

Motion: M/S Howard/Goeden move to approve and recommend the GPIP Zoning Code with the changes the board discussed with Mrs. Ainslie today.

Action: Passed (4/0) on a voice vote.

Mrs. Ainslie shared this will be on the agenda for the March 4th planning commission meeting in anticipation of sharing with the Assembly mid-March and having in place mid-April.

I. New Business-

1. Silver Bay Seafoods Lot 9c Lease

Mr. White shared Silver Bay Seafoods (SBS), a local seafood processing company, requests a short-term lease of 10,000 SF of lot 9c to located six camper trailers to house temporary employees for the summer. He continued, the lease will be from May 1st – the end of September. Lot 9c is a 34,636 SF parcel of property located adjacent to lot 12a in the center of the park. SBS is looking to house 6 camper trailers and would need - 10,000 SF of property. Proposed rent for this summer is \$547.20/month.

Motion: M/S Howard/Goeden move to approve leasing 10,000 sq ft. of Lot 9C to Silver Bay Seafoods on a month-to-month lease from May 1st through September 30th at \$547.20/month

Action: Passed (3/0) on a roll vote. Casey Campbell recused from vote.

2. NSRAA Lot 2 & 3 Lease Extension and Combination

Mr. White shared The Northern Southeast Regional Aquaculture Association (NSRAA) is requesting to extend its current leases for Lot 2 and Lot 3 at the Gary Paxton Industrial Park (GPIP) and combine both leases into a new lease for a newly created Lot 1 at the GPIP.

He explained, NSRAA currently has lease agreements with the CBS for both Lots 2 & 3. Both leases with the CBS are set to expire in May 2026. The Lot 2 lease allows NSRAA the option for (4) successive terms of (10) ten years. The Lot 3 lease allows for the option for (3) successive terms of (10) ten years. NSRAA met with the GPIP Board in June 2022, to request to combined Lot 2 and Lot 3 at the GPIP into one continuous lot and have the related leases amended to reflect the new lot. The GPIP Board approved the following motion: Mitchell/Ystad moved for the approval of NSRAA combining Lot 2 & 3 and the amendment of the lease.

Action: motion: Alderson/Mudry moved to approve the final plat for a lot merger of the properties at 4680 and 4690 Sawmill Creek Road in the GP Gary Paxton special zone. The properties were also known as Lots 2 & 3, Block 4, Sawmill Cove Industrial Park Re Subdivision No. 1. The request was filed by NSRAA. The owner of record was City and Borough of Sitka.

He continued, Lot 1 (former Lots 2 & 3 combined) is located on the far northern portion of the GPIIP, adjacent to the newly constructed GPIIP Haul Out and Shipyard. The lot is 77,330 SF and houses two NSRAA fish hatcheries. NSRAA will continue to operate fish hatcheries at the site. The 2026 assessed value of Lot 1 is \$464,000. $\$464,000 @ 9\% = \$41,760$ per year or \$3,480/month. In the past NSRAA has demonstrated they provide a lot of revenue to the common property fishery.

NSRAA commented the existing lease was \$100 per month when initially signed, then \$200 per month, then the board divided market rate in half to secure a more appropriate lease compensation, most recently paying over \$600 per month. NSRAA commented \$3,480 is a huge jump. NSRAA is asking for \$800/month flat rate with no annual CPI adjustments. Mr. Olson explained they are a non-profit, any additional cost bared is more fish taken out of the water, then not available to the public. Statutes are to provide 70% of fish after brood stock to the common property, that's the goal. He explained they struggle with that due to market fluctuations, so a higher lease would even further hinder that goal.

The board understood the struggle. In theory, the more fish common property harvest, the city will recoup raw fish tax, in turn being city dollars the board discussed.

Mr. Serka who is paying 9% return on asset value on his own lease, shared during public comment that NSRAA helps this town run and he spoke for the fleet that this was an important cause to back. If we want boats to haul out of the water, we need boats to be making money off fish, Mrs. Howard shared. The board felt these were strong arguments towards the \$800 flat rate.

Motion: M/S Howard/Campbell move to approve lease of Lot 1 for 10 years with option for 4 renewals at a flat rate of \$800/month.

Action: Passed (4/0) on a roll call vote.

3. GPIIP Officers

Motion: M/S Goeden/Johnson move to keep Scott Wagner as chair.

Action: Passed (4/0) on a voice vote.

Motion: M/S Goeden/Campbell move to keep Mike Johnson as vice chair.

Action: Passed (3/0) on a voice vote, Mike abstained from vote.

J. Adjournment

Motion: M/S Johnson/Howard move to adjourn the meeting at 4:28 pm.

Action: Passed (4/0) on a voice vote.