



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Jim Dinley, Municipal Administrator
Mayor McConnell and Members of the Assembly

From: Maegan Bosak, Planner I *MB*

Subject: SGC Title 18 Property Acquisition and Disposal – Tidelands lease structure

Date: April 16, 2013

Ordinance 2013 – 22 is on the Assembly agenda to revise SGC 18.16.210 Class III – Annual Lease Payments and Terms.

The Planning Office is recommending the section be amended to provide a more equitable tidelands lease rate and structure. Tidelands property values have gone up substantially, making tideland leases and renewals considerable. These increases create a significant financial burden on property owners when they go to renew their leases.

The proposal involves decreasing the lease rate to a more applicable four and a half percent and adapts the escalator clause to become consistent with national inflation rates. The presumption is that the nine percent annual lease rate, currently in the code, was put into effect during a higher interest rate and inflationary environment.

The ordinance revises the adjustable rate in accordance with the recommendation of the Municipal Assessor.

There is a wide range of tideland leases currently in effect along the road system. Most of the leases are long term leases that the City inherited when properties were acquired from the State.

The Planning Office recommends this amendment and believes it will create a more stable lease structure for all future tidelands leases and renewals. Property owners will be in a better position to continue leasing tidelands when they are up for renewal. The proposed code revisions will, initially, affect a relatively small number of leases.

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18.16.210 Class III – Annual lease payments and terms.

- A. The annual lease payment to the municipality shall be four and a half percent of the price established at the auction plus sales tax.
- B. On the seventh anniversary of each lease, and each seven years thereafter the annual lease payment shall be adjusted as follows: The annual lease payment shall be designated to approximate the national inflation or deflation rate using the Consumer Price Index – U.S. City Average – All Items (base period 1984 = 100). Each lease shall state the base period figure and tax year on which it was calculated. The term shall be thirty years unless otherwise determined by the assembly.
- C. The assembly may require such other terms and conditions as it may desire to be included in the lease at its commencement.

TITLE 18

PROPERTY ACQUISITION AND DISPOSAL

Chapters:

- 18.04 General Provisions**
- 18.08 Personal Property Acquisition and Disposal**
- 18.12 Real Property Disposal**
- 18.16 Tideland Lease Procedure**
- 18.20 Tideland Permits**
- 18.24 Abandoned Property**
- 18.32 Public Improvements Bonding Requirements**

Note: Footnotes are numbered throughout the text and are located at the end of this title.

Chapter 18.04

GENERAL PROVISIONS

Sections:

18.04.010 Definitions.

18.04.010 Definitions.

For the purposes of this title, unless the context otherwise requires,

- A. "Abandoned property" means those objects which no one claims and which after a reasonable search and notice the chief of police can find no one to claim, or can find definite evidence some person has abandoned.
- B. "Building inspector" means the officer of the municipality charged with the enforcement of municipal building and construction codes.
- C. "Fair market value" means the highest price, described in terms of money, which the property would bring if exposed for sale for a reasonable time in the open market, with a seller, willing but not forced to sell, and a buyer, willing but not forced to buy, both being fully informed of all the purposes for which the property is best adapted or could be used.
- D. "Land" includes all real property and all rights in real property of whatever kind or nature and tide and submerged lands under the jurisdiction of the municipality.
- E. "Mean high tide" means the tidal datum plane of the average of all the high tides as would be established by the National Oceanic and Atmospheric Administration and which in Sitka is nine and one-tenth.
- F. "Mean high tide line" means the intersection of the datum plane of mean high tide with the shore.
- G. "Mean low tide" means the tidal datum plane of the average of the low tides as established by the National Oceanic and Atmospheric Administration, which in Sitka is one and four-tenths.
- H. Mean Lower Low Tide. At any place subject to tidal influence shall be interpreted as the tidal datum plane of the average of the lower of the two low tides of each day as established by the National Oceanic and Atmospheric Administration, which in Sitka is zero tide.
- I. "Personal property" means only tangible personal property and that property which is not land or permanently attached to land and more particularly as defined in A.S. 29.78.010 (10). However, for purposes of sale, items and fixtures attached to land shall be deemed personal property if intended to be removed from the land and items intended to become fixtures shall be considered personal property until so affixed.
- J. Public Nuisance. Whatever annoys, injures or endangers the safety, health, comfort, or repose of the public; offends public decency; interferes with, obstructs, or renders dangerous any street, highway, navigable lake or stream; or in any way renders the public insecure in life or property, is declared to be a "public nuisance." Public nuisances shall include, but not be limited to, whatever is forbidden by any provision of this title.
- K. "Reclaimed or constructed tide or contiguous submerged lands" mean those lands resulting by purposeful filling of tide or contiguous submerged lands to an elevation above the extreme high tide line.
- L. Singular number includes the plural.
- M. "Submerged lands" mean those lands covered by tidal waters between the line of mean low tide and seaward to a distance of three geographic miles or as may hereafter be properly claimed by the municipality.
- N. "Tidelands" means those lands which are periodically covered by tidal waters between the elevation of mean high tide and mean low tides.
- O. "Tract of land" means those parcels of land combined for convenience of survey or sale.
- P. "Upland owner" is the person who owns, or holds a long term lease to property immediately upland of the tideland's parcel to be leased. For purposes of this definition, uplands may include other tideland upland of the parcel to be leased.

(Ord. 83-556 § 4 (part), 1983.)

Chapter 18.08

**PERSONAL PROPERTY ACQUISITION
AND DISPOSAL**

Sections:

18.08.020 Disposal.

18.08.020 Disposal.

- A. Personal property valued at twenty-five thousand dollars or less, as determined by the administrator or his designee, may be disposed of upon such notice and terms considered reasonable by the administrator, taking into consideration the value of the article, the reason for disposal, and the general preference of disposal by competitive bid. The administrator shall report disposals to the assembly.
- B. Personal property valued at more than twenty-five thousand dollars shall be disposed of only with prior assembly approval and after competitive bid.

(Ord. 06-18 § 4, 2006; Ord. 83-556 § 4 (part), 1983.)

Note: The value of a lease shall be determined by multiplying the monthly rent by the term of the lease.

- B. Upon sale or disposal of real property valued over five hundred thousand dollars, or upon lease of real property, including tidelands, of a value of more than seven hundred fifty thousand dollars, the ordinance authorizing the sale, lease, or disposition shall provide that the ordinance be ratified by a majority of the qualified voters voting at a general or special election. Any such sale, lease, or disposition shall be revocable pending the outcome of the election. This subsection shall not apply to leases at the former Alaska Pulp Corporation mill site, and the property leased under Ordinance 99-1539.
- C. No election, ratification by the electorate, or competitive bid is required for exchange of municipal property, both real and personal, including tidelands, or any interest in property, with the United States, the state of Alaska, or a political subdivision.

Such disposals to other governmental units, shall be done by ordinance.

All leases of real property and tidelands approved by the assembly and signed by the lessee prior to the date of enactment of the ordinance codified in this title are confirmed and ratified and voter ratification is waived. (Enactment date September 27, 1983).

- D. The lease of any municipal property on a temporary basis may be made by the administrator upon motion of the assembly without ordinance. Temporary shall be defined as any lease terminable at the will of the municipality where no more than thirty days prior notice of intent to terminate is required.
- E. 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.

Chapter 18.12

REAL PROPERTY DISPOSAL

Sections:

18.12.010 Real property disposal.

18.12.014 Requirement for a public vote and disclosure of information for land disposals related to a dock or vessel transfer facility that could be used by large cruise ships.

18.12.015 Street and public area vacations.

18.12.010 Real property disposal.

- A. Real property, including tidelands, and land acquired from the state, may be sold or leased only when authorized by ordinance. Lease of space within municipal buildings that are of a value of less than one thousand dollars shall be treated as disposals of personal property without ordinance. All other leases of space within a municipal building shall be treated as disposal of real property under this chapter.

- F. When it is deemed advantageous to the municipality, it may trade uplands or tidelands for other land of approximately equal size or value. Should the municipal property in question be of such size or value or to such a class of grantee as to require an election before conveyance of title can be made, the requirements and procedures concerning such election shall apply.
 - G. The administrator is authorized to sign all municipal lease and conveyance documents.
- (Ord. 99-1545 § 4 (part), 1999; Ord. 93-1141 § 4, 1993; Ord. 92-1110 § 4, 1992; Ord. 92-1026 § 4, 1992; Ord. 83-556 4 (part), 1983.)

18.12.014 Requirement for a public vote and disclosure of information for land disposals related to a dock or vessel transfer facility that could be used by large cruise ships.

- A. Notwithstanding Sections 2.38.080(A)(7) and 2.38.090 or any other provision of law, any ordinance authorizing the sale, lease or disposal of any real property of the city and borough for a dock or vessel transfer facility that could be used by cruise ships exceeding three hundred feet in length shall be effective only after an affirmative vote of the electorate. Not less than thirty days prior to the election, the city and borough shall make available to the electorate the terms of the proposed sale, lease or disposal of real property and a summary of the direct anticipated costs to the city and borough.
 - B. This section applies to tidelands and other real property owned by the city and borough, including any real property in Sawmill Cove.
- (Ord. 06-39 § 3, 2006.)

18.12.015 Street and public area vacations.

- A. Petition. No street, alley or public thoroughfare or any part thereof shall be vacated except upon petition of the owners of the majority of the front feet of the land fronting upon the part of the street, alley or public thoroughfare sought to be vacated.
- B. Title to Vacated Area. Title to the street or other public area vacated on a plat, attaches to the lot or lands bordering the area in equal proportions;

except that if the area was originally dedicated by different persons, original boundary lines shall be adhered to so that the street area that lies on one side of the boundary line shall attach to the abutting property on that side. The portion of a vacated street that lies inside the limits of a platted addition attaches to the lots of the platted addition bordering on the area. If a public square is vacated, the title to it vests in the municipality. If the property vacated is a lot, title vests in the rightful owner.

C. Payment.

1. If the municipality acquired the street or other public area vacated for legal consideration or by express dedication to the municipality, other than as a subdivision platting requirement, before the final act of vacation, the fair market value, as required by AS 29.40.160(b), shall be deposited by the petitioner or petitioners with municipality to be paid to the permanent fund upon vacation.
2. If the person or persons petitioning for vacation is, or are, the original subdividers who established the street, alley, or public thoroughfare, or portion thereof, sought to be vacated, then the municipality may vacate the same without payment of any kind being acquired from the petitioner or petitioners or the property owner or owners who receive the property by virtue of vacation.
3. If the person or persons petitioning for the vacation are not the original subdividers, but the municipality acquired the street, alley, or public thoroughfare or portion thereof as a result of a subdivision platting requirement, before the final act of vacation, the petitioner or petitioners or the owners of the land fronting upon that part of the street, alley, or public thoroughfare sought to be vacated shall be required to pay the amount determined by the assembly. (Ord. 93-1130 § 4(2), 1993.)

Chapter 18.16

TIDELAND LEASE PROCEDURE

Sections:

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| 18.16.020 | Leases and permits. |
| 18.16.030 | Government leases and permits. |
| 18.16.040 | Classes of approval for permits and leases. |
| 18.16.050 | Procedures and fees for Class I, Class II, and Class III approvals. |
| 18.16.060 | Class IIA, Class IIB, and Class IIC approvals – Application requirements. |
| 18.16.070 | Class IIA, Class IIB, and Class IIC – Notification requirements. |
| 18.16.080 | Class IIA, Class IIB, and Class IIC review – Planning commission. |
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| 18.16.100 | Class III – Pre-application advice. |
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| 18.16.220 | Class III – Direct lease by municipality. |
| 18.16.230 | Execution of permit and lease documents. |

18.16.010 Generally.

When in the best interests of the municipality, the city and borough may grant leases to tidelands, filled tidelands, tidelands in the intertidal area, sub-

merged tidelands, submerged lands, and reclaimed lands as outlined below. (Ord. 03-1751 § 4 (part), 2003.)

18.16.020 Leases and permits.

The municipality may grant leases or permits for the use of Sitka-owned tidelands, filled tidelands, tidelands in the intertidal area, submerged tidelands, submerged lands, and reclaimed lands under such policy directions and conditions as the assembly shall set from time to time. Leases and permits shall be subject to all other applicable municipal, state, and federal regulations. (Ord. 03-1751 § 4 (part), 2003.)

18.16.030 Government leases and permits.

When leases or permits are issued to other local, state, or federal governmental units or a corporation or agency through which the governmental unit acts, there is no limit to the front footage obtainable, or valuation limit and no requirement of an election as set out by Sections 18.12.010 and 18.16.110, and no consideration for such a lease shall necessarily be required. (Ord. 03-1751 § 4 (part), 2003.)

18.16.040 Classes of approval for permits and leases.

- A. There shall be three classes of approvals for permits and leases.
- B. Class I approvals which are for permits for use of tidelands that are cancelable by the municipality on thirty days' notice.
- C. Class II approvals are for personal use docks and facilities that are immediately seaward of deeded lands and deeded tidelands.
- D. The approval of Class IIA facilities shall grant the owner exclusive use of a personal use dock with a perimeter that does not exceed three hundred linear feet and the tidelands that are immediately adjacent to the facility.
- E. Class IIB approvals are for exclusive use of personal use docks with a perimeter of more than three hundred linear feet.
- F. Class IIC approvals are for mooring buoys.
- G. Class III approvals, which are for leases for commercial docks and facilities and/or personal docks that include the lease of space and facilities. The approval of Class III facilities shall grant the facility owner exclusive use of the

facility. The area required for the berthing of all vessels shall be included in the lease area. Class III facilities include community use docks or docks constructed and owned by individuals other than the upland property owner.

(Ord. 03-1751 § 4 (part), 2003.)

18.16.050 Procedures and fees for Class I, Class II, and Class III approvals.

- A. Class I approvals may be made by the administrator with or without the approval of the assembly. It shall follow the submittal of a completed application on the form prepared by the municipality and detailed sketch. The fee for the permit shall be a monthly charge established by the administrator.
 - B. Class II approvals shall be made by the assembly by motion following the procedures outlined in Sections 18.16.060 through 18.16.090. The assembly may, at its discretion, require that a Class II facility follow the procedures required for a Class III facility.
 - C. Class III approvals shall be made in accordance with the procedures outlined in Sections 18.16.100 through 18.16.220.
- (Ord. 03-1751 § 4 (part), 2003.)

18.16.060 Class IIA, Class IIB, and Class IIC approvals – Application requirements.

- A. Class II approvals for permits for personal non-commercial docks and facilities and mooring buoys that are immediately seaward of deeded lands and deeded tidelands. Application forms for Class II approvals shall be obtained from and returned to the municipal clerk and each form shall include the information required by the municipality. The application shall be accompanied by full dimensioned vertical and horizontal drawings of the facility with an approximate scale. These drawings are in lieu of a plat prepared by a registered surveyor that is required of Class III facilities. These drawings shall show all environmentally sensitive areas. An approved corps of engineers permit shall be submitted with the application for a Class IIA and Class IIB facility.

- B. The application shall be accompanied by a two hundred fifty dollar application fee for a Class IIA and Class IIB personal use dock, which is intended to offset the municipality's processing costs. There shall be a one hundred fifty dollar application fee for a Class IIC mooring buoy.
- C. Only the upland property owner shall have the ability of applying for a Class II permit.
- D. The Class II permit shall only be valid for two years unless construction of the dock is actively underway. Any request for extension of the permit must be filed prior to the end of the approval period. Only one single one-year extension may be granted.

(Ord. 03-1751 § 4 (part), 2003.)

18.16.070 Class IIA, Class IIB, and Class IIC – Notification requirements.

Notices of public meetings for Class II facilities shall be sent to all property owners of record according to the municipal assessor that are within one hundred feet of the exterior of the proposed project. (Ord. 03-1751 § 4 (part), 2003.)

18.16.080 Class IIA, Class IIB, and Class IIC review – Planning commission.

- A. The planning commission shall consider an application for a Class II facility during at least one meeting. The role of the planning commission is to provide comments to the applicant and the assembly on the proposal. Formal recommendations and approvals are not required.
 - B. The planning commission shall review and may approve Class IIC mooring buoy applications subject to appeal to the assembly. The planning commission shall attach any conditions that are considered appropriate. The approval may be for a term not to exceed ten years. No annual permit fees shall be charged for mooring buoys.
- (Ord. 03-1751 § 4 (part), 2003.)

18.16.090 Class IIA and Class IIB review – Assembly.

- A. Following the planning commission review, the assembly shall consider the request. The information provided to the assembly shall include all application materials, minutes from the plan-

ning commission meeting(s), and an estimate from the assessor of the value of the tidelands.

- B. The assembly, by simple motion, may give an approval of an exclusive transferable permit for a period of ten years for Class IIA and Class IIB facilities. The permit shall carry two automatic five-year renewals that may be exercised at the applicant's discretion.
- C. There shall not be an annual permit fee for a Class IIA personal use dock.
- D. Since a Class IIB facility involves large personal use docks, the annual permit fee shall be two hundred dollars a year. It shall be adjusted every five years based on the aggregate rate of inflation for the previous five-year period. The annual permit fee shall be higher than these amounts only in the event that the assembly finds that higher fees are justified by area of the tidelands that are involved.
- E. The assembly may place conditions on any approval, and, the assembly may withhold approval if it finds the granting of the permit is not within the public interest. Any denial of a Class II application may be followed by the issuance of specific findings.

(Ord. 03-1751 § 4 (part), 2003.)

18.16.100 Class III – Pre-application advice.

Prior to making formal application, a potential applicant may request the assembly to give its advice concerning whether or not the assembly will consider leasing the property. The request may be considered by the planning commission and the port and harbors commission before the assembly considers the matter. Any preliminary advice shall not be binding upon the assembly, but is designed to give an applicant some idea of his or her chances and to avoid unproductive efforts. (Ord. 03-1751 § 4 (part), 2003.)

18.16.110 Class III – Formal application.

- A. Application forms shall be obtained from and returned to the municipal clerk and each form shall include the information required by the municipality and be accompanied by a filing fee of three hundred dollars unless otherwise directed by the applicable sections. The filing fee will not be refunded, including cases in which the application is rejected. All checks

and/or money orders shall be made payable to the city and borough of Sitka.

- B. Deposit. In addition to the filing fee the municipal clerk shall require applicants to deposit with the finance director a sum sufficient to cover all anticipated costs of advertisement and notice mailing of the area under application. In the event the land applied for is disposed to other than the applicant, then within twenty days after the auction, the successful bidder shall be required to pay advertising costs including reimbursing the applicant a reasonable amount for the plat. The original deposit will be returned to the depositor. If the depositor cancels his application or fails to accept the lease within thirty days of being offered by the municipality, the deposited moneys shall be forfeited.
- (Ord. 03-1751 § 4 (part), 2003.)

18.16.120 Class III – Plat requirements.

Along with the application, a plat of the area applied for shall be included. Should additional surveying be necessary it shall be done at the cost of the applicant. All plats shall be the responsibility of the applicant and shall be stamped by a land surveyor registered in Alaska. The municipality may prepare the plat and shall be reimbursed by the applicant for all reasonable costs. Mailings shall be sent to property owners within five hundred feet of exterior property lines for the notifications required by this chapter by first class mail unless otherwise specified in this chapter. (Ord. 03-1751 § 4 (part), 2003.)

18.16.130 Class III – Lease preference rights and nonpreference rights.

- A. Under prior code, six types of preference rights were recognized. The time for applying for preference rights, except for upland owners (former Class VI), has long passed (December 1, 1967) and any such other unasserted rights are declared void.
- B. Preference shall be granted to upland owners (formerly called Class VI preference right holders) over other nonpreference applicants for the same tract, for the use of tidelands and contiguous submerged land seaward of the upland property. It shall not be required that Sitka offer tidelands for lease should the assembly determine that it will be of greatest benefit to Sitka

not to lease the tidelands. The municipality may itself make such use of tidelands as it may consider in the public interest without offering the tidelands to a preference right holder.

The preference right shall be limited to allowing the preference right holder to lease the property for the minimum price established by the assembly, if the right holder shall so bid at the auction, even though a nonpreference right holder may bid more.

- C. Any lease made to a preference holder shall require that any sublease or sale of lease rights shall require prior assembly approval and possible lease rental adjustment. Separation of ownership of the tidelands lease from the abutting uplands will not normally be approved.
- D. If owners of more than one upland parcel claim a preference right to the same tidelands, the assembly shall determine which party is entitled to the preference. In making its determination, the assembly may consider the totality of the circumstances, including proposed uses, size and shape of the tracts, water access, and equitable consideration.

(Ord. 03-1751 § 4 (part), 2003.)

18.16.140 Class III – Notification of upland owner.

Before the application is preliminarily approved by the assembly and a minimum bid price set, the municipality shall advise by certified mail each of the abutting upland property owners of the nature of use proposed on tidelands seaward of their property. Each upland property owner may protest issuance of the lease and such protest must be filed with the municipal clerk within fifteen working days of mailing of notice. Each protest submitted shall conform substantially to Section 18.16.130. (Ord. 03-1751 § 4 (part), 2003.)

18.16.150 Class III – Preliminary approval.

No sooner than fifteen working days following the mailing of the notice to abutting upland property owners, the assembly may give preliminary consideration to the application and may hear objections, and settle disputes between claimants as to preference status, boundaries, and any other matter related to the tidelands and set a minimum bid price. (Ord. 03-1751 § 4 (part), 2003.)

18.16.160 Class III – Notice of auction and intended lease.

Notice of auction and of the application for lease shall be contained in one notice and shall be made substantially as follows:

The municipal clerk shall publish three times over a three-week period at the expense of the applicant, a notice in at least one newspaper of general circulation in the vicinity in which the land, property, or interest therein is to be leased; and provided, that the lease of lands be held after the end of the three-week advertisement period. Copies of this notice shall be served on adjacent property owners by a copy being sent to them by first class mail.

The notice shall set forth the following:

- A. A general description of the request;
- B. The date, if any, time and place, and the general terms, including the minimum bid, if any, of the sale, lease, or other disposal;
- C. The location and description of the lands or interest therein and the improvements thereon; and
- D. The preference or preference rights claimed, if any.

(Ord. 03-1751 § 4 (part), 2003.)

18.16.170 Class III – Ratification by voters.

Lease of tidelands to other than preference right holders for areas which have more than two hundred fifty feet of frontage along the upland meander line, or lease of any tidelands valued above seven hundred fifty thousand dollars, shall be submitted to the voters for election ratification. This section shall not apply to leases at the former Alaska Pulp Corporation mill site, and the property leased under Ordinance 99-1539. (Ord. 03-1751 § 4 (part), 2003.)

18.16.180 Class III – Protest.

Anyone may file a protest with respect to the grant, sale, lease, or other disposal of tidelands or materials thereon or therein. Such protest shall be in writing and contain a statement as to the nature and reason for the protest. Each protest so made shall be filed with the municipal clerk during the period of publication. Failure to protest shall constitute a waiver. (Ord. 03-1751 § 4 (part), 2003.)

18.16.190 Class III – Determination of lease price.

Lease price shall finally be determined by open auction. The assembly shall set the upset price for the auction and advertise the minimum price. In determining the minimum price, the assembly may rely on the municipal assessor's advice as to value and consider such additional input, as it may desire. The minimum price shall be no less than the value established by the municipal assessor.

In addition to a minimum bid, the assembly may require a development plan from each bidder and may evaluate such plans for acceptability prior to auction. Acceptability shall be based upon a determination that the plan would enhance the long range development of the municipality and benefit the public. (Ord. 03-1751 § 4 (part), 2003.)

18.16.200 Class III – Lease by ordinance.

Should the auction be held and a bid accepted by the assembly, the lease shall be executed subject to passage of an ordinance authorizing the lease. If the lease is subject to ratification by the voters, the authorizing ordinance should also authorize putting the question to the voters at the next regular or special municipal election. (Ord. 03-1751 § 4 (part), 2003.)

18.16.210 Class III – Annual lease payments and terms.

- A. The annual lease payment to the municipality shall be nine percent of the price established at the auction plus sales tax.
- B. On the seventh anniversary of each lease, and each seven years thereafter the annual lease payment shall be adjusted as follows: The annual lease payment shall be changed by the percentage change in the amount (expressed in dollars and cents) established by dividing the grand total land value on the official municipal real property assessment roll for the initial lease year by the number of that year's real property tax accounts, compared with a similar calculation using the figures seven years later. Each lease shall state the base figure and tax year on which it was calculated. The term shall be thirty years unless otherwise determined by the assembly.

- C. The assembly may require such other terms and conditions as it may desire to be included in the lease at its commencement.

(Ord. 03-1751 § 4 (part), 2003.)

18.16.220 Class III – Direct lease by municipality.

By ordinance the municipality may elect to lease tidelands upon its own initiative upon such terms as are set out in the ordinance.

Tidelands leased by the direct lease procedure shall be subject to a ratification election whenever applicable by other sections of the Sitka General Code. (Ord. 03-1751 § 4 (part), 2003.)

18.16.230 Execution of permit and lease documents.

Following any approval the administrator shall prepare and execute lease documents. Those documents shall include clauses covering termination of leases for nonpayment and ownership of facilities involving terminated or expired leases. (Ord. 03-1751 § 4 (part), 2003.)

Chapter 18.20

TIDELAND PERMITS

Sections:

18.20.010 Generally.

18.20.010 Generally.

- A. Granted by Assembly. Permits for tidelands from which fill or other materials are to be removed, or for any use, may be granted by the assembly under such terms as it deems advisable, after notice of such application is given as stated in Section 18.16.100.
- B. Terms. A permit shall not constitute a preference to lease any resulting reclaimed lands, nor shall the permit allow permanent development or occupancy. The permits shall not exceed one year in duration, but are renewable at the discretion of the assembly. The permits shall be subject to any special conditions or requirements that the assembly deems in the best interest of the municipality and are revocable by the assembly at will.
- C. Tideland Right-of-way and/or Easement Permits. Permits may be issued by the assembly for trails, ditches, pipelines, telephone and transmission lines, log storage, and production facilities for the purposes of recovering minerals from adjacent lands under valid lease and other similar uses or improvements. In the granting, suspension, or revocation of any permit or easement of lands, the assembly shall give preference to such use of the land as will be of the greatest benefit to the city and borough and the development of its resources; provided, however, that subject to the city and borough's use, preference shall be given to upland owners, giving such preference right holder twenty days to exercise his preference according to the procedure provided in Section 18.16.090.

(Ord. 83-556 § 4 (part), 1983.)

Chapter 18.24

ABANDONED PROPERTY

Sections:

18.24.010 Abandoned property.

18.24.010 Abandoned property.

- A. Abandoned or lost property may be received by the police department for storage in the lost and found section. The department is not required to search for the true owner:
 - 1. If property is not claimed within six months, it may be sold at public auction with the proceeds to go to the municipal general fund, unless the person who deposited it with the police indicates at the time of deposit in writing that they would wish the item.
 - 2. If an unredeemed item is to be returned to the finder, the finder must execute an instrument agreeing to surrender the item or its apparent value to the true owner should the true owner make application for the item within two years of original deposit with the police department.
 - 3. All knives, firearms, and items of apparent value of two hundred dollars or more shall be approved by the administrator or assembly prior to being released to a finder.
- B. An exception to this rule is abandoned bicycles. Any bicycle received by the police which does not have a current bicycle license may be disposed of at public auction after being held no less than thirty days, or may be donated to a charity for distribution to needy children. Bicycles may not be given to the finder.
- C. If a person claims ownership of an item in police custody and cannot conclusively establish ownership, the police chief may use his discretion in deciding if ownership is sufficiently established. Such a decision shall be in writing. Any party wishing to dispute the decision shall have the right to appeal to the assembly within ten days of the election.

D. Any property of little or no value may be destroyed without any waiting period, but a written list of such destroyed property shall be kept by the department.
(Ord. 84-625 § 4, 1984; Ord. 83-556 § 4 (part), 1983.)

Chapter 18.32

PUBLIC IMPROVEMENTS BONDING REQUIREMENTS

Sections:

**18.32.010 Public improvements under
fifty thousand dollars.**

**18.32.020 Bonding on contracts up to four
hundred thousand dollars.**

18.32.010 Public improvements under fifty thousand dollars.

The municipality may, but is not required to require performance and payment bonding on any public improvement contracts totaling fifty thousand dollars or less per contract. (Ord. 83-556 § 4 (part), 1983; Ord. 79-403 § 4 (part), 1979.)

18.32.020 Bonding on contracts up to four hundred thousand dollars.

On public works contracts of more than fifty thousand dollars, but not exceeding four hundred thousand dollars, the municipality may require less than the amounts of required performance and payment bonds, as required by AS 36.25.010, provided the contractor meets the requirements and supplies the information required by AS 36.25.025. (Ord. 83-556 § 4 (part), 1983; Ord. 79-403 § 4 (part), 1979.)

TITLE 18 FOOTNOTES

1. For the charter provisions requiring the conveyance of city land be by ordinance, see § 3.01(7).
2. For the statutory provisions regarding eminent domain powers of home rule municipalities, see AS 29.73.020 and 9.55.250 – 9.55.460.
3. For statutory provisions regarding tidelands, see AS Ch. 38.10.