



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members

**Thru:** John Leach, Municipal Administrator *JL*

**From:** Amy Ainslie, Planning Director *AA*

**Date:** July 8, 2020

**Subject:** Next Steps on NNM Master Plan – 4951 Halibut Point Road

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### Background

The No Name Mountain/Granite Creek Master Plan included analysis and recommendations for use of the 17 acre waterfront parcel located at 4951 Halibut Point Road. For purposes of easier referencing, the Master Plan referred to this area as “Harbor Point” (though this is not intended to replace or usurp any other more formal naming process that may be initiated in the future).

Interest in this parcel arose in late 2019, as it was the subject of a proposed land swap in relation to construction of a boat haul-out that did not take place. Staff provided a Special Report in February 2020. There is continued interest from developers to have this land opened for development.

Per the Master Plan recommendations, the consultants felt the best uses for this land would either be recreational tourism (which the plan defines as “revenue generating outdoor and recreational activities oriented to cruise ship and other visitors”) or residential development.

### Analysis

In the survey results regarding the use of this land, 45.8% of respondents favored recreational tourism, 28.9% preferred high-end residential development, and the remaining 25.3% had suggestions ranging from dock development, mixed recreational opportunities for locals and visitors alike, and outright conservation of the area with no development.

In short, the use/development opportunities in this area are broad, and an RFI would be a good way to test market interest in the land. Given the unique and valuable attributes

of this land, Staff highly recommends lease of the land for commercial or industrial development to allow development flexibility in the future. Sale of the land would be necessary for residential development.

The parcel is currently zoned as R-1 (single family and duplex residential district). If commercial or industrial options are preferred, a zoning change will be necessary.

### **Fiscal Note**

There is a Patent restriction on this land in the form of a perpetual 100' public access easement along the shoreline of Sitka Sound (50' shoreward and 50' seaward of mean high water), and a 50' public access easement connecting from the right-of-way (Halibut Point Road) to the shoreline. These easements need to be platted, and the sent to the State of Alaska as notification that CBS has complied with the Patent restriction prior to the development or disposal of the land. Further, if the land is to be sold (rather than just leased), it will need to be subdivided from the rest of Lot 1, USS 3670. The estimated cost is approximately \$10,000 - \$15,000; per established CBS sales process, CBS generally requests that the lessor/purchaser reimburse all surveying costs.

In the future, we will also likely need to commission an appraisal of the land based on the development option (i.e. recreational tourism, general commercial, waterfront industrial, residential, etc.) that is selected. The estimated cost of the appraisal is \$10,000 - \$18,000. Per established CBS sales process, CBS generally requests that the lessor/purchaser reimburse ½ of appraisal costs.

### **Recommendation**

Staff recommends approval to issue an RFI for the land.

Possible motion:

"I MOVE TO approve a Request for Information for the development of 4951 Halibut Point Road".