

# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

#### **Planning and Community Development Department**

Date: February 21, 2017

To: Planning Commission

From: PCDD Staff

Re: CU 17-04

#### GENERAL INFORMATION

Applicant: Baranof Island Brewing Company Property Owner: Triton Properties LLC

Property Address: 1209 Sawmill Creek Road

Legal Description: Lot 1 of Baranof Subdivision #2

Parcel ID Number: 30402001

Size of Existing Lot: 63,345 s.f.

Zoning: C-2 General Commercial Mobile Home District

Existing Land Use: Commercial, Residential

Utilities: Existing

Access: Off of Sawmill Creek Road

Surrounding Land Use: Retail, Commercial, Heavy Commercial

### ATTACHMENTS

- Attachment A: Vicinity Map Attachment B: Aerial Vicinity Map Attachment C: Zoning Map Attachment D: Site Plan Attachment E: Floor Plan Attachment F: Subdivision Plat Attachment G: Parcel Pictures
- Attachment H: Application
- Attachment I: Flood Zone Map

#### MEETING FLOW

- Report from Staff
- Applicant comes forward
- Applicant identifies him/herself provides comments
- Commissioners ask applicant questions
- Staff asks applicant any questions
- Floor opened up for Public Comment
- Applicant has opportunity to clarify or provide additional information
- Comment period closed brought back to the board
- Findings
- Motion of Recommendation

Attachment J: Mailing List Attachment K: Proof of Payment Attachment L: Warranty Deed

### BACKGROUND/PROJECT DESCRIPTION

The request is for a small scale brewery in conjunction with existing self-storage, eating and drinking place, and multi-family residential. The brewery aspect is a conditional use, the rest of the existing uses are permitted. Taking a holistic approach, we now review all together (see SGC Tables of Uses 22.16.-015-1, -5, and -6).

The location was used as Baranof Motors in conjunction with the residential and storage use. It is also adjacent to heavy commercial uses to the north and east, a post office to the west, and a convenience store and gas station to the south.

#### **ANALYSIS**

### 1. CRITERIA TO BE USED IN DETERMINING THE IMPACT OF CONDITIONAL USES.<sup>1</sup>

**a.** Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses: There is no known traffic study for trip generation or traffic impacts for micro-breweries that staff has access to. However, one could compare the operation of the proposed brewery to two different types of uses: food manufacturing and a taproom (aka Bar). The manufacturing aspect would be limited to employees and deliveries and pickup of supplies and product; while the taproom would be similar to a bar, but with shorter hours of operation. Compared to prior uses, traffic would be significantly higher than the automotive uses, but well below the traffic demand of the adjacent gas and convenience store. It could be conditioned that drop-offs and pick-ups of product and supplies occur after 8am and prior to 8pm to mitigate any negative impact upon on site residential uses.

**b.** Amount of noise to be generated and its impacts on surrounding land use: The amount of noise the operation would generate is unknown. It would most likely generate less noise than prior operations. Overall, any noise from beer manufacturing would not be main issue, but could be from bar operation, though that would be mitigated due to state brewery limits on time open to the public. In addition, the building official would require fire separation and additional drywall for fire code purposes that would also have a secondary benefit of noise attenuation.

**c.** Odors to be generated by the use and their impacts: Odor of brewery has been described as yeasty, bready, sweet and pungent, like toast, french fries, sour, malty, cereal, and beer.

<sup>&</sup>lt;sup>1</sup> § 22.24.010.E

Residents could be offended by odors during brewing process. Could be lessened by filtration, but difficult to eliminate.

**d.** Hours of operation: Year-round. Hours open to the public are limited by state regulations and applicant can provide more information on that detail.

**e.** Location along a major or collector street: Located off of Sawmill Creek Road behind the existing gas and convenience store, which provides the access easement.

f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario: Access easement would have business traffic going across convenience store property.

**g. Effects on vehicular and pedestrian safety:** A brewery could impact traffic safety. This is antidotal based on the consumption of alcohol, which can impair driving and walking. Both of these impacts could affect safety. However, these impacts are no more than what is already available at restaurants or bars, and arguably less due to state limits on serving and reduced hours of operation.

h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site: Same ability as any other use.

**i. Logic of the internal traffic layout:** Sufficient area for parking and traffic turnaround as well as existing uses.

Parking shall be provided as follows: 43 total parking spaces (18 for apartments, 5 for storage, and 20 for the restaurant and brewery). Three must be designated as handicapped. Two loading spaces are required. Applicant has presented the availability and layout of required parking spaces.

**j. Effects of signage on nearby uses:** None anticipated. Staff have spoken with applicant about sign regulations and easement rights. Staff will work with applicant to meet sign code and respect other properties, while locating effective signage.

**k.** Presence of existing or proposed buffers on the site or immediately adjacent the site: West and south of the property have good buffers. Internally, the addition of thicker drywall will add sound attenuation.

I. Relationship of the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan: Various goals and objectives are met such as providing for the local development of locally produced high quality goods (craft beer) to strength the local economic base, while minimizing impacts to people and other sensitive uses; and by providing commercial use that has adequate transportation and utilities (Sections 2.2.1, 2.2.2, 2.2.3, 2.2.5,

and 2.6 et al). In addition, the taproom and restaurant will complement the brewery and local food service markets.

m. Other criteria that surface through public comments or planning commission review:

## **FINDINGS**

C. Required Findings for Conditional Use Permits. The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions: <sup>2</sup>

1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:

- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity; nor
- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity
- of, the site upon which the proposed use is to be located.

2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation.

3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.

4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety, and welfare of the community from such hazard.

5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.

6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The city may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest. The general approval criteria are as follows:

<sup>&</sup>lt;sup>2</sup> § 22.30.160.C - Required Findings for Conditional Use Permits

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;

2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;

3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;

4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;

5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

<u>Conclusion on Findings</u>: The required findings of fact have been met as the conditional use as conditioned would not be detrimental to the public's health, safety, or welfare; that the conditions of approval have satisfactorily mitigated any potential harm or impact to the surrounding land uses and properties through the conditions of approval, by meeting all applicable SGC regulations, and by being in support of the Comprehensive Plan regarding providing local goods, developing local economic base, while mitigating harm to adjacent land uses and public health, safety, and welfare.

### **RECOMMENDATION**

It is recommended that the Planning Commission adopt the staff analysis and required findings as found in the staff report and grant the requested conditional use permit subject to attached conditions of approval.

Recommended Motions: (two motions - read and voted upon separately)

- 1) I move to adopt and approve the required findings for conditional use permits as discussed in the staff report.
- 2) I move to approve the conditional use permit application for 1209 Sawmill Creek Road. The request is for a small-scale brewery in conjunction with the permitted uses of multifamilly residential, restaurant, and storage. The property is also known as Lot 1 Baranof Subdivision #2. The request is filed by Baranof Island Brewing Company. The owner of record is Triton Properties LLC.

Conditions of Approval:

1. Contingent upon and compliance with an approved certificate of occupancy from the Building Official/ Fire Marshal.

2. The facility shall be operated consistent with the application and plans that were submitted with the request.

3. The facility shall be operated in accordance with the narrative that was submitted with the application.

4. The applicant shall submit an annual report after the first year indicating the amount of sales, growth, police calls, complaints from residents and neighboring businesses. After that, only when required to do so by the Planning Commission or Planning Director.

5. The Planning Commission, at its discretion, may schedule a public hearing upon receipt of a meritorious complaint in regards to a violation of a condition of approval or a Sitka General Code regulation to address the alleged violation.

6. Failure to comply with all applicable tax laws, including but not limited to remittance of all sales tax, shall be grounds for revocation of the conditional use permit.

7. The property owner shall register for a sales account prior to the Conditional Use Permit becoming valid.

8. The operation of the taproom shall be in conjunction with the operation with the brewery and shall not become a stand-alone bar (ok for tap room to be open to restaurant, but once onsite brewing ceases operation then tap room must also cease).

9. The brewery shall have sprinklers installed or upgraded as deemed necessary by the fire marshal and/or building official in regards to fire safety regulations, and all residential units shall have operational smoke and carbon monoxide detectors as required by the same officials.

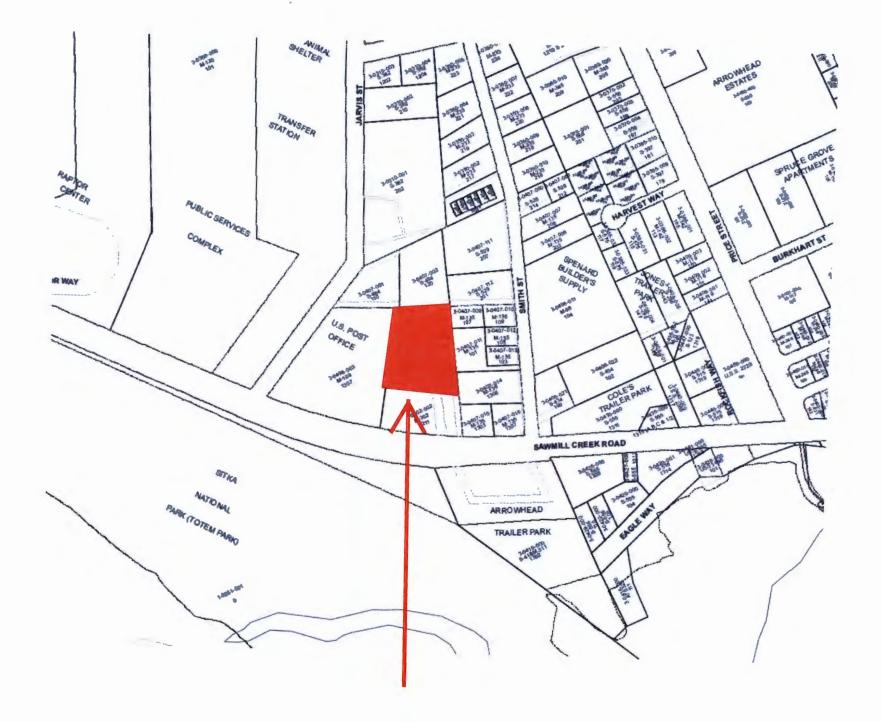
10. All uses shall provide necessary parking as required by code. Applicant will need to provide a revised parking plan that includes calculations of all existing uses and proposed brewery use in terms of residential units, square footage of storage, and other uses in compliance with code, as well as showing detailed parking stalls (9' x 18').

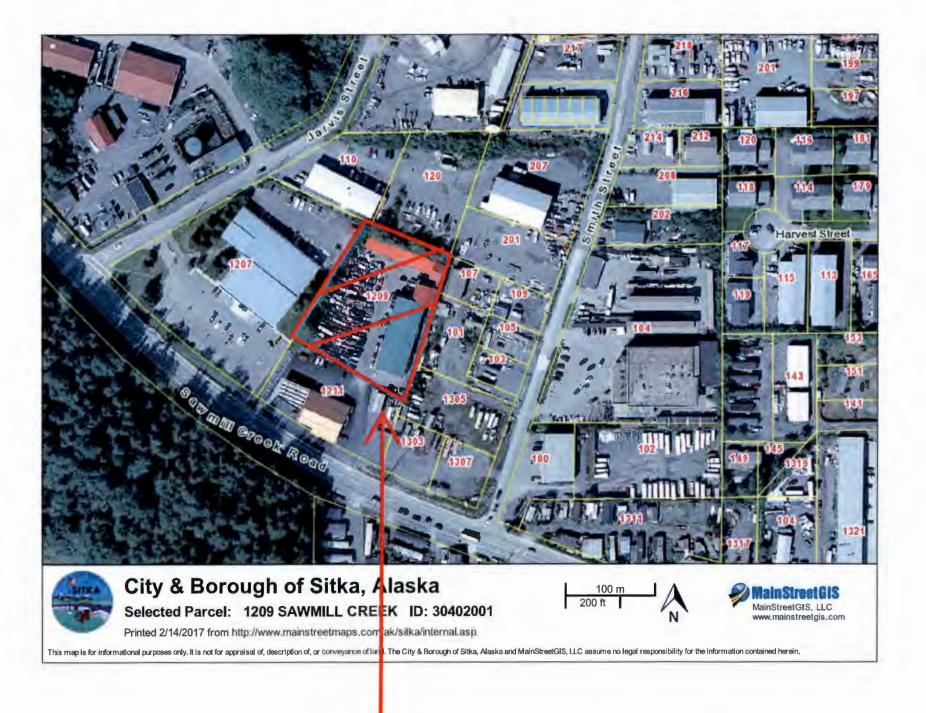
11. The brewery shall provide a fire alarm sufficient enough to alert adjacent residents of a fire or smoke.

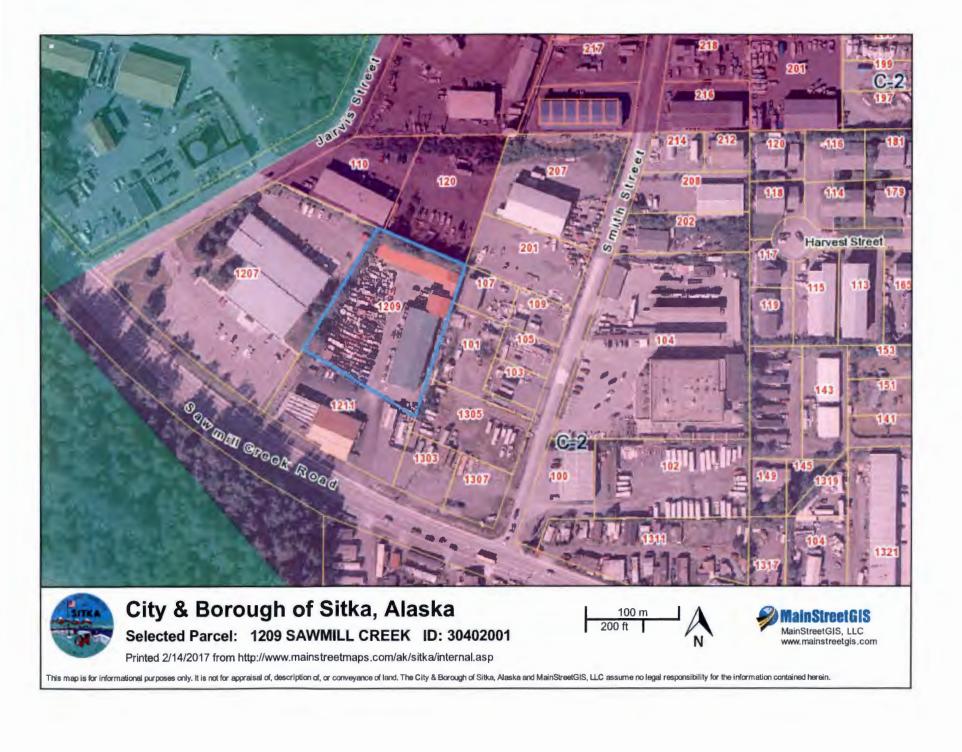
12. The brewery shall have a key box or knox box or other Fire Department approved device to allow Fire Department access.

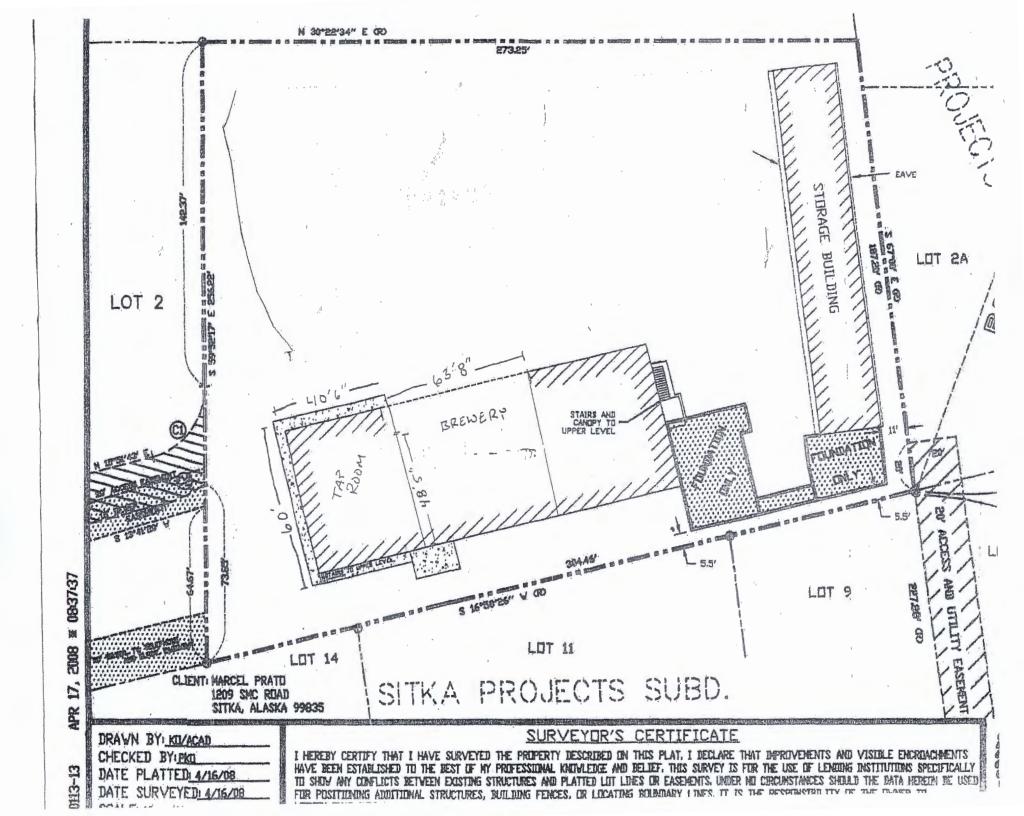
13. The brewery shall comply with all state regulations.

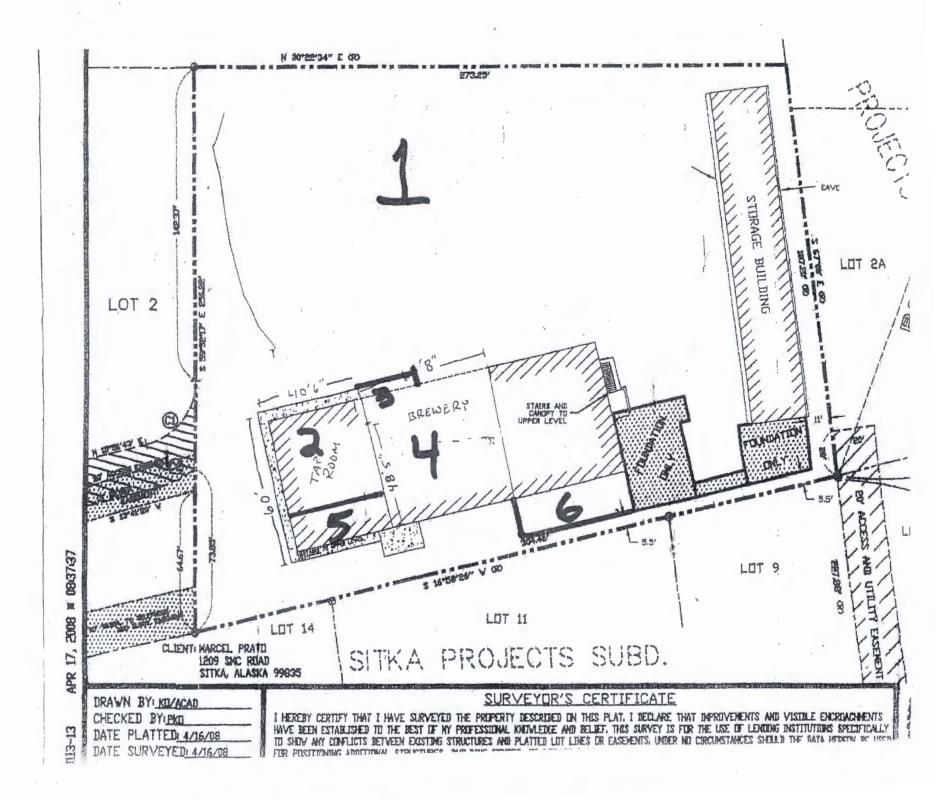
14. Failure to comply with any of the above conditions may result in revocation of the conditional use permit.











#### Samantha Pierson

From:	info@baranofislandbrewing.com			
Sent:	Friday, February 10, 2017 10:57 AM			
То:	Samantha Pierson			
Cc:	Suzan Hess; susan@baranofislandbrewing.com; Sam Bakker; Adam Chittick			
Subject:	Re: Conditional Use Permit			
Attachments:	bibcolot.jpeg			

Hi Sam,

Attached is the plot map of 1209 Sawmill Creek Road with numbered locations. The narrative below explains the number areas and what we would like to do in those areas starting ASAP.

1. Parking. Parking for for tenants and brewery.

Indoor seating. "Taproom" for marketing and retail sales of BIBCO products.
 Outdoor seating. "Beer Garden" We will remove the overhead garage door from the first bay when entering the property and frame it in with windows so that patrons can see into the production area from outside while seated and or have a "tour' without actually entering the manufacturing area. This will be a season use only area and closed in the winter except for special occasions.

4. Production Brewery. This area will not be accessible to the general public outside of planned brewery tours. It will contain all the equipment needed to manufacture and package beer.

5. Restaurant. The exact layout for a restaurant is currently not designed but this is the location we would like to have a commercial kitchen; dishwasher, range, fryer, coolers, etc. This would be a separate entity and not owned or operated by BIBCO but we are requesting permission to pursue that idea on the property.

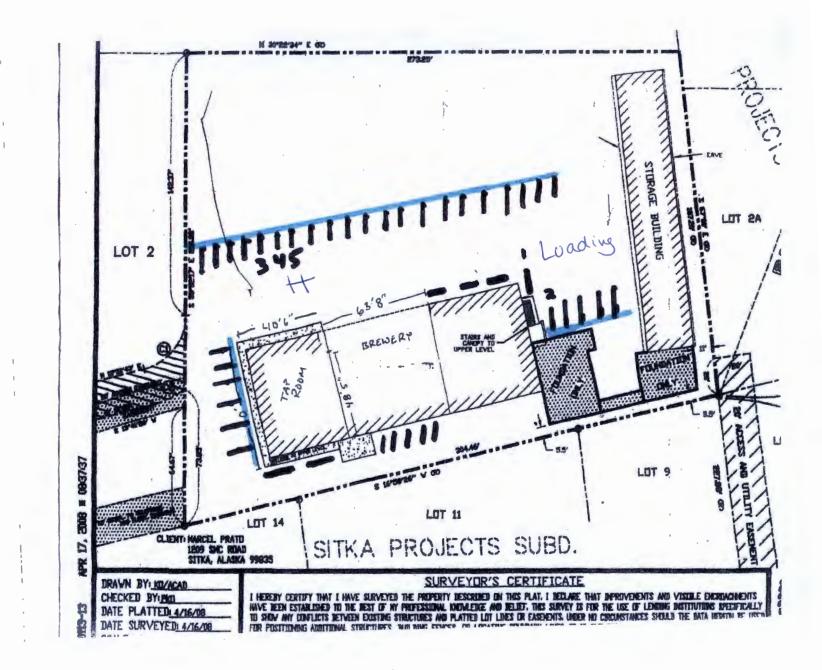
6. Cold storage. This will be a refrigerated connex van (the same van currently being used at 215 Smith Street) for the short term with plans to build a larger cold storage warehouse to replace it over the next year.

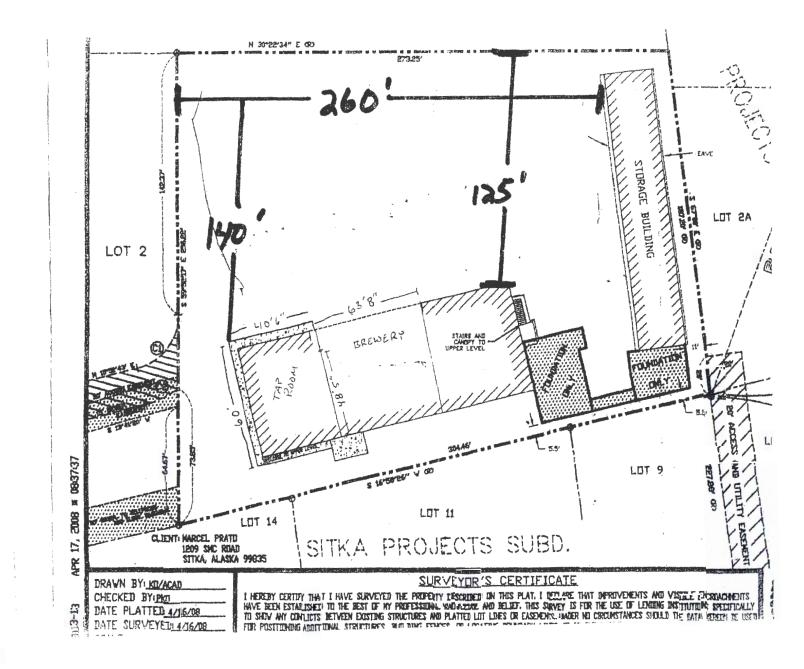
We would like to operate at this location the same as we currently have been operating approximately a block away at 215 Smith Street so there should be no noise or smell issues as we haven't had a problem with either of those issues for the past seven years. Our intentions are to clean up the property and transform it from a junk yard to a tourist destination. Coach tours has expressed interest in operating a bus tour to the location and we are currently looking into the possibility of making that happen. The location is also optimal for partnerships with The Raptor Center, Sitka Sound Science Center and Totem Park to generate additional tourist activity in the area and capture additional sales tax for the City and Borough of Sitka.

If you have any questions or concerns please don't hesitate to call us at 907-747-2739.

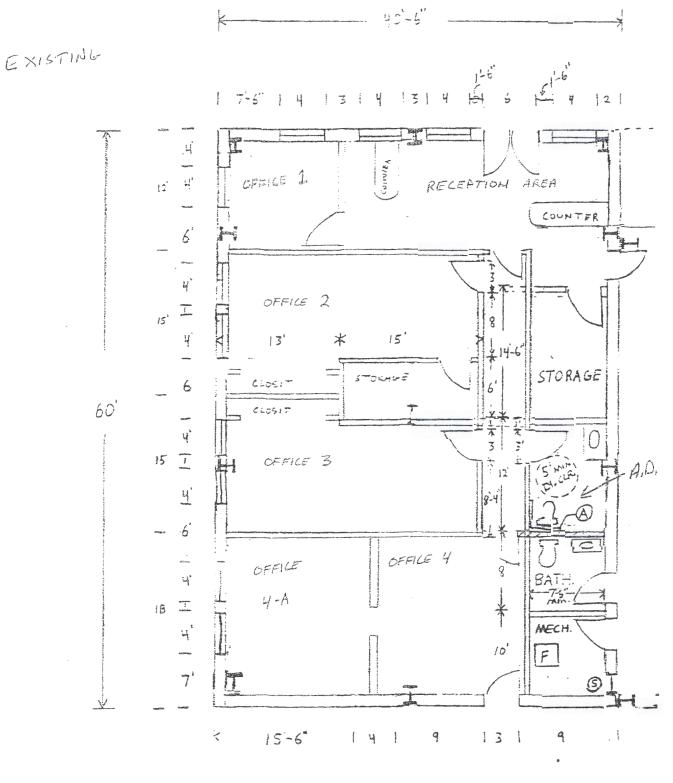
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Sincerely, Rick Armstrong



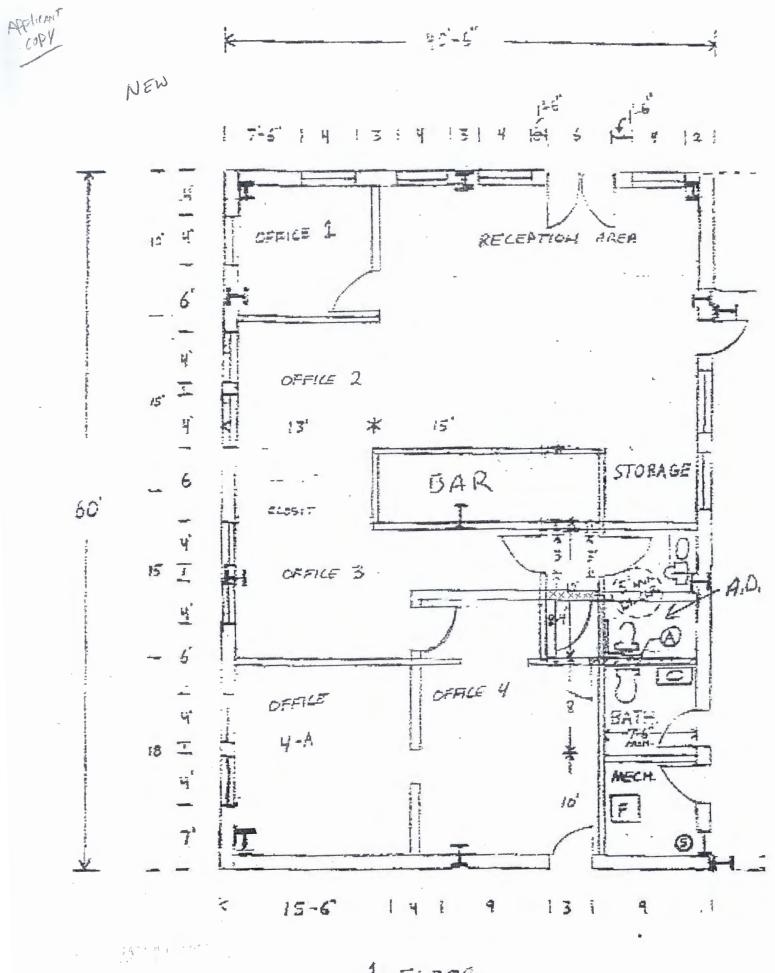


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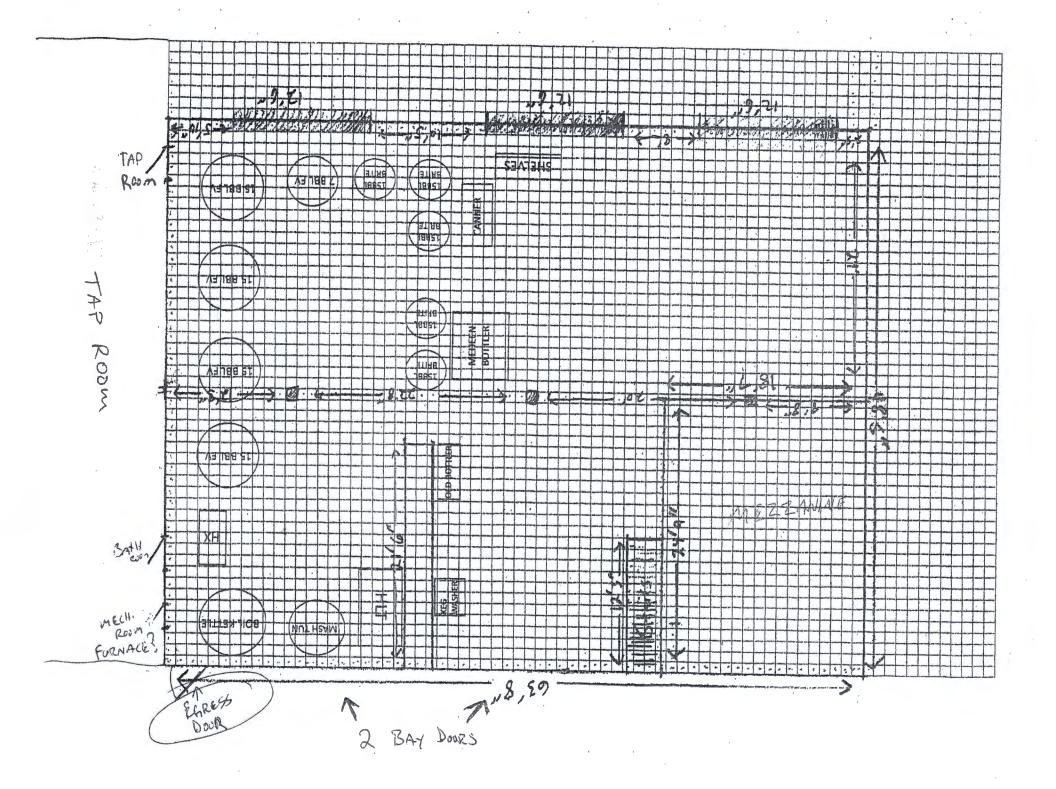


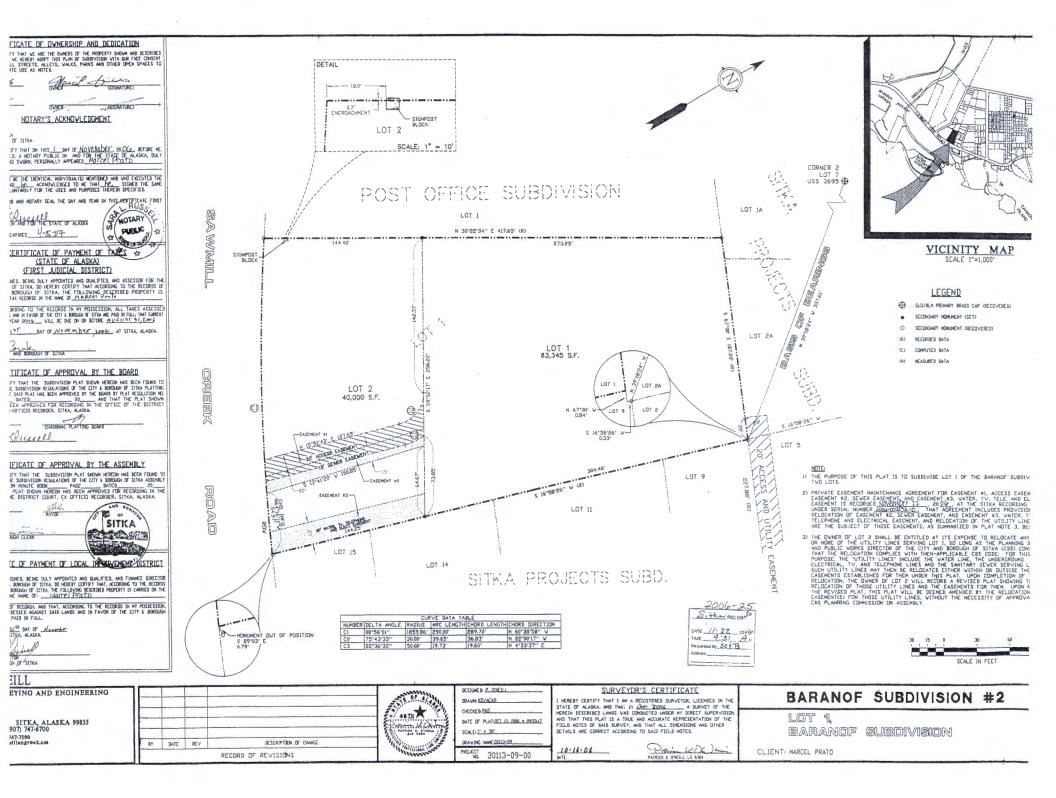
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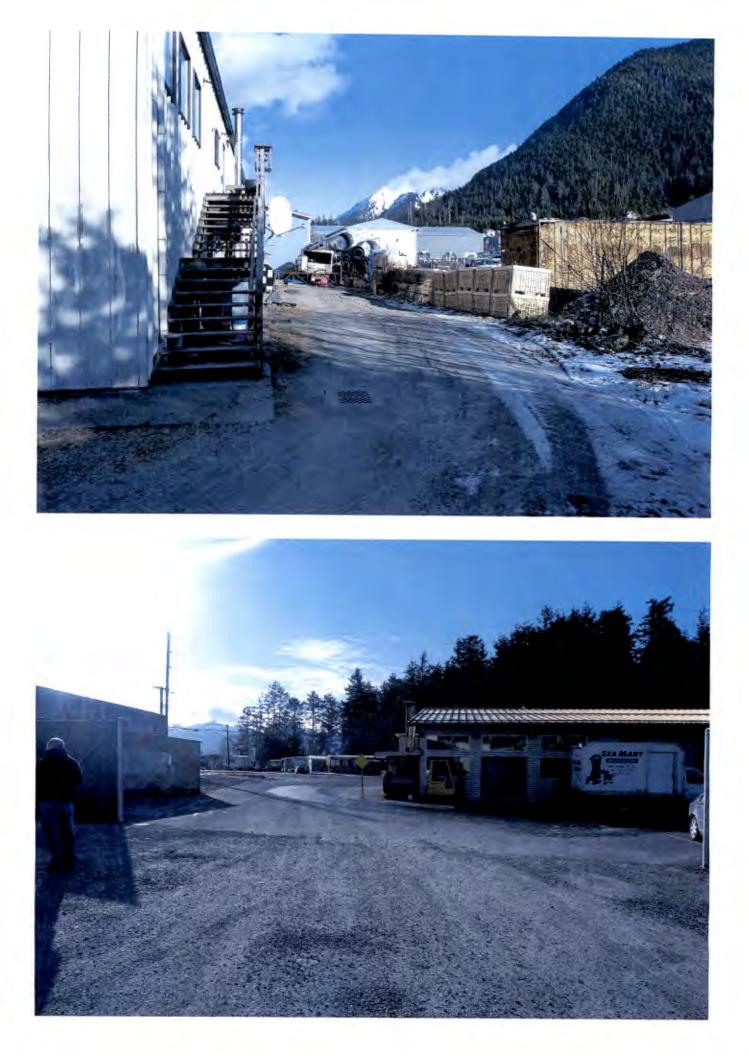
















# **CITY AND BOROUGH OF SITKA**

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT GENERAL APPLICATION FORM

<ol> <li>Request projects at</li> <li>Review guidelines a</li> <li>Fill form out <u>comple</u></li> <li>Submit all supporting</li> </ol>	nd procedural in tely. No request	formation. will be cons	idered withou			
APPLICATION FOR:			CONDITIONAL USE			
	ZONING AN	IENDMENT	PLAT/SUBD	IVISION		
BRIEF DESCRIPTION	OF REQUEST: _	Move	BAR	RANDF	ISLA	ND
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BREWING STREET	TO	1207	SML	Sitk	a, AK.	99935
PROPERTY INFORMA						
CURRENT ZONING:	Р	ROPOSED ZONI	NG (if applicable)	· · · · · · · · · · · · · · · · · · ·		
CURRENT LAND USE(S):		PROPO	SED LAND USES (i	f changing):		
APPLICANT INFORM	2170N PR 1209 12	Sawm	:11 Cre wm:11 C	reek R	oad	
PROPERTY LEGAL DE						
TAX ID: 30402	DO LOT:		BLOCK:	1	RACT:	
SUBDIVISION:			US SURVEY	/:		· · · ·
		OFFICE L	ISE ONLY			
COMPLETED APPLICATION	nan galan sekerin bir sekerin ber an der		SITE PLAN			
NARRATIVE			CURRENT PLAT			
FEE			PARKING PLAN		-	

March 215t

#### **REQUIRED SUPPLEMENTAL INFORMATION:**

For All Applications:	For Conditional Use Permit:				
Completed application form	Parking Plan				
Narrative	Interior Layout				
<ul> <li>Site Plan showing all existing and proposed structures with dimensions and location of utilities</li> <li>Proof of filing fee payment</li> <li>Proof of ownership</li> <li>Copy of current plat</li> </ul>	For Plat/Subdivision: Three (3) copies of concept plat Plat Certificate from a title company Topographic information Proof of Flagging				
	If Pertinent to Application:				
	Drainage and Utility Plań				

#### **CERTIFICATION:**

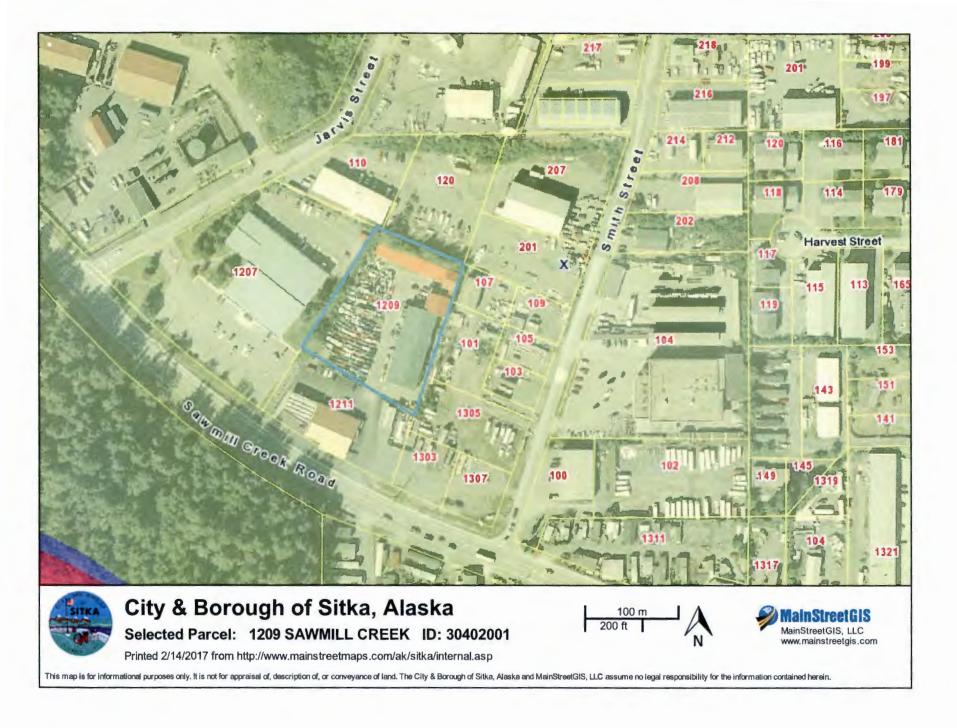
I hereby certify that I am the owner of the property described above and that I desire a planning action in conformance with Sitka General Code and hereby state that all of the above statements are true. I certify that this application meets SCG requirements to the best of my knowledge, belief, and professional 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. I authorize the applicant listed on this application to conduct business on my

ehalf 2/8/17 Date Owner

I 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.

Applicant (If different than owner)

Date



#### Parcel ID: 30300000 CITY & BOROUGH OF SITKA CITY & BOROUGH OF SITKA 100 LINCOLN ST SITKA AK 99835

Parcel ID: 30402002 TRIPLE C VENTURES, INC. TRIPLE C VENTURES, INC. 1867 HALIBUT POINT RD. SITKA AK 99835

Parcel ID: 30406021 SITKA MOTOR SUPPLY, INC. SITKA MOTOR SUPPLY, INC. 100 SMITH ST. SITKA AK 99835

Parcel ID: 30407009 CHRISTOPHER BALOVICH BALOVICH, CHRISTOPHER, H. P.O. BOX 6133 SITKA AK 99835-6133

> Parcel ID: 30407012 DAVID KRAUSE KRAUSE, DAVID, J. P.O. BOX 1065 SITKA AK 99835-1065

Parcel ID: 30407015 ROMAR HOLDINGS LLC ROMAR HOLDINGS LLC 208 LAKE ST, STE B SITKA AK 99835

Parcel ID: 30407112 BARANOF INVESTMENTS, LLC BARANOF INVESTMENTS, LLC P.O. BOX 1874 SITKA AK 99835-1874

#### Parcel 1D: 30310001 ORCA HOLDINGS, LLC ORCA HOLDINGS, LLC P.O. BOX 8158 KETCHIKAN AK 99904-8158

Parcel ID: 30406003 UNITED STATES POSTAL SERVICE UNITED STATES POSTAL SERVICE 1207 SAWMILL CREEK RD. SITKA AK 99835

Parcel ID: 30407001 BARANOF INVESTMENTS, LLC BARANOF INVESTMENTS, LLC P.O. BOX 1874 SITKA AK 99835-1874

Parcel ID: 30407010 CHRISTOPHER BALOVICH BALOVICH, CHRISTOPHER, H. P.O. BOX 6133 SITKA AK 99835-6133

Parcel ID: 30407013
 CHARLES OLSON
 OLSON, CHARLES, R.
 3009 HALIBUT POINT RD
 SITKA AK 99835

Parcel ID: 30407016 ROMAR HOLDINGS LLC ROMAR HOLDINGS LLC 208 LAKE ST, STE B SITKA AK 99835

Parcel ID: 30410000 WHITECAP PROPERTIES, LLC ARROWHEAD TRAILER COURT WHITECAP PROPERTIES, LLC 1304-B SAWMILL CREEK RD SITKA AK 99835 Parcel ID: 30402001 MARCEL PRATO PRATO, MARCEL 1209 SAWMILL CREEK RD SITKA AK 99835

Parcel ID: 30406011 LN REAL ESTATE, LLC C/O THOMSON REUTERS PROBUILD WEST P.O. BOX 460069 HOUSTON TX 77056

Parcel ID: 30407002 BARANOF INVESTMENTS, LLC BARANOF INVESTMENTS, LLC P.O. BOX 1874 SITKA AK 99835-1874

> Parcel ID: 30407011 GERALD BRAGER BRAGER, GERALD, I. 110 JARVIS ST SITKA AK 99835

Parcel ID: 30407014 ROMAR HOLDINGS LLC ROMAR HOLDINGS LLC 208 LAKE ST, STE B SITKA AK 99835

Parcel ID: 30407111 BARANOF INVESTMENTS, LLĆ BARANOF INVESTMENTS, LLĆ P.O. BOX 1874 SITKA AK 99835-1874



Mar Barrow A
PAID
PAID
FEB 0 8 2017
SUCKUUGH OF SITKA
CITY & BOROUGH OF SITKA

INVOICE				
CITY AND BOROUGH OF SITKA				
100 LINCOLN STREET, SITKA ALASKA 99835				
DATE: 2/8/10				
To: BIBCO				
ACCOUNT # 100-300-320-3201.002 PLANNING & ZONING				
Variance				
Conditional Use Permit				
Minor Subdivision				
Major Subdivision				
Zoning Map Change				
Lot Merger				
Boundary Line Adjustment				
General Permit				
Appeal of Enforcement Action (Pending)				
Sales Tax				
TOTAL				
Thank you				



AFTER RECORDING MAIL TO:

Triton Properties LLC 3003 Mikele St.. Sitka, AK 99835 53444

#### STATUTORY WARRANTY DEED

THE GRANTOR, **Marcel Prato**, of 1209 Sawmill Creek Road, Sitka, AK 99835, in consideration of ten and OO/100 dollars (\$10.00), and other good and valuable consideration, in hand paid, conveys and warrants to **Triton Properties**, **LLC**, of 3003 Mikele St., Sitka, Alaska the entire interest in which the Grantor has in the following real property situated in the Recording District of Sitka, Alaska:

Lot 1 of Baranof Subdivision No. 2, according to Plat No. 2006-25, Records of the Sitka Recording District, First Judicial District, State of Alaska.

Subject to reservations, exceptions, easements, covenants, conditions and restrictions of record, if any.

Dated this 10 day of NOVEM BER, 2016.

**Marcel Prato** 

STATE OF ALASKA

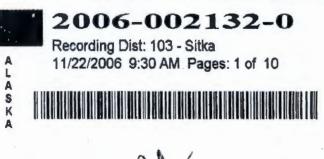
FIRST JUDICIAL DISTRICT

SS.

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THIS IS TO CERTIFY that on this <u>10<sup>th</sup></u> day of <u>Juwember</u> 2016, Marcel Prato, before me, the undersigned, a Notary Public in and for Alaska, personally appeared, to me known to be the person described in the foregoing instrument, and who acknowledged to me that she had, in her official capacity aforesaid, executed the foregoing instrument for the uses and purposes therein stated. WITNESS my hand and official seal the day and year in this certificate first above written.

STATE OF ALASKA NOTARY PUBLIC ry Public in and for Alaska Janet Norman commission Expires: My Commission Expires Jul 31, 2018



Sitka Recording District

Page 1 of 10

## EASEMENT MAINTENANCE AGREEMENT

Return to:

Marcel Prato

1209 Sawmill Creek Road Sitka, Alaska 99835

This Easement Maintenance Agreement ("this Agreement"), made and entered into this <u>2</u> day of <u>NOVEMPER</u>, 2006, by Marcel Prato, a resident of Sitka, Alaska, whose mailing address is 1209 Sawmill Creek Road, Sitka, Alaska 99835 ("Prato"), WITNESSETH:

#### Recitals

A. The plat of the Baranof Subdivision #2, filed in the Sitka Recording District, First Judicial District, State of Alaska on the <u>22</u> day of <u>NOVEMBER</u>, 2006 as Plat No. 2006-25 is hereinafter referred to as "the New Plat."

B. The parcel subdivided by the new Plat was previously known as Lot 1, Baranof Subdivision, according to Plat 99-4, filed March 11, 1999 in the Sitka Recording District, and was owned by Prato. C. The subdivision under the New Plat caused the subject property to be subdivided into two parcels. Lot 2 according to the New Plat ("Lot 2") is adjacent to Sawmill Creek Road. Lot 1 according to the New Plat ("Lot 1") is separated from the public right-of-way of Sawmill Creek Road by Lot 2. Therefore it is necessary that access and utilities for Lot 1 be provided by easements across Lot 2.

D. The necessary access and utility easements, including the location thereof, are established by the New Plat, as follows: Easement #1, Access Easement, the width of which is 20'; Easement #2, Sewer Easement, the width of which is 15'; and Easement #3, Water, TV, Telephone and Electrical Easement, the width of which is also 20'.

E. Easement #2, the Sewer Easement, and Easement #3, the Water, TV, Telephone and Electrical Easement are referred to collectively as "the Utilities Easements." The sanitary sewer and underground water, television, telephone and electrical lines serving Lot 1, located in the Utilities Easements areas of the New Plat, are referred to collectively as "the Utilities Lines."

F. Incident to the subdivision reflected in the New Plat it is appropriate and necessary to allocate, as between current and future owners of Lot 1 and Lot 2, certain maintenance and other rights and obligations. To facilitate



allocating these rights and obligations as set forth in this Agreement, the current and future owners of both Lot 1 and Lot 2, including Prato, are hereinafter referred to generically and collectively as the "Lot Owners."

NOW, THEREFORE, Prato, as the current owner thereof, hereby declares that Lot 1 and Lot 2 are held, and shall be conveyed, by the Lot Owners subject to the easement maintenance rights and obligations set forth in this Agreement, as follows:

Easement #1, Access Easement. Easement #1, the 1 20' wide Access Easement, is and will remain a nonexclusive access easement for the benefit of Lot 1 as well as Lot 2. As to Lot 1, this easement is established to provide pedestrian and motor vehicle ingress to and egress from the public right of way of Sawmill Creek Road. The rights established for the benefit of Lot 1 with respect to the Access Easement area are limited to such ingress and egress, and the owner of Lot 1 shall not conduct activities in or use the Access Easement Area in any manner which is inconsistent with such purpose. Prohibited activities include, by way of example, obstructing or restricting the flow of vehicular and pedestrian traffic over and across the easement area. The easement so established is nonexclusive, and the owner of Lot 2 will also continue to utilize this easement area for pedestrian and vehicular ingress and egress.



2. <u>Management, Operation, and Maintenance</u>. The owner of Lot 2 shall retain the right, in its reasonable discretion, to manage, operate and control the area subject to the Access Easement, provided such is not inconsistent with the purposes for which this nonexclusive easement is established. The easement is established only for vehicle and pedestrian ingress and egress and is not for parking. As between the parties, the owner of Lot 2 is entitled but not obligated to manage and seek to direct traffic pattern and flow in and across the area subject to the Access Easement. To the extent that it does so, the owner of Lot 2 shall manage and direct traffic pattern and flow in a manner not inconsistent with providing ingress to and egress from Lot 1.

3. <u>Maintenance, Repairs and Improvements</u>. The owner of Lot 2 will, with cost sharing by the owner of Lot 1 as set forth herein, see to maintenance, repair and improvements in the Access Easement area as and to the extent it determines is appropriate for normal pedestrian and vehicular access for the parcels benefited thereby. The owner of Lot 1 will promptly reimburse the owner of Lot 2 for half the cost of such maintenance, repair and improvements in the Access Easement area.

4. Easement #2, Sewer Easement. Easement #2, the 15' wide Sewer Easement, is and will remain a nonexclusive

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easement for the purpose of allowing the placement, operation, maintenance repair and replacement of the sanitary sewer line. The parties' rights and obligations with respect to the Sewer Easement, including with respect to relocation, are detailed below.

5. Easement #3, Water, TV, Telephone and Electrical Easement. Easement #3, the 20' wide Water, TV, Telephone and Electrical Easement, is and will remain a nonexclusive easement for the purpose of allowing the placement, operation, maintenance repair and replacement of the water, television, telephone and electrical lines, all of which will remain underground. The parties' rights and obligations with respect to the Water, TV, Telephone and Electrical Easement, including with respect to relocation, are detailed below.

6. Terms for Operation and Maintenance of Utilities Easements. The existing Utilities Lines are for the sole benefit of Lot 1. Therefore, the owner of Lot 1 shall be solely responsible for the placement, operation, maintenance repair and replacement of the Utilities Lines serving Lot 1, including all costs thereof. The rights established for the benefit of Lot 1 with respect to the Utilities Easement area are limited to the purposes set forth above, to be exercised in a reasonable manner, and the owner of Lot 1 shall not conduct activities in or use the Utilities Easement area in any manner that goes

beyond such purposes or in a manner that is not reasonable. TO the extent that maintenance, repair or replacement of the Utilities Lines serving Lot 1 requires the owner of Lot 1 or a contractor retained by it to be on Lot 2 and to conduct work activities there, all such work shall be the sole responsibility of the owner of Lot 1 and shall be done safely, expeditiously, cleanly, and so as to minimize any disruption of use of Lot 2. All such work shall be done in accordance with all applicable laws, regulations and codes, and promptly after underground work has been completed, the surface area shall be restored to at least as good a condition as before work was commenced. The easement so established is nonexclusive, and the owner of Lot 2 will continue to utilize this easement area for any and all purposes, excepting only those inconsistent with there being underground Utilities Lines serving Lot 1 within the Utilities Easements. Construction of a building within the areas subject to the Utilities Easements is inconsistent with the purposes for which the Utilities Easements were established, and the owner of Lot 2 shall not do so. The owner of Lot 2 shall remain entitled to use and enjoy the areas subject to the Utilities Easement in all other regards.

7. Terms for Relocation of Utilities Easements and Utilities Lines. The owner of Lot 2 shall be entitled at its expense to relocate any one or more of the Utilities Lines

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serving Lot 1, so long as the Planning Director and Public Works Director of the City and Borough of Sitka ("CBS") concur that the relocation complies with then-applicable CBS Code. Such Utilities Lines may then be relocated either within or outside the Utilities Easement areas initially established for them under the New Plat. Upon completion of the relocation, the owner of Lot 2 will record a revised plat showing the relocation of those Utilities Lines and of the Utilities Easements for them. Upon recording the revised plat, the New Plat and this Agreement will be deemed amended by the relocation of the easement[s] for those Utilities Lines, without the necessity of approval by the CBS planning commission or assembly.

8. <u>Term of Easements</u>. Subject to the terms of this Agreement, the easements which are the subject of this Agreement shall be irrevocable and exist in perpetuity for the purposes set forth.

9. Easements to Run with Land. Each and all of the easement rights and obligations which are the subject of the New Plat and this Agreement shall run with the land and shall be for the benefit and use of, and binding upon the respective Lot Owners from time to time, and upon each of them, their successors in interest and assigns in and to their respective parcels.



10. <u>Construction</u>. Should any provision of this agreement require judicial interpretation, it is agreed that the Court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one of the Lot Owners by reason of the rule of construction that a document is to be construed more strictly against the person whom himself or through his agent prepared the same.

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11. Notice. Any notice, tender or delivery to be given hereunder to Prato shall be in writing and sent through the United States mail, postage prepaid, to the address set forth at the beginning of this Agreement, but Prato shall be entitled to change his notice address by written notice sent in accordance with this paragraph. Also, any successor owner of either Lot 1 or Lot 2 shall be entitled to establish or change the address to which notice under this paragraph will be provided, by written notice sent in accordance herewith.

12. Entire Agreement. This Agreement, together with the New Plat, sets forth all terms and provisions regarding the subject matter addressed in them, and supersede all other discussions, representations and agreements whether oral or written. No oral modification of, or amendment to, this Agreement shall be effective, but this Agreement may be modified by written agreement signed by both the Lot Owners. 13. Agreements Survive the Closing. Because all of rights and obligations of the Lot Owners shall run with the land and inure to the benefit of and be binding upon all future Lot Owners, the terms and provisions of this Agreement shall survive the closing of any sale and purchase transaction involving Lot 1, Lot 2 or both.

14. <u>Additional Acts</u>. The parties agree to execute such additional documents as may be necessary to carry out the intention, terms and conditions of this Agreement.

15. <u>Time of the Essence</u>. Time is of the essence of this Agreement as to each and every provision hereof, and failure to comply with this provision shall be a material breach of this Agreement.

16. <u>Provisions Binding</u>. All provisions herein shall be binding upon and shall inure to the benefit of the Lot Owners and their legal representatives, heirs, successors and assigns. Each provision to be performed by either Lot Owner shall be construed to be both a covenant and a condition.

IN WITNESS WHEREOF, Prato, owner of Lot 1 and Lot 2, Baranof Subdivision #2, has set his hand and seal the day and year next below written.

Marcal

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STATE OF ALASKA ) )ss: First District )

THIS IS TO CERTIFY that on this  $\mathcal{A}^{\mathcal{A}}$  day of  $\mathcal{A}^{\mathcal{A}}$  day of  $\mathcal{A}^{\mathcal{A}}$ , 2006, before me, the undersigned, a notary public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Marcel Prato**, to me known to be the person who executed the above and foregoing instrument; who acknowledged to me that he signed and sealed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

JWP:hs\10.178.0033 J\H\Pr\Easement Maint.doc

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Notary Public for Alaska Commission expires: 8.18.10

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