

Discussion / Direction / Decision
of a Class III tideland lease filed by Evergreen
Properties, LLC at 2309 Halibut Point Road.





CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Amy Ainslie, Planning & Community Development Director 

Date: September 6, 2023

Subject: 2309 Halibut Point Road – Tidelands Lease

Background

The applicant, Evergreen Properties, LLC, is applying for a Class III tideland lease. The requested lease area is identified as Alaska Tidelands Survey (ATS) 580 as recorded on Plat 2007-19 with an area of 1.463 acres. This leasehold area is approximately 75% filled tidelands and 25% submerged tidelands. The applicant owns the upland property at 2309 HPR which is a mobile/manufactured home park referred to as Schafer's Trailer Court. The filled tidelands portion has historically been, and continues to be, used as part of the mobile home park. A portion of the filled tidelands has CBS sewer infrastructure, as recorded in the Sewer Utility Easement dated January 1, 1983.

These tidelands were initially leased by the State of Alaska (SOA) to Albert E. Schafer (Lessor) for a lease term of 55 years from May 4, 1965, to May 4, 2020. The SOA transferred ownership of these tidelands to CBS by Patent No. 439 which was recorded in 2009 from a final findings and decision dated August 11, 1997. A restriction in the patent for the property states that grantee (CBS) may lease the land, but not sell it. The tidelands lease to Mr. Schafer was also transferred to CBS in 1997.

With the expiration of the initial lease, the Lessor has continued to make timely lease payments to CBS. In 2021 Mr. Schafer passed away and his wife, Willian Shafer became the administrator of his estate. Mr. and Mrs. Schafer had common ownership the uplands property. After Mr. Schafer's passing, Mrs. Schafer as the Managing Member formed Evergreen Properties, LLC on March 10, 2022, in conjunction with the Estate of Albert E. Schafer. The applicant intends to continue using the uplands and tidelands property as a mobile/manufactured home park.

Analysis

Title 18 of the Sitka General code outlines the following provisions relative to this request:

- Tidelands must be leased by ordinance.
- Leases shall be competitively 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 in the case that the nature of the parcel or circumstances of its disposal could result in unjust results with regard to an existing lessee, or adjacent or neighboring property owners.
- Upland property owners have a recognized preference right to lease tidelands seaward of their property.
- The standard lease rate is 4.5% of the assessed value of the tidelands per year, and for a maximum term of 30 years. The Assembly may require other such terms and conditions as desired.

Based on the upland owner preference, staff believes that competitive bidding is likely inappropriate for this lease. The Planning Commission reviewed this request at their August 2, 2023, meeting and unanimously recommended approval of the lease with the condition that it continued to be used as a manufactured home park.

Fiscal Note

The Assessor has calculated the value of these tidelands to be \$127,828.00. While in holdover status, the applicant has been paying the last valued payment for the lease which was \$6,156.00 per year (plus sales tax and property tax). At our property tax rate of 6 mils, annual property tax revenue is estimated to be \$767.00 at the current assessment. Standard terms for CPI adjustments will also be included in the lease. The following table shows annual payments at various lease rates.

Lease Rate	Annual Payment
4.5%	\$5,752.00
5%	\$6,391.00
5.5%	\$7,031.00
6%	\$7,670.00

Recommendation

Staff recommends that the Assembly provide direction to staff on whether to proceed with preparing a lease for the property, affirmation that competitive bidding is inappropriate in this case, and provide guidance regarding the price, terms, and conditions of the lease.

Encl: Planning Commission Packet Materials: Aerial, Staff Report, Lease Area, Photos, Application, and Minutes Excerpt



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

Planning and Community Development Department

AGENDA ITEM:

Case No: LM 23-02
Proposal: Tidelands Lease
Applicant: Reeves Amodio LLC on behalf of Evergreen Properties, LLC
Owner: City and Borough of Sitka and Evergreen Properties LLC
Location: 2309 Halibut Point Road
Legal: Alaska Tidelands Survey No. 580, as described in Plat 2007-19
Zone: R-2 MHP - Multifamily/Mobile Home District
Size: Approximately 1.463 Acres
Parcel IDs: 2-5230-000
Existing Use: Filled (Mobile Home Park) and Submerged
Adjacent Use: Mobile Home Park
Utilities: Existing
Access: Uplands via Halibut Point Road, tidelands adjacent to uplands property

KEY POINTS AND CONCERNS:

- Applicant has an upland property owner preference.
- Alaska Tidelands Survey, Plat 2007-19 clearly identifies the lease area.
- The applicant is in good standing with the City and Borough of Sitka.
- Current and future use is to continue as a commercial mobile home park.

ATTACHMENTS:

Attachment A: Aerial
Attachment B: Lease Area
Attachment C: Patent
Attachment D: Photos
Attachment E: Sewer Utility Easement
Attachment F: Applicant Materials

BACKGROUND

The applicant, Evergreen Properties, LLC, is applying for a Class III long term Tideland Lease. The requested Municipal tidelands lease area is identified as Alaska Tidelands Survey (ATS) 580 as recorded on Plat 2007-19 for an area of 1.463 acres. This leasehold area is approximately 75% filled tidelands and 25% submerged tidelands. The applicant owns the upland property identified as Schafer Trailer Court, a mobile home park at 3209 Halibut Point Road. The filled tidelands portion has historically and continues to be used as part of the mobile home park. A portion of the filled tidelands has City and Borough of Sitka (CBS) sewer infrastructure, as recorded in the Sewer Utility Easement dated January 1, 1983.

These tidelands were initially leased by the State of Alaska (SOA) to Albert E. Schafer (Lessor) for a lease term of 55 years from May 4, 1965, to May 4, 2020. The SOA transferred ownership of these tidelands to CBS by Patent No. 439 which was recorded in 2009 from a final findings and decision dated August 11, 1997. A restriction in the patent for the property states that grantee (CBS) may lease the land, but not sell it. The tidelands lease to Mr. Schafer was also transferred to CBS in 1997.

With the expiration of the initial lease, the Lessor continues to make timely lease payments to CBS. In 2021 Mr. Schafer passed away and his wife, Willian Shafer became the administrator of his estate. Mr. and Mrs. Schafer had common ownership the uplands property, 2309 Halibut Point Road since September 3, 2014. After Mr. Schafer's passing, Mrs. Schafer as the Managing Member formed Evergreen Properties, LLC on March 10, 2022, in conjunction with the Estate of Albert E. Schafer.

Staff believes that competitive bidding will likely be considered inappropriate because the applicant has the upland property owner preference; ultimately this will need to be confirmed by the Assembly. The CBS Assessor will determine the valuation of selected areas for lease which will also be used to inform the Assembly's considerations.

PROCEDURE

Sitka General Code Title 18 Property Acquisition and Disposal, Section 18.16 Tideland Lease Procedure, specifies three classes of approvals for permit and leases. The request filed is classified as a Class III approval.

The role of the Planning Commission for Class III approvals is to provide advice to the applicant and the Assembly on the request. This meeting serves as a platform for public comment on the proposal; notices were mailed to surrounding property owners.

If approved, CBS staff will work to draft a lease agreement document, the Assessor will perform an analysis of the value of the lease area, and terms will be reviewed by Finance, Planning, and Legal. Final approval would be sought from the City Assembly via ordinance, which requires two hearings for approval.

ANALYSIS

Project/Site: The proposed lease area is 1.463 acres of tidelands, most of which are filled and indistinguishable from the surrounding uplands. The current and intended future use of the site is to continue as a commercial mobile home park.

Traffic: Vehicular and pedestrian access to the tidelands can be accessed through three separate entrances to the mobile home park from Halibut Point Road. No change in the level of traffic anticipated by leasing these tidelands. Area is zoned as R-2 MHP multifamily and mobile home district- moderate to high levels of traffic are expected in this zone.

Parking: Parking is located at every mobile home unit, both uplands and on tidelands. No change to parking is anticipated.

Noise: No change in the level of noise is anticipated by leasing these tidelands. Area is zoned R-2 MHP multifamily and mobile home district- moderate to high levels of noise are expected in this zone.

Public Health or Safety: No impacts to public health or safety is anticipated. The mobile home park has multiple points of entry for EMS, police and fire.

Public Value or Neighborhood Harmony: No increase in property value or change to neighborhood harmony is anticipated as the use of the tidelands will remain consistent with current use.

Conformity with Comprehensive Plan: The proposal conforms to the Comprehensive Plan's objective H 2.1 to collaborate with mobile homeowners and park owners to encourage/require park upkeep in a manner that does not cause undue hardship to homeowners.

RECOMMENDATION

Staff recommends that the Planning Commission recommend Assembly approval of the lease for the Municipal tidelands identified as ATS 580, adjacent to 2309 Halibut Point Road.

RECOMMENDED MOTION

I move to recommend approval of the lease request for municipal tidelands located seaward of 2309 Halibut Point. The property is also known as ATS 580. The request is filed by Reeves Amodio LLC on behalf of Evergreen Properties, LLC. The owners of record the City and Borough of Sitka and Evergreen Properties, LLC.



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SCHAFER'S
TRAILER
COURT

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DRIVE

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CERTIFICATE OF OWNERSHIP

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 AT S NO. 580, AS SHOWN HEREON. I HEREBY APPROVE THIS SURVEY AND PLAT FOR THE STATE OF ALASKA.

DATED 7-10-07

Sandra Singer
DIRECTOR,
DIVISION OF MINING, LAND & WATER

NOTARY'S ACKNOWLEDGMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 10TH DAY OF JULY, 2007,
FOR SANDRA SINGER

Sara L Russell
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 THIS SURVEY AND PLAT.

ADL NO. 106345

John Stein
CITY AND BOROUGH OF SITKA
JOHN STEIN
MUNICIPAL ADMINISTRATOR

DATE 5-16-07

NOTARY'S ACKNOWLEDGMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 16 DAY OF May, 2007,
FOR John Stein Municipal Administrator
JOHN STEIN, MUNICIPAL ADMINISTRATOR

Sara L Russell
NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES 4-15-2011

LESSEE CERTIFICATE

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

ADL NO. 25318

Albert E Schaffer
ALBERT E. SCHAFER
UPLAND OWNER

DATE 6/6/07

NOTARY'S ACKNOWLEDGMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 6th DAY OF June, 2007,
FOR Albert E Schaffer Upland Owner

Sara L Russell
NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES 2/14/08

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 04/27/2007

Sara L Russell
SECRETARY

Sandra K Lund
CHAIRMAN, PLATTING BOARD

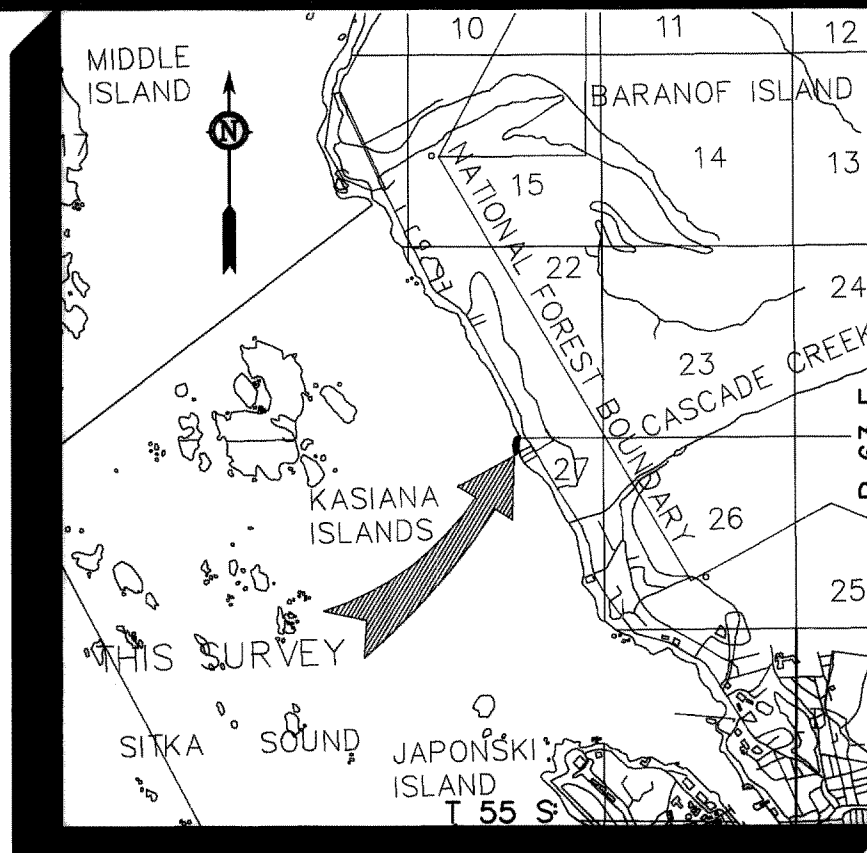
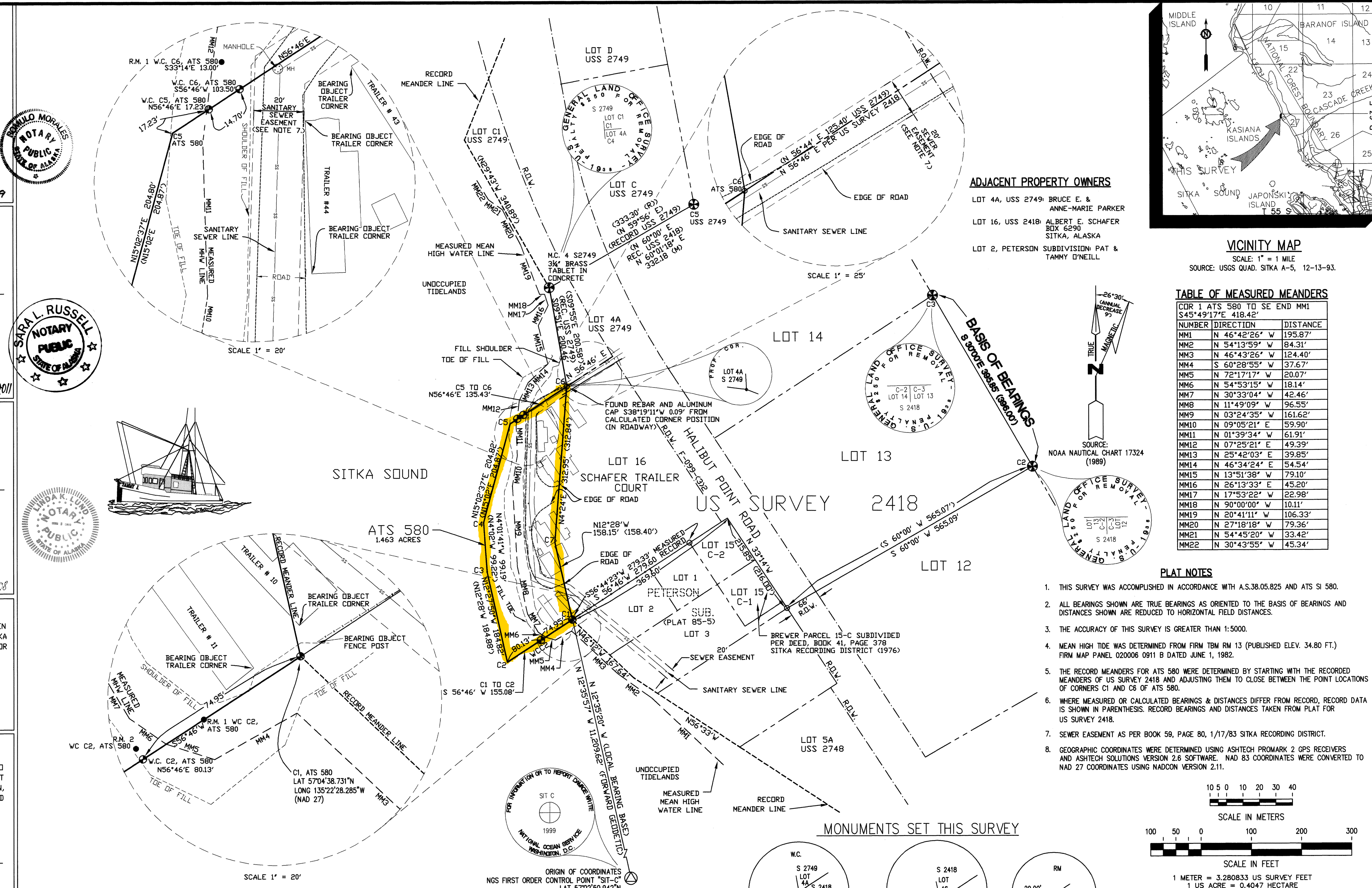
SURVEYOR'S CERTIFICATE

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 4/27/07

REGISTRATION NUMBER 6304

Devin K. Jensen
REGISTERED LAND SURVEYOR



VICINITY MAP
SCALE: 1" = 1 MILE
SOURCE: USGS QUAD. SITKA A-5, 12-13-93.

TABLE OF MEASURED MEANDERS

NUMBER	DIRECTION	DISTANCE
MM1	N 46°42'26" W	195.87'
MM2	N 54°13'59" W	84.31'
MM3	N 46°43'26" W	124.40'
MM4	S 60°28'55" W	37.67'
MM5	N 72°17'17" W	20.07'
MM6	N 54°53'15" W	18.14'
MM7	N 30°33'04" W	42.46'
MM8	N 11°49'09" W	96.55'
MM9	N 03°24'35" W	161.62'
MM10	N 09°05'21" E	59.90'
MM11	N 01°39'34" W	61.91'
MM12	N 07°25'21" E	49.39'
MM13	N 25°42'03" E	39.85'
MM14	N 46°34'24" E	54.54'
MM15	N 13°51'38" W	79.10'
MM16	N 26°13'33" E	45.20'
MM17	N 17°53'22" W	22.98'
MM18	N 90°00'00" W	10.11'
MM19	N 20°41'11" W	106.33'
MM20	N 27°18'18" W	79.36'
MM21	N 54°43'20" W	33.42'
MM22	N 30°43'55" W	45.34'

PLAT NOTES

1. THIS SURVEY WAS ACCOMPLISHED IN ACCORDANCE WITH A.S.38.05.825 AND AT S 580.
2. ALL BEARINGS SHOWN ARE TRUE BEARINGS AS ORIENTED TO THE BASIS OF BEARINGS AND DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.
3. THE ACCURACY OF THIS SURVEY IS GREATER THAN 1:5000.
4. MEAN HIGH TIDE WAS DETERMINED FROM FIRM TBM RM 13 (PUBLISHED ELEV. 34.80 FT.) FIRM MAP PANEL 020006 0911 B DATED JUNE 1, 1982.
5. THE RECORD MEANDERS FOR AT S 580 WERE DETERMINED BY STARTING WITH THE RECORDED MEANDERS OF US SURVEY 2418 AND ADJUSTING THEM TO CLOSE BETWEEN THE POINT LOCATIONS OF CORNERS C1 AND C6 OF AT S 580.
6. WHERE MEASURED OR CALCULATED BEARINGS & DISTANCES DIFFER FROM RECORD, RECORD DATA IS SHOWN IN PARENTHESIS. RECORD BEARINGS AND DISTANCES TAKEN FROM PLAT FOR US SURVEY 2418.
7. SEWER EASEMENT AS PER BOOK 59, PAGE 80, 1/17/83 SITKA RECORDING DISTRICT.
8. GEOGRAPHIC COORDINATES WERE DETERMINED USING ASHTech PROMARK 2 GPS RECEIVERS AND ASHTech SOLUTIONS VERSION 2.8 SOFTWARE. NAD 83 COORDINATES WERE CONVERTED TO NAD 27 COORDINATES USING NADCON VERSION 2.11.

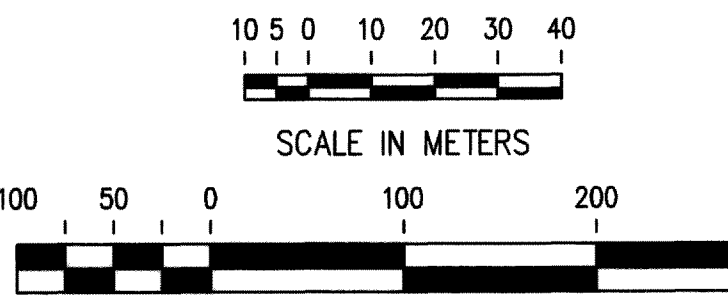
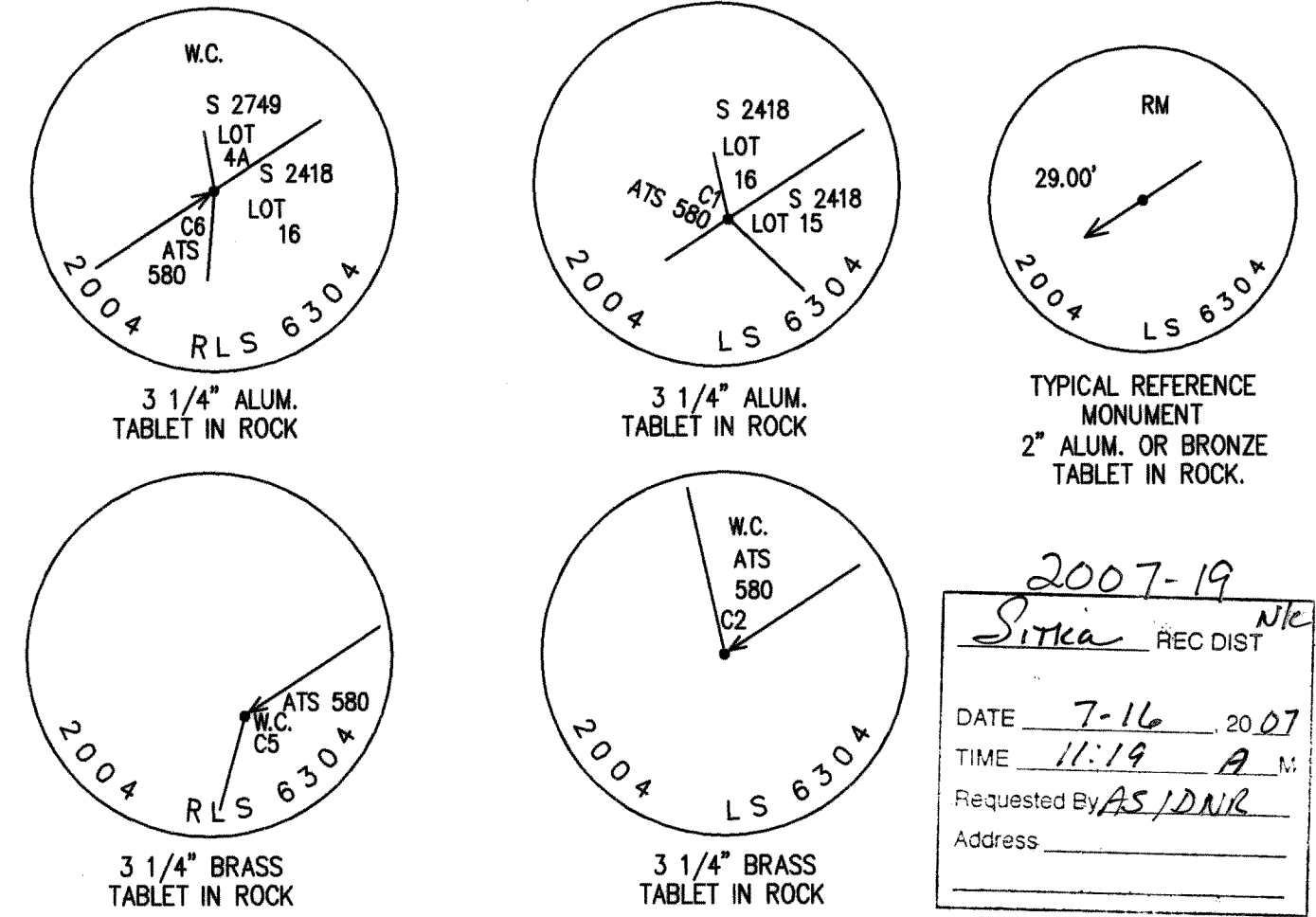


TABLE OF ACCESSORIES
MONUMENT ACCESSORIES USED THIS SURVEY

CORNER	DESCRIPTION	BEARING	DISTANCE	CORNER	DESCRIPTION	BEARING	DISTANCE
C1 AT S 580	FENCE POST SOUTH CORNER TRAILER # 10 EAST CORNER TRAILER # 11	N48°08'33"E N02°16'38"W S76°08'32"W	8.71' 12.44' 19.30'	WC C5 AT S 580	NW CORNER TRAILER #43 NW CORNER TRAILER #44 SW CORNER TRAILER #44	N73°08'35"E S83°03'08"E S31°41'05"E	59.18' 38.55' 77.53'
WC C2 AT S 580	2" ALUM. TABLET MARKED RM 29.00' 2" BRONZE TABLET MARKED RM 5.00'	N56°46'E N33°14'W	29.00' 5.00'	WC C6 AT S 580	2" BRONZE TABLET MARKED RM 13.00' NW CORNER TRAILER #43 NW CORNER TRAILER #44	S33°14'E N78°24'07"E S83°53'49"E	13.00' 45.26' 28.92'

- LEGEND**
- ⊕ GLO/BLM PRIMARY MONUMENT (RECOVERED) (2 1/2" BRASS CAPPED PIPE MON. - UNLESS OTHERWISE NOTED)
 - ⊙ NGS PRIMARY MONUMENT (RECOVERED)
 - ⊙ PRIMARY TIDELANDS SURVEY MONUMENT (SET)
 - ⊙ SECONDARY MONUMENT (RECOVERED) (1 1/2" ALUM. CAP ON REBAR)
 - SECONDARY MONUMENT (SET THIS SURVEY)
 - TRL TRAILER ON UPLANDS
 - RETRACED BOUNDARY LINE
 - - - UNsurveyed BOUNDARY LINE
 - - - RECORD MEANDER LINE (PER PLATS USS 2418 AND USS 2749)
 - - - SURVEYED MEANDER LINE
 - FENCE LINE
 - ROAD RIGHT-OF-WAY



ALASKA TIDELANDS SURVEY NO. 580

DATE OF SURVEY: 10/15/03
BEGIN: 10/15/03
ENDING: 4/20/04

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

**WITHIN PROTRACTED SECTION 27,
T. 55 S. R. 63 E., COPPER RIVER MERIDIAN, ALASKA
SITKA RECORDING DISTRICT**

DRAWN BY: WAD/KO APPROVAL RECOMMENDED: Devin Jensen DATE: July 9, 2007
DATE: FEBRUARY 14, 2007 STATEWIDE PLATTING SUPERVISOR
1" = 100'

2309 Halibut Point Road



Proposed Tidelands Lease Area

Uplands





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: Evergreen Properties, LLC, as successor in interest to Albert and William Schafer, owns the uplands known as 2309 Halibut Pt. Rd. (Lot 16, USS 2418) and requests a lease of the tidelands adjacent to the uplands, as described in ATS 580, Plat 2007-19

PROPERTY INFORMATION:

CURRENT ZONING: R-ZMHP ARE YOU THE UPLAND PROPERTY OWNER? Yes
 CURRENT LAND USE(S): Mobile Home Park PROPOSED LAND USES (if changing): N/A

APPLICANT INFORMATION:

PROPERTY OWNER: Evergreen Properties, LLC
 PROPERTY OWNER ADDRESS: P.O Box 610, Seward AK 99664
 STREET ADDRESS OF PROPERTY: 2309 Halibut Pt. Rd.
 APPLICANT'S NAME: Evergreen Properties, LLC, by and through Reeves Amodio LLC
 MAILING ADDRESS: 500 L Street, Suite 300, Anchorage, AK 99501
 EMAIL ADDRESS: mj@reevesamodio.com DAYTIME PHONE: (907) 222-7100

PROPERTY LEGAL DESCRIPTION:

TAX ID: 25230000* LOT: 16 BLOCK: N/A TRACT: N/A
 SUBDIVISION: N/A US SURVEY: 2418
 * including land described in
ATS 580

OFFICE USE ONLY

COMPLETED APPLICATION		SITE PLAN	
NARRATIVE		CURRENT PLAT	
FEE		OWNERSHIP	

REQUIRED SUPPLEMENTAL INFORMATION:

- Completed application form
- Narrative
- Site Plan showing all existing and proposed structures with dimensions and location of utilities
- Proof of filing fee payment
- Proof of ownership (If claiming upland preference)
- 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.

Michael Jungreis Attorney for
Applicant Evergreen Properties, LLC

6-15-2023
Date

TIDELANDS LEASE APPLICATION NARRATIVE
EVERGREEN PROPERTIES, LLC
ATS 580

In 1965, Albert Schafer was issued a 55-year tidelands lease by the Alaska Department of Natural Resources (ADL 25318) for the property known as ATS 580, as described in Plat 2007-19, Sitka Recording District. The tidelands lease was seaward of Mr. Schafer's upland property only, Lot 16, USS 2418. The tidelands affected by the lease were approved for conveyance from the State of Alaska to the City and Borough of Sitka ("Sitka"), and actually conveyed by Tidelands Patent No. 439 on August 21, 2009 (Document #2009-001321-0, Sitka Recording District), subject to Mr. Schafer's lease. *See* DNR letter to Schafer dated August 20, 1997, provided in the application package. The lease expired in 2020, but it is the applicant's understanding that the lease is currently paid and in active, hold-over status.

In May 2021, Mr. Schafer passed away and his wife, Willian Schafer is the administrator of his estate. In 2022, Mrs. Schafer conveyed both her personal interest and the interest of Mr. Schafer's estate in the upland parcel, Lot 16, USS 2418, to Evergreen Properties, LLC ("Evergreen"), an Alaska limited liability company wholly owned in equal shares by Mrs. Schafer and the Estate of Albert E. Schafer (*See* Document #2022-000691-0, Sitka Recording District). Evergreen is the current applicant and preference right holder, and it seeks a new, Class III, long-term lease of ATS 580/Plat 2007-19 directly with Sitka. SGC 18.16.040, 18.16.130, 18.16.220.

The affected tidelands are currently occupied by a portion of the commercial mobile home park principally located on the adjacent upland parcel, including structures

and access roads, which is consistent with its zoning. The affected tidelands are uniquely suited for continued use for the mobile home park that has been situated in part on them for decades and it would be in the best interests of Sitka to lease them to Evergreen for such continued use. SGC 18.16.010.

Edgecumbe Drive. Staff recommended approval.

M/Riley-S/Alderson moved to approve the conditional use permit for a bed and breakfast at 1101 Edgecumbe Drive in the R-1 single-family and duplex residential district subject to the attached conditions of approval. The property was also known as Lot one (1), Edgecumbe-Kruzof Subdivision. The request was filed by Crystal Denkinger. The owners of record were the Family Trust of Wilhelm K. Denkinger and Carole A. Denkinger. Motion passed 4-0 by voice vote.

M/Riley-S/Alderson moved to adopt and approve the required findings for conditional use permit as listed in the staff report. Motion passed 4-0 by voice vote.

C LM 23-02

Public hearing and consideration of a tidelands lease request for municipal tidelands immediately adjacent to 2309 Halibut Point Road in the R-2 MHP multifamily and mobile home district. The lot is also known as ATS 580. The request if filed by Reeves Amodio LLC on behalf of Evergreen Properties, LLC. The uplands property owner of record is Evergreen Properties, LLC.

Crenna introduced a request for a long term class III tidelands lease for CBS tidelands seaward of 2309 Halibut Point Road (HPR). The tidelands area was identified as Alaska Tidelands Survey 580 according to plat 2007-19 for approximately 1.463 acres which were about 75% filled and 25% submerged tidelands. The past, current and future use of the area was intended for a mobile/manufactured home park. The tidelands property had a sewer utility easement that was recorded in 1983 that CBS would require continued access to. The uplands owner and applicant was Evergreen Properties, LLC. The tidelands had three access points/driveways from HPR through 2309 HPR. The tidelands were originally owned by the State of Alaska and leased to Albert Schafer (Lessee) for 55 years from 1965-2020. The State transferred the tidelands and the lease to CBS in 1997. In 2021, Mr. Schafer passed away and Mrs. Schafer created Evergreen Properties, LLC. There were not anticipated changes to the usage or impacts of the tidelands. The Lessee had continued to pay lease rate, the lease was considered to be in holdover status, and the Lessee was in good standing with CBS. The applicant was the upland owner which provided an upland preference for leasing tidelands according to SGC. If the tidelands lease request was recommended by the Planning Commission, the request would be brought before the Assembly as a discussion/direction/decision item where the terms and competitive bidding would be determined. If approved by the Assembly, the tidelands lease would go back to staff to finalize the lease, including a bid if needed, an updated value, and any final negotiations with the applicant. Once finalized the tidelands lease would go back to the Assembly for final approval. Staff recommended approval.

Commissioners inquired if the Lessee could use the land for anything other than a mobile/manufactured home park or allow others to use the land, what would trigger a review by the Assembly, how CBS obtained the tidelands, and what the common lease terms were. Staff clarified that the Lessee would not be able to assign the leased area or allow others to use it without approval from the Assembly and it was not standard practice to strictly identify the usage of a leased area but it had been done in specific circumstances. The standard term of a lease was 30 years and that CBS obtained the tidelands by patent from the State in the 1990's when multiple tidelands areas were identified for transfer.

Attorney with Reeves Amodio LLC, Colleen Moore, representing Evergreen Properties,

LLC, was present on behalf of the applicant and stated that for the time being the tidelands leased property would be used for a mobile/manufactured home park and that her firm had been hired to assist Mrs. Schafer with her financial matters after Mr. Schafer had passed.

Commissioners Alderson and Riley identified the commissions preference of continued use of the tidelands lease area for a mobile/maufactured home park. Riley requested that the tidelands lease specifically identify the use as a mobile/manufactured home park and that any change to the use would trigger a review of the tidelands lease by the Assembly. She also inquired about changing the motion to add in the specified use.

M/Riley-S/Alderson moved to recommend approval of the tidelands lease request for usage as a manufactured home park for municipal tidelands seaward of 2309 Halibut Point Road. The property was also known as ATS 580. The request was filed by Reeves Amodio LLC on behalf of Evergreen Properties, LLC. The owner of record were the City and Borough of Sitka and Evergreen Properties, LLC. Motion passed 4-0 by voice vote.

VIII. ADJOURNMENT

Hearing no objections, Acting Chair Windsor adjourned the meeting at 7:44 PM.