATE OF ALASKA PIONEER HOME ALASKA STATE OF P.O. BOX 110208 JUNEAU AK 99811

Parcel 1D: 10015002
CITY & BOROUGH OF SITKA
C/B OF SITKA
100 LINCOLN ST
SITKA AK 99835

Parcel ID: 10017000 STATE OF ALASKA CASTLE HILL STATE OF ALASKA 6860 GLACIER HWY JUNEAU AK 99801

Parcel ID: 10033000 BLANCA HERNANDEZ HERNANDEZ, BLANCA 2435 MARIAN BAY CIRCLE ANCHORAGE AK 99515

Parcel ID: 16015000
ROBERT/KAREN PARKER
PARKER, ROBERT & KAREN
204 KATLIAN AVE
SITKA AK 99835

Parcel ID: 16656000
ALASKA, STATE OF
TOTEM SOLIARE LAWN
ALASKA, STATE OF
TOTEM SQ LAWN
SITKA AK 99835

:a

Parcel ID: 10010000
HARBOR ENTERPRISES, INC.
PETRO MARINE SERVICES
HARBOR ENTERPRISES, INC.
P.O. BOX 389
SEWARD AK 99664-0389

Parcel ID: 10015004
CITY & BOROUGH OF SITKA
C/B OF SITKA
100 LINCOLN ST
SHTKA AK 99835

Parcel ID: 10017001
CITY & BOROUGH OF SITKA
CASTLE HILL BELOW MARB DR
CB OF SITKA
100 LINCOLN ST
SITKA AK 99835

Parcel ID: 15997000
SITKA TRIBE OF ALASKA
SHEETKA KWAAN NAA KAHINI
SITKA TRIBE OF ALASKA
456 KATLIAN ST.
SITKA AK 99835

Parcel ID: 16655000 SCOJO, LLC TOTEM SQUARE SCOJO, LLC 2819 DAWSON ST ANCHORAGE AK 99503

Parcel ID: 16657000 U.S. FOREST SERVICE FOREST SERVICE DOCK U.S. FOREST SERVICE 204 SIGINAKA WAY SITKA AK 99835 Parcel ID: 10015001
RAVEN RADIO FOUNDATION, INC.
RAVEN RADIO FOUNDATION, INC.
2B LINCOLN ST.
SITKA AK 99835

Parcel ID: 10016000
CITY & BOROUGH OF SITKA
CITY HALL
CB OF SITKA
100 LINCOLN ST
SITKA AK 99835

Parcel ID: 10020000
CASTLE HILL, LLC
CASTLE HILL, LLC
117 GRANITE CREEK RD, STE 201
SITKA AK 99835

Parcel ID: 16000000 JAMES MCGOWAN MCGOWAN, JAMES, W. 202 KATLIAN, #A SITKA AK 99835

Parcel ID: 16655001
C/B OF SITKA
BETWEEN TOTEM.SQ &KAT AVE
C/B-OF SITKA
T00 LINCOLN ST
SITKA AK 99835

State of Alaska PO Box 110690 Juneau, AK 99811 Parcel ID: 10010000
HARBOR ENTERPRISES, INC.
PETRO MARINE SERVICES
HARBOR ENTERPRISES, INC.
P.O. BOX 389
SEWARD AK 99664-0389

Parcel ID: 10015004
CITY & BOROUGH OF SITKA
C/B OF SITKA
100 LINCOLN ST
SITKA AK 99835

Parcel ID: 10017001
CITY & BOROUGH OF SITKA
CASTLE HILL(BELOW)HARB DR
C/B OPSTKA
HOU LINCOLN ST
SITKA AK 99835

Parcel ID: 16656000
ALASKA, STATE OF
TOTEM SQUARE LAWN
ALASKA, STATE OF
FOTEM SQ LAWN
SITKA AK 99835

Parcel ID: 10015001
RAVEN RADIO FOUNDATION, INC.
RAVEN RADIO FOUNDATION, INC.
2B LINCOLN ST.
SITKA AK 99835

Parcel ID: 10016000
CITY & BOROUGH OF SITKA
CITY HALL
C/B OF SPTKA
100-LINCOLN ST
SITKA AK 99835

Parcel ID: 10020000 CASTLE HILL, LLC CASTLE HILL, LLC 117 GRANITE CREEK RD, STE 201 SITKA AK 99835

> Parcel ID: 16657000 U.S. FOREST SERVICE FOREST SERVICE DOCK U.S. FOREST SERVICE 204 SIGINAKA WAY SITKA AK 99835

Parcel ID: 10015002
CITY & BOROUGH OF SITKA
C/B OF SITKA
100 LINCOLN ST
SITKA AK 99835

Parcel ID: 10017000 STATE OF ALASKA CASTLE HILL STATE OF ALASKA 6860 GLACIER HWY JUNEAU AK 99801

Parcel ID: 16655000 SCOJO, LLC TOTEM SQUARE SCOJO, LLC 2819 DAWSON ST ANCHORAGE AK 99503

Petro Marine Services
Tideland Lease Request
Adjacent to 1 Lincoln Street

P&Z Mailing May 6, 2016