

POSSIBLE MOTION

I MOVE TO grant conceptual approval of a proposal to add City and Borough of Sitka property to the Gary Paxton Industrial Park for development opportunities.



329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Tuesday, August 04, 2015

MEMORANDUM

To: Mark Gorman – CBS Administrator
From: Garry White, Director
Subject: CBS Land Development Request

Introduction

The Gary Paxton Industrial Park (GPIP) Board of Directors met on August 4, 2015 to discuss a request that the City and Borough (CBS) Assembly consider including additional property to the authority of the GPIP Board for development opportunities. The Board approved the following motion:

MOTION: McConnell/Jones moved to recommend to the Assembly that the subject property, per the memo dated August 3, 2015, become a part of the Gary Paxton Industrial Park for the purpose of marketing and sales for business and economic development.

ACTION: Motion passed 4/0 on a voice vote.

Background

The GPIP Director has received multiple inquires for additional property to establish business opportunities at the GPIP. Currently two entities have requested at least 10 acres each to construct water bottling plants. Additional groups have also requested property for development.

The demand for property and business development has grown stronger than the remaining properties available for development at the GPIP.

Existing GPIP Property Available for Development

The GPIP has 9.55 acres available for future development inside the core park property. (Please see GPIP Property synopsis attached.) The GPIP board is currently either working with various entities for the development of the core park properties or committed the property to be developed via the RFP process.

Various entities have investigated the development of lots outside the core park property. These parcels pose development challenges.

- Lot 1, Block 2 consists of steep terrain. A portion of the property contains an old APC landfill.

- Lot 1, Block 4 consists of mainly an old APC landfill. The landfill is capped with crushed concrete and vegetation impeding the ability to construct buildings on the property.
- Lots 2 & 3, Block 3 consist of steep terrain.

Subject Property

The subject property area is located to the east-southeast of Lot 1, Block 2. Please see attached map.

The subject area consists of roughly 450 feet of road frontage outside the GPIIP property boundary. The property depth would be variable to take advantage of natural property features, such as flat to mild slope topography.

The subject property has been identified as possible property for future development due to superior terrain features compared to the remaining perimeter GPIIP properties.

The property does have development challenges due to the following:

- Utilities are not near the property, utilities will need to be extended to the area.
 - Currently utilities terminate near the Sawmill Creek Bridge.
- The property has no site development and is wooded.

Additional Information

The request to zone this subject property as GPIIP zoning is conceptual at this time. The zoning request is asking for the Assembly for its preliminary approval to market this subject area for economic development purposes under the current GPIIP guidelines.

If Assembly approves of a preliminary zoning change, future development proposals will be brought forward to the GPIIP board for its recommendation to the Assembly, following current procedures.

The area will then be surveyed, actual acreage will be determined, and subject property will be brought to the Planning and Zoning Commission for its approval of zoning and subdivision change. If approved by Planning and Zoning, then the subject property will be brought back to Assembly for final approval.

Action

- Assembly approval of GPIIP Board's recommendation to allow marketing and property development on subject property.

GPIP Property

Total Area = 71.64 Acres (3,121,074 SF)

Perimeter Property

Perimeter property mainly consists of raw land with limited utilities.

Total Area = or 42.99 Acres (1,872,644 SF) (Including ~7 acres of capped landfill)

Tenants: Fortress of the Bear (118,320 SF), CBS scrap yard and impound lot.

Core Property

Core properties are those properties between SMC and the Sawmill Cove water body. Utilities and roadway upgrades have been completed.

Total Area = 28.66 Acres (1,248,430 SF)

Sold Properties/Unavailable

14.51 Acres (632,491 SF)

- 10.73 acres: pulp dock and tidelands, Lots 10, 11, 12A, 13, 16A, and 22 Silver Bay Seafoods purchased
- .39 acres of uplands (lot 17) Monarch Tannery pending purchase
- .39 acres Lot 18 UV plant CBS Electric Department
- 3.0 acres Lot 5 Cove Partners – water bottling plant

Current leased raw properties/Unavailable

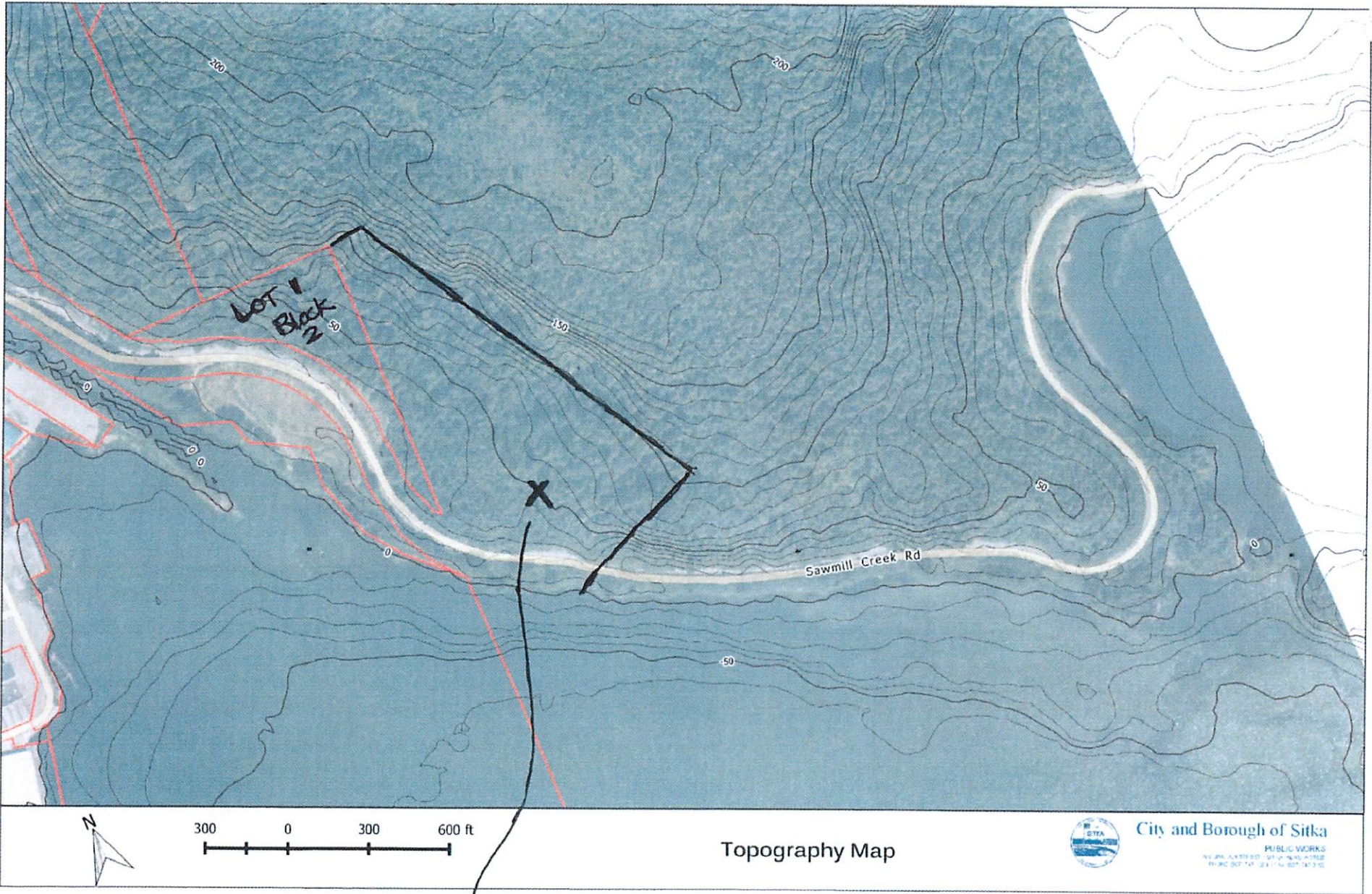
4.59 Acres (199,940 SF)

- 1.38 acres to NSRAA
- 2.47 acres leased to I Water (potential sale when performance benchmarks are met) – includes lease of cul-de-sac area of .38 acres)
- 0.74 acres of property (plus tidelands) leased to Alaska & Pacific Packing (potential sale when performance benchmarks are met)

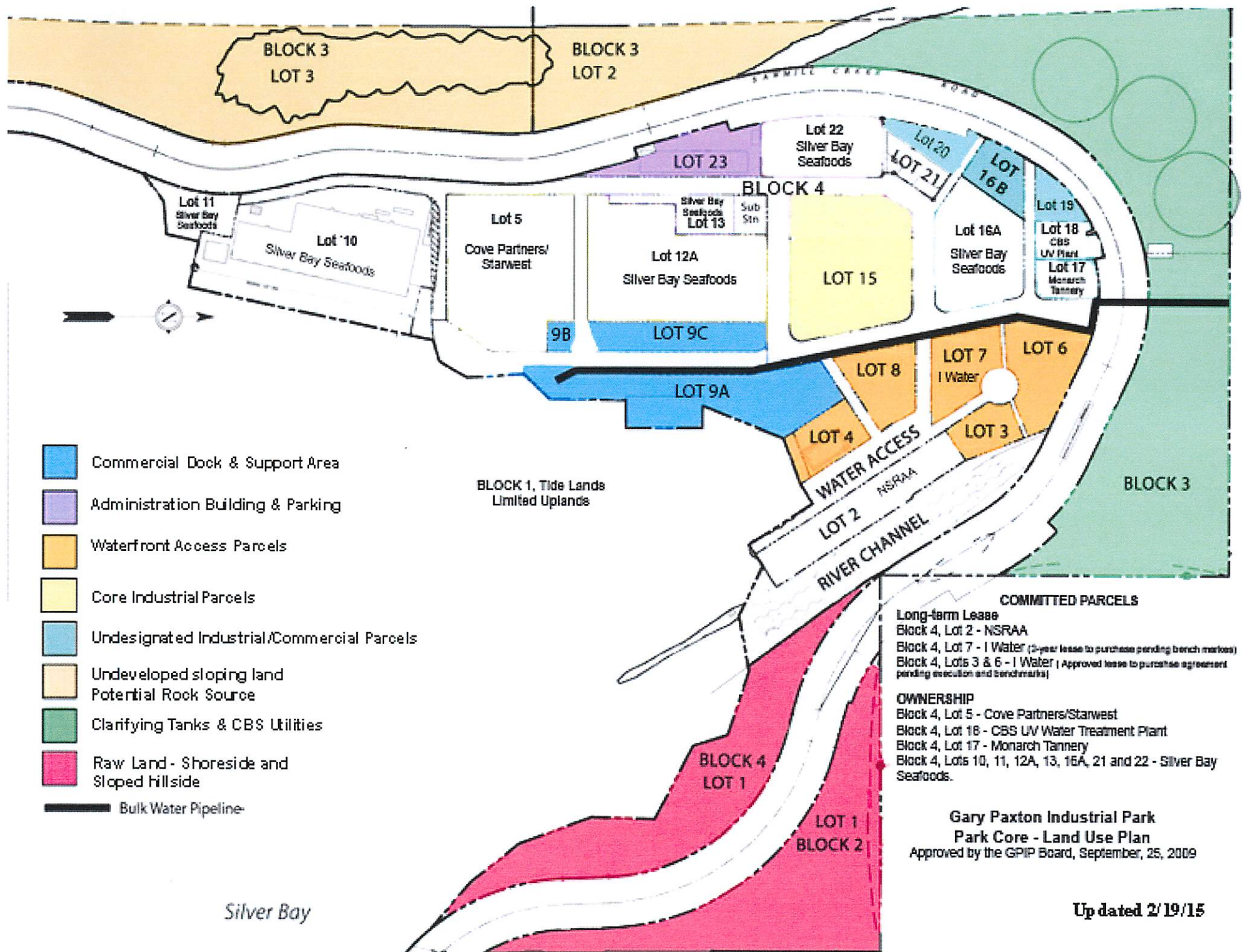
Available for future development

9.55 Acres (415,998 SF)

- 1.05 acres - Proposed RFP for Lots 19, 16B, and 20
- 2.6 acres - Upland property – Lot 15
- 4.45 acres - Waterfront Properties Lots 9A, 9B, and 9 C
- 0.60 acres – Lot 4 with 6k SF building – Direct waterfront access
- 0.85 acres – Lot 23 with Administration Building



Subject AREA



- Commercial Dock & Support Area
- Administration Building & Parking
- Waterfront Access Parcels
- Core Industrial Parcels
- Undesignated Industrial/Commercial Parcels
- Undeveloped sloping land
Potential Rock Source
- Clarifying Tanks & CBS Utilities
- Raw Land - Shoreside and
Sloped hillside
- Bulk Water Pipeline

COMMITTED PARCELS

Long-term Lease
 Block 4, Lot 2 - NSRAA
 Block 4, Lot 7 - I Water (3-year lease to purchase pending bench marks)
 Block 4, Lots 3 & 6 - I Water (Approved lease to purchase agreement pending execution and benchmarks)

OWNERSHIP
 Block 4, Lot 5 - Cove Partners/Starwest
 Block 4, Lot 18 - CBS UV Water Treatment Plant
 Block 4, Lot 17 - Monarch Tannery
 Block 4, Lots 10, 11, 12A, 13, 16A, 21 and 22 - Silver Bay Seafoods.

**Gary Paxton Industrial Park
 Park Core - Land Use Plan**
 Approved by the GPIB Board, September, 25, 2009

Up dated 2/19/15