

## **POSSIBLE MOTION**

**I MOVE TO** approve a month-to-month tideland permit between the City and Borough of Sitka and the Longliner Lodge & Suites, LLC for tidelands adjacent 485 Katlian Street.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

*Coast Guard City, USA*

## MEMORANDUM

**To:** Mayor Hunter and Members of the Assembly  
Keith Brady, Municipal Administrator

**From:** Michael Scarcelli, Planning and Community Development Department Director  
Samantha Pierson, Planner I

**CC:** Wendy Lawrence, Assessor  
Brian Hanson, Municipal Attorney

**Date:** December 6, 2017

**Subject:** Approval of Class I Tideland Permit - Tidelands Adjacent 485 Katlian Avenue

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**Background:** MBH Properties, LLC doing business as Longliner Lodge requests a month-to-month Class I tidelands permit<sup>1</sup> for tidelands adjacent to 485 Katlian Avenue. This property was formerly owned and operated as the Fly-In Fish Inn. The request is for use of an approximately 440 square foot portion of Alaska Tideland Survey 15, which is a portion of tidelands immediate adjacent to the Longliner Lodge “Uplands” and a portion of tidelands they currently lease and occupy (see attached Exhibit A).<sup>2</sup>

The intent of this Class I Tideland permit is to act as a quick solution to correct an existing encroachment that was discovered when the applicants sought a building permit. This solution seeks to allow a way forward for a developing business, while also reasonably protecting the interests of the municipality. The applicants currently lease 12,585 square feet of tidelands described as Tract A and Tract B, but are potentially using approximately 21,488 square feet of tidelands. The temporary Class I Tideland permit would grant the applicant use of the approximately 440 square foot portion of tidelands on which a structure currently exists.

Sitka General Code 18.16.050 (A) states “Class I approvals may be made by the administrator with or without the approval of the assembly ... the fee for the permit shall be a monthly charge established by

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<sup>1</sup> SGC 18.16.040 (B) (Class I approvals are for permits for use of tidelands that are cancelable by the municipality on thirty days’ notice).

<sup>2</sup> Map Ownership and Lease Summary: MBH Properties owns Lot 36B and Tract K; and they lease Area A and B. In addition to the license area, there are other areas of tidelands that will either be added to or subtracted from the future long-term lease through consolidation and amendment. The license area focus is due to a microscopic perspective related to the building permit review and a specific encroachment. Through further study, it became apparent that there were additional issues that need to be resolved. Those issues will be the focus of the long-term lease process.

the administrator.” In this case, due to various factors, the administrator and staff felt it was prudent to bring this before the assembly for approval. The proposed temporary Class I permit will not require a monthly fee.

While this request is for a month-to-month Class I permit (short-term solution), both CBS and the applicant ultimately seek a long-term lease (long-term holistic solution), but a month-to-month permit is recommended to allow the applicant to complete a building project that currently is delayed pending reconciliation of this encroachment.

Consideration and recommendation of the long-term lease is scheduled for December meetings of Port and Harbors Commission (Dec. 13<sup>th</sup>) and Planning Commission (Dec. 19<sup>th</sup>), then will return to the Assembly for approval by ordinance in January-February of 2018. During the subsequent long-term lease review, staff and the applicant will address renewal, consolidation of multiple leases/permits, scope of lease, price/valuation, and term. It is staffs’ goal to take this opportunity to address some past, current, and future issues to the satisfaction of all parties so that all current and potential issues are resolved effectively and efficiently.

**Recommendations:** Staff recommends the Assembly pass a motion authorizing the Administrator to execute a month-to-month tideland permit for tidelands adjacent 485 Katlian Avenue.



