

## **POSSIBLE MOTION**

**I MOVE TO** approve the Request for Proposal for the lease of a portion of Tract C, ASLS 79 4 on Harbor Mountain Bypass Road for the purposes of a cell tower site.




# City and Borough of Sitka


100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members

**Thru:** John Leach, Municipal Administrator 

**From:** Amy Ainslie, Planning Director 

**Date:** August 5, 2020

**Subject:** Lease of Municipal Land for Cell Tower – Harbor Mountain Bypass

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### Background

New Horizons LLC (on behalf of Verizon Wireless) is requesting to lease a portion of Tract C ASLS 79-4 encompassing approximately 2,500 – 10,000 square feet on Harbor Mountain Bypass road near the municipal water tower. This tract remains unsubdivided and has vehicular access from the Harbor Mountain Bypass road.

The intended use of the lease area is for construction, placement, and operation of a cell tower.

This tract of land is zoned as R-1 single family and duplex residential district. However, R-1 is often used as a holding or placeholder zone for unplanned and/or undeveloped municipal lands. Per SGC 22.20.055, communications towers and antennas can be built as permitted accessory uses in the R-1 and related zones.

The necessary utility infrastructure is available in the area, primarily just electric service. The lessee intends to construct utilities and road access to the lease site.

Background: SGC 18.12.010(E), Real Property Disposal states “*Sale or lease of municipal real property, including tidelands, shall be by competitive bid, unless the assembly finds that competitive bidding is inappropriate, due to the size, shape, or location of the parcel, rendering it of true usefulness to only one party, or is waived by subsection C of this section. The assembly may also find that competitive bidding is inappropriate due to the nature of the property or the circumstances surrounding its disposal to include possible unjust results with regard to the existing lessee, or adjacent or neighboring property owners.*” Staff finds no particular characteristics of the lot that would render competitive sale/lease of this property inappropriate. Therefore, Staff recommends putting the lease area out to RFP (Request for Proposal). An RFP has been drafted to put out the lease area specifically for the use of cell tower/communication infrastructure.

The Planning Commission reviewed this request on July 1<sup>st</sup> and voted unanimously to recommend the lease of municipal property for a cell tower development.

### **Analysis**

The initial applicant described a few needs for a new cell tower development in Sitka that the area in question offers. It is proximate to electric service (as a municipal water tower is up the road from the intended site), accessible by road, outside of known wetlands (though the selected developer will need to determine that definitively) and in the Granite Creek area.

This property is part of Tract C, ASLS 79-4 which is a large, unsubdivided tract. The RFP has been drafted showing the general vicinity. The selected developer will need to commission a survey of the lease parcel through a surveyor licensed in the State of Alaska, which will be agreed upon before the execution of the lease.

The RFP has four scoring criteria:

- Development/Site Plan: Plans for site security, provisions for buffering and other visual screening, qualifications of the proposer to perform the work
- Co-Location Opportunities: How many spaces to accommodate co-location for future wireless carriers are designed/planned
- Timeliness: How soon will the tower be constructed and service available
- Lease Price: Expressed as dollars/year

The maximum building height in the R-1 zone is 35 vertical feet - CBS recognizes this is below the usual/industry standard for cell tower construction. Upon receiving and selecting a proposal, CBS will apply for a variance through the Sitka Planning Commission to secure rights to build a tower taller than 35 feet based on the total maximum height as described in the Site Plan submitted with the selected proposal. This variance will be sought prior to execution of the lease.

Overall, the site appears to be suitable for cell tower development. It is away from developed residential neighborhoods, minimizing visual and traffic impacts that could occur from placement closer to the main road system. This is an opportunity to monetize otherwise vacant municipal land.

### **Fiscal Note**

No municipal expenses are anticipated at this time – the RFP is structured so as to require the developer to pay for surveying expenses. Staff will have more information on anticipated revenues after RFP proposals are submitted. The Assembly will have to authorize the final lease document once prepared for execution.

### **Recommendation**

Staff recommends approval to issue an RFP for a lease of municipal property within Tract C, ASLS 79-4 of no less than 2,500 square feet and no more than 10,000 on Harbor Mountain Bypass Road for the purpose of a cell tower site.