

Ron Vinson, Public Works Director, provided background information and noted both parties were in good standing with regulatory bodies and with past and current financial engagements. Municipal Attorney Brian Hanson stated the reassignment was contractually and legally allowed.

A motion was made by Ystad that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 6 - Christianson, Mosher, Eisenbeisz, Ystad, Pike, and Carlson

Absent: 1 - Duncan

H [23-113](#)

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

Planning Director Amy Ainslie provided an overview of the tideland lease, noting that 75% was filled and 25% submerged tidelands. The applicant owned the upland property and intended to continue using the uplands and tidelands property as a mobile/manufactured home park. Ainslie relayed that the Planning Commission had recommended approval of the lease with the condition it continue to be used as a manufactured home park.

The Assembly discussed and determined competitive bidding was inappropriate, desired a 30-year term at 5% of the assessed value, and wished to include a condition the property be used as a trailer park.

I [23-110](#)

Discussion/Direction/Decision on whether to proceed with a lease of municipal property on Jarvis Street for use as a community garden

Planning Director Amy Ainslie summarized the community garden proposal by two local nonprofit groups for the property on Jarvis Street. She explained direction was needed on whether to proceed with the leasing process and whether competitive bidding was appropriate.

The item was discussed, and direction was given to proceed with a lease and work with the Municipal Attorney to determine if there was a way to move forward without competitive bidding. If not, then an RFP would be developed with the item brought back to the Assembly for terms and conditions. It was also requested bonding be required and there be security and lighting at the site.

J [23-115](#)

Authorize the Municipal Administrator to pursue a funding opportunity and advocate to the Department of Energy for Advanced District Energy Heating from Renewable Resources and expanded supervisory control of the electrical system

The item was PULLED.

K [23-112](#)

Decision on whether to allow sales tax free day(s) following the Thanksgiving holiday and set date(s)

Eisenbeisz recused himself.

A motion was made by Christianson to authorize November 24 and November 25 as Sales Tax Free Days for 2023 noting the sales tax free days will not be

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.