CITY AND BOROUGH OF SITKA

Meeting Agenda

Planning Commission

Chris Spivey, Chair
Darrell Windsor, Vice Chair
Randy Hughey
Richard Parmelee
Taylor Colvin

Tuesday, July 18, 2017 | **7:00 PM** | **Harrigan Centennial Hall**

I. CALL TO ORDER AND ROLL CALL

II. CONSIDERATION OF THE AGENDA

III. CONSIDERATION OF THE MINUTES

A PM-27 Approval of the June 20, 2017 meeting minutes.

Attachments: 6.20.17 draft

IV. PERSONS TO BE HEARD

(Public participation on any item off the agenda. All public testimony is not to exceed 3 minutes for any individual, unless the Chair imposes other time constraints at the beginning of the agenda item.)

V. PLANNING DIRECTOR'S REPORT

B MISC 17-21 Director's Report - July 18

Attachments: June Trends Newsletter

VI. REPORTS

C 16-00 Planning Regulations and Procedures.

Attachments: Planning Regulations and Procedures 4.4.17

VII. THE EVENING BUSINESS

D LM 17-03 Public hearing and consideration of a tideland lease renewal request for 5309 Halibut Point Road. The property is also known as ATS 1571. The request is filed by Samson Tug and Barge. The owner of record is the City and Borough of Sitka.

Attachments: Samson 7.18.17

E MISC 17-16 Discussion and direction regarding amendments to public notice requirements and Sitka General Code 22.30.

Attachments: Public notice 7.18.17

F MISC 17-12 Discussion and direction regarding development standards, setbacks, and required yards in Sitka General Code Title 22.

Attachments: Development Standards, Setbacks, Required Yards 7.18.17

Development Standards in SGC

G MISC 17-22 Discussion and direction regarding short-term rental and bed and breakfast annual reporting.

Attachments: STR B&B Reporting 7.18.17

VIII. EXECUTIVE SESSION

H MISC 17-20 Legal matter - McGraw, Diaz, Friske lawsuits

Attachments: Exec Session lawsuit Planning Commission v2

IX. ADJOURNMENT

NOTE: More information on these agenda items can be found at https://sitka.legistar.com/Calendar.aspx or by contacting the Planning Office at 100 Lincoln Street. Individuals having concerns or comments on any item are encouraged to provide written comments to the Planning Office or make comments at the Planning Commission meeting. Written comments may be dropped off at the Planning Office in City Hall, emailed to planning@cityofsitka.org, or faxed to (907) 747-6138. Those with questions may call (907) 747-1814.

Publish: July 10 and 12

CITY AND BOROUGH OF SITKA

Legislation Details

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Sponsors:					
Indexes:					
Code sections:					
Attachments:	6.20.17 draft				

Date	Ver.	Action By	Action	Result

CITY AND BOROUGH OF SITKA

Minutes - Draft

Planning Commission

Tuesday, June 20, 2017 | **7:00 PM** | **Harrigan Centennial Hall**

I. CALL TO ORDER AND ROLL CALL

Chair Spivey called the meeting to order at 7:01 PM.

Present: Spivey, Windsor, Hughey, Knox - Assembly Liaison
Absent: Parmelee (excused)

II. CONSIDERATION OF THE AGENDA

III. CONSIDERATION OF THE MINUTES

A PM-26 Approval of the May 16, 2017 meeting minutes.

Hughey/Windsor moved to APPROVE the May 16, 2017 meeting minutes.

Motion PASSED 3-0.

IV. PERSONS TO BE HEARD

No persons to be heard.

V. PLANNING DIRECTOR'S REPORT

B MISC 17-17 Director's Report for June 20, 2017.

Scarcelli gave a summary of the articles attached to the packet, addressing such topics as food security, parking, and historic preservation. Scarcelli stated that the Critical Areas Ordinance, Trani's vacation request, and the harbor zoning map amendment all will be moving forward to the Assembly for approval on second reading.

VI. REPORTS

C MISC 17-19 Report on marijuana businesses.

Scarcelli gave an overview of a complaint letter received regarding

operations at 1321 Sawmill Creek Road. Concerns included odor impacts, neighborhood harmony, and hours of operation. Odor impacts were from Northern Lights related to a power surge, and the operators have taken steps to mitigate negative impacts.

Windsor stated that he visited a cultivation operation in Juneau with no noticeable odors. Scarcelli stated that he will do more research on odor mitigation. Hughey thanked Scarcelli for the report.

D CUP 16-10 Annual report for a conditional use permit for a short-term rental at 3001 Mikele Street granted to Kristy and Levi Hunt. No action required.

E CUP 16-13 Annual report for a conditional use permit for marijuana cultivation at 3872 Halibut Point Road granted to Jeremy Erickson. No action required.

F 16-00 Planning Regulations and Procedures.

VII. THE EVENING BUSINESS

G CUP 16-06 Six-month review of a conditional use permit request granted for a specialized instruction school at 213 Harbor Drive. The property is also known as Lot 2 of Wilmac Resubdivision. The request is filed by Terry Bartolaba. The owners of record are Gene and Terry Bartolaba.

Pierson gave an overview of the history of the conditional use permit. The permit was granted in April 2016, and a six-month review was held in September 2016 to assess progress toward occupancy requirements. Work was still ongoing so the Planning Commission requested another six-month review. While some work is still ongoing, the Building Official has approved the use of the second story so long as the first story remains unoccupied until work is complete. Staff recommend approval with the condition that the first story remains unoccupied until authorized by the Building Official.

Terry and Gene Bartolaba came forward. Gene stated that a 2 hour fire separation is required between the floors in order to use the first floor, and stated that his contractor is currently working on the project. Gene stated that he has been working with the Building Official and hopes to be finished by August.

Hughey/Windsor moved to APPROVE the 6-month review for the conditional use permit granted to Terry Bartolaba for a specialized instruction school at 213 Harbor Drive with the condition that the first floor is not occupied until approved by the Building Official. The property is also known as Lot 2 Wilmac Resubdivision. The owners of record are Gene and Terry Bartolaba.

Motion PASSED 3-0.

H VAR 17-11 Public hearing and consideration of a variance request for the reduction in required lot size for a four-plex from 10,000 square feet to 9791 square

feet at 720 Indian River Road. The property is also known as Lot 8A Indian River Land Subdivision. The request is filed by Timothy Bernard. The owner of record is Timothy Bernard.

Pierson gave an overview of the request for reduction of lot size required for a fourplex. The lot is large enough to construct a single-family dwelling, a duplex, or a triplex. The reduction would be 2% of the required size. The proposed structure meets setback, lot coverage, and parking requirements. The property is zoned for multi-family use. Scarcelli stated that the findings given in the 2011 decision for 728 Indian River Road are not found in code. Scarcelli stated that if the commission believes that 10,000 square feet is too stringent of a requirement, the appropriate path would be to change development standards.

Hughey asked if fourplexes and triplexes exist in the neighborhood, and Scarcelli stated not to his knowledge.

Tim Bernard stated that the second story would be one unit, with a two bedroom unit and two studios on the first floor. Bernard stated that he would like to house his aging father in a studio. Bernard stated that if he can only build a triplex, the first floor will be two two-bedroom apartments, resulting in the same number of bedrooms.

Spivey stated that he doesn't like variances, but long-term planning discussions have included the need for additional affordable housing. Hughey shared the same concerns, and stated that even a triplex would be a step up in density for the neighborhood. Spivey stated that although neighbors have raised concerns, a triplex could be built without coming to the Planning Commission. Spivey stated that if the comprehensive plan process results in the reduction of development standards, the applicant could convert the triplex into a fourplex. Hughey stated that two two-bedrooms on the first floor could result in more people on the property than his proposed layout. Windsor asked Bernard about his intention for the lot, and he stated that he was originally going to build a single-family home with his ex-wife. Bernard stated that he plans to live in the upstairs unit. Spivey stated that having the homeowner upstairs could mitigate concerns for impacts. Hughey stated that approving or denying doesn't make a clear change to the neighborhood, so he is in favor of leaning toward the applicant's private property rights.

Hughey/Windsor move to APPROVE findings the required findings for major structures or expansions as discussed in the staff report.

1. Required Findings for Variances Involving Major Structures or Expansions. Before any variance is granted, it shall be shown:
a) That there are special circumstances to the intended use that do not apply generally to the other properties, here, that the lot is zoned for multifamily housing but lacks the square footage for a four-plex according to development

standards;
b) The variance is necessary for the preservation and enjoyment of a substantial property right of use possessed by other properties but are denied to this parcel, here, the development of multifamily housing;
c) That the granting of such a variance will not be materially detrimental to the public welfare or injurious to the property, nearby parcels, or public infrastructure, specifically, that the structure could be built within setback and lot coverage requirements; and
d) That the granting of such will not adversely affect the Comprehensive Plan: specifically, the variance is in line with Comprehensive Plan Section 2.4.1 which states, "To guide the orderly and efficient use of private and public land in a manner which maintains a small-town atmosphere, encourages a rural lifestyle, recognizes the natural environment, and enhances the quality of life for present and future generations," by allowing for the development of additional housing units.

Motion PASSED 3-0.

Windsor/Hughey moved to APPROVE the variance request for the reduction in required lot size for a four plex from 10,000 square feet to 9791 square feet at 720 Indian River Road. The property is also known as Lot 8A Indian River Land Subdivision. The request is filed by Timothy Bernard. The owner of record is Timothy Bernard.

Motion PASSED 3-0.

I CUP 16-21 Public hearing and consideration of a conditional use permit for a short term rental located on a boat in Crescent Harbor 1-24, 500 Lincoln Street, in the P Public zone. The property is also known as a portion of ATS 15. The application is filed by Bruce and Ann-Marie Parker. The owner of record is the City and Borough of Sitka.

Scarcelli gave an overview of the procedure for short-term rentals on boats agreed upon by Planning Commission and Port and Harbors Commission at a joint meeting. Scarcelli reviewed the request for short-term rental on a boat at Crescent Harbor 1-24. Port and Harbors Commission recommended approval with conditions of limiting occupancy to 8 renters and not requiring inspection by the Building Department. Scarcelli reviewed the 5 star safety designation. Scarcelli stated that the harbormaster is limiting short-term rentals to two boats per harbor. Staff recommend approval with the conditions recommended by Port and Harbors Commission.

Ann-Marie Parker stated that parking has been brought up, and stated that the police department informed her of the option to rent a parking space through the tour permit process. Parker stated that they would be willing to do so if necessary but they don't believe parking will be a problem. Windsor asked about insurance, and Parker stated that they will have the required insurance. Scarcelli stated that US Coast Guard requirements are out of the Planning Commission's jurisdiction.

Paul Blankenship stated that he has a boat two stalls down from the request, and stated that he's uncomfortable with the proposed rental. Blankenship stated that it is a noisy working harbor and doesn't want to get complaints. Blankenship stated that his boat is tied to his livelihood and is concerned for fire risk. Blankenship stated that rental guests might not be boat savvy and parking is a concern.

Windsor stated that the applicant has gone through all the hoops. Hughey stated acknowledgment of Blankenship's concerns, and stated that the conditional use allows for review as deemed necessary. Scarcelli pointed to condition of approval 8 which provides for review by Planning Commission and/or Port and Harbors Commission upon receipt of meritorious complaint. Spivey stated that he has concern as a boat owner. Knox stated that crime went down at Crescent Harbor when liveaboards became permitted. Windsor stated that there were covenants tied to Crescent Harbor that disallowed liveaboards. Scarcelli pointed to condition of approval 14 which states that a 6 month review will be conducted.

Windsor/Hughey moved to APPROVE findings that the conditional use as conditioned would not be detrimental to the public's health, safety, or welfare; that the conditions of approval have satisfactorily mitigated any potential harm or impact to the surrounding land uses and properties through the conditions of approval, by meeting all applicable SGC regulations, and by being in support of the Comprehensive Plan regarding transient housing supply.

Motion PASSED 3-0.

Windsor/Hughey moved to APPROVE the conditional use permit for a short term rental located on a boat in Crescent Harbor 1 24, 500 Lincoln Street, in the P Public zone. The property is also known as a portion of ATS 15. The application is filed by Bruce and Ann Marie Parker. The owner of record is the City and Borough of Sitka.

Conditions of Approval:

1. Notification of renter on board vessel to Port and Harbor Department
2. Must pay live aboard harbor fees
3. $100 Port and Harbors Annual short term rental fee
4. The facility shall be operated in compliance with harbor regulations concerning sewage disposal and all other matters.
5. The facility shall be operated consistent with the application and plans that were submitted with the request.
6. The facility shall be operated in accordance with the narrative that was submitted with the application.
7. The applicant shall submit an annual report every year to the Planning Commission and the Port and Harbors Commission, 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.
8. The Planning Commission and/or the Port and Harbors Commission, at their discretion and upon receipt of a meritorious complaint, may schedule a public

hearing at any time for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.
9. 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.
10. The property owner shall register for a sales account prior to the Conditional Use Permit becoming valid.
11. The property owner shall provide orientation information to all renters, which shall cover boat and water safety, ingress and egress, and proper waste disposal.
12. The boat must be approved by the CBS Harbor Department as a live aboard, and appropriate live aboard fees must be paid.
13. Shall comply with all applicable United States Coast Guard regulations regarding pleasure craft.
14. Permit to be reviewed by the Planning Commission after 6 months to address any impacts, concerns, and to allow Port and Harbors Commission the opportunity to review and comment on the permit.
15. Occupancy shall be limited to a maximum of 8 guests.
16. Failure to comply with any of the above conditions may result in revocation of the conditional use permit.

Motion PASSED 3-0.

J P 17- 03 Public hearing and consideration of a replat request for 210 Lake Street and 404 Oja Way. The properties are also known as Portion Lot 1, 2, 3, and C82 Block 10 US Survey 1474, Tract A. The request is filed by Western Steel, Inc. The owner of record is Sitka Residences, LLC.

Scarcelli reviewed the replat request. Some concern has been raised for parking. As the building was built close to the property line, the owners decided to replat the three lots at 210 Lincoln Street with the lot at 404 Oja Way and to use the extra space for parking. Scarcelli showed a photo of a boundary fence, and stated that the neighbor is concerned for impacts to his fence. Scarcelli stated that the project foreman agreed to erect a new fence and is willing to work with the neighbors. Scarcelli reminded commissioners that the properties are zoned Central Business District, which is not intended for single family residences. Staff recommend approval.

Project foreman Aaron Murray came forward and stated that he is willing to work with the neighbors but does not want an annual expense for upkeep. Scarcelli stated that the zone allows fences for up to 20 feet in commercial zones.

Roy and Rhonda Anderson introduced themselves as the neighbors and stated support for development. Anderson stated concern for light shining into the house and noises of late arriving guests. Anderson stated that he would want the fence to be upkept and to be a condition of approval. Anderson stated that the foreman may be gone six months from now. Windsor asked about proper procedure regarding conditions of approval. Scarcelli stated concern about the legality of requiring a condition of

approval on the replat. Hughey stated that he didn't think Aspen would take the city to court to get out of building a fence. Windsor suggested that the neighbors shake hands and make an agreement. Spivey stated that the commission cannot require the applicant to put up a fence, but they can strongly recommend that the fence is constructed.

Hughey/Windsor moved to APPROVE findings that the proposed replat complies with the Comprehensive Plan and Sitka General Code Titles 21 and 22 by facilitating the creation of on-site parking for a hotel; and that the replat would not be injurious to public health, safety, and welfare.

Motion PASSED 3-0.

Hughey/Windsor moved to APPROVE the replat request for 210 Lake Street and 404 Oja Way. The properties are also known as Portion Lot 1, 2, 3, and C82 Block 10 US Survey 1474, Tract A, with the strong recommendation that the neighbors work together to resolve the fence issue. The request is filed by Western Steel, Inc. The owner of record is Sitka Residences, LLC.

Motion PASSED 3-0.

K MISC 17-16 Discussion and direction regarding amendments to public notice requirements and Sitka General Code 22.30.

Scarcelli stated that he would like to make mailing distances more uniform, which will require a thorough code review. This proposal will come back to the commission as it continues to develop. Scarcelli spoke about alternative methods of notice that are not currently included in code, such as on-site postings. Multi-modal notice hits different demographics. The proposal adds provision for emergency meetings. Scarcelli requested a motion to direct staff to continue developing this code amendment.

Hughey stated appreciation for the inclusion of multi-modal notice. Windsor stated that he would like to get notification to renters. Spivey stated that the proposal is good and has been needed.

Hughey/Windsor moved to direct staff to continue to work on revising public notice code.

Motion PASSED 3-0.

L MISC 17-18 Discussion and direction regarding zoning interpretation.

Scarcelli stated that municipal responsibilities are delegated by the administrator, and the Planning Department's functions come from several code titles. There is some overlap in individual titles and collaboration among departments. For example, the Planning Department and Police Department are both involved with regulating food carts. Scarcelli stated that the Building Official is charged with overseeing mobile home park functions. Scarcelli stated that in other places he has worked, the Building Department is under Planning. In Sitka, Building is under Public Works.

Planning and Building staff refer applicants to each other as warranted.

Windsor stated that the Building Official told him that he couldn't put a storage container in his mobile home park. Scarcelli stated that there are places in code that could use consolidation. Spivey asked why mobile home parks aren't under Planning's jurisdiction. Scarcelli stated that some states have determined that cities cannot discriminate between manufactured homes and stick built homes, although Alaska hasn't made such a decision. Scarcelli stated that distinguishing between manufactured, mobile, and stick built homes is best determined by Building staff. Scarcelli stated that he is not able to make that change. Scarcelli stated that the Planning Commission can make a recommendation to the Assembly, per the Charter. Scarcelli stated that we can turn a blind eye or accept reality and try to make it the best that we can. Hughey stated that the placement of mobile homes is more of a zoning question. Scarcelli stated that staff will report back.

BREAK 8:40-8:49

VIII. EXECUTIVE SESSION

M MISC 17-20 Legal matter - McGraw, Diaz, Friske lawsuits

IX. ADJOURNMENT

Chair Spivey adjourned the meeting at 8:50 PM.

ATTEST: _____
Samantha Pierson, Planner I

CITY AND BOROUGH OF SITKA

Legislation Details

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Sponsors:					
Indexes:					
Code sections:					
Attachments:	June Trends Newsletter				

Date	Ver.	Action By	Action	Result

SITKA ECONOMIC DEVELOPMENT ASSOCIATION

June 2017

2017 VISITOR'S TO DATE

- 74 cruise ships have visited Sitka, with just under 70,000 visitors onboard.
- 1st Quarter sales tax collected is up slightly from 2016.
- Visitors love Sitka, we have a walkable downtown & friendly locals.

SUMMER IN SITKA

Sitka is in full summer swing, we have seen already seen 74 cruise ships visit us, with just shy of 70,000 visitors. Keep in mind this does not include the independent travelers that visit Sitka via plane or ferry. One thing is consistent, no matter how visitors get to Sitka, people love it here! If you get the pleasure to talk with those visiting, you will find that many are already planning their next trip to Sitka. Kudos to all of you that stop to talk, give directions and even wait a little longer to drive down the street while they snap a photo. Sitka's kind spirit does not go unnoticed by our visitors, we truly are a jewel in Southeast Alaska.

"Sitka is a fantastic place to visit to get a real feel for Alaskan life the wildlife to the traditional village and totem pole art….fantastic!"

Trip Advisor visitor June 27, 2017

Even Sitka's damp weather can't stop our visitors from enjoying our town.

KEEP IN TOUCH

We will keep this Trends newsletter brief as we all are busy with visitors of our own and the much improved king fishing! However, we would like to take a moment to invite you to stay in touch with SEDA and keep us in mind when you are exploring economic development ideas in our town. We are happy to assist anyway we are able to diversify Sitka's ecomony and keep our town the kind of place people want to move to.

We wish you all a safe & Happy 4th of July!

Sitka Trends
Economic Newsletter

June 2017

The data below are the most recent available from the various sources.

EMPLOYMENT *(not seasonally adjusted)* – Annual Average	**2017**	**2016**	**2015**
Total Labor Force – Sitka (Source: Alaska Dept. of Labor)	4,658	4,294	4,260
Number Filing for Unemployment – Sitka (Source: Alaska DOL)	181	198	194
Unemployment Rate – Sitka (Source: Alaska Dept. of Labor)	4.1%	4.3%	4.6%
Unemployment Rate – Alaska (Source: Alaska Dept. of Labor)	7.0%	6.8%	6.6%
Unemployment Rate – National (Source: US Bureau of Labor Statistics)	4.1%	4.7%	5.1%
Job Openings	**June, 2017**	**June, 2016**	**June, 2015**
Job orders at Sitka Job Center (includes SEARHC)	121	84	78
SEARHC job openings in Sitka	36	28	32
City Revenues – most recent calendar quarter (Source: CBS Finance Dept.)	**1st Qtr. 2017**	**1st Qtr. 2016**	**1st Qtr. 2015**
Sales Tax Collected – Total Remitters	$1,473,309	$1,442,163	$1,715,489
Bed Tax Collected – Total Remitters	$20,069	$37,207	$35,341
City Revenues – Fiscal Year (July 1st- June 30th)	***FY2017****	**FY2016**	**FY2015**
Sales Tax Collected – Total Remitters	*$10,854,994*	$10,187,353	$9,449,766
Bed Tax Collected – Total Remitters	*$433,905*	$454,368	$422,570
Property Tax Collected – Total Remitters	*$6,578,899*	$6,484,038	$6,468,122
Raw Fish Tax – Received into Harbor Fund	*1,000,000*	$879,793	$1,009,032
**Budgetary numbers*			
Per Capita Personal Income (Source: US Bureau Econ. Analysis) Includes all forms of income: rent, retirement, employment, etc.	**2015**	**2014**	**2013**
Sitka	$64,122	$61,202	$62,487
Juneau	$62,694	$61,600	$58,869
Ketchikan	$63,235	$60,957	$58,086

Alaska	$56,147	$54,582	$51,416
Average Per Capita Personal Income (Source: US BEA)	**2015**	**2014**	**2013**
Sitka	$64,122	$64,202	$62,487
Ketchikan	$62,694	$61,600	$58,869
Juneau	$63,235	$60,957	$58,086
Alaska	$56,147	$54,582	$51,416
COST OF LIVING INDICATORS			
Transportation – Regular Gasoline per gallon	**June 26, 2017**	**June 26, 2016**	**% Change**
Sitka (Source: average pump price 3 vendors)	$3.36	$2.99	+12.37%
Juneau (Source: AAA)	$3.32	$2.78	+19.42%
Anchorage (Source: AAA)	$2.67	$2.50	+6.80%
Alaska Average (Source: AAA)	$2.84	$2.67	+6.36%
National Average (Source: AAA)	$2.26	$2.30	-1.73%
Housing - HUD Fair Market Rent – Sitka (Source: U.S. HUD)	**2017**	**2016**	**% Change**
Efficiency	$895	$823	8.74%
One-Bedroom	$989	$899	10.01%
Two-Bedroom	$1278	$1,203	6.23%
Three-Bedroom	$1774	$1,656	7.12%
Housing - HUD Fair Market Rent – Ketchikan (Source: HUD)	**2017**	**2016**	**% Change**
Efficiency	$836	$736	+13.58%
One-Bedroom	$1006	$949	+6.00%
Two-Bedroom	$1317	$1,193	+10.39%
Three-Bedroom	$1722	$1,657	+3.92%
Housing – Construction and Sales	**1st Qtr 2017**	**1st Qtr 2016**	**1st Qtr 2015**
Value of Construction Permits Issued (Source: CBS Building Department)	$2,824,446	$3,868,692	$2,880,123
Dwelling Units Added *(*Source: CBS Building Department)	9	4	4
Total Homes Sold – all types combined (Source: CBS Assessing Dept.)	20	23	22
Vacant Lots Sold – residential (Source: CBS Assessing Dept.)	6	8	10
	2017 Year to Date	**1st Qtr 2016**	**1st Qtr 2015**
Homes Sold – single family *(*Source: Baranof Realty LLC)	13	N/A	8
Average Sale Price - single family home *(based on total sold)*	$413,692	N/A	$399,738
Sales Volume – single family homes	$5,378,000	N/A	$3,197,900

Home Sales - Most Recent Month	May 2017	May 2016	May 2015*
Homes Sold - single family (Source: Baranof Realty LLC)	1	N/A	3
Average Sale Price - single family homes (Source: Baranof Realty LLC)	$650,000	N/A	$636,676
Sales Volume - single family homes (Source: Baranof Realty LLC)	$650,000	N/A	$1,880,030
Homes Listed - single family homes (Source: Baranof Realty LLC)	30	N/A	52
Average List Price - single family homes (Source: Baranof Realty LLC)	$706,830	N/A	$459,583
Median List Price - single family homes (Source: Baranof Realty LLC)	$524,500	N/A	$409,000
Volume Listed (Source: Baranof Realty LLC)	$21,204,900	N/A	$23,898,300
*Past years housing data provided by Davis Realty			
POPULATION	**2016**	**2015**	***2010 Census**
City & Borough of Sitka (Source: *US Census Bureau, AK Dept. of Labor)	8,920	8,920	8,881
Southeast Alaska (Source: *US Census Bureau, AK Dept. of Labor)	73,812	74,306	71,664
State of Alaska (Source: *US Census Bureau, AK Dept. of Labor)	739,828	737,183	710,231
PUBLIC SCHOOL ENROLLMENT – Sitka School District	**2016/17 year**	**2015/16 year**	**2014/15 year**
Total student enrollment KG-12 (Source: Sitka School District)	1,276	1,315	1,314

SEDA's Mission is to:
Foster a business climate that is receptive and conducive to existing andn new business;
Promote the creation of family wage jobs; and Enhance the quality of life for Sitkans.

Sitka Economic Development Association
329 Harbor Drive, Suite 212, Sitka, AK 99835 *** Phone: 907-747-2660 *** Web: www.sitka.net

Thank You!

2017 SEDA Sponsors

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BLANK ROME LLP
COUNSELORS AT LAW

Seattle, Washington
Sorensen & Edwards, P.S.

Silver Level

BARANOF REALTY

First National Bank Alaska

HANSON MARITIME CO. EST. 1993 TUG SALVATION SITKA, ALASKA TOWING * SALVAGE * DIVING

HORAN & Company LLC

ROGER HIGLEY

SITKA READY-MIX & RENTAL EQUIPMENT

PETRO MARINE

Sitka Vision Clinic
Wayne Hagerman O.D.

White's Inc.
White's Pharmacy
&
Harry Race Pharmacy

Bronze Level

ALASKA JEWELRY

Local 1547 International Brotherhood of Electrical Workers Anchorage, Alaska

AAA MOVING & STORAGE
ALLIED ALASKA
An Agent for Allied Van Lines

Kenneth Cameron

CITY AND BOROUGH OF SITKA

Legislation Details

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Date	Ver.	Action By	Action	Result

Planning Regulations and Procedures

Planning Commission:

Chris Spivey
Darrell Windsor
Debra Pohlman
Randy Hughey
Richard Parmelee

Staff:
Michael Scarcelli, J.D.
747-1815
Samantha Pierson
747-1814

2007 Comprehensive Plan

Contains goals and policies in ten chapters
Land use goals and policies are sections 2.4 through 2.8

Sitka General Code

Title 21 consists of Subdivision Regulations (subdivision code)
Title 22 is the zoning code

Creatures of the Subdivision Code

Boundary Line Adjustments – formal subdivision plat required – approved in house
Minor Subdivision – create up to four lots from one parcel

- Concept plat
- Final plat

Approved by the Planning Commission except PUD or if subd. appealed (then goes to the Assembly)
Major Subdivision – five or more lots from one parcel with roads and utilities built to Municipal standards
Planning Commission Approvals

- Concept plan
- Preliminary plat
- Final plat

Assembly review of final plat
Zero Lot Lines – two units attached to each other with each one on its own lot and the lot line going through the center of connecting wall

- Concept plan
- Preliminary plat
- Final plat

Approved by the Planning Commission unless appealed to the Assembly
Planned Unit Developments

Creatures of the Zoning Code

Zoning ordinance text amendments
Recommendation by the Planning Commission with approval by the Assembly
Zoning ordinance map amendments
Recommendation by the Planning Commission with approval by the Assembly
Variances to allow for reductions of setbacks
Approved by the Planning Commission unless appealed to the Assembly
Administrative approvals for two foot setback reductions
Conditional Use Permits
Approval by the Planning Commission with appeal to the Assembly
Other aspects of the zoning code:
Land use district shown on zoning map
Regulations for each zone such as uses, building height, setbacks, lot size
Sign ordinance
Parking regulations

Other Approvals

Street Vacations – Planning Commission and Assembly review (by ordinance)
Covered by SGC 18.12.015
Tidelands Leases – Covered by Sitka General Code Title 18 – Assembly review only
Land Sales – Covered by SGC Title 18 – Assembly review only
Floodplain Regulations – SGC Title 20

CITY AND BOROUGH OF SITKA

Legislation Details

File #:	LM 17-03	**Version:**	1	**Name:**	
Type:	Land Management			**Status:**	AGENDA READY
File created:	7/5/2017			**In control:**	Planning Commission
On agenda:	7/18/2017			**Final action:**	
Title:	Public hearing and consideration of a tideland lease renewal request for 5309 Halibut Point Road. The property is also known as ATS 1571. The request is filed by Samson Tug and Barge. The owner of record is the City and Borough of Sitka.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Samson 7.18.17				

Date	Ver.	Action By	Action	Result

City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

AGENDA ITEM:

Case No:	LM 17-03
Proposal:	Request for lease renewal
Applicant:	Samson Tug & Barge
Owner:	City and Borough of Sitka
Location:	5309 Halibut Point Road
Legal:	ATS 1571
Zone:	Waterfront District
Size:	Lease parcel: 4.52 acres
Parcel ID:	2-6025-000
Existing Use:	Industrial – barge landing serving freight and bulk fuel facilities
Adjacent Use:	Commercial, Public
Utilities:	Existing
Access:	Tidelands – via water; Uplands – via Halibut Point Road

KEY POINTS AND CONCERNS:

1. Historical use as a lease parcel – originally owned and leased by state, conveyed to CBS for continued leasing, lease creates revenue for municipality
2. Neighborhood harmony – surrounding uses are commercial and public in use, conditional use permit approved for existing bulk fuel facility on the uplands
3. Scope of Planning Commission's Role-to advise the City Assembly and Planning Director as to compatibility of land use; and to aid the Planning Director and City Assembly in an advisory role as to any appropriate land use concerns related to use or mitigation of those concerns.

RECOMMENDATION:

Staff recommends that the Planning Commission recommend approval of LM 17-03 to the Assembly.

ATTACHMENTS

Attachment A: Vicinity Map
Attachment B: Aerial Vicinity Map
Attachment C: Zoning Map
Attachment D: Current Survey
Attachment E: Parcel Pictures
Attachment F: Application
Attachment G: Existing Lease Documents
Attachment H: Flood Zone Map
Attachment I: Correspondence
Attachment J: Mailing List

BACKGROUND

In 1962, Alaska Department of Natural Resources (DNR) owned the 4.52 acre parcel of tidelands adjacent 5309 Halibut Point Road and entered into a 55-year lease agreement with Alaska Lumber and Pulp Company. This lease was set to expire August 13, 2017. In 1982, Alaska Lumber and Pulp Company assigned, as lessee, the lease to City and Borough of Sitka (CBS). In 1994, CBS assigned the lease to Samson Tug and Barge. Also in 1994, Samson Tug and Barge assigned a security interest to National Bank of Alaska. In 1997, DNR assigned lessor's interest to CBS. In 2003, the security interest assignment to National Bank of Alaska was extended to 2023.

In the original lease, the parcel was described by a metes and bounds description. In subsequent surveys, the parcel has been described as ATS 35 and, most recently, ATS 1571.

PROJECT DESCRIPTION

Samson Tug and Barge requests to renew the lease for tidelands adjacent 5309 Halibut Point Road. A commercial dock/barge landing is located on the tidelands and would continue to support Delta Western's existing bulk fuel facility operations and Samson Tug and Barge's freight facility located on the uplands. Freight and cargo services and commercial docks are permitted uses in the Waterfront District, and the bulk fuel facility received the required conditional use permit in 2013. The conditional use permit is in good standing. The lease of uplands between Delta Western and Samson Tug and Barge was executed in 2013 and runs for 30 years with six 5-year renewal options.

The tideland lease expires August 13, 2017. The applicant requests a 55 year lease term to expire in 2072. This would allow for each renewal period in Delta Western's lease to be fulfilled.

In December 2015, the CBS Assessor determined that the valuation of the parcel is $555,000. This value will be used to determine the lease price.

PROCEDURE

The lease application is coming before the Planning Commission to seek a recommendation of approval to the Assembly. The Harbormaster has determined that the item does not need to be

heard by the Port and Harbors Commission. The lease application will then go to the Assembly for approval of the lease by ordinance, requiring two hearings. If necessary, a month-to-month lease can be executed to bridge the gap from the expiration date until an ordinance can be passed.

Competitive bidding is not required because the applicants are the upland property owners[1].

The current lease amount is $11,144 plus tax per year. Samson Tug and Barge is current on lease payments. The current lease expires August 13, 2017.

ANALYSIS

Project/Site: ATS 1571 consists of 4.52 acres of tidelands. Approximately 70% of the tidelands are submerged and 30% are filled. A barge landing exists on the tidelands.

Traffic: Access to the tidelands will continue to be via water.

Parking: Parking is located on the uplands. No change to use is proposed so parking does not need to be reconsidered.

Noise: Industrial use is to be expected in the Waterfront District. Operation modifications are not proposed at this time. Future modifications to operations may be subject to the conditional use permit amendment process.

Public Health or Safety: Barge landings inherently come with some degree of safety concern and are best regulated by Alaska DEC and USCG.

Habitat: Any future construction would need to comply with US Army Corps of Engineers requirements. No construction currently proposed.

Property Value or Neighborhood Harmony: Neighboring uses are commercial and public in nature. Industrial uses have occurred on this site since 1962.

Conformity with Comprehensive Plan: The proposal conforms to Comprehensive Plan Section 2.4.19 which states, "To consistently follow and enforce land use policies, codes, regulations, and decisions..." by leasing a parcel according to procedures outlined in Sitka General Code Title 18.

RECOMMENDATION

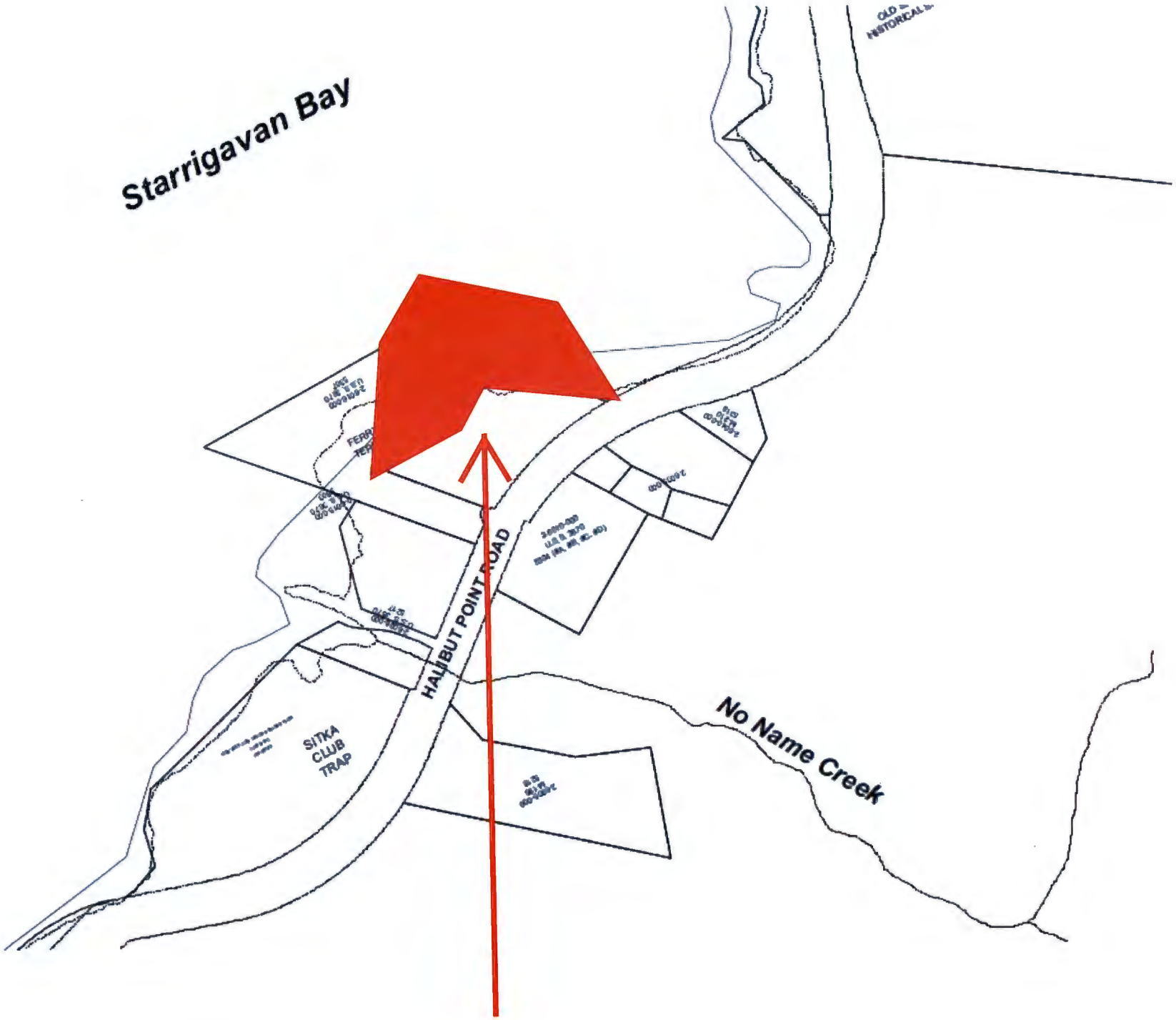
It is recommended that the Planning Commission adopt the staff analysis and move to recommend approval of the lease renewal for ATS 1571 tidelands adjacent 5309 Halibut Point Road.

---

[1] Sitka General Code 18.12.010(E)

RECOMMENDED MOTION

1) I move to recommend approval of the lease renewal including a month to month and long-term lease request for 5309 Halibut Point Road. The property is also known as ATS 1571. The request is filed by Samson Tug and Barge. The owner of record is the City and Borough of Sitka.


Starrigavan Bay
HALIBUT POINT ROAD
SITKA
CLUB
TRAP
No Name Creek


Halibut Point Road
Halibut Point Road

City & Borough of Sitka, Alaska

Selected Parcel: 5309 HALIBUT POINT ID: 26025000

Printed 7/5/2017 from http://www.mainstreetmaps.com/ak/sitka/internal.asp

20 m
100 ft
N

MainStreetGIS
MainStreetGIS, LLC
www.mainstreetgis.com

CERTIFICATE OF OWNERSHIP AND DEDICATION

I, THE UNDERSIGNED, HEREBY CERTIFY THAT I AM THE DIRECTOR, DIVISION OF MINING, LAND AND WATER AND THAT THE STATE OF ALASKA IS THE OWNER OF ATS No. 1571, AS SHOWN HEREON. I HEREBY APPROVE THIS SURVEY AND PLAT FOR THE STATE OF ALASKA, AND DEDICATE FOR PUBLIC OR PRIVATE USE AS NOTED, ALL EASEMENTS, PUBLIC UTILITY AREAS, AND RIGHTS-OF-WAY AS SHOWN AND DESCRIBED HEREON.

DATED 9/26/05

DIRECTOR
DIVISION OF MINING, LAND AND WATER

NOTARY'S ACKNOWLEDGMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 26TH DAY OF SEPT. 2005 FOR GERALD MORALES

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES 1-9-09

APPLICANT CERTIFICATE

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THE CITY AND BOROUGH OF SITKA IS THE APPLICANT AS SHOWN HEREON AND AS MUNICIPAL ADMINISTRATOR AM AUTHORIZED TO HEREBY APPROVE THE SURVEY AND PLAT.

AS NO. 06340

CITY AND BOROUGH OF SITKA
MUNICIPAL ADMINISTRATOR

Sept 2 2005
DATE

NOTARY'S ACKNOWLEDGMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 2 DAY OF Sept 2005

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES 4-25-07

LESSEE CERTIFICATE

I, THE UNDERSIGNED, HEREBY CERTIFY THAT I AM THE APPLICANT AS SHOWN HEREON. I HEREBY APPROVE THIS SURVEY AND PLAT.

ADL NO. 2483, SAMSON TUG AND BARGE COMPANY, INC.

SAMSON TUG AND BARGE COMPANY, INC.
GEORGE SAMSON, PRESIDENT

8-29-05
DATE

NOTARY'S ACKNOWLEDGMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 29 DAY OF August 2005 FOR GEORGE SAMSON
(NAME OF APPLICANTS NAME)

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES 4-15-07

CERTIFICATE OF APPROVAL BY THE BOARD

I HEREBY CERTIFY THAT THE SURVEY PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE REGULATIONS OF THE CITY & BOROUGH OF SITKA PLATTING BOARD, AND SAID PLAT HAS BEEN APPROVED BY THE BOARD FOR RECORDING IN THE OFFICE OF THE SITKA RECORDER, SITKA, ALASKA

DATE 7/1/05

CHAIRMAN, PLATTING BOARD

SECRETARY

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE LAND SURVEYING IN THE STATE OF ALASKA, THAT THIS PLAT REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE MONUMENTS SHOWN HEREON ACTUALLY EXIST AS DESCRIBED, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT.

DATE 7/6/05

REGISTERED NUMBER 5371

REGISTERED LAND SURVEYOR

STATE OF ALASKA
5371
REGISTERED
PROFESSIONAL LAND SURVEYOR

MONUMENTS SET THIS SURVEY

TYPICAL REFERENCE MONUMENT

SET 3 1/4" ALUMINUM TABLET GROUTED INTO SIDEWALK

SET 2" X 30" ALUMINUM PIPE MONUMENT W/ 3 1/4" CAP 4" ABOVE GROUND

1 1/2" ALUM. CAP ON 48" X 5/8" REBAR OR 3" ALUM. OR BRONZE ROCK TABLET.

SET 3 1/4" BRASS TABLET GROUTED INTO ROCK

SET 2" X 30" ALUMINUM PIPE MONUMENT W/ 3 1/4" CAP 7" ABOVE GROUND

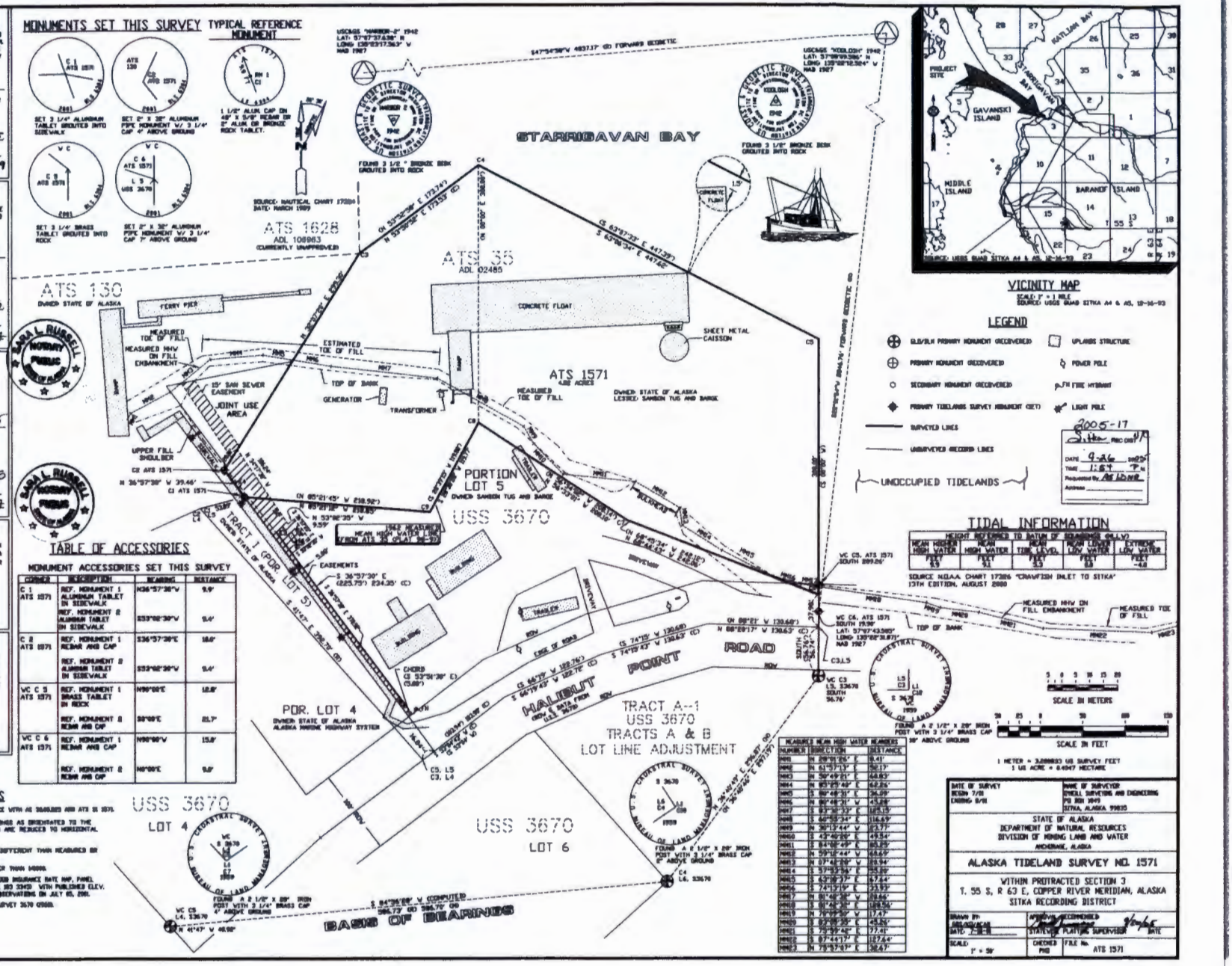
USCGS "MARKER-2" 1942
LAT: 57°07'37.638" N
LONG: 135°23'17.363" W
NAD 1927

FOUND 3 1/2" BRONZE DISK GROUTED INTO ROCK

USCGS "KOSLOSH" 1942
LAT: 57°09'09.386" N
LONG: 135°20'10.564" W
NAD 1927

FOUND 3 1/2" BRONZE DISK GROUTED INTO ROCK

SOURCE: NAUTICAL CHART 17326
DATE: MARCH 1989



VICINITY MAP

SCALE: 1" = 1 MILE
SOURCE: USGS QUAD SITKA A4 & A5, 12-16-93

LEGEND

- GLO/BLM PRIMARY MONUMENT (RECOVERED)
- PRIMARY MONUMENT (RECOVERED)
- SECONDARY MONUMENT (RECOVERED)
- PRIMARY TIDELANDS SURVEY MONUMENT (SET)
- SURVEYED LINES
- UNSURVEYED RECORD LINES
- UPLANDS STRUCTURE
- POWER POLE
- FIRE HYDRANT
- LIGHT POLE
- UNOCCUPIED TIDELANDS

2005-17
DATE 9-26
TIME 1:54 PM
Requested By: AK LONG
Address:

TABLE OF ACCESSORIES

MONUMENT ACCESSORIES SET THIS SURVEY

CORNER	DESCRIPTION	BEARING	DISTANCE
C 1 ATS 1571	REF. MONUMENT 1 ALUMINUM TABLET IN SIDEWALK	N36°57'30"V	9.9'
	REF. MONUMENT 2 ALUMINUM TABLET IN SIDEWALK	S53°02'30"V	9.4'
C 2 ATS 1571	REF. MONUMENT 1 REBAR AND CAP	S36°57'30"E	18.6'
	REF. MONUMENT 2 ALUMINUM TABLET IN SIDEWALK	S53°02'30"V	9.4'
VC C 5 ATS 1571	REF. MONUMENT 1 BRASS TABLET IN ROCK	N90°00'E	12.8'
	REF. MONUMENT 2 REBAR AND CAP	S0°00'E	21.7'
VC C 6 ATS 1571	REF. MONUMENT 1 REBAR AND CAP	N90°00'V	15.8'
	REF. MONUMENT 2 REBAR AND CAP	N0°00'E	9.8'

TIDAL INFORMATION

HEIGHT REFERENCED TO DATUM OF SOUNDINGS (MLLW)

MEAN HIGHER HIGH WATER	MEAN HIGH WATER	MEAN TIDE LEVEL	MEAN LOWER LOW WATER	EXTREME LOW WATER
FEET 5.5	FEET 5.3	FEET 3.3	FEET 1.3	FEET -4.0

SOURCE: N.O.A.A. CHART 17326 "CRAWFISH INLET TO SITKA"
13TH EDITION, AUGUST 2000

PLAT NOTES

1. THIS SURVEY WAS ACCOMPLISHED IN ACCORDANCE WITH AS 38.05.183 AND ATS 01 1571.
2. ALL BEARINGS SHOWN ARE THE TRUE BEARINGS AS ORIENTATED TO THE BASIS OF BEARINGS AND DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.
3. RECORD BEARINGS AND DISTANCES, WHERE DIFFERENT THAN MEASURED OR CALCULATED, ARE SHOWN IN PARENTHESES.
4. THE ACCURACY OF THIS SURVEY IS GREATER THAN 1:5000.
5. MEAN HIGH TIDE WAS DETERMINED FROM THE FLOOD INSURANCE RATE MAP, PANEL 020016 0001 B, AREA CODE IN POWER POLE NO. 103 33420 WITH PUBLISHED ELEV. OF 10.19 FT. THIS WAS CONFIRMED BY TIDAL OBSERVATIONS ON JULY 05, 2001.
6. RECORD RIGHT OF WAY ALIGNMENT FROM U. S. SURVEY 3670 (1960).

MEASURED MEAN HIGH WATER BEARINGS		
NUMBER	DIRECTION	DISTANCE
MHW1	N 29°01'26" E	9.41'
MHW2	N 61°57'13" E	26.17'
MHW3	N 50°49'21" E	44.83'
MHW4	N 83°29'49" E	42.26'
MHW5	S 80°48'31" E	36.09'
MHW6	N 80°48'31" V	43.28'
MHW7	S 83°30'33" E	125.15'
MHW8	S 49°55'34" E	116.49'
MHW9	N 36°13'44" V	23.77'
MHW10	S 43°40'20" E	49.34'
MHW11	S 84°00'49" E	80.20'
MHW12	N 59°12'44" V	68.67'
MHW13	N 07°46'09" V	88.94'
MHW14	S 37°53'56" E	55.80'
MHW15	S 42°38'37" E	57.64'
MHW16	S 82°26'35" E	108.52'
MHW17	N 79°59'50" V	17.47'
MHW18	S 82°26'35" E	45.84'
MHW19	S 79°59'48" E	77.41'
MHW20	S 87°44'17" E	102.64'
MHW21	N 79°57'07" E	38.47'

1 METER = 3.280833 US SURVEY FEET
1 US ACRE = 0.4047 HECTARE

DATE OF SURVEY
BEGIN 7/01
ENDING 8/01

NAME OF SURVEYOR
O'NEILL SURVEYING AND ENGINEERING
PO BOX 1849
SITKA, ALASKA 99835

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING LAND AND WATER
ANCHORAGE, ALASKA

ALASKA TIDELAND SURVEY NO. 1571

WITHIN PROTRACTED SECTION 3
T. 55 S, R 63 E, COPPER RIVER MERIDIAN, ALASKA
SITKA RECORDING DISTRICT

DRAWN BY: ARLONGKAR
DATE: 7-5-05

APPROVED RECOMMENDED
STATEWIDE PLATTING SUPERVISOR
DATE

SCALE: 1" = 50'

CHECKED PHB

FILE No. ATS 1571


Delta Western, Inc.

CITY AND BOROUGH OF SITKA

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
LAND MANAGEMENT APPLICATION FORM

1. Review guidelines and procedural information.
2. Fill form out completely. No request will be considered without a completed form.
3. Submit all supporting documents and proof of payment.

APPLICATION FOR: ☒ TIDELAND ☒ LEASE ☐ LAND ☐ PURCHASE

BRIEF DESCRIPTION OF REQUEST: Renewal of Tideland Lease No. ADL 02683 / City and Borough of Sitka Tideland Lease ATS 1571

PROPERTY INFORMATION:

CURRENT ZONING: waterfront ARE YOU THE UPLAND PROPERTY OWNER? Yes

CURRENT LAND USE(S): Marine Transportation PROPOSED LAND USES (if changing):

APPLICANT INFORMATION:

PROPERTY OWNER: Samson Tug + Barge Co. Inc

PROPERTY OWNER ADDRESS: 329 Harbor Drive, Sitka, Alaska 99835

STREET ADDRESS OF PROPERTY: 5311 Halibut Pt. Road.

APPLICANT'S NAME: Samson Tug + Barge Co., Inc.

MAILING ADDRESS: P.O. Box 559, Sitka, Alaska 99835

EMAIL ADDRESS: roslyn dailey@samsontug.com DAYTIME PHONE: 747-8559
roycelawoffice@gmail.com

PROPERTY LEGAL DESCRIPTION:

TAX ID: LOT: BLOCK: TRACT:

SUBDIVISION: US SURVEY:

OFFICE USE ONLY

COMPLETED APPLICATION		SITE PLAN	
NARRATIVE		CURRENT PLAT	
FEE		OWNERSHIP	

REQUIRED SUPPLEMENTAL INFORMATION:

- [x] Completed application form
- [x] Narrative
- [ ] Site Plan showing all existing and proposed structures with dimensions and location of utilities
- [x] Proof of filing fee payment $300.00
- [x] Proof of ownership (If claiming upland preference) See Property Tax Statement.
- [x] Copy of current plat

CERTIFICATION:

I hereby certify that I desire a planning action in conformance with Sitka General Code and hereby state that all of the above statements are true. I certify that this application meets SCG requirements to the best of my knowledge, belief, and professional ability. I acknowledge that payment of the review fee is non-refundable, is to cover costs associated with the processing of this application, and does not ensure approval of the request. I understand that public notice will be mailed to neighboring property owners and published in the Daily Sitka Sentinel. I further authorize municipal staff to access the property to conduct site visits as necessary.

Marilyn B Mack
Applicant

6-19-17
Date

Narrative re: renewal of tidelands lease.

Samson Tug & Barge Co. Inc. is Lessee and the City & Borough of Sitka is Lessor under a 55-year tidelands lease entered in 1962 which will expire August 13, 2017 (attached as Exhibit A).[1] Samson Tug & Barge Co. Inc. is also owner of uplands adjacent to the leased tidelands and operates a commercial port which includes a floating dock, ramps, utilities, and other facilities at the site. Samson has leased a portion of its uplands to Delta Western which has located a fuel tank farm and truck rack on this site with fuel supplied from barges over Samson's floating dock. The Delta Western lease is for a term of 30 years expiring April 30, 2042, followed by six (6) options to renew for periods of five (5) year renewal terms. Should Delta Western exercise all options to renew it would have the right to occupy the leased uplands until April 30, 2072. The Delta Western lease provides that the six options to renew are automatically deemed exercised unless Delta Western gives notice in writing that it does not wish to exercise its right to renewal.

Samson's tidelands lease provides it may be renewed on expiration (August 13, 2017). The renewal terms (clauses 22 and 23 of the tidelands lease) provide that Samson may exercise its right to renew by written notice directed to Lessor "within 30 days before the expiration of the lease". While a literal interpretation of this clause may require Samson to direct its written notice after July 12, 2017 and before August 13, 2017, Samson is giving written notice to Lessor in this application for renewal and will give an additional notice in writing "within 30 days before the expiration of the lease" to satisfy any technical requirements.

Samson has invested substantial sums in improvements of the leased tidelands and adjacent uplands which are essential for its marine transportation business. Delta Western has likewise invested substantial sums in improvements related to its tank farm and fuel operations. The original tidelands lease is silent on the term of renewal which suggests that a true renewal would be just that: renewal of the 55-year lease for an additional term of 55 years.

The present municipal code Section 18.16.210 B states that the term of certain tidelands leases shall be thirty years "unless otherwise determined by the assembly".Samson proposes that the parties agree on a term of fifty-five (55) years for this renewal of its tidelands lease. This would provide a tidelands lease which will expire on August 13, 2072, some three months after the last Delta Western renewal term.

The annual lease payments per the same ordinance are set at 4.5% of a price normally established at auction. In the present circumstance of renewal pursuant to rights contained in the original tidelands lease the Lessee proposes to work with theLessor to negotiate in good faith the price which is to be used in calculating annual lease payments.

---

[1] The original Lessor was Alaska Division of Lands and the original Lessee was Alaska Lumber & Pulp. Co. Samson as Lessee and the City as Lessor have obtained their respective status through assignment of the original lease.

William G. Royce
Attorney at Law

310 K Street
Suite 200
Anchorage, Alaska 99501

Telephone: (907) 495-1000
Facsimile (907) 278-0877
roycelawoffice@gmail.com

June 13, 2017

Mr. Brian Hanson
Municipal Attorney
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835

Hand Delivered and E-mailed

Re: Samson Tug & Barge Tideland Lease

Dear Brian,

It was good to meet with you last Friday to briefly talk about Samson Tug's application to renew its tideland lease at old Sitka. As we discussed the existing lease was originally between the State of Alaska, Department of Natural Resources, Division of Lands as Lessor and Alaska Lumber & Pulp Co., Inc. as the original Lessee. I have gathered copies of the principal documents and attach the same as (A) through (E) below.

The original 55-year lease runs from August 13, 1962 through August 13, 2017. This lease (Exhibit A) provides Lessee with a right to renew at paragraphs 22 and 23. It appears that this right to renew may be exercised in writing any time before 30 days before the lease expires. The clause discussing the right to renew references a Form DL-74 and provides that renewal must comply with various rules and regulations of the State of Alaska. The parties modified the provisions for setting rent in 1979 (Exhibit B).

The City and Borough of Sitka first came into the chain of title on this leased parcel in 1982 when Alaska Lumber & Pulp assigned its Lessee's rights to the City (Exhibit C). Sitka subsequently assigned its Lessee's rights to Samson Tug & Barge in 1994 (Exhibit D). Finally, in 1997 the State of Alaska gave notice that it had transferred its Lessor's rights to the City and Borough of Sitka (Exhibit E).

Accordingly, under the original lease the City and Borough of Sitka (Lessor through assignment) and Samson Tug (Lessee through assignment) each have obligations and rights. Samson has a right to renew its lease, however some of the State of Alaska procedures may no longer apply as the State of Alaska has transferred its Lessor's rights to the City and Borough of Sitka.

The City has a separate procedure for lease of tidelands which does not appear to contemplate the present situation where an existing lease has specific renewal rights and obligations.

One related issue is that Samson Tug has leased a portion of its owned upland (adjacent to the leased tidelands) to Delta Western which has constructed and now operates a fuel tank farm on that site. The Delta Western lease is dependent on the continuation of the Samson Tug tidelands lease as Delta Western's operation and its lease from Samson Tug requires access to Samson's port facilities and piping operating on or over leased tidelands to receive its fuel from barges. The Delta Western lease was entered in 2013 and runs for an initial term of 30 years followed by six 5-year renewal options, which are deemed automatically exercised unless Delta Western gives advance notice that it desires to terminate. . I have previously provided you with the provisions of the Delta Western lease which concern term of lease and renewals and attach those provisions again here as Exhibit F.

Samson Tug's existing tideland lease runs until August 13, 2017. Samson requests a 55-year renewal of its lease which would extend the term to August 13, 2072. This term allows Delta Western to utilize its full lease term and extensions which would expire April 30, 2072. As I shared in our meeting Samson Tug wants to make the renewal process as simple and fair as possible. The existing lease contemplates that the Lessee exercise the renewal right by simply giving timely notice and depositing 50% of the current annual rental ("not to exceed the sum of $50.00"). There is a rent adjustment process set out in Exhibit B which can occur at 25 years and 10 year intervals. I recently checked with the Alaska Division of Lands and have confirmed that it presently processes renewals with a maximum term of 55 years. See the present State Application form (Exhibit G).

To get the renewal process started Samson Tug is submitting, together with this letter, a completed City and Borough of Sitka Land Management Application Form. Samson Tug proposes that it work with the City and Borough of Sitka to determine the value of the parcel as the tideland lease is renewed. That value, once agreed, can be used to develop the rental in accordance with the Code provisions. The Code provides that normal terms are to 30-years but that the Assembly may adopt a different term. Samson Tug requests that the term be 55 years for the reasons discussed above. Samson's Sitka management is ready to exchange information and work with the City to promptly develop a fair and reasonable value for the parcel. I am happy to discuss any of the unusual features of this notice of renewal and modifications to help make the process more closely fit the needs of both the Lessor and Lessee.

Very truly yours

Bill

William G. Royce

CITY AND BOROUGH OF SITKA
PROPERTY TAX STATEMENT

TAX YEAR:
January 1 to December 31, 2016

REMIT TO:
CITY & BOROUGH OF SITKA
100 LINCOLN STREET
SITKA, AK 99835-7594
BILLING QUESTIONS: 907-747-1853
PAYMENT QUESTIONS: 907-747-1818
ASSESSMENT QUESTIONS: 747-1822

1831

ACCOUNT NUMBER:
2-6025-000-000-0000

SAMSON TUG & BARGE CO.
P.O. BOX 559
SITKA, AK 99835-0559

MAILING DATE: 07/01/2016

MILLAGE RATE: 6.00 MILLS

Note: Taxes are $6 per thousand based on assessed valuation.

SURVEY	SUBDIVISION	LOT	BLOCK	ADDRESS/LOCATION
3670	USS 3670	PT5		5309 HALIBUT POINT

CURRENT YEAR ASSESSED VALUE		NET TAX FOR 2016
CLASSIFICATION	AMOUNT	
LAND	670,500	
IMPROVEMNT	1,000,000	
TOTAL	1,670,500	10,023.00

DELINQUENCIES				
YEAR	AMOUNT	PENALTY & INT	TOTAL	Progressive Penalty:
2015	.00	.00	.00	1st month delinquent = 3%
2014	.00	.00	.00	2nd month delinquent = 7% 3rd month delinquent = 5% 12% Interest per annum

THIS TAX MUST BE PAID (OR POSTMARKED) BY 4:45 PM WEDNESDAY, AUGUST 31, 2016 OR A PROGRESSIVE PENALTY WILL BE IMPOSED.

TOTAL DUE: $ 10,023.00

Date	Amount Paid

PLEASE KEEP ABOVE PORTION FOR YOUR RECORDS - RETURN BOTTOM PORTION WITH PAYMENT

REMIT TO:
CITY & BOROUGH OF SITKA
100 LINCOLN STREET
SITKA, AK 99835-7594
PHONE: 907-747-1818

NAME AND ADDRESS (please note any change)

SAMSON TUG & BARGE CO.
P.O. BOX 559
SITKA, AK 99835-0559

Due Date: AUGUST 31, 2016
2016 REAL PROPERTY TAX BILLING

Address/Location	5309 HALIBUT POINT
Bill Number:	201602888
Account Number:	2-6025-000-000-0000
TOTAL TAX DUE:	$ 10,023.00
Amount Remitted:*	

*FAILURE TO PAY FULL AMOUNT BY DUE DATE WILL RESULT IN PENALTIES.

Documents

A. Original Tidelands Lease DNR/AL&P 13 August 1962- 13 August 2017

B. Amendment - Converts to 25 year term for purpose of rental re-evaluation.
All other terms unchanged

C. Assignment of Leasee's interest from AL&P to City & Borough of Sitka. January 22, 1982
Note: error on stated expiration date of *January 22, 2017*

D. Assignment of Lease City & Borough of Sitka to Samson Tug Feb. 17, 1994
Note: has correct expiration date of August 13, 2017

E. Assignment of Lessor's interest from DNR to City & Borough of Sitka Aug 20, 1997

F. Portion of Delta Western Lease

G. State of Alaska present land application form.

DL-37a (Tidelands)
Revised December, 1961

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF LANDS
344 Sixth Avenue
Anchorage, Alaska

Lease No. ADL 02683

LEASE AGREEMENT

THIS INDENTURE made and entered into this 13th day of August 1962, by and between the STATE OF ALASKA, through the Director of the Division of Lands, with the consent and approval of the Commissioner of the Department of Natural Resources, acting for and on its behalf under and pursuant to Chapter 169, SLA 1959, as amended, and the regulations promulgated thereunder, as amended or hereafter amended, hereinafter referred to as the LESSOR; and Alaska Lumber and Pulp Co., Inc. of P.O. Box 1050, Sitka, Alaska, hereinafter referred to as the LESSEE:

WITNESSETH, that whereas the Lessor has classified the lands herein demised as: Commercial-Industrial lands on May 28 19 62, pursuant to Chapter 169, SLA 1959, as amended; and

WHEREAS, the Lessor has caused the lands herein demised to be appraised and such appraisal was made and approved on or after May 28, 1962, 19, ; and

WHEREAS, the Lessor has caused a notice of intent to lease the lands herein demised to be published as required by law or caused notices of intent to lease to be posted as required by law; and

WHEREAS, an auction of the within demised property was held at the time and place designated by notice and said sale was approved by the Director of the Division of Lands, Department of Natural Resources, State of Alaska:

NOW THEREFOR, the Lessor has agreed to let and does hereby let and demise to the Lessee, and the Lessee has agreed to take and does hereby take from the Lessor all that lot, piece, or parcel of land more particularly bounded and described, as follows:

Commencing at W. C. of U.S. Survey 3670, common with Lot 4, 5, and 6 at Lat. 57°08' N., Long. 135°23' W., thence N. 41°47' W., a distance of 178.74 ft. to a point on the mean high tide line thence along the mean high tide line N. 73°17' E., 53.80 ft. to Cor. No. 1 of ATS 35 and the actual point of beginning, thence by metes and bounds: N. 36°57'30" E., 39.01 ft. to Cor. No. 2, N. 32°07'20" E., 299.30 ft. to Cor. No. 3 N. 53°52'58" E., 173.74 ft. to Cor. No. 4, S. 63°07'33" E., 447.39 ft. to Cor. No. 5, S. 300 ft. to Cor. No. 6, N. 88°45'34" W., 242.12 ft. to Cor. No. 7, N. 56°34'02" W., 208.14 ft. to Cor. No. 8, S. 28°39'15" W., 119.80 ft. to Cor. No. 9, N. 85°21'45" W., 218.92 ft. to Cor. No. 10, S. 75°17' W., 0.08 ft. to Cor. No. 1, the actual point of beginning. Containing 4.52 acres more or less.

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To have and to hold the said demised premises for a term of Fifty-five (55) years commencing on the 13th day of August, 1962 and ending at 12 o'clock midnight on the 13th day of August, 2017, unless sooner terminated as hereinafter provided.

The Lessee shall pay to the Lessor rental as follows: Equal Annual payments, in advance, on or before the 13th day of August of every year during said term at the rate of Four Hundred and no/100---------- Dollars ($400.00-------) per year, such payments to be subject to adjustment at each five year interval from the effective date hereof, if the lease term hereof exceeds five years, such adjustment to be based primarily upon a reappraisal annual rental value of land in a state of improvement similar to that of the land described herein at the time this lease was entered into.

It is hereby mutually covenanted and agreed that this indenture is made upon the foregoing, and upon the following agreements, conditions, covenants, and terms, VIZ:

1. The word "Lessor" as and wherever used in the lease, shall be construed to include, and shall include, bind and inure to the benefit of, the State of Alaska, its successor and assigns, at any time during the term of this lease or any renewal thereof; and the word "Lessee" as and wherever used in this lease shall be construed to include and shall include and bind and inure to the benefit of the Lessee, his successors and assigns.

2. It shall be the responsibility of the Lessee to properly locate himself and his improvements within the confines of the property leased herein.

3. The Lessor, Alaska, hereby expressly saves, excepts and reserves out of the grant hereby made unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, and fossils, and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, drilling and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

Provided, however, no rights shall be exercised by Alaska, its lessees, successors or assigns, until provision has been made by Alaska, its lessees, successors or assigns, to pay to the owner of the land, upon which the rights herein reserved to Alaska, its lessees, successors, or assigns are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land; provided, that if said owner for any cause whatever refuses or neglects to settle said damages, Alaska, its lessees, successors or assigns or any applicant for a lease or contract from Alaska for

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[illegible] valuable minerals, or opt[illegible] contract or lease for mining coal or lease for extracting petroleum or natural gas, shall have the right, after postin a surety bond with the Director in a company qualified to do business in Alaska or in a form as determined by the Director, after due notice and opportunity to be heard, to be sufficient in amount and security to secure the said owner full payment for all such damages, to enter upon the land in the exercise of said reserved rights, and shall have the right to institute such legal proceedings in a court of competent jurisdiction wherei the land is situated, as may be necessary to determine the damages which the surface less of such lands may suffer.

4. The lands leased herein have been classified as shown on page 1 of this agreement and in accordance with the Classification Regulations, Title II, Division I, Chapter I, Subchapter I, and any use thereof which shall be in material conflict with said classification shall, if not remedied after due notice thereof has been served on the Lessee, constitute a breach of this lease and the Lessor may thereupon terminate same in accordance with provisions herein contained. The Lessor does not warrant that by such classification the land is ideally suited for the use authorized thereunder and the Lessor gives no guaranty, actual or implied, that the utilization under said classification will be profitable.

5. All coal, oil, gas and other minerals and all deposits of stone or gravel valuable for extraction and utilization and all materials subject to Title II, Division I, Chapters Four (4), Five (5) and Six (6), Alaska Administrative Code, as amended or as shall hereafter be amended are excepted from the operation of this lease. Viz: The Lesse shall not sell or remove for use elsewhere any timber, stone, gravel, peatmoss, or any oth material valuable for building or commercial purposes; provided, however, that material required in the enjoyment of this lease may be used after a written permit therefor has been obtained from the Lessor.

6. The Lessor expressly reserves the right to grant easements or rights-of-way across the land herein leased if it is determined to be in the best interests of the State to do so; provided, however, that the Lessee shall be entitled to compensation for all improvements or crops which are damaged or destroyed as a direct result of such easement or right-of-way.

7. The Lessee shall not commit waste or injury upon the lands leased herein. Any violation of this agreement shall not only subject the offender to civil liability, but upon conviction thereof he may be fined in any sum not exceeding $1000.00.

8. If the lands leased herein are classified and leased as grazing or agricultural lands the Lessee shall not prevent or deny the lawful pursuit or the hunting of game or the taking of fish; provided, however, the Director, upon request in writing, may allow the lands leased herein, or portions thereof, to be posted to prohibit hunting and fishing when it appears necessary in order to properly protect the Lessee and his property

9. Should the lands herein leased lie within the jurisdiction of any authorized building or zoning authority they shall be utilized in accordance with the rules and regulations promulgated by said authority.

10. The Lessee shall take all reasonable precaution to prevent, and take all reasonable action to suppress grass, brush and forest fires on the land herein leased.

11. The Lessee shall allow the Lessor, through its duly authorized representative, to enter upon the leased premises, at any reasonable time, for the purpose of an inspection thereof.

[illegible] leased [illegible] n to construct any form of hydraulic project or employ any equipment or engage in any activity which will use, divert, obstruct, pollute or change the natural flow or bed of any river, lake or stream or that will utilize any of the waters of the State or materials from any river, lake or stream beds, the Lessee shall, prior to the commencement of any such operations, procure the approval of the Commissioner of the Department of Fish and Game and the original or an image copy thereof shall be filed with the Lessor prior to the commencement of such activity.

13. The Lessee may assign the lands, or portion thereof, herein demised, provided, he first makes application to the Lessor for a permit and the Lessor, in his discretion, may issue such permit if he finds it to be in the best interest of Alaska. Upon an assignment being granted, the assignee thereunder shall become subject to and be governed by the provisions of this lease in the same manner as though he were the original Lessee.

14. This lease may not be modified orally or in any manner other than by an agreement in writing signed by all parties hereto or their respective successors in interest.

15. This lease may be cancelled, in whole or in part, under one or more of the following conditions:

A. While in good standing by the mutual agreement in writing of the respective parties hereto.

B. If issued in error with respect to material facts.

C. If the leased premises are being used for an unlawful purpose.

16. If the Lessee should default in the performance of any of the terms, covenants or stipulations herein contained or of the regulations promulgated pursuant to Chapter 169, SLA 1959, as amended, and said default shall not be remedied within 30 days after written notice of such default has been served upon the Lessee by the Lessor, the Lessee shall be subjected to such legal action as the Lessor shall deem appropriate including but not limited to, the forfeiture of this lease. No improvements may be removed by the Lessee during any period in which this lease is in default. In the event that this lease shall be terminated because of a breach of any of the terms, covenants, or stipulations contained herein the annual rental payment last made by the Lessee shall be retained by the Lessor as liquidated damages.

17. Any notice or demand which must be given or made by the parties hereto shall be in writing, and shall be complete by sending such notice or demand by United States registered or certified mail to the address shown on the lease or to such other address as the parties shall designate in writing from time to time. A copy of any such notice shall be forwarded by the Lessor to any lienholder who has properly recorded his interest in the lease with the Lessor.

18. In the event that this lease is terminated as herein provided, by summary proceedings or otherwise, or in the event that the demised lands, or any part thereof, should be abandoned by the Lessee during the term of this lease, the Lessor may immediately, or at any time thereafter, enter or re-enter and take possession of said lands, or any part thereof, and without liability for any damage therefor, remove all persons and property therefrom either by summary proceedings or by a suitable action or proceeding at law; provided, however, that the words "entry" and "re-entry" as used herein, are not restricted to their technical legal meaning. Any entry or re-entry, possession, repossession,

4 4

A - 4

dispossess, and/or dispossession by the Lessor, whether had or taken by summary proceedings, or otherwise, shall not be deemed to absolve, relieve, release or discharge the Lessee, either in whole or in part, from any liability hereunder.

19. Upon the expiration, termination or cancellation of this lease, unless the same has been renewed, the Lessee shall quietly and peaceably leave, surrender, and yield up unto the Lessor all of the leased land on the last day of the term of the lease.

20. The receipt of rent by the Lessor, with or without knowledge of any breach of the lease by the Lessee or of any default on the part of the Lessee in observance or performance of any of the conditions or covenants of this lease, shall not be deemed to be a waiver of any provision of this lease. No failure on the part of the Lessor to enforce any covenant or provision herein contained, nor any waiver of any right hereunder by the Lessor, unless in writing, shall discharge or invalidate such terms or covenants or affect the right of the Lessor to enforce the same in the event of any subsequent breach or default. The receipt by the Lessor of rent or any other sum of money or the termination, in any manner, of the term therein demised, or after giving by the Lessor of any notice hereunder to affect such termination, shall not reinstate, continue, or extend the resultant term herein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given hereunder by the Lessor to the Lessee prior to the receipt of any such sum of money or other consideration, unless expressed in writing and signed by the Lessor.

21. The Lessee, after written request therefor has been filed with the Lessor and prior to the commencement of such work, may receive credit toward current or future rentals, provided the contemplated work, to be accomplished on or off the area leased herein, in the discretion of the Lessor, shall result in increased valuation to other State owned lands. The Lessor's authorization to proceed with the work for rental credit, if granted, shall stipulate the type and extent of improvements, standards of construction to be followed and the maximum allowable rental credit therefor; provided further that no rental credit shall inure to the Lessee until the work has been completed and the Lessor has inspected same to determine compliance with the provisions of said authorization.

22. If, upon the expiration of this lease, the Lessee desires a renewal lease on the lands, properties or interests covered herein, he shall within 30 days before the expiration of this lease, make application to the Lessor on Form DL-74 entitled "Application for Renewal of Lease," in which he must certify under oath as to the character and value of all the improvements existing upon the land, the purpose for which he desires a renewal and such other information as the Director of the Division of Lands may require. Along with the application the applicant shall deposit a sum equal to 50% of the current annual rental, as provided herein, but in no event to exceed the sum of $50.00. The Lessor may thereupon lease said lands in compliance with the provisions herein enumerated, Chapter 169, SLA 1959, as amended, and the rules and regulations promulgated thereunder, allowing a preference right to the Lessee herein.

23. The Lessee hereunder shall, upon the expiration of this lease or the prior termination thereof by mutual agreement, be allowed a preference right to re-lease the lands leased herein if all other pertinent factors are substantially equivalent. If the renewal lease does not require public auction the preference right holder shall exercise his right within 30 days before the expiration of this lease by written notice directed to the Lessor and failure to do so shall result in forfeiture and cancellation of such preference right. In the event that the lease is subject to and is offered at public auction the preference right holder shall, at the close of bidding, indicate his desire to exercise his preference right and meet the highest bid. In the event the preference right holder does not elect to exercise his right and fails to do so at this time his preference right shall be forfeited and forever lost.

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... improvements owned by a Lessee on Alaska land shall within 60 days after the termination of the lease be removed by him; provided, such removal will not cause injur or damage to the lands; and further provided, that the Lessor may extend the time for removing such improvements in cases where hardship is proven. The retiring Lessee or permittee may, with the consent of the Lessor, sell his improvements to the succeeding lessee or permittee.

If any improvements and/or chattels having an appraised value in excess of $10,000.00 as determined by the Lessor are not removed within the time allowed, such improvements and/or chattels shall upon due notice to the Lessee, be sold at public sale under the direction of the Lessor. The proceeds of sale shall inure to the Lessee who placed such improvements and/or chattels on the lands after paying to Alaska all rents due and owing and expenses incurred in making such sale. In case there are no other bidders at any such sales, the Lessor is authorized to bid, in the name of Alaska, on such improvements and/or chattels. The bid money shall be taken from the fund to which said lands belong and the said fund shall receive all monies or other value subsequently derived from the sale or leasing of such improvements and/or chattels. Alaska shall acquire all the rights, both legal and equitable, that any other purchaser could acquire by reason of said purchase.

If any improvements and/or chattels having an appraised value of $10,000.00 or less, as determined by the Lessor, are not removed within the time allowed, such improvements and/or chattels shall revert to and absolute title shall vest in Alaska.

25. If any clause, or provision, herein contained, shall be adjudged to be invalid, it shall not affect the validity of any other clause or provision, of this lease or constitute any cause of action in favor of either party as against the other.

HERRING SPAWN COVENANT:

This lease is issued subject to Section 2, Chapter 34, SLA 1959, as thereafter amended.

It is agreed that the covenants, terms and agreements herein contained shall be binding upon the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the State of Alaska, Lessor, acting through the Director of the Division of Lands of the Department of Natural Resources, lawfully authorized thereunto, has caused these presents to be executed at Anchorage, Alaska, in duplicate and the said Lessee has hereunto set his hand, agreeing to keep, observe and perform the rules and regulations promulgated under Chapter 169, SLA 1959, as amended, the terms, conditions and provisions herein contained, on the Lessee's part to be kept, observed and performed; and executed said instrument, in duplicate on the 6th day of September, 1962.

APPROVED:

Director, Division of Lands

COMMISSIONER, DEPARTMENT OF NATURAL RESOURCES
STATE OF ALASKA

ALASKA LUMBER & PULP CO., INC.
LESSEE(S)

Sakae Fukuyama
Executive Vice President

UNITED STATES OF AMERICA)
State of Alaska) ss.

THIS IS TO CERTIFY that on the 24th day of September, 1962, before me, the undersigned Notary Public, personally appeared Roscoe E. Bell known to me and known by me to be the Director of the Division of Lands of the Department of Natural Resources, and acknowledged to me that he executed the foregoing lease for and on behalf of said State, freely and voluntarily and for the use and purposes therein set forth.

IN TESTIMONEY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Dale F. Owen
Notary Public in and for the State of Alaska
My commission expires E. 27-65

UNITED STATES OF AMERICA)
State of Alaska) ss.

THIS IS TO CERTIFY that on this 13th day of September, 1962, before me, the undersigned, a Notary Public in and for Alaska duly commissioned and sworn, personally appeared Mr. Sakae Fukuyama to me personally known to be one of the persons described in and who executed the within instrument and the said Sakae Fukuyama acknowledged to me that he signed and executed the same freely and voluntarily for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Returned to
State of Alaska
Dept of Natural Resources
POB 107005
Anchorage Ak 99510-7005

Margaret McCaddon
Notary Public in and for the State of Alaska
My commissioner expires February 24, 1963

cc N/C
Sitka REC. DIST.
DATE 4-17 1995
TIME 10:50 A.M.
Requested By AS/DNR
Address

Approved as to Form:

Ralph E. Moody
Attorney General

95-693

By Richard A. Bradley

Title Assistant Attorney General

Certified to be a True Copy
Charlie Pendura
8/22/94

Return To: Division of Land, SERO
400 Willoughby Ave. Suite 400
Juneau, AK 99801

BOOK 128 PAGE 855

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FOREST, LAND AND WATER MANAGEMENT

AMENDMENT TO LEASE AGREEMENT

THIS AMENDMENT to that certain 55-year lease issued on August 13, 1962 and serialized ADL 02483 is executed and made effective as follows:

* * * * * * * * * * * *

The above referenced lease agreement is amended in accordance with Chapter 138 of the Session Laws of 1977, as amended by Chapter 182 of the Session Laws of 1978. The lessee has filed with the Lessor a Request for Conversion of Lease on October 10, 1978. Under the provisions of these Acts the annual lease rental will be $ 2,199.43, effective November 13, 1978 for a 25-year period starting with the effective date of this amendment. This rental is subject to adjustment at the expiration of the initial 25-year period, and at intervals of 10 years thereafter, in accordance with the procedures and limitations prescribed by statute.

A ~~quarterly~~/annual rental payment of $ 2,199.43 is due on or before August 13th of each lease year until reappraised in accordance with law.

All other terms and conditions of the above-referenced lease agreement are not affected by this amendment, and remain in full force and effect.

This amendment is hereby incorporated into and made a part of the above-referenced lease agreement as of the effective date of this amendment.

LESSEE:

J.A. Ryngerson
Senior Vice-President
Alaska Lumber and Pulp Company, Inc.

Date: _____

LESSOR:

Chief, Land Management Section
Division of Forest, Land and Water Management
Alaska Division of Lands

Date: JAN 30 1979

APPROVED AS TO FORM:

Assistant Attorney General

Sept 14, 1978
Date

To be recorded with the Sitka Recording District
Original Lease Book 114, Page 936-940

283

CC Sitka NPC
REC. DIST.
DATE 2-17 1998
TIME 8:50 A.M.
Received by [illegible]
Address

B

See
Instructions
on Back

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FOREST, LAND & WATER MANAGEMENT

ASSIGNMENT OF LEASE

I (We) Alaska Lumber and Pulp Company, Inc.
mailing address of P.O. Box 1050 - Sitka, Alaska 99835
lessee(s) under that certain lease designated as Lease No. ADL 002 483 covering the following described property:

description attached

Section _____, Township _____, Range _____, _____ Meridian (do) (does) hereby assign, for good and valuable consideration, all right, title and interest, and subject to all rents, covenants and conditions, in said lease to assignee City and Borough of Sitka
mailing address of P.O. Box 79 - Sitka, Alaska 99835
successors and assigns, for the unexpired term thereof, commencing on January 22, 1982, and expiring on January 22, 2011.

J.A. Rynearson
ASSIGNOR(S)
Senior Vice-President
Alaska Lumber and Pulp Company, Inc.

STATE OF ALASKA)
First Judicial District) ss.

THIS IS TO CERTIFY that on this twenty-second day of January, 1982, before me appeared J.A. Rynearson to me known and known to me to be the person named in and who executed the assignment and acknowledged voluntarily signing the same.

Notary Public in and for the State of Alaska
My Commission expires: 1/26/83

The assignee(s), City & Borough of Sitka, Alaska herein expressly assume(s) the obligation to pay any and all prior, or delinquent taxes, liens of any nature, penalties, interest, or any other obligations charged against the lands described herein above as of the date of this assignment.

Municipal Administrator
ASSIGNEE(S)

STATE OF ALASKA)
First Judicial District) ss.

THIS IS TO CERTIFY that on this 14th day of July, 1983, before me appeared FERMIN GUTIERREZ to me known and known to me to be the person named in and who executed the assignment and acknowledged voluntarily signing the same.

Notary Public in and for the State of Alaska
My Commission expires: 10-31-84

APPROVED:
Robert A. Baker
Head, Contract Administration
Division of Forest, Land and Water Management

2-11-88
Date

10-117 Rev. 9/80

Certified to be a True Copy
8/22/94

93-S-2354

BOOK 111 PAGE 49

See attached instructions

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF LAND
P.O. BOX 107005
ANCHORAGE, ALASKA 99510-7005

ASSIGNMENT OF LEASE

For value received, I (We) City and Borough of Sitka mailing address of _____
304 LAKE ST. STE 104 Sitka Alaska 99835
lessee(s) under that certain lease designated as ADL No. 2683 covering the following described property: Commencing at N.C. of U.S. Survey 1470, ~~adjoins with Lot 8, 9,~~ and 9 at Lat. 57°08' N., Long. 135°33' W., thence N. 41°41' W., a distance of 378.74 ft. to a point on the mean high tide line thence along the mean high tide line N. 75°17' E., 93.07 ft. to Cor. No. 1 of ATS 75 and the actual point of beginning, thence by metes and bounds: N. 36°57'30" E., 39.81 ft. to Cor. No. 2, N.32°07'20" E., 299.30 ft. to Cor. No. 3 N. 53°52'32" E., 172.74 ft. to Cor. No. 4, N. 63°07'33" E., 667.39 ft. to Cor. No. 5, S. 300 Ft. to Cor. No. 6, N. 68°53'34" W., 342.17 ft. to Cor. No. 7, N. 34°34'42" W., 208.16 ft. to Cor. No. 8, S. 28°39'15" W., 119.50 ft. to Cor. No. 9, W. 85°21'45" W., 210.93 ft. to Cor. No. 10, S. 73°17' W., 0.08 ft to Cor. No. 1, the actual point of beginning. Containing 6.93 acres more or less. Sitka Recording District hereby assign for good and valuable consideration, all right, title and interest, and subject to all rents, covenants and conditions, in said lease to assignee Hanson Tay and Margo Co., Inc. mailing address of _____
P O Box 599 SITKA, AK 99835 successors and assigns, for the unexpired term thereof, commencing on August 13, 1993, and expiring on August 13, 2013.

IN WITNESS WHEREOF, the Assignor has hereunto set his hand and seal this 17th day of February 19 94.

City and Borough of Sitka

ASSIGNOR(S)

STATE OF ALASKA)
)ss.
1st Judicial District)

THIS IS TO CERTIFY that on this 17th day of February, 19 94, before me, personally appeared _____ to me and known to me (or proved to me on the basis of satisfactory evidence) to be the person named in and who executed the ~~Assignment of Lease~~ and acknowledged voluntarily signing the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

Notary Public in and for the State of Alaska
My Commission Expires 8/29/94

STATE BUSINESS NO CHARGE

10-117 Rev. 1/90

BOOK 114 PAGE 945

BOOK 111 PAGE 50

ADL No. 2483

The assignee(s) Sawyer Tug and Barge Co., Inc. herein expressly assume(s) the obligation to pay any and all prior, or delinquent taxes, liens of any nature, penalties, interest, or any other obligations charged against the lands described herein above as of the date of this assignment.

Sawyer Tug and Barge Co., Inc.

(ASSIGNEE(S)

STATE OF ALASKA)
) ss:
1 Judicial District)

This is to certify that on this 13th day of February, 19 94, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, as such, personally appeared GEORGE SAWYER known to me and to me known (or proved to me on the basis of satisfactory evidence) to be the President of Sawyer Tug and Barge the corporation which executed the foregoing instrument, and he acknowledged to me that he executed the same for and on behalf of said corporation, and that he is fully authorized by said corporation so to do; and that the corporate seal affixed to said instrument is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

Eileen Mclay
Notary Public in and for the State of Alaska
My Commission Expires: 8/28/94

APPROVED:

John H Wolfe
Supervisor, Contract Administration
DIVISION OF LAND

6-7-94
Date

94-2811

CC N/C
Site MC DIST
DATE 8-23 1994
TIME 2:49 PM
Received By AK/DNR
Added

RETURN TO:
STATE OF ALASKA
DEPT OF NATURAL RESOURCES
DIV OF LAND - CONTRACT ADMIN
P.O. BOX 107005
ANCHORAGE AK 99510-7005

(5) pgs to Roslyn @ 7-5370 Fax

ATS 35

TONY KNOWLES, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

400 WILLOUGHBY AVENUE, SUITE 400
JUNEAU, ALASKA 99801
PHONE: (907) 465-3400
FAX: (907) 586-2954

August 20, 1997

SOUTHEAST REGIONAL OFFICE
DIVISION OF LAND

Samson Tug and Barge Co., Inc.
P.O. Box 559
Sitka, AK 99835

ADL 2483

Re.: Transfer of Tideland Lease [redacted] to the City and Borough of Sitka

Dear Lessee:

This is to inform you that the above identified tideland lease has been transferred to the City and Borough of Sitka. This makes the City and Borough of Sitka your new landlord and all responsibilities and obligations for your lease are now due to the City and Borough of Sitka.

You will no longer receive a State courtesy billing notice and timeliness of payment will have to be observed by you. We thank you for your business with the State of Alaska and wish you a successful partnership with the new landowner.

Sincerely,

Andrew W. Pekovich,
Southeast Regional Manager

by: Elizaveta H.C. Shadura
Elizaveta H.C. Shadura
Natural Resource Manager

cc: City and Borough of Sitka

United States of America
State of Alaska } ss

THIS IS TO CERTIFY that the foregoing is a full, true and correct copy of the document as it appears in the records and files of my office.

IN THE WITNESS WHEREOF, I have hereunto set my hand and have affixed my official seal at Sitka, Alaska, this 17 day of April, 19 95.

District Recorder: [illegible]

By: _____

95-695

CL N/C

Sitka REC. DIST.

DATE 4-17, 1995

TIME 11:05 A.M.

Requested By ACS/ONR

Address _____

Samson Tug & Barge Co., Inc.
and
Delta Western, Inc.

Ground Lease

February 15, 2013

F-1

GROUND LEASE

This Ground Lease is made and executed on February 15, 2013, by and between Samson Tug and Barge Co., Inc., an Alaska Corporation, whose address for all purposes herein is P.O. Box 559, Sitka, Alaska 99835 (Lessor) and Delta Western Inc. (a Washington Corporation registered to do business in Alaska), whose address for all purposes herein is 420 L Street, Ste. 101 Anchorage, AK 99501, (Lessee).

Whereas Lessee wishes to construct and operate a tank farm, truck rack, and fueling depot at the port in Sitka, Alaska; and

Whereas Lessor owns a parcel located at the Port ("Premises") which may be suitable for Lessee's needs; and

Whereas Lessee wishes to lease the Premises from Lessor, and Lessor wishes to lease the Premises to Lessee and to enter into such other agreements as are necessary for the operation of Lessee's tank farm and fueling depot; now, therefore, the Parties agree as follows:

SECTION ONE: DEMISE, DESCRIPTION, AND USE OF PREMISES

Lessor covenants that Lessor is seized of the demised Premises and has full right to make and enter into this Ground Lease and that the Lessee shall have quiet and peaceable possession of the Premises during the term of this Ground Lease.

Lessor leases to Lessee and Lessee leases from Lessor, for the purpose of conducting the business operations of bulk fuel storage and distribution, and general purposes as more fully described in Section Six below, and for no other purposes, the Premises situated at Lessor's port located near Sitka, Alaska, containing 30,000 square feet, and which are more particularly described in Exhibit A hereto. Subject to the contingencies set forth in Section 5, Lessee has inspected the Premises and accepts the same in its present condition.

SECTION TWO: TERM

The Initial Term of this Ground Lease shall be for thirty (30) years, commencing on March 1, 2013, and ending on April 30, 2042. As used in this Ground Lease, the expression "term of this lease agreement" refers to the Initial Term and to any renewal of this Ground Lease as provided below.

This Ground Lease and all rights and obligations hereunder are dependent upon the renewal and extension of a lease of adjacent tidelands where Lessor has established a port for its marine operations. The relevant tidelands lease is recorded at Book 114 Page 93, in the records of the Sitka Recording District, First Judicial District, State of Alaska. Lessor has acquired all of original lessee's right there under by assignment. This tidelands lease was for an initial fifty-five (55) year term to expire August 13, 2017. Lessor herein intends to obtain an extension of said tidelands lease as provided herein. In the event

Lessor is unable to obtain an extension of said tidelands lease, this Ground Lease shall terminate when the tidelands lease expires and Lessee herein shall perform all acts required herein on termination including restoration of the premises.

Notwithstanding the above, Lessee may elect to terminate this Ground Lease without penalty at any time during the Initial Tenancy by providing Lessor years/months advance notice of termination, if Lessee determines, in its sole discretion, that the operation of its business at the Premises no longer is economically advantageous. In the event of exercising such option, Lessee shall pay rent through the effective date of early termination and shall return the Premises to Lessor consistent with its redelivery obligations set forth herein.

SECTION THREE: OPTION TO RENEW

In addition to the Initial Term, Lessee is hereby granted the right to extend the Term of this Ground Lease for six (6) separate, consecutive and additional extension terms ("Extension Tenn(s)"), each for a period of five (years) years. Unless Lessee shall notify Lessor in writing, not less than one hundred eighty (180) days prior to the expiration of the Initial Tenn or any Extension Tenn then in effect, of its intention to terminate this Ground Lease effective as of the end of the Initial Tenn or Extension Term then in effect, Lessee shall be deemed to have exercised its option to renew this Ground Lease for the next ensuing Extension Tenn and Lessee shall not be required to give any notice of its intention to avail itself of such Extension Tenn. Such Extension Terms shall be on the same terms and conditions as set forth in this Ground Lease, except as to the amount of Rent and the length of term and number of extensions, and except that Tenant may terminate any Extension Term by giving Lessor one hundred eighty (180) days written notice.

SECTION FOUR: RENT

STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

☐ **Land Sales and Contract Administration**
550 W 7th Ave., Suite 640
Anchorage, AK 99501-3576
(907) 269-8594

☐ **Northern Region**
3700 Airport Way
Fairbanks, AK 99709
(907) 451-2740

☐ **Southcentral Region**
550 W 7th Ave., Suite 900C
Anchorage, AK 99501-3577
(907) 269-8552

☐ **Southeast Region**
400 Willoughby, #400
P.O. Box 111020
Juneau, AK 99811-1021
(907) 465-3400

APPLICATION FOR PURCHASE OR LEASE OF STATE LAND

_____ Date

_____ **ADL # (assigned by DNR)**

Applicant's Name _____ Doing business as: _____

Mailing Address _____

City/State/Zip _____ E-Mail _____

Message Phone ( ) _____ Work Phone ( ) _____ Date of Birth _____

Is applicant a corporation qualified to do business in Alaska? ☐ **yes** ☐ **no**. Is the corporation in good standing with the State of Alaska, Dept. of Commerce and Economic Development? ☐ **yes** ☐ **no.**

Is applicant 18 years or older? ☐ **yes** ☐ **no.** Are you applying for a ☐ **lease** or ☐ **sale**?

What kind of lease or sale are you applying for? ☐ **Tideland;** ☐ **Public/Charitable Use;** ☐ **Grazing;** ☐ **Millsite;** ☐ **Negotiated;** ☐ **Competitive;** ☐ **Non-Competitive;** ☐ **Preference Right**.

If a lease, how many years are you applying for? ____ **years**. (55 years Max.)

Legal Description: Lot(s)_____ Block/Tract # _____ Survey/Subdivision_____

Other:_____,

Meridian _____ Township _____, Range _____, Section(s) _____ Acres_____

Municipality_____ LORAN Reading (optional) _____

Geographic Location: _____

What is the proposed use of and activity on the state land? _____

_____

Are there any improvements on the land now? ☐ **yes** ☐ **no**. If yes, who owns the improvements, and what is the estimated value? _____

If yes, describe any existing improvements on the land._____

Are there any improvements or construction planned? ☐ **yes** ☐ **no**. If yes, describe them and their estimated value.

_____

State the proposed construction date: _____; estimated completion date*: _____

Name and address of adjacent land owners and, if you are applying for tidelands, the name and address of the adjacent upland owners:_____

Are you currently in default on, or in violation of, any purchase contract, lease, permit or other authorization issued by the department under 11 AAC? ☐ **yes** ☐ **no**. Within the past three years, has the department foreclosed or terminated any purchase contract, lease, permit or other authorization issued to you? ☐ **yes** ☐ **no**.

Non-refundable filing fee: $100
(Fee may be waived under 11 AAC 05.010(c))

Date Stamp:

G 1

Is the land applied for subject to any existing leases or permits? ☐ **yes** ☐ **no**. If yes, ☐ **lease** or ☐ **permit**?
Name lease/permit is issued under:_____ ADL # _____

Do you think you qualify for a non-competitive lease or sale?☐ **yes** ☐ **no**. If yes, under what provision of **AS 38.05**?

☐ **AS 38.05.035(b)(2)** (to correct an error or omission);
☐ **AS 38.05.035(b)(3)** (owner of bona fide improvements);
☐ **AS 38.05.035(b)(5)** (occupied, or are the heir of someone who occupied the land before statehood);
☐ **AS 38.05.035(b)(7)** (adjacent owner of remnant of state land, not adjoining other state land;
☐ **AS 38.05.068 and .087** (U.S. Forest Service Permittee);
☐ **AS 38.05.075(c)** (upland owner or lessee);
☐ **AS 38.05.035(f)** (previous federal and state authorization, erected a building and used the land for business purposes);
☐ **AS 38.05.102** (current long-term lessee or current shore fishery lessee);
☐ **AS 38.05.255** (millsite lease for mine-related facilities);
☐ **AS 38.05.810(a)*** (government agency; tax-exempt, non-profit organization organized to operate a cemetery, solid waste facility, or other public facility; or a subdivision's nonprofit, tax-exempt homeowners' association);
☐ **AS 38.05.810(b)-(d)** (non-profit corporation, association, club, or society operated for charitable, religious, scientific, or educational purposes, or for the promotion of social welfare, or a youth encampment);
☐ **AS 38.05.810(e)** (licensed public utility or licensed common carrier);
☐ **AS 38.05.810(f)** (non-profit cooperative organized under AS 10.25, or licensed public utility);
☐ **AS 38.05.810(h)** (Alaska Aerospace Development Corporation);
☐ **AS 38.05.810(i)** (port authority);
☐ **AS 38.05.825** (municipality applying for eligible tidelands, or tidelands required for private development);
☐ other (please explain): _____

If you have checked one of the above statutes, attach a statement detailing your qualifications under each requirement of that statute.

Do you think you qualify to lease the land for less than fair market value? ☐ **yes** ☐ **no**. If yes, under what provision of **AS 38.05**?

☐ **AS 38.05.097** (youth encampment or similar recreational purpose); ☐ other (please explain).
☐ **AS 38.05.098** (senior citizen discount for a residential lease);

_____ _____
Signature **Date**

_____ _____
If applying on behalf of an agency, municipality, or organization, state which one **Title**

NOTICE TO APPLICANT:

*** For applications filed by a municipality under AS 38.05.810, if there is a remaining entitlement of the municipality under AS 29.65, land transferred under AS 38.05.810 shall be credited toward fulfillment of the entitlement.**
*** Construction may not commence until approval is granted by lessor.**
*** This application will not be considered unless it is accompanied by the appropriate filing fee and completed in full. THE FILING FEE WILL NOT BE REFUNDED NOR IS IT TRANSFERABLE. All checks are to be made payable to the Department of Natural Resources.**
*** Include a 1:63,360 USGS map showing location of proposed activities in relation to survey monumentation or fixed geographical features which fully illustrates your intended use, including the location of buildings and improvements and access points, labeled with all dimensions, and a development plan providing a complete list of proposed activities.**
*** The applicant may be required to deposit a sum of money sufficient to cover the estimated cost of survey, appraisal, and advertising. If the land is sold or leased to another party, the deposit will be returned to the applicant.**
*** The filing of this application and payment of the filing fee vests the applicant with no right or priority in the lands applied for. It is merely an expression of the desire to purchase or lease a parcel of land when and if it becomes available. Filing an application serves the purpose of notifying the state that an individual is interested in purchasing or leasing land. It is not a claim, nor does it in any way obligate the state to sell or lease land.**
*** If the application site is in the Coastal Zone, include a Coastal Project Questionnaire (www.gov.state.ak.us/dgc/Projects/projects.html).**
*** If the application is for use in conjunction with a guide/outfitter operation, include proof of a guide/outfitter certification for the use area.**
*** If the application is for a commercial fish camp, include a copy of your limited entry permit or an interim-use salmon set net permit.**
*** If applying for a senior citizen discount, include form 102-1042.**
*** AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(9) and confidentiality is requested). Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.99.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210.**

G 2

City & Borough of Sitka, Alaska

Selected Parcel: 5309 HALIBUT POINT ID: 26025000

Printed 7/5/2017 from http://www.mainstreetmaps.com/ak/sitka/internal.asp

20 m
100 ft
N

MainStreetGIS
MainStreetGIS, LLC
www.mainstreetgis.com

Memorandum

TO: **Maegan Bosak, Planning and Community Development Director**

FROM: **Wendy Lawrence, Assessing Director**
Wendy Lawrence

SUBJECT: **City and Borough of Sitka Tidelands Lease Application – ATS 1571 (which is adjacent to: PID: 2-6025-000 – 5309/5311 HPR (83,635sf owned filled tidelands))**

DATE: **December 29, 2015**

The real property described below was inspected on November 30, 2015, for the tideland lease application noted above:

ATS 1571 consists of 4.52 acres (196,891sf) of a combination of filled and submerged city-owned tidelands addressed as 5309/5311 HPR. This leased parcel is located due north and directly adjacent to another filled tideland lot owned by the lease applicant, which is noted as 5309/5311 HPR (PID 2-6025-000) aka Samson Tug & Barge. Samson Tug & Barge is owned and operated by the lease applicants, and this leased parcel provides key access for this business. This leased parcel contains floating docks, pontoons and rock fill area which are used for parking, staging, storage and dock access. This parcel consists of approximately 30% of filled tidelands valued at $6.97/sf, and approximately 70% of submerged tidelands, valued at $1.04/sf.

Tidelands within the City and Borough of Sitka are valued according to their classification and upland land modeling. Upland and filled tidelands are valued according to the regular land modeling of the area, unfilled tidelands are valued at thirty percent of the upland rate, and submerged tidelands are valued at fifteen percent of the upland rate. This standard of valuation is used throughout Alaska, with price variances according to upland land values.

This lease renewal valuation is significantly higher than the previous valuation due to a substantially different classification of upland/filled/submerged square footages since the last valuation in 2003, and simply due to market activity from 2003-2015. Average sales prices per square foot range from $1.60-$20.60 for this market area, and this parcel's overall price per square foot of $2.82/sf falls toward the low-end of that range due to this parcel's larger size.

Recommended Value Conclusion: land modeling for the Halibut Point Rd-North area yields a fee simple valuation of $555,500 for this tideland parcel. The lease rate to be applied to this valuation shall be determined by the appropriate authority.

Samantha Pierson

From: Stan Eliason
Sent: Wednesday, July 05, 2017 9:03 AM
To: Samantha Pierson
Cc: Michael Scarcelli
Subject: Re: Special Port and Harbors Meeting

Samantha, that facility is out of the harbor jurisdiction. I don't feel that I or the commission needs to weigh in on this.

Stan

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

On Jul 5, 2017, at 8:56 AM, Samantha Pierson <samantha.pierson@cityofsitka.org> wrote:

> Stan,
>
> Samson Tug and Barge has submitted an application for renewal of their tideland lease adjacent 5309 HPR.
> Is it possible to call a special meeting of Port and Harbors Commission to weigh in on this request?
>
> *Sam*
>
> Samantha Pierson
> Planner I
> City and Borough of Sitka
> 100 Lincoln Street
> Sitka, AK 99835
> (907) 747-1814

Parcel ID: 26004000
CITY & BOROUGH OF SITKA
CITY & BOROUGH OF SITKA
100 LINCOLN ST
SITKA AK 99835

Parcel ID: 26006000
SITKA, CITY & BOROUGH OF
C/B OF SITKA
100 LINCOLN ST
SITKA AK 99835

Parcel ID: 26010000
ALLEN MARINA, LLC
ALLEN MARINE, LLC
P.O. BOX 1049
SITKA AK 99835-1049

Parcel ID: 26015000
ALLEN PROPERTIES, LLC
ALLEN PROPERTIES, LLC
P.O. BOX 1049
SITKA AK 99835-1049

Parcel ID: 26016000
STATE OF ALASKA
FERRY TERMINAL
STATE OF ALASKA
6860 GLACIER HWY
JUNEAU AK 99801

Parcel ID: 26025000
SAMSON TUG & BARGE CO.,INC
SAMSON TUG & BARGE CO.
P.O. BOX 559
SITKA AK 99835-0559

Parcel ID: 26035001
BRYANNA GRAHAM
GRAHAM, BRYANNA, M.
5316 HALIBUT POINT RD
SITKA AK 99835

Parcel ID: 26035002
ARYEH/KAY LEVENSON
LEVENSON, ARYEH, L./KAY, L.
11600 MOOSE RD
ANCHORAGE AK 99516-2477

Parcel ID: 26035003
ARYEH/KAY LEVENSON
LEVENSON, ARYEH, L./KAY, L.
11600 MOOSE RD
ANCHORAGE AK 99516-2477

Parcel ID: 26035004
ARYEH/KAY LEVENSON
LEVENSON, ARYEH, L./KAY, L.
11600 MOOSE RD
ANCHORAGE AK 99516-2477

Parcel ID: 26040000
JACK/TRACY ALLEN
ALLEN, JACK, S./TRACY, S.
P.O. BOX 1352
SITKA AK 99835-1352

P&Z Mailing
July 7, 2017

INVOICE

CITY AND BOROUGH OF SITKA

100 LINCOLN STREET, SITKA ALASKA 99835

DATE: 7/11/17

To: Samson Tug + Barge

PAID
JUL 11 2017
CITY & BOROUGH OF SITKA

ACCOUNT # 100-300-320-3201.002
PLANNING & ZONING

Variance	
Conditional Use Permit	
Minor Subdivision	
Major Subdivision	
Zoning Map Change	
Zoning Text Change	
Lot Merger	
Boundary Line Adjustment	
General Permit	
Appeal of Enforcement Action (Pending)	
Other lease request	300.00
Sales Tax	
TOTAL	300.00

Thank you

CITY AND BOROUGH OF SITKA

Legislation Details

File #:	MISC 17-16	**Version:**	1	**Name:**	
Type:	P&Z Miscellaneous			**Status:**	AGENDA READY
File created:	5/3/2017			**In control:**	Planning Commission
On agenda:	5/16/2017			**Final action:**	
Title:	Discussion and direction regarding amendments to public notice requirements and Sitka General Code 22.30.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Public notice 7.18.17				

Date	Ver.	Action By	Action	Result
6/20/2017	1	Planning Commission		

City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

Date: July 13, 2017
From: Staff
To: Planning Commission
Re: Public Notice Discussion and Direction

KEY POINTS AND CONCERNS:

1. The current zoning Code requires 2 published notices, which is 1 more than other commissions and even the Assembly are required to have.
2. Reduction in 1 published notice would be coupled with the addition of on-site posting of notice, multi-modal notice, notice to renters/tenants, etc.
3. Proposal better notifies the public and interested parties and saves up to $10,000 per year.

UPDATE:
The following is the staff report that was to support a minor code change regarding Sitka General Code Sections 22.30.110 and 22.30.120. However, as staff drafted the amendments it became apparent that it would be best to holistically redraft the entire Chapter 22.30 as it implicates appeal rights, process of review, findings, authority for action/decision, and when notices are required. While staff is highly confident the proposed draft language below is a major improvement, staff feel it is best to take a step back and make sure we address all issues implicated in Chapter 22.30 and other land use code sections such as subdivision code. Staff envision that after the approval and adoption of the Comprehensive Plan, that there will be a major overhaul of land use codes (e.g. Title 22, 21, 18) and other ancillary code provisions that relate to Planning and Community Development. It would be most efficient to make sure that any piecemeal code changes be rewritten in such a way that it can be added to future code edits with little to no additional work. Further, the suggested code edits implicate major legal issues and will need the review of the Municipal Attorney. To date, the Municipal Attorney is supportive of this direction in theory.

RECOMMENDATION:

Staff recommends that the Planning Commission move to direct staff to draft proposed code amendments regarding Chapter 22.30 (Zoning Code Administration) and Chapter 21.52 (Subdivision Administration), for all implicated topics that may include but are not limited to notice, mailings, on-site postings, notices to renters/tenants, review and approval process, appeals, findings, authority of bodies, application, and amendments.

BACKGROUND

Public notice is integral to an open form of government and also to fair decision making. Public notice is a part of the due process protections afforded all citizens. For hundreds of years, public notice has been included in newspapers. Currently, all other city business occurs with less required public notice than the business, decision making, and deliberations that come before the Planning Commission.

It is important to note that the more impact the government action has to someone's person, property, and pursuit of life, liberty, and happiness, the greater requirements of due process protections such as notice[1]. These constitutional protections include substantive and procedural due process requirements. Decisions in front of the Planning Commission that are non-legislative land use decisions or quasi-judicial both require certain procedural due process protections that include notice.

The State of Alaska Open Meetings Act[2] requires that all meetings open to the public provide reasonable public notice as established in the municipality's Charter or ordinance governing that body. Per our existing law, charter and code, reasonable notice of an open meeting must include a concise:

1. Statement of date, time and place
2. Statement of location and time that is reasonably accessible
3. Description of action requested and/or subject of discussion
4. Description of property involved
5. Statement of names of the property owners
6. Names of the applicants

For a typical item for City Assembly, only one published advertisement is required per Chapter 2.36. Currently, our zoning code requires two published advertisements of the Notice (SGC Section 22.30.120(A)(1)). In addition, our zoning code also requires mailings be sent to adjacent properties within so many feet of the proposed project site.

The proposal is to reduce from two published notices to one published notice with at least 5 calendar days. In addition, we propose to add, as a requirement, a site posting. This proposal would save the city between $5,000 and $10,000 a year, while also providing very reasonable notice. In addition, our department has enacted new notice formats that we hope give citizens the critical information and also the resource to find our more. Overall, the proposal is one that we feel provides reasonable, adequate, and efficient notice while also preserving public knowledge and reducing costs.

---

[1] "The fifth and fourteenth amendments prohibit government from depriving any person of life, liberty, or property without due process of law." John E. Nowak and Ronald D. Rotunda, Constitutional Law, Ch. 13 (6th ed. 2000)
[2] AS 44.62.310-.312

Current Sitka General Code for City Assembly Notices:

Chapter 2.36
PUBLIC NOTICE OF MEETINGS[5]

2.36.010 Required.

Reasonable public notice shall be given of all meetings of an administrative body, board, commission, committee, subcommittee, authority, agency or other organization including subordinate units of the above groups of the city and borough including but not limited to assembly, school board, platting board, departments, commissions or organizations advisory or otherwise of the city and borough supported in whole or in part by public money or authorized to spend public money. (B.C.S. § 2.12.010.)

2.36.020 Publication.

Reasonable public notice is given if a statement containing the date, time and place of the meeting is published not less than twenty-four hours before the time of the meeting in a newspaper of general circulation published within the city and borough or not less than twenty-four hours before the time of the meeting by posting such statement in three public places within the city and borough or by announcement of such meeting twenty-four hours before the time of the meeting on radio or television stations within the city and borough with an affidavit of broadcasting given by such radio or television stations. If the meeting is a special meeting, then the above statement shall also contain the expected subjects of discussion, but the failure to list a subject shall not invalidate any action taken in respect thereto. (B.C.S. § 2.12.020.)

2.36.030 Emergency meeting.

An emergency meeting of the assembly or school board may be held after such public notice as is reasonable under the circumstances without regard to the publication requirements in Section 2.36.020, upon the affirmative vote of all members present, or the affirmative vote of three-quarters of those elected that a public emergency affecting life, health, welfare or property exists and that reasonable public notice of the meeting has been given. Any action taken at an emergency meeting is valid only for sixty days. (B.C.S. § 2.12.030.)

2.36.040 Meeting location.

Meetings required to be open to the public under this chapter and the state open meeting law shall be held in a location and at a time reasonably accessible to the public. (Ord. 00-1567 § 4, 2000.)

Proposed Notice Language

- **Purpose.** The purpose of the Public Notice Section is to cover all notice requirements required for public meetings under Title XX, to best inform the public of prospective decisions before the Planning Director, the Planning Commission or other pertinent commission, and the City Assembly, and to provide the public and interested property owners with the relevant information being decided or discussed.
- **Notification**. All notices shall follow the regulations in this section. Reasonable public notice shall be given for any item or meeting coming under this title and shall follow all applicable public notice regulations. Notices required by this title shall include a concise:
    - Statement of date, time and place
    - Statement of location and time that is reasonably accessible
    - Description of action requested and/or subject of discussion
    - Description of property involved
    - Statement of names of the property owners (if applicable); and
    - Names of the applicants
    - Description of how and where more information of the proposed project can be found
    - Notice of Right to Appeal Decision or Action within 10 days of the decision or action. Appeal shall be filed pursuant to SGC XX.
- **Publication**: all projects before a public body subject to the Open Meetings Act shall be noticed and published in a newspaper of general circulation within the city and borough on at least **one occasion** prior to the meeting. **This one publication shall** be at least five calendar days before the meeting;
- **Mailing**.
    - Notice by mailing is required to be sent to:
        - **owners of property within 300 feet of a proposed conditional use permit, major variance, marijuana conditional use permits, Planned Unit Development/Cluster Home Developments; and non-conforming use permits** by sending notices by first class mail at least five days prior to the date of hearing or decision to all property owners with the prescribed distance using the names and addresses as they appear on the records of the city and borough assessor**;**
        - **owners of property within 150 feet of a proposed temporary conditional use permit, short-term rental conditional use permit, bed and breakfast conditional use permit, commercial home horticulture permit, minor variance, and other minor projects as determined by the Planning Director or Planning Commission** by sending notices by first class mail at least five days prior to the date of hearing or decision to all property owners with the prescribed distance using the names and addresses as they appear on the records of the city and borough assessor**;**
        - **the immediate adjacent property owners of any proposed administrative approval, administrative variances, or other minor permits or amendments that may impact the adjacent property owner** by sending notices by first class mail at least seven days prior to the date of hearing or decision to all property owners with the prescribed distance using the names and addresses as they appear on the

records of the city and borough assessor.

- Mailed notice **shall not** be required for projects that have City wide impacts such as zoning map amendments, Sitka General Code changes, and similar legislative considerations.

- **Site Posting.** For all projects, a site posting notice shall be posted in a conspicuous location at the site of the proposed development or action until the decision affecting it is made. The document containing the posted notice shall be readily visible, safely accessible, and inspectable by a member of the general public. Should extenuating circumstances such as safety, topography, or location make a site posting unreasonable or impractible, the Planning Director may waive this requirement upon a written finding of such extenuating circumstances, but all other notice due shall occur. Site posting shall only grant a member of the public access to the posted notice, but not the property at large.
- **Multi-modal notice.** To expand the diversity of notice to the public, four (4) of the following publications of notice shall occur:
  - Posting of notice on a City maintained website;
  - Posting of notice on a City maintained community bulletin board;
  - Posting of notice on a public community calendar;
  - Posting of notice on a major social media platform;
  - Distribution of a mass email or text; and/or
  - Publication of a Public Service Announcement or Notice in print, video/TV, or radio.

- **Emergency Meeting Exception.** An emergency meeting of any public municipal body to hear items covered under this title, in any of their capacities (e.g. Platting Authority, Board of Appeals, etc.) may be held after such public notice as is reasonable under the circumstances without regard to the publication requirements upon the affirmative vote of at least 4 commission members that a public emergency affecting life, health, welfare or property exists and that reasonable public notice of the meeting has been given. Any action taken at an emergency meeting is valid only for sixty days. (taken and based from SGC Section 2.36.030).
- **Additional Notice Required Where Found Extenuating Circumstances or Matters of Extreme Community Importance.** Where it is found in written decision by the Planning Director or any city assembly, board, or commission, that circumstances warrant additional notice, such additional notice maybe required that is reasonable under the circumstances.
  - **In the circumstance that it is found or known that renters or tenants are implicated at the site location, the applicant shall provide notice to all renters and tenants of the proposed project that complies with all notification requirements in this chapter. The Planning Director shall have the authority to direct the applicant to take such action or to invalidate any approval if it is found that has not occurred.**
- **File Available for Public Action**. From the time of filing such application until the time for such public hearing, the application, together with all relevant data, plans or maps, shall be available for public inspection in the office of the planning director.
- **Consideration of Evidence**. The planning commission shall hear and consider evidence and facts

from any person at the public hearing or receive written comments from any person relative to the matter brought before the commission. The right of any person to present evidence shall not be denied for the reason that such person was not required to be informed of such a public hearing. (Scarcelli feels this should be more in a section regarding review process, not notice).

- **Notice required when meeting or agenda item rescheduled.** If, for any reason, a meeting or hearing on a pending action cannot be completed on the date set in the public notice, the meeting or hearing may be continued to a date certain and notice shall be provided that is reasonable under the circumstances.

Analysis with Findings

Due process and notice as proposed would still provide a high level, if not higher level of notice. The reduction of the one published newspaper notice will be made up for by the on-site notice, additional multi-modal notices that target various populations. Overall, this will give the general public and adjacent properties better notice about an action under consideration.

This change is not anticipated to negatively impact the public, health, safety and welfare, and instead will provide better more efficient notice as well as reducing costs all of which are positive impacts to the public's health, safety, and welfare.

Further, the proposed language is more uniform with the general notice requirements for the City as a whole. This adds additional support for adopting the proposed language for Planning's purposes. (Would this proposal better support due process requirements).

The Comprehensive Plan states under goal Governmental Goals and Policies, "To assure widespread and thorough public awareness of pending actions of the Borough which are significant to the well-being of the community." Again, while publication is one form of notice, it is a costly form. We can still provide general published notice, while also adding site specific and multi-modal notice that will add to the *thorough* nature of our notice, while reducing costs.

Overall, it can be **found** that

1. the proposal does not negatively impact the public health safety or welfare, but better notifies the public of pending action in an public meeting;
2. the proposal comports with all code, laws, and principles that protect public notice and due process; and
3. the proposal complies with the Comprehensive Plan by providing *thorough* and reasonable notice of all pending actions of the Planning Commission.

Recommendation

Staff recommends that the Planning Commission move to direct staff to draft proposed code amendments regarding Chapter 22.30 (Zoning Code Administration) and Chapter 21.52 (Subdivision

Administration), for all implicated topics that may include but are not limited to notice, mailings, on-site postings, notices to renters/tenants, review and approval process, appeals, findings, authority of bodies, application, and amendments.

Suggested Motions

1. I move to find that
    a. the proposal does not negatively impact the public health safety or welfare, but better notifies the public of pending action in an public meeting;
    b. the proposal comports with all code, laws, and principles that protect public notice and due process; and
    c. the proposal complies with the Comprehensive Plan by providing *thorough* and reasonable notice of all pending actions of the Planning Commission.

2. I move to direct planning and legal staff to draft proposed code amendments regarding Chapter 22.30 (Zoning Code Administration) and Chapter 21.52 (Subdivision Administration), for all implicated topics that may include but are not limited to notice, mailings, on-site postings, notices to renters/tenants, review and approval process, appeals, findings, authority of bodies, application, and amendments.

CITY AND BOROUGH OF SITKA

Legislation Details

File #:	MISC 17-12	**Version:**	1	**Name:**	
Type:	P&Z Miscellaneous			**Status:**	AGENDA READY
File created:	3/31/2017			**In control:**	Planning Commission
On agenda:	4/18/2017			**Final action:**	
Title:	Discussion and direction regarding development standards, setbacks, and required yards in Sitka General Code Title 22.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Development Standards, Setbacks, Required Yards 7.18.17 Development Standards in SGC				

Date	Ver.	Action By	Action	Result

City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

Date: July 12, 2017

From: Planning and Community Development Department Staff

To: Planning Commission

Re: Possible Amendments to Development Standards, Setbacks, and Required Yards

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Throughout the Comprehensive Plan update process, the public and the Planning Commission have expressed some interest in amending development standards in order to aid in the ease of infill development, recognize the constraints of existing lot sizes and topography, reduce development costs, and reduce variance requests. Draft goals in the Housing Chapter of the Comprehensive Plan include code revisions to "minimize prevalence of variances by amending development standards, such as setbacks," "reduce minimum lot sizes," and "encourage higher density development."

Between 2010 and early 2017, variances have been granted for 178 different setbacks. Fewer than 178 public hearings have been held because some properties have received variances for more than one property line. Additionally, some variances have not come to the Planning Commission because they were administrative variances for 2 foot reductions. Reductions in setback requirements could result in a reduced caseload for the Planning Commission and staff.

Current development standards can prove to be unrealistic in many of Sitka's neighborhoods.[1] For example, many lots in the downtown area are of substandard size, making it challenging to meet setback requirements. Development standards can also create a barrier for individuals seeking to construct accessory dwelling units (ADU), as conditional use permits are required for ADUs on properties with variances. ADUs can be difficult to construct within current setbacks on existing lots of substandard size.

Another issue that has arisen is the restriction on accessory structures in setbacks. Structures over 30 inches in height are prohibited in setbacks. One exception is that fences are allowed on property lines, up to 8 feet tall in residential areas and 20 feet tall

[1] Staff will provide map that illustrates the level of existing nonconformity with development standards regarding lot area, width, coverage, and ADU requirements.

in commercial areas. This accessory structure issue arises regularly when property owners wish to construct access stairs to their homes. Building code often requires handrails in excess of 30 inches to be constructed with stair projects. Zoning code could be amended to allow uncovered access stairs to be constructed in setbacks, as they are required to safely access many of Sitka's properties. Code amendments could also ease restrictions on other accessory structures within setbacks such as storage sheds and playhouses.

Overall, staff see many areas for improvement in municipal code regarding development standards, setbacks, and yards. Staff request that the Planning Commission direct staff to draft a zoning text amendment ordinance to address these concerns.

For discussion purposes these are the main areas that staff envision could have improved code:

- Structures in Setbacks (e.g. stairs, decks, heaters, oil tanks, shed/greenhouse, etc.)
    - Exempt Structures
- ADU – the 14 obstacles or requirements:
    - Remove or reduce restrictions of C1 (ROW), C2 (allow for STR and Owner Occupied, C7 (limits to SFR and one other structure), C8 (appearance of SFR – vague), C9 (conflicts with C8 and why), C10 (why), C11 (800 sf - maybe a little more?), C12 remove parking reqs b,c,d).
    - Add Permitted in R1-MH and R1-LDMH?
    - Add CUP for GI and LI
        - C-1 and C-2 in future and potential WD after future zoning changes (don't want to create more problems around commercial areas).
- Lot Area: simple change of remote note 1 (net area does not include access easement)
- Lot Coverage: what constitutes?
    - Pervious versus impervious (e.g.wooden deck versus covered deck)
        - Concrete, sheds, playhouse, etc?
- Communication and Utility Equipment Standards and Locations
- Combination of lots should be through a plat, not just Director (could mirror BLA)
- Default Variance: Approved plats and lots that are below development standards receive a *de facto*/default variance for lot size, and lot area, and for setback have

a formula setback, but not less than 5 feet for side and 10 for front, and 9 for rear (unless CBD, etc.) limited to singular principal use. Other uses and structures would require standard variance.

- Setbacks
    - Contextual setback of neighborhood; and/or
    - Reduce front to 10-15 feet, side to 5/9 foot split, and rear to 9 feet; and/or
    - Formulaic setback: 10% of width for side setback but no less than 5', and 10% of depth, but no less than 9 feet.
    - Plus: better define front, rear, and side property lines
    - Provide more flexible approach for corner lots (modified front setbacks such as 10 and 10 or 15 and 10).
- Height: simplify the formula
- Sight Triangles for Safety
    - Topography and weather make this challenging
- Fences, Walls, and Yards
    - Interwoven with setbacks and sight triangles
- Complex Development Standards Dependent Upon Further Study and Community Participation
    - Reduce lot area, width, and height in certain or all zones.

Important point for consideration: Which of the above code changes are the low-hanging fruit and easy code changes? Which changes would require complex code changes, extensive staff time, and major community discussion?

Recommended Action: Make a motion directing planning and legal staff to draft an ordinance to amend code regarding development standards, setbacks, and required yards where staff first brings some easy code changes in the near future and some more complex code changes after completion of the Comprehensive Plan or Smart Growth America Code audit.

22.20.030 Classification of new and unlisted uses.

Addition of uses which are not defined or regulated by this title shall be made by the following process:

A. The administrator shall provide the planning commission with a staff report describing the proposed use addition in the form of an amendment to this title.

B. The planning commission shall hold a public hearing and, subject to its review, shall recommend an appropriate code amendment to the assembly.

C. Unless the assembly takes action otherwise within thirty days of the planning commission recommendation, the recommended amendment shall take effect.

(Ord. 11-04S § 4(B) (part), 2011: Ord. 02-1683 § 4 (part), 2002.)

Table 22.20-1
Development Standards[2]

	MINIMUM LOT REQUIREMENTS		MINIMUM SETBACKS			MAXIMUM HEIGHTS[19]		MAXIMUM BUILDING COVERAGE	MAXIMUM DENSITY
ZONES	**Width**	**Area**[1, 18]	**Front**[3]	**Rear**	**Side**	**Principal Structures**	**Accessory Structures**		
P	[4]	[4]	20 ft.	15 ft.	10 ft.	40 ft.	16 ft.	35%	
SF[16]	80 ft.	8,000 s.f.	20 ft.[8]	10 ft.[9]	8 ft.	35 ft.[10]	16 ft.	35%	
SFLD	80 ft.	15,000 s.f.	20 ft.[8]	20 ft.[9]	15 ft.	35 ft.[10]	16 ft.	35%	
R-1[6, 16]	80 ft.	8,000 s.f.	20 ft.[8]	10 ft.[9]	8 ft.	35 ft.[10]	16 ft.	35%	
R-1 MH[6, 16]	80 ft.	8,000 s.f.	20 ft.[8]	10 ft.[9]	8 ft.	35 ft.[10]	16 ft.	35%	
R-1 LD/ LDMH	80 ft.	15,000 s.f.[5]	20 ft.[8]	20 ft.[9]	15 ft.	35 ft.[10]	16 ft.	35%	
R-2[6, 16]	80 ft.	8,000 s.f. for the first two units and 1,000 s.f. for each additional unit	20 ft.(8)	10 ft.[9]	8 ft.	40 ft.	16 ft.	50%	Maximum density = 24 DU/A
R-2 MHP[6]	80 ft.	Same as R-2	20 ft.(8)	10 ft.(9)	8 ft.	40 ft.	16 ft.	50%	Same as R-2
CBD[17]	None	None[7]	[11]	[11]	[11]	50 ft.	16 ft.	None	
C-1[6]	60 ft.	6,000 s.f.[7]	20 ft.[8]	10 ft.	5 ft.	40 ft.	16 ft.	None, except for setback areas	
C-2[6]	60 ft.	6,000 s.f.[7]	20 ft.[8]	10 ft.	5 ft.	40 ft.	16 ft.	Same as C-1	
WD[6]	60 ft.	6,000 s.f.[7]	20 ft.[8, 12]	5 ft.[12]	10 ft.[12]	40 ft.	16 ft.	Same as C-1	
GP	50 ft.	5,000 s.f.	10 ft.	5 ft.[12]	10 ft.[12]	50 ft.	50 ft.	Same as C-1	
I	100 ft.	15,000 s.f.	20 ft.[8]	10 ft.	5 ft.	40 ft.	16 ft.	50%[13]	
LI	None	1 acre[14]	None[15]	None[15]	None[15]	35 ft.	35 ft.	25%	
GI	None	1 acre	None[15]	None[15]	None[15]	35 ft.	35 ft.	None	
R	[16]	[16]	20 ft.	10 ft.	5 ft.	35 ft.	20 ft.	50%	

	MINIMUM LOT REQUIREMENTS		MINIMUM SETBACKS			MAXIMUM HEIGHTS[19]		MAXIMUM BUILDING COVERAGE	MAXIMUM DENSITY
ZONES	**Width**	**Area**[1, 18]	**Front**[3]	**Rear**	**Side**	**Principal Structures**	**Accessory Structures**		
OS	None	1 acre	None[15]	None[15]	None[15]	35 ft.	35 ft.	None[15]	

(Ord. 13-14A § 4 (part), 2013; Ord. 11-04S § 4(B) (part), 2011; Ord. 06-06 § 4(C), 2006; Ord. 03-1746 § 4 (part), 2003; Ord. 02-1683 § 4 (part), 2002.)

22.20.035 Notes to Table 22.20-1.

1. Minimum lot area net of access easements.

2. All developed lots and parcels shall have access to a public street and circulation within the development to ensure adequate vehicular circulation for parking, freight, and emergency vehicles. Where lots or parcels do not front on and have direct access to streets, a minimum twenty-foot improved driveway with a minimum of a twelve-foot wide developed driveable surface on a legal easement shall provide access between the subject development and the street.

3. Front setbacks apply to all lot lines adjacent a public street. Corner lots have two front setbacks.

4. As determined by the specific use and its parking and loading requirements.

5. Duplex shall have a minimum of twelve thousand square feet of lot area per unit.

6. Zero lot line lots shall be a minimum of seven thousand five hundred feet in area.

Additional Note: The minimum square footages for each unit of a zero lot line shall be as follows:

R-1 and R-1 MH 4,000 sq. ft.

R-1 LD and R-1 LDMH 7,500 sq. ft.

R-2 and R-2 MHP 4,000 sq. ft.

C-1, C-2 and WD 3,000 sq. ft.

Zero lot lines may be allowed on existing lots of record in the R-1 and R-1 MH zones with square footages less than above if the planning commission finds that there is adequate density and parking.

7. Minimum lot area per dwelling unit shall be six thousand square feet for one and two-family dwellings with an additional one thousand square feet for each additional dwelling unit.

8. Front yard setback shall be ten feet when lots abutting street rights-of-way are equal to or greater than eighty feet.

9. Residential docks are exempt from rear yard setback.

10. Except as exempted by Section 22.20.050.

11. Subject to site plan approval.

12. No setbacks are required from property lines of adjacent filled, intertidal, or submerged tidelands.

13. Additional building coverage may be permitted subject to site plan approval.

14. Unless the subject use occupies the entire island.

15. Where island lots share common property lines, the minimum setback shall be fifteen feet.

16. The minimum site setback on lots in zones SF, R-1, R-1 MH, and R-2 shall be five feet for lots that are sixty feet wide or narrower; in all other cases in those zones, the minimum side setback shall be eight feet.

17. A five-foot setback shall be along any property line abutting a public street, alley, or deed access easement. The purpose of this setback shall be to assure that sidewalks, curb and gutter, power pole locations, or other public necessities can be accommodated.

18. Lot size variances may be allowed for subdivisions that include sidewalks or pathways.

19. Accessory dwelling units in residential zones shall be limited to a maximum height of twenty-five feet or the height of the existing principal dwelling unit on the property whichever is less.

(Ord. 13-14A § 4 (part), 2013; Ord. 06-06 § 4(C), 2006; Ord. 03-1746 § 4 (part), 2003; Ord. 02-1683 § 4 (part), 2002.)

22.20.040 Yards and setbacks.

The following regulations supplement, define and restrict the meaning of the intent of yard and setback provisions set forth in this chapter:

A. Projections into Required Yards. Where yards are required as setbacks, they shall be open and unobstructed by any structure or portion of a structure from thirty inches above the general ground level of the graded lot upward; provided, however, that fences, boundary walls, poles, posts and other customary yard accessories, ornaments and furniture may be permitted in any yard subject to height limitations and requirements limiting obstruction visibility. Obstructions shall include cantilevered stairs and exits, as well as eaves and roofed entrances. Ramps are considered allowable structures in required yards if they:

1. Are designed to provide access to a road, sidewalk, or driveway for disabled persons.

2. Have a slope or grade that can be traversed by disabled persons in wheelchairs.

3. Have a railing consistent with American/Disabilities Act (ADA) standards.

4. Do not include an arctic entry or other extension of the building that encroaches into the yard in a manner that violates the other provisions of this title.

B. Adjoining Lease Tidelands. Yard setback requirements of leased tidelands shall be measured from the limits of the leased area. If, at the end of the lease term, the leaseholder should not renew the lease, then any nonconforming structures shall be removed unless the tidelands are brought under the control of the municipality or a new lessee, at which time conformance to normal yard and setback requirements shall be required.

C. Residential Lots in Common Ownership. An owner of contiguous or adjacent lots may combine those lots if approved by the planning director into one parcel, thereby measuring lot coverage and setbacks from the outside boundaries of the new combined lot. The impact of the use or number of residential units shall not exceed those previously allowed on a single parcel. In cases where these impacts may be greater than originally intended, the planning director may refer the matter to the board of adjustment for further review under the provisions of Section 22.24.020. Should the property owner revoke the merger either by a declaration of merger or by conveyance of one or more of the affected lots, setback and coverage requirements will again be measured from and by the original boundaries.

D. Zero lot line single-family detached residential developments are permitted as planned unit developments under Title 21 of this code subject to site plan review. In this type of development, the dwelling unit is permitted to be located at one of the side property lines of the lot. The other side of the dwelling is required to be separated from the adjacent lot by a side yard equal to or greater in width than the combined side yard requirements of the zone. Provisions for front and rear yard setbacks as required by the zone shall be observed, further:

1. An easement shall be provided on the abutting lot adjacent to each zero lot building that is wide enough to ensure a ten-foot separation between the walls of structures on adjoining lots, except as provided by common wall construction;

2. The easement shall be free of permanent structures and other obstructions that would prevent normal repair and maintenance of the structure's exterior;

3. Buildings utilizing reduced setbacks shall not have doors that open directly onto the private yards of abutting property. Windows in such buildings shall not be oriented toward such private yard areas unless they consist of materials such as glass block, textured glass, or other translucent materials, and shall not be capable of being opened, except for clerestory windows or skylights;

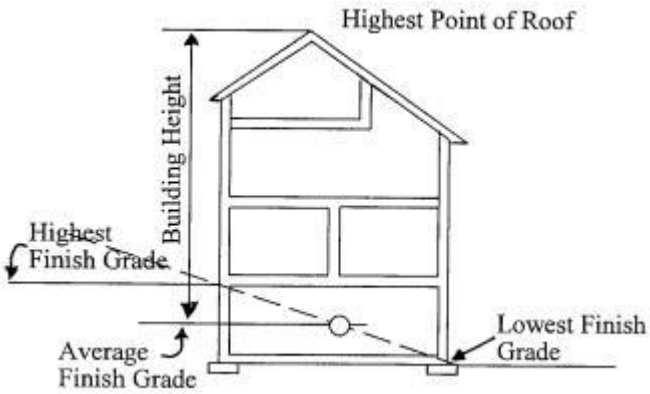
4. The final plat and site plan shall show the approximate location of buildings proposed to be placed in a standard setback area.

(Ord. 02-1683 § 4 (part), 2002.)

22.20.050 Building height.

A. Building height shall be measured from the average finished grade to the highest point of the roof. The average grade shall be determined by first drawing the smallest square or rectangle which encloses the building profile and then averaging the grade elevations taken at the midpoint of each side of the square or rectangle; provided, that the measured elevations do not include berms. Figure 22.20.050 below illustrates this method. The administrator or his designee shall have the authority to determine the maximum allowable height of a structure for buildings with unusual designs with the owner retaining the right of appeal to the planning commission and the assembly in accordance with Chapter 22.30, Article VI.

Figure 22.20.050
Building Height Measurement



B. Exempted Structures. Roof structures for the housing of fire- or smokestacks, tanks, ventilating fans required to operate and maintain the building and other necessary mechanical equipment may be erected above the permitted height provided nothing increases or provides additional floor space.

(Ord. 02-1683 § 4 (part), 2002.)

22.20.055 Communications antennas and towers.

Communications antennas and towers are permitted accessory uses within the R-1, R-1 MH, R-1 LDMH, R-2 and R-2 MHP zoning districts as long as the tower or antenna does not exceed the allowable height of structures allowed within the specific district. If ground-mounted, guy wires shall not exceed the property on which the antenna/tower is located. In all cases, towers and antennas shall be structurally sound and properly constructed. Any request for a

tower or antenna exceeding the height limits of the zoning district shall require a variance. (Ord. 02-1683 § 4 (part), 2002.)

22.20.070 Fences, walls and hedges.
Property line fences and walls not exceeding eight feet in height may occupy any portion of a yard in residential districts except as provided in Section 22.20.080; and also provided, that such fence, wall or hedge projecting forward of the front yard setback line shall not obstruct visibility of the residence from the street. Fences in the public, commercial, and industrial districts may be no greater than twenty feet in height. Maximum fence height in the C-2 general commercial and mobile home district is eight feet. (Ord. 05-03 § 4(B), 2005; Ord. 04-60 § 4(N), 2004.)

22.20.160 Accessory dwelling units (ADUs).
A. The following code section provides for binding standards and regulates the accessory dwelling units (ADUs). ADUs are intended to:

1. Utilize existing housing stock while preserving the appearance and character of single-family neighborhoods.

2. Provide additional affordable options for long-term rental housing.

3. Provide a broader range of more affordable housing.

4. Provide a mix of housing that responds to changing family needs, smaller households and multi-generational families.

5. Provide a means for residents, particularly seniors, single parents, and families with grown children, to remain in their homes and neighborhoods and obtain extra income, security, companionship and services.

6. Encourage a more economic and energy-efficient use of Sitka's housing supply.

7. To maintain consistency with city and borough of Sitka's policies as recommended in the Comprehensive Plan (2.2.15, 2.2.16, 2.4.8.A, 2.5.1.B, 2.5.11, 2.10.3.B).

B. Creation. An accessory dwelling unit (ADU) is a second dwelling unit that is located on the same parcel as the primary single-family dwelling unit. ADUs must provide a complete, independent residential living space and shall include provisions for living, sleeping, eating, cooking and sanitation. ADUs can be studio-sized units, and one- and two-bedroom units. An ADU may be created through the following methods:

1. Constructing a detached ADU on a parcel with an existing single-family home.

2. Constructing a new single-family home with a detached ADU.

C. Accessory Dwelling Unit Requirements.

1. An ADU is a permitted use, on lots served by a publicly maintained right-of-way in the following residential zoning districts: R-1 and R-2 and related districts exclusive of MH and MHP. An ADU shall not be constructed on lots accessed by access easements. They are also not allowed on lots served by rights-of-way that have not been accepted by the municipality or state of Alaska for maintenance.

2. ADUs are intended for long-term rental use only. Rental of an ADU for a period of less than ninety consecutive days is prohibited. ADUs shall not be used for short-term vacation rentals and/or bed and breakfast purposes.

3. ADUs shall meet all development, design, zoning and building requirements at the time of construction (e.g., setback requirements and lot coverage standards) applicable to the primary dwelling unit, except as otherwise noted.

4. The ADU must be located on the same parcel as the primary dwelling unit.

5. Only one ADU is allowed per parcel.

6. Mobile homes, travel trailers and recreational vehicles shall not be used as an ADU.

7. ADUs shall only be located on a parcel in conjunction with a single-family dwelling unit. ADUs shall not be located on parcels that contain a duplex and shall not be located on parcels that contain two or more dwelling units.

8. ADUs shall be designed so that the appearance of the structure maintains, to the greatest extent possible, the appearance of a single-family property.

9. If a separate external entrance for the ADU is necessary, where possible, it shall be located on the side or rear of the structure. On a corner lot, where there are two entrances visible from either street, where possible, solid screening is required to screen at least one of the entrances from the street.

10. Exterior stairs shall be located in the side or rear yard wherever possible and must comply with setback and building code requirements.

11. The maximum size of an ADU shall be eight hundred square feet.

12. The following parking requirements are applicable for ADUs:

a. As part of the application submittal process, the applicant shall submit a parking plan delineating parking space(s) for the ADU and the primary dwelling unit.

b. Where parking is located in any portion of the interior side and/or rear setbacks solid screening is required from adjoining properties.

c. On-street parking is prohibited.

d. If additional parking is necessary, new parking space(s) shall utilize existing curb cuts.

13. All subdivisions of lots containing ADUs are prohibited unless all minimum lot sizes (exclusive of access easements), setbacks, lot coverage, and other requirements in the zoning and subdivision codes are met.

14. Variances are prohibited on any lot containing an ADU including, but not limited to, variances for setbacks, lot coverage, building height, and off-street parking requirements.

D. Conditional use permits may be sought if the above requirements cannot be met. Conditional use permit must be in conformance with Chapter 22.24.

(Ord. 15-08 § 4 (part), 2015; Ord. 13-14A § 4 (part), 2013.)

CITY AND BOROUGH OF SITKA

Legislation Details

File #:	MISC 17-22	**Version:**	1	**Name:**	
Type:	P&Z Miscellaneous			**Status:**	AGENDA READY
File created:	7/5/2017			**In control:**	Planning Commission
On agenda:	7/18/2017			**Final action:**	
Title:	Discussion and direction regarding short-term rental and bed and breakfast annual reporting.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	STR B&B Reporting 7.18.17				

Date	Ver.	Action By	Action	Result

City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

Date: July 10, 2017

From: Samantha Pierson, Planner I

To: Planning Commission

Re: Annual Reporting for Short-Term Rentals and Bed and Breakfast Operations

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Conditional use permits for short-term rentals and bed and breakfast operations require the submission of annual reports as a condition of approval. While some other conditional use permits require review with a public hearing and a vote, the rental report is purely informative and does not require Planning Commission action. The one-page report form is provided by the municipality upon each anniversary of the granting of the permit and return is requested within a month of mailing.

There is a wide range of involvement among owners of properties with short-term rentals and bed and breakfast operations. Some owners live on-site and manage all of the required cleaning and bookkeeping, some live off-site and are not involved with any of the property management, and still others fall somewhere in between the two extremes. As a result of this diversity, one size of reporting does not fit all needs.

When some owners receive the annual report form, they do not have the information to property complete it. This can lead to confusion and often requires follow-up letters to be sent. By focusing the annual reporting efforts on one specific time of year, more modes of communication can be used, resulting in greater return of reports. In addition, the new report form will require reporting on the amount of taxes remitted to the municipality.

Many owners of vacation rental properties work with outside entities to manage their properties. Currently, a property owner may receive a report request letter and then contact the property manager for information. When a business handles several rentals, these requests may be received frequently. The proposed process would involve property management businesses in each round of report requests during the January and February period. This would also eliminate the sporadic requests that such businesses receive as each annual report comes due, as data gathering will be conducted on an annual basis for all rentals.

The timing of the proposed reporting procedure falls strategically during one of the slower periods of the year for most people. The holidays are over, winter is in full swing, and there may be fewer vacation renters in units. Contrast this with the current reporting scheme wherein individual reports may come due during such busy periods as summer or the holidays.

One annual rental reporting period will also help to gather better data for analysis and Planning Commission decisions. For example, staff will be able to more accurately compile the numbers of nights rented to short-term renters through this scheme. The proposal will be more helpful to the Planning Commission, staff, and the public and will ultimately save time and money.

As a final note, the rental data will only include rentals requiring conditional use permits, and will only include those permits granted since 2010. Reporting prior to 2010 was sparse and while some pre-2010 permits continue to be utilized, the Planning Community Development Department has chosen to focus on building robust data from 2010 forward.

Proposed timeline:

- Early January – Send annual report forms to property owners via mail and email (when available) and to known rental agencies. Rental agencies may be provided a spreadsheet for ease of reporting.
- Mid-January – Send a reminder email to all parties.
- Early February – Send a reminder email to all parties.
- February 15 – Deadline. Compile reports.
- Third Tuesday in March – Reports submitted to Planning Commission.

Recommended Action: Make a motion directing staff to compile and submit to the Planning Commission all short-term rental and bed and breakfast annual reports every March.

CITY AND BOROUGH OF SITKA

Legislation Details

File #:	MISC 17-20	**Version:**	1	**Name:**	
Type:	P&Z Miscellaneous			**Status:**	AGENDA READY
File created:	6/7/2017			**In control:**	Planning Commission
On agenda:	6/20/2017			**Final action:**	
Title:	Legal matter - McGraw, Diaz, Friske lawsuits				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Exec Session lawsuit Planning Commission v2				

Date	Ver.	Action By	Action	Result

POSSIBLE MOTIONS

I MOVE to go into Executive Session with Planner 1, Samantha Pierson, Planning Director, Michael Scarcelli, and Municipal Attorney, Brian Hanson, regarding legal matters affecting the Municipality as a result of the following lawsuits: McGraw v. Sound Development, et al., Case No. 1SI-15-269 CI; Diaz v. Sound Development, et al., Case No. 1SI-16-143 CI; Friske v. Sound Development, et al., Case No. 1SI-16-144 CI; in which the City and Borough of Sitka are co-defendants.

I MOVE to reconvene as the Planning Commission in regular session.