

City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

AGENDA ITEM:

Case No:	LM 17-04
Proposal:	Request for lease renewal
Applicant:	Larry McCrehin
Owner:	City and Borough of Sitka
Location:	4319 Halibut Point Road/104 Pirates Way
Legal:	ATS 1300
Zone:	C-2 General commercial mobile home district
Size:	4792 square feet
Parcel ID:	2-5782-000
Existing Use:	Residential (no structures on lease parcel)
Adjacent Use:	Commercial (lodge), Residential
Utilities:	Existing
Access:	Easement to Halibut Point Road

KEY POINTS AND CONCERNS:

- 1. <u>Historical use as a lease parcel</u> originally owned and leased by state, conveyed to CBS for continued leasing, lease creates revenue for municipality
- 2. <u>Neighborhood harmony</u> surrounding uses are commercial and residential in use, lease parcel is used solely for personal residential recreation
- 3. Scope of Planning Commission's Role recommend approval to the Assembly

RECOMMENDATION:

Staff recommends that the Planning Commission recommend approval of LM 17-04, application for lease of ATS 1300 for a 30 year term.

ATTACHMENTS

Attachment A: Vicinity Map Attachment B: Aerial Vicinity Map Attachment C: Zoning Map Attachment D: Alaska Tideland Survey 1300 Attachment E: Uplands Plats Attachment F: Parcel Pictures Attachment G: Application Attachment H: Existing Lease Documents Attachment I: Flood Zone Map Attachment J: Correspondence Attachment K: Deed Attachment L: Mailing List Attachment M: Payment

BACKGROUND

In 1989, Alaska Department of Natural Resources (DNR) owned the 4792 square foot parcel of tidelands (ATS 1300) adjacent 4319 Halibut Point Road and 104 Pirates Way and entered into a 30-year lease agreement with Larry McCrehin. In 1997, DNR conveyed ATS 1300 to CBS. The current lease is set to expire April 30, 2019.

PROJECT DESCRIPTION

Larry McCrehin requests to renew the lease for tidelands adjacent 4319 Halibut Point Road and 104 Pirates Way. Mr. McCrehin owns both uplands properties. 4319 Halibut Point Road is developed as a residential structure, and 104 Pirates Way is undeveloped. No structures exist on the tideland lease parcel.

The tideland lease expires April 30, 2019. The applicant wishes to process the new lease now in order to settle his estate as he ages. The applicant requests a 55-year or 30- year lease term. Staff recommend a 30 year term.

The annual lease payment, \$325 per year, was not adjusted in 30 years. Mr. McCrehin is current on his payments. In August 2017, the CBS Assessor determined that the valuation of the parcel is \$51,000. This value will results in an updated annual lease amount of \$2299.50 plus tax.

PROCEDURE

Class III tideland leases are approved by the Assembly by ordinance. The Planning Commission's recommendation is sought before proceeding to the ordinance stage.

ANALYSIS

Project/Site: ATS 1300 consists of 4792 square feet of gradually sloping filled tidelands. No structures exist on the parcel.

Traffic: Access to the tidelands will continue to be via easement from uplands properties to Halibut Point Road. Personal use tidelands should not increase traffic.

Parking: Parking is located on the uplands. No change to use is proposed so parking does not need to be reconsidered.

Noise: Continued use as private recreational residential property does not create noise concerns, particularly in the C-2 general commercial mobile home district.

Public Health or Safety: Private recreational residential use creates no concerns.

Habitat: Any future construction would need to comply with US Army Corps of Engineers requirements and be approved by the City and Borough of Sitka. No construction currently proposed.

Property Value or Neighborhood Harmony: Neighboring uses are commercial and residential in nature. No concerns for impacts.

Conformity with Comprehensive Plan: The proposal conforms to Comprehensive Plan Section 2.4.19 which states, "To consistently follow and enforce land use policies, codes, regulations, and decisions..." by leasing a parcel according to procedures outlined in Sitka General Code Title 18.

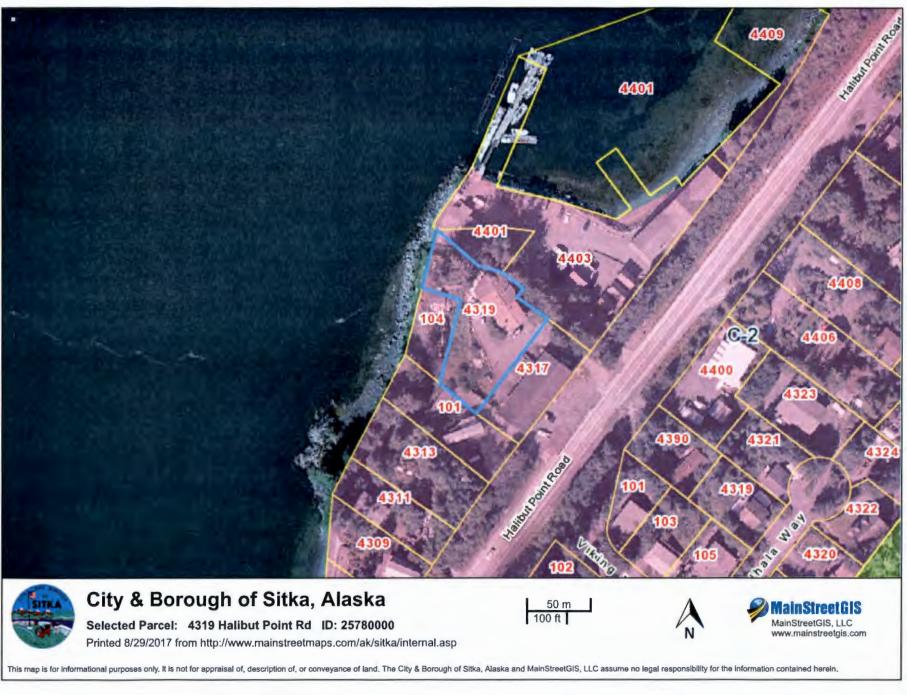
RECOMMENDATION

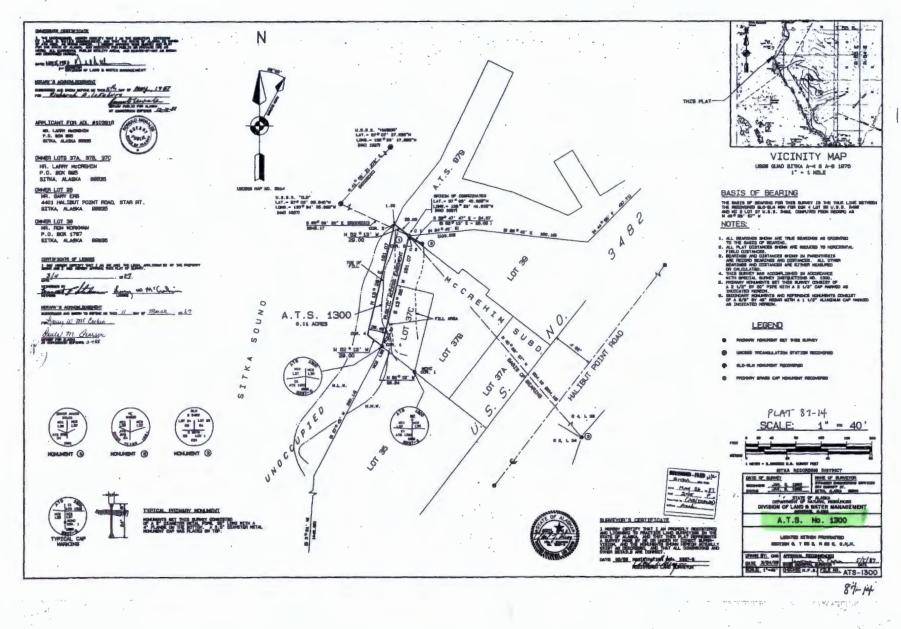
It is recommended that the Planning Commission adopt the staff analysis and recommend approval of a 30 year Class III tideland lease of ATS 1300.

RECOMMENDED MOTION

I move to recommend approval a 30 year Class III tideland lease for tidelands adjacent 4319 Halibut Point Road and 104 Pirates Way. The property is also known as ATS 1300. The request is filed by Larry McCrehin. The owner of record is the City and Borough of Sitka.







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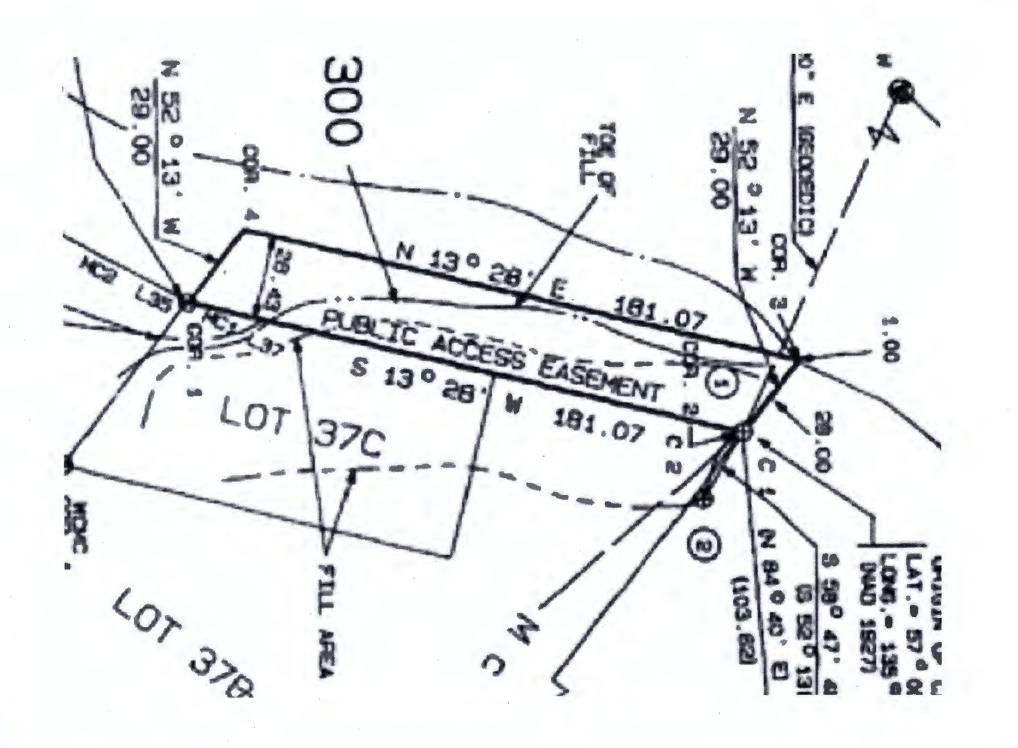
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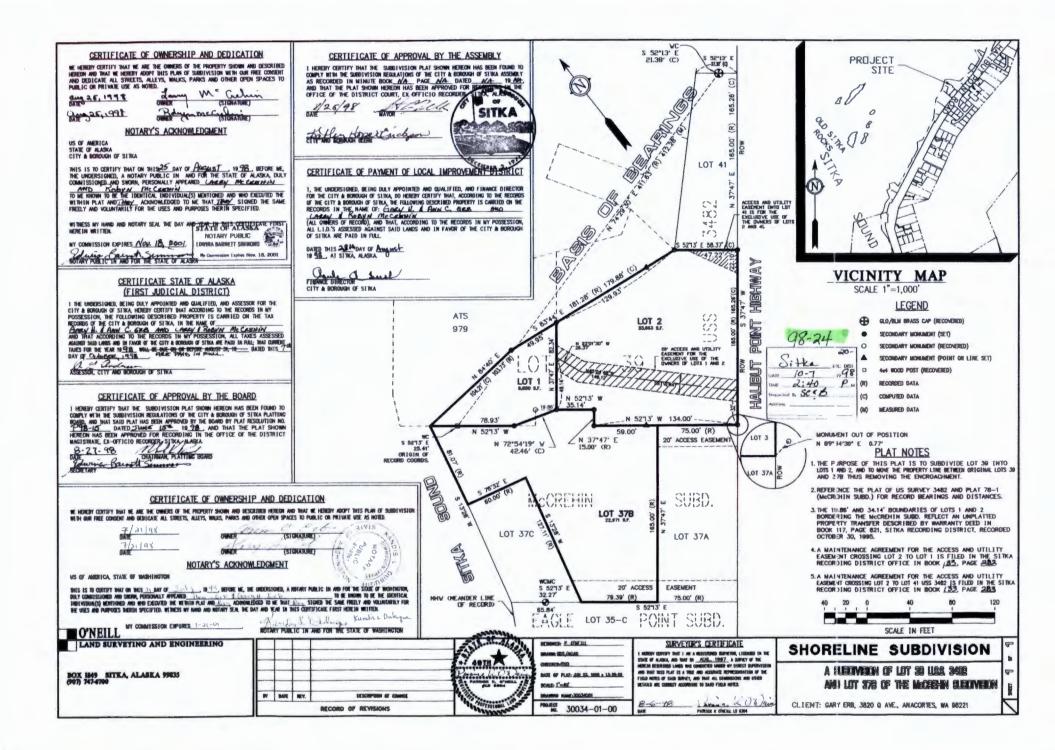
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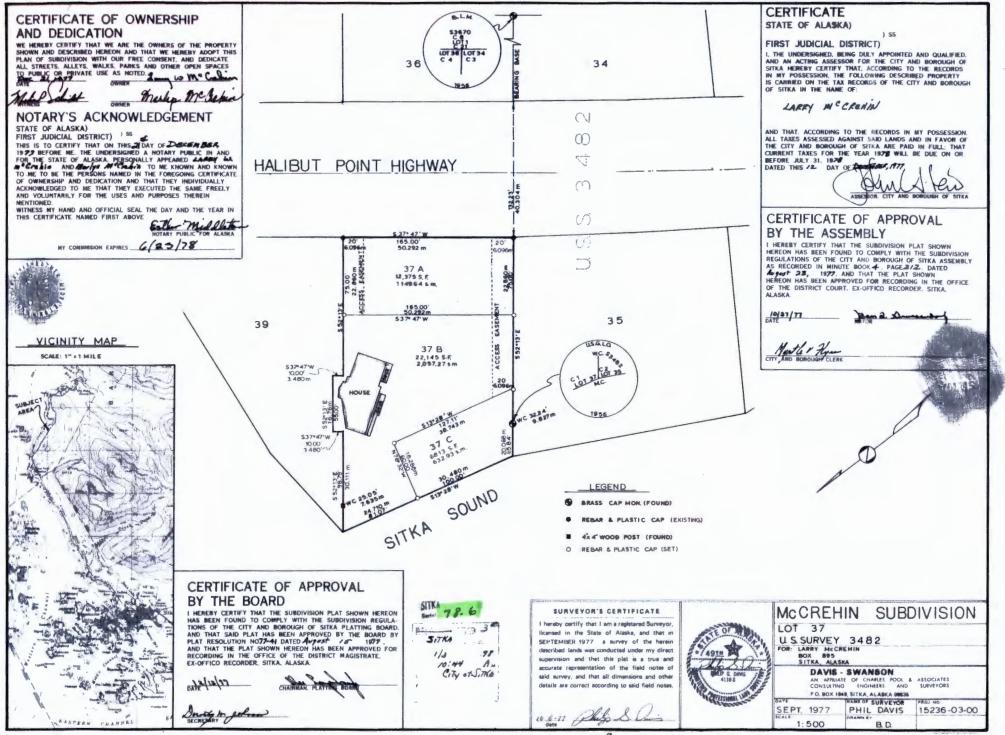
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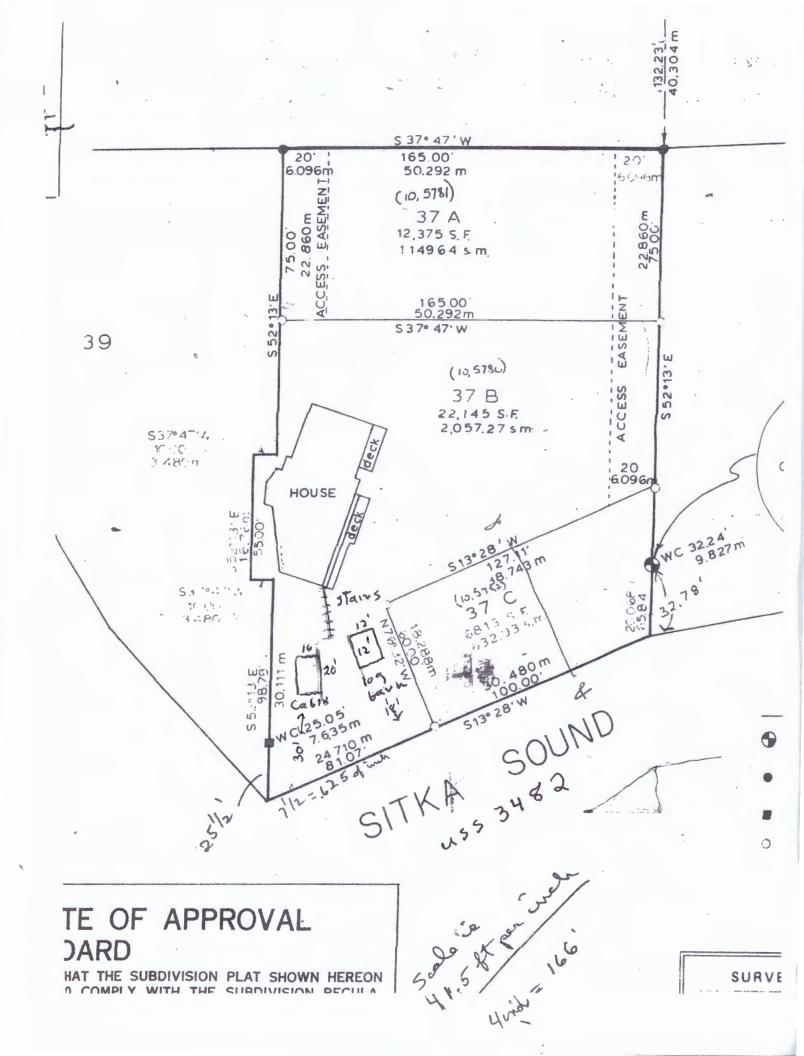
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	For	Larvy	McCrehin
CITY AND BOROUGH PLANNING AND COMMUNITY D LAND MANAGEMENT APPLICAT	I OF S	MENT DEPART	
 Review guidelines and procedural information Fill form out <u>completely</u>. No request will be of Submit all supporting documents and proof 	considere		pleted form.
APPLICATION FOR: TIDELAND	L	EASE	
LAND	F	PURCHASE	
BRIEF DESCRIPTION OF REQUEST: renew	ral of	tide land	lease # 103916
Book 86 page 821 Sitha	•		
PROPERTY INFORMATION: CURRENT ZONING: <u>commercial</u> ARE YOU T CURRENT LAND USE(S): <u>house + Vocant lot</u> PR	HE UPLAND ROPOSED LA	PROPERTY OWNER? ND USES (if changing	yes 3): See #1 norrative
APPLICANT INFORMATION:			
PROPERTY OWNER: Larry + Roby W	1º Creh	s Len	
PROPERTY OWNER: Jarry + Roby W PROPERTY OWNER ADDRESS: P.O. Box 8	75 5	the Al	2 99835
STREET ADDRESS OF PROPERTY: 4319 H. F			
APPLICANT'S NAME: 5 a. m S			
MAILING ADDRESS: Same			
EMAIL ADDRESS: <u>mccrohin@gin.net</u>	DA	YTIME PHONE: 7	47-3604
PROPERTY LEGAL DESCRIPTION:			
TAXID: See # 5 narrative LOT: 37C 3	57 B BI	OCK: 4319 H	P. BRACT: - none
SUBDIVISION: Sec # 5 morretive			
Constant of OFFI	CE USE O	INLY	

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.

Tarry M' Crehin

Applicant

July 24, 2017 Date

NARRATIVE

Tide Land Lease Application of Larry McCrehin, July 24, 2017

1. Proposed land uses. Possible fill to improve access. No fill seaward. Possible house.

2. Proof of ownership- City tax slips enclosed, no deed available.

3. No utilities involved. Structures after house: one horse barn 12x16 about to collapse, now used for curing lumber, located about 18 ft from edge of top, one cabin 16x20 located about 30 ft from edge of top and 20 ft from lot boundary.

4. Enclosed find original lease.

5. This lease is considered a "Parcel" as it included two lots.

Lot 37 B (house lot) tax ID 2-5780-000; block 4319 H P R; tract - worker subdivision SUBD SHOR, L37 B; US Survey 3482

Lot 37C (beach lot) tax ID 2-5782-000; block 4319 HPR; tract - vore subdivision SUBD MCCR L 37C; US Survey 3482

6. The previous lease was for thirty years. I am unaware if a longer lease, say 50 years is available. If so I request that. If not, thirty years again.

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103916

STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF LAND AND WATER MANAGEMENT Pouch 7-005

Anchorage, Alaska 99510

TIDELANDS ADL No.____

LEASE AGREEMENT

Negotiated Pursuant to A.S. 38.05.075 (c)

This Lease Agreement is made and entered into this <u>lst</u> day of <u>May</u>, <u>1989</u>, between the State of Alaska, by and through the Director of the Division of Land and Water Management with the consent and concurrence of the Commissioner of Natural Resources (hereinafter referred to as "the Lessor"), and <u>Larry W. McCrehin</u>

whose address is	P.O. Box 895	
	Sitka, Alaska 99835	
	ad to an (the Longon')	

(hereinafter referred to as "the Lessee").

WITNESSETH:

WHEREAS, the Lessor has undertaken the necessary administrative actions under applicable laws and regulations to fully authorize and enable the lease of the Parcel described herein, which is acknowledged by the Lessee by his signature hereto;

WHEREAS, the Lessee is aware of the provisions of Title 38, Alaska Statutes, Title 11, Alaska Administrative Code, and other applicable laws, regulations, and ordinances, and fully understands the duties and obligations of the Lessee under this Lease, and the rights and remedies of the Lessor,

NOW THEREFORE, the Lessor and the Lessee, in consideration of the mutual covenants and conditions stated in this Lease, agree as follows:

The Lessor agrees to lease to the Lessee the following parcel of land (hereinafter referred to as "the Parcel") which is situated in the State of Alaska and is described as follows:

Alaska Tidelands Survey 1300, located within Section 9, Township 55 South, Range 63 East, Copper River Meridian and contains .ll acre more or less, according to the survey plat filed in the Sitka Recording District on May 26, 1987 as plat no. 87-14.

10-111 Rev. 12/82

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EXCEPTING AND RESERVING THEREFROM, to the Lessor and its assigns during the term of this Lease, the following specific interests, which shall be in addition to and not in derogation of any general reservations to the Lessor which are required by law and which may be stated elsewhere in this Lease:

Subject to all platted easements and reservations and further subject to the Special Stipulations noted on Attachment A and made a part of this lease agreement.

TO HAVE AND TO HOLD the said demised premises for a term of _______(30) years commencing on the ______ day of ______ May ______, 19_89 and ending at 12 o'clock midnight on the ______ day of ______ April ______, 19_89 2019, unless sooner terminated as hereinafter provided.

The Lessee shall pay to the Lessor rental as follows: Equal _______ payments, in advance, on or before the _______ tar day of _______ May ______ of every year during said term at the rate of _______ three hundred twenty five _______ dollars (\$ __325.00 ______) per _______, such annual rental payments to be subject to adjustment following expiration of the initial 25-year period of this lease and at each 10-year period thereafter pursuant to AS 38.05 as enacted, or as may be hereafter amended.

It is agreed that the covenants, terms and agreements herein contained shall be binding upon the successors and assigns of the respective parties hereto.

THE LESSOR AND THE LESSEE FURTHER COVENANT AND AGREE AS FOLLOWS:

1. Use of Parcel. The Lessee shall use and occupy the Parcel in compliance with all applicable laws, regulations, ordinances, and orders which a public authority has promulgated or may promulgate, including those of a building or zoning authority and those relating to pollution and sanitation control. The Lessee shall not permit any unlawful occupation, business, or trade to be conducted on the Parcel. The Lessee shall properly locate himself and his improvements on the Parcel, and shall not commit waste of the Parcel, whether ameliorated or otherwise. Notwithstanding such laws, regulations, ordinances, and orders, the Lessee shall maintain the Parcel in a reasonably neat and clean condition, and take all prudent precautions to prevent or suppress pollution of the ground, surface water, air, or land, and to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land.

2. <u>Permanent Improvements.</u> The Lessee must within 90 days of completion of any site improvements including, but not limited to, structural improvements, clearing, leveling, excavation, and backfill, file with the Lessor adequate and reasonable documentation of such improvements, setting forth all applicable costs and quantities. Failure to provide such documentation will result in loss of credit for such improvements in determination of the original condition of the Parcel for reappraisal purposes.

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3. <u>Encumbrance of Parcel</u>. The Lessee, during the term of this Lease, shall not encumber or cloud the Lessor's title to the Parcel, or any portion thereof, nor enter into any lease, easement, or other obligation of the Lessor's title without the prior written consent of the Lessor; and any such act or omission, without the prior written consent of the Lessor.

4. <u>Assignment of Parcel</u>. The Lessee may not assign or sublet the Parcel, without the prior written approval of the Lessor. The Lessor may approve such assignment or subletting if the Lessor finds it to be in the best interest of the State. No assignment or subletting of the Parcel shall be approved until the assignee agrees to be subject to and governed by the provisions of this Lease in the same manner as the original Lessee. No such assignment or subletting will be effective until approved by the Lessor in writing. No assignment or subletting of the Parcel, or any portion thereof, by the Lessee shall annul the Lessee's obligation to pay the rent herein required for the full term of this lease. Except as provided in this lease, no subdivision of the leasehold interest, including any exposed airspace thereon, shall occur.

5. <u>Denial of Warranty Regarding Conditions</u>. The Lessor makes no warranty, express or implied, nor assumes any liability whatsoever, regarding the social, economic, or environmental aspects of the Parcel, to include, without limitation, the soil conditions, water drainage, natural or artificial hazards which may exist, or the profitability or fitness of the Parcel for any use.

6. <u>Agreement to Terms of Lease Documents.</u> (a) The Lessor and the Lessee agree and recognize that each of the covenants and conditions in this Lease and any attachments thereto are merged and incorporated into this agreement and shall be binding upon themselves and upon their respective successors and assigns and shall inure to heir benefit. The Lessor and the Lessee further agree and recognize that this Lease shall be conditioned upon satisfactory performance by the Lessor and the Lessee of all covenants contained herein.

(b) If all or part of said Parcel has been tentatively approved, but not yet patented, by the United States to the Lessor, then this Lease shall be conditioned upon receipt by the Lessor of such patent. If for any reason the Lessor does not receive patent, any rental payments made to the Lessor under this Lease will not be refunded. Any prepaid lease rentals on lands to which patent is denied the Lessor shall be refunded to the Lessee of record and any properly recorded lienholder, if any, jointly. The money refunded shall, however, be limited to the prorata portion of the unexpired term. The Lessor shall have no further liability to the Lessee for the termination of the Lease.

7. <u>Payment of Taxes and Assessments</u>. The Lessee shall pay all taxes and assessments accruing against the Parcel during the term of the Lease.

8. <u>Right-of-Way for Public Highways and Utilities.</u> In the event that the Parcel borders or includes one or more section lines, the Lessor hereby expressly reserves unto itself and its successors and assigns a right-of-way 100 feet wide and centered on such section line or lines.

9. <u>Navigable and Public Waters</u>. The Lessor reserves an easement 50 feet wide for public access along the mean high water line or ordinary high water mark of all water bodies listed in this Lease which are bordering on or included within the Parcel. Public easements to and along listed water bodies are reserved for all of those uses and purposes normally associated with or incident to an easement for access to the public resources of the water body to and along which the easement has been reserved. No public access easement may be obstructed or otherwise rendered by the Lessee incapable of reasonable use by the public for the purposes for which it was reserved. No public access easement may be vacated, abandoned, or extinguished without approval of the Lessor.

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10. <u>Reservation of Easements</u>. The Lessor expressly reserves the right to take for the use of the State of Alaska and the right to grant to third parties, easements or rights-of-way of unlimited size across the Parcel herein leased if it is determined to be in the best interests of the State to do so, even though the creation of the easement or right-of-way terminates the entire leasehold estate; provided, however, that the Lessee shall be entitled to compensation for all improvements or crops which are damaged or destroyed as a direct result of such easement or right-of-way.

11. <u>Condemnation of Leasehold or Improvements</u>. With the exception of the taking of easements or rightsof-way which is governed by paragraph 10 above, if the whole or any part of the Parcel is taken by any authorized body or person vested with the power of eminent domain, by negotiation, court action, or otherwise, the following provisions control:

(a) Taking of the entire premises. If all of the premises are taken by condemnation, the terms of the Lease and all rights of the Lessee will immediately terminate, and the rent must be adjusted so that it is due only until the date the Lessee is required to surrender possession of the premises. The Lessor is entitled to all the condemnation proceeds, except that the Lessee will be paid the portion of the proceeds attributable to the fair market value of the buildings or improvements placed on the condemned premises by the Lessee.

(b) Taking of substantial part of premises. If the taking is of a substantial part of premises, the following rules apply:

(1) If the taking by condemnation reduces the ground area of the Parcel by at least 30 percent or materially affects the use being made by the Lessee of the Parcel, the Lessee has the right to elect to terminate or not to terminate the Lease by written notice to the Lessor not later than 180 days after the date of taking.

(2) If the Lessee elects to terminate, the provisions in (a) of this subsection govern the condemned portion of the Parcel and the terms of the Lease govern disposal of the remainder of any buildings or improvements made by the Lessee.

(3) If the Lessee elects not to terminate, the Lease continues and the Lessor is entitled to the full condemnation proceeds except the portion attributable to the fair market value of the buildings or improvements placed on the condemned portion of the premises by the Lessee. Rent at the existing rate will terminate on the date of taking. Except as it may be adjusted from time to time under the terms of the Lease and applicable statutes, rent for the balance of the term will be adjusted by the Lessor to reflect the taking.

(c) Taking of insubstantial part of premises. If the taking by condemnation reduces the ground area of the Parcel by less than 30 percent and the Lessor determines that the taking is of such an insubstantial portion that the Lessee's use of the Parcel is not materially affected, the provisions of (b)(3) of this subsection will govern.

12. Access. The Lessor makes no representations or warranty that it will construct or maintain access to the Parcel.

13. <u>Valid Existing Rights.</u> This Lease is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land in existence on the date of execution of this Lease.

14. <u>Inspection</u>. The Lessor shall have reasonable access to the Parcel for purposes of inspection regarding the faithful performance of the covenants and conditions of this Lease and for the performance of other lawful requirements.

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Mineral Reservations. The Lessor hereby expressly saves, excepts, and reserves out of the grant hereby 15. made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils. The Lessor also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, drilling and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remover such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes, hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to and over said land, whether herein expressed or not. reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

Provided, however, that no rights reserved hereunder shall be exercised by the Lessor or its subsurface lessees, until provision has been made by the Lessor or its subsurface lessees to pay to the Lessee of the land upon which the rights are herein reserved, full payment for all damages sustained by said Lessee by reason of entering upon said land; and provided that, if said Lessee for any cause whatever refuses or neglects to settle said damages, the Lessor or its subsurface lessees, or any applicant for a subsurface lease, contract or option from the Lessor or its subsurface lessee for the purpose of exploring for or extracting valuable minerals, coal, petroleum, natural gas, or geothermal resources shall have the right, after posting a surety bond with the Lessor issued by a corporation qualified to do business in Alaska and licensed to sell insurance in Alaska, or after posting with the Lessor a sufficient bond executed by one or more individual sureties approved by the Lessor and after due notice and an opportunity to be heard, to exercise rights granted to it for reasonable use of the surface required for the full enjoyment of the reserved subsurface rights of the surface Lessee, and such Lessee and the Lessor or its subsurface lessee shall have the standing which may be necessary to determine the damages which the surface Lessee of such lands may suffer, and the security appropriate to hold the surface Lessee harmless in relation thereto.

16. <u>Surface Reservations</u>. Unless otherwise stated in this Lease or in an attachment or amendment hereto, the Lessee shall not sell or remove for use elsewhere any of the surface resources of the parcel, e.g., stone, gravel, sand, peat, topsoil, timber, or any other material valuable for building or commercial purposes; provided, however, the Lessee may make reasonable personal use of such materials on the site.

17. <u>Appropriation or Disturbance of Waters</u>. (a) During the term of this Lease, the Lessee shall have the right to apply for an appropriation of ground or surface water on the Parcel in accordance with the Alaska Water Use Act. All water applied for and appropriated during the term of this Lease shall remain appurtenant to the Parcel during said term, and such water and water rights shall not be severed or transferred from the Parcel or any part thereof during said term without the prior consent of the Lessor. The Lessee's rights under any permit or certificate of appropriation shall revert to the Lessor upon termination of the Lease or forfeiture of the Lease for cause.

(b) If the Lessee desires to use the Parcel to construct any form of hydraulic project or employ any equipment or engage in any activity which will use, divert, obstruct, pollute, or change the natural flow or bed of any anadromous fish river, lake or stream, the Lessee shall, prior to the commencement of any such operation, procure the approval of the Commissioner of the Department of Fish and Game.

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18. <u>Acquisition of Rights or Interests.</u> Any right or interest acquired during the term of this Lease and accruing to the benefit of the Parcel shall remain appurtenant to the Parcel during that term, and shall not be severed or transferred from the Parcel without the prior consent of the Lessor. In the event of termination or forfeiture of this Lease, any such right or interest shall revert to the Lessor along with the Parcel.

19. Land Alterations Due to Natural or Artificial Causes. The Parcel described herein shall constitute the entire Parcel of property to be leased by the Lessor to the Lessee pursuant to this agreement. If, through natural or artificial causes, accretion or reliction of land occurs contiguous to the Parcel, the Lessee shall have no right to occupy or use such accreted land unless a separate lease is entered with the Lessor with respect to such lands. The parties agree and stipulate that the rules of law usually applicable to accretion or reliction of land shall not apply to this Lease, nor to the Parcel leased hereunder, in order that the parties may give effect to the provision agreed upon herein.

20. <u>Waiver or Forebearance</u>. The receipt of rent by the Lessor, with or without knowledge of any breach of the Lease by the Lessee, or of any default on the part of the Lessee in the observance or performance of any of the terms, conditions or covenants of this Lease, shall not be deemed to be a waiver of any provision of this Lease. No failure on the part of the Lessor to enforce a condition or covenant of this Lease, nor the waiver of any right hereunder by the Lessor, unless in writing, shall discharge or invalidate the application of such term or covenant; nor shall any forebearance or written waiver affect the right of the Lessor to enforce any of the sum or covenant in the event of any subsequent breach or default. The receipt by the Lessor of rent or any other sum of money, or the termination in any manner of the Lease, or the giving by the Lessor of any notice hereunder to effect such termination, shall not reinstate, continue, or extend this Lease nor destroy or in any manner impair the validity of any such notice of termination which may have been given hereunder by the Lessor to the Lessor to the Lessor to the sum of money or other consideration, unless the contrary effect shall be expressed in writing and signed by the Lessor.

21. <u>Breach and Remedies</u>. (a) Time is of the essence in the Lease Agreement. If the Lessee shall breach the performance of any of the terms, covenants, conditions or stipulations contained herein or attached hereto, and said breach shall not be remedied within 60 days after written notice of such breach has been served upon the Lessee and the holder of a security interest by the Lessor, the Lessee shall be subject to such legal action as the Lessor shall deem appropriate, including, but not limited to, the termination of this Lease, provided that no improvements now upon the Parcel, or which may be placed thereon during the term of this Lease, may be removed therefrom during any time in which the Lease may be in breach. In the event that this Lease is terminated for breach of any of the covenants or conditions contained herein or attached hereto, all rents paid by the Lessee shall be forfeited to and retained by the Lessee or undertaken by the Lessee under this Lease prior to termination.

(b) If the Lessee fails to cure or remedy a breach of default within the time allowed in (a) of this paragraph, the holder of a security interest who has received notice under (a) of this paragraph may cure or remedy the breach or default if the breach or default can be cured by the payment of money or, if this cannot be done, by performing or undertaking in writing to perform the terms, covenants, restrictions and conditions of the lease capable of performance by the holder. The holder shall act within 60 days from the date of receipt of notice under (a) of this paragraph, or within any additional period which the Lessor may allow for good cause.

(c) In the event that this Lease is terminated, or in the event that the Parcel, or any part thereof is abandoned by the Lessee during the term of this Lease, the Lessor may immediately, or at any time thereafter, enter or re-enter and take possession of said Parcel, or any part thereof, and without liability for any damage therefor, remove all persons and property therefrom either by summary proceedings or by suitable action at law; provided, however, that the words "enter" and "re-enter" as used herein are not restricted to their

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technical legal meaning. Any entry or re-entry, possession, repossession, or dispossession by the Lessor, whether taken by summary proceedings or otherwise, shall not be deemed to absolve, relieve, release or discharge the Lessee, either in whole or part, for any monetary liability under the Lease.

22. <u>Disposition of Improvements and Chattels After Termination</u>. (a) The Lessee shall, within 60 days after termination of the Lease by the Lessor or by operation of law, remove all improvements and chattels located on the Parcel, provided that the Lessor first determines that such removal will not cause injury or damage to the Parcel or seriously impair its redisposal. Following such removal, the Lessee shall leave the Parcel in a safe and clean condition acceptable to the Lessor. The Lessor may, in its discretion, extend the time for removal of improvements under this subparagraph where undue hardship is demonstrated.

(b) If any improvements or chattels having an appraised value exceeding \$10,000.00, as determined by the Lessor, are not removed from the Parcel within the time allowed, they shall, upon 30 days prior written notice to the Lessee, be sold at public auction under the direction of the Lessor. The proceeds of sale shall inure to the Lessee who placed the improvements or chattels on the land, after deduction for the benefit of the Lessor of all monies due and owing under this Lease and all expenses incurred in administering the termination and conducting the sale. If there are no other bidders at such sale, the Lessor is authorized to bid on such improvements or chattels. In such event, the Lessor shall acquire all rights, both legal and equitable, which any other purchaser could acquire by reason of said sale and purchase.

(c) Any chattels or improvements having a total appraised value of \$10,000.00 or less, as determined by the Lessor, and which are authorized for removal by the Lessor but are not removed within the time allowed, shall become the absolute property of the Lessor upon the expiration of the time allowed.

(d) Authorized improvements of the Lessee which the Lessor determines have become fixtures of the Parcel shall be purchased by the subsequent purchaser or lessee. There will be no compensation to the Lessee for improvements which were not authorized under the Lease.

23. <u>Indemnity to Lessor</u>. During the term of the Lease the Lessee shall indemnify and hold the Lessor harmless from and against all claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the Parcel by the Lessee or by any other person holding under the Lessee, or at its sufferance or invitation; and from any accident or fire on the Parcel; and from any nuisance made or suffered thereon; and from any failure by the Lessee to keep the Parcel in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and from any assignment, sublease, or conveyance, attempted or successful, by the Lessee of the Parcel or any part thereof or interest therein contrary to the conditions and covenants of this Lease. The Lessee will hold all goods, materials, furniture, fixtures, equipment, machinery and other property whatsoever on the Parcel at the sole risk of the Lessee, and will save the Lessor harmless from any claim of loss or damage thereto by any cause whatsoever.

24. <u>Surrender of Leasehold</u>. Upon the expiration, termination or cancellation of this Lease the Lessee shall quietly and peaceably leave, surrender and yield up unto the Lessor all of the Parcel.

25. <u>Notices</u>. All notices required or permitted under this Lease Agreement shall be made by certified mail, postage prepaid, to the parties at the following addresses:

To the Lessor: Alaska Division of Land and Water Management Pouch 7-005 Anchorage, Alaska 99510

To the Lessee: Larry W. McCrehin P.O. Box 895 Sitka, Alaska 99835

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Any notice or demand which must be given or made by the Lessor or the Lessee shall be in writing and shall be complete if sent by United States certified mail to the address shown in the Lease Agreement, or to such other address as each of the parties may designate in writing from time to time. A copy of any such notice shall be forwarded to the Lessor, and to the holder of any security interest in the Parcel who has properly recorded its interest in the Lease with the Lessor.

26. <u>Service Charges</u>. The Lessee shall pay a service charge for any late payment or returned check issued by it as follows:

(a) Late Payment Penalty: A service charge plus annual interest (twice the interest rate charged on installment payments at the prevailing rate for real estate mortgage loans made by the Federal Land Bank for the farm credit district for Alaska) on the amount due will be charged on a past-due account until payment is received by the Lessor or until the Lease Agreement termination date is reached. Acceptance of a late payment or of a service charge for a late payment is subject to the Lessor's rights under paragraphs 20 and 21 of this Lease.

(b) Returned Check Penalty: A service charge of \$10.00 will be assessed for any check on which the bank refuses payment. If the bank refuses payment, the default termination date remains the same. Late penalties under (a) of this paragraph shall continue to accumulate.

27. <u>Integration and Modification</u>. This Lease, including all attachments and documents which by reference are incorporated herein or made a part hereof, contains the entire agreement between the parties hereto.

This lease may not be modified or amended except by a document signed by both parties hereto, and any purported amendment or modification shall be without legal effect until reduced to writing and signed by both parties hereto.

28. <u>Severability of Clauses of Lease Agreement.</u> If any clause, or provision, herein contained, shall be adjudged to be invalid, it shall not affect the validity of any other clause or provision of this Lease or constitute any cause of action in favor of either party as against the other.

IN WITNESS WHEREOF the State of Alaska, as Lessor, acting through the Director of the Division of Land and Water Management of the Department of Natural Resources or his lawfully-designated representative, and otherwise being lawfully authorized, and the Lessee have caused these presents to be executed in duplicate, and have hereunto set their respective hands, agreeing to keep, observe and perform the applicable statutes, as amended, the rules and regulations promulgated thereunder, and the terms, conditions and provisions herein contained or attached, which on the Lessor's or the Lessee's respective parts are to be kept, observed and performed.

LESSEE M (LESSOR: DIRECTOR 🚲 Division of Land and Water Management APPROVED:

COMMISSIONER Department of Natural Resource:s

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BOOK 80 PAGE 829 Sitks Recording District

STATE OF ALASKA SS 1 Judicial District

THIS IS TO CERTIFY that on this 28 day of June before me appeared LArry M. McCreLin known and known to me to be the person named in and who executed at and acknowledged voluntarily signing the same.

Notary Public in and for the State of Alaska My Commission expires: 10-14-91

Notary Public in and for the State of A

2/9/91 3

STATE OF ALASKA

) ss.

15[†] Judicial District

THIS IS TO CERTIFY that on this 11th day of 1989, before me personally appeared Ronald R. Schonenbach of the Division of Land and Water Management of the Department of Natural Resources of the State of Alaska, who executed the foregoing Lease and acknowledged voluntarily signing the same.

My Commission expires:

APPROVED AS TO FORM:

Bachara). Misasle_ Assistant Attorney General

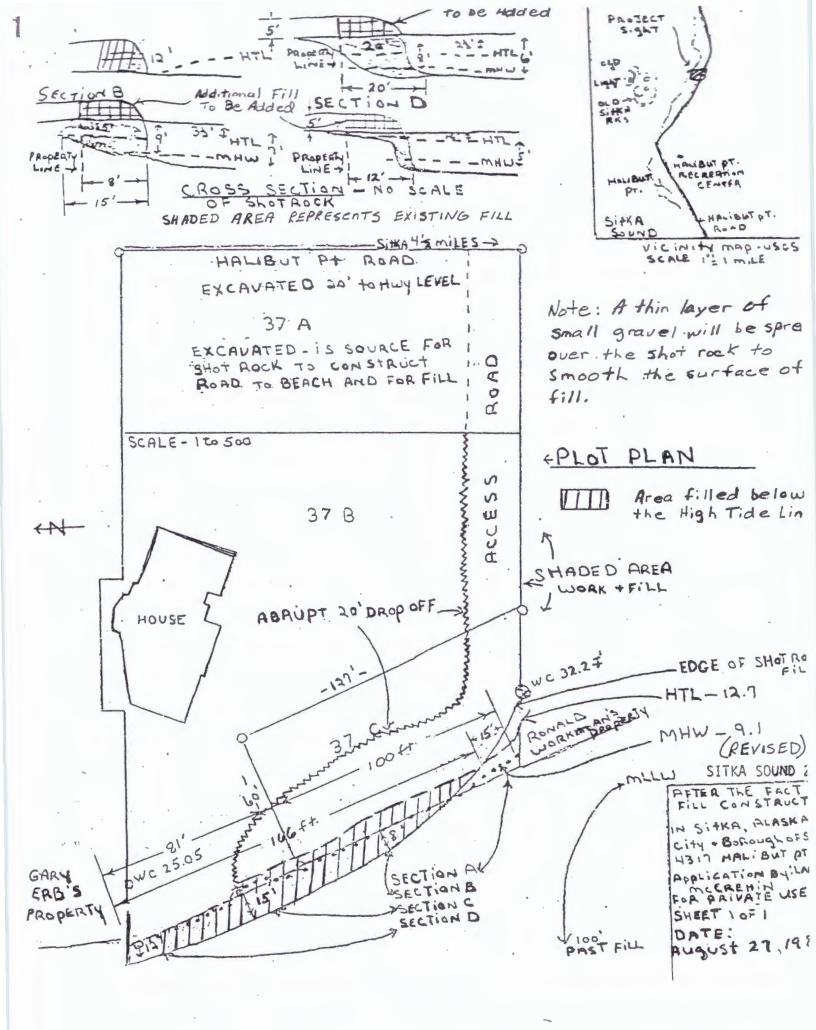
Date: 7/3/80

After recording in the Sitka Recording District, this document must be returned to the Department of Natural Resources, Division of Land & Water Management, Southeast Regional Office, 400 Willoughby Avenue, Suite 400, Juneau, Alaska 99801.

86 PAGE 830 BOOK Sitka Recording District

ATTACHMENT A TO LEASE AGREEMENT ADL 103916

- 1. For the purpose of this lease, the development plan shall be limited in form and scope to those improvements shown on Attachment B, unless approved in writing by the lessor prior to the installation or construction. Use of the area for purposes other than those specified herein shall constitute a breach of this lease.
- 2. This lease shall be utilized for the purpose described in the development plan. Failure to make substantial use of the land, consistent with the development plan, within 5 years, shall, in the Director's discretion, constitute grounds for cancellation of this lease agreement. (11 AAC 58.510)
- There will be no placement or fill seaward of the existing fill area and fill shall not be placed from March 15 to May 31.









City and Borough of Sitka - Assessment Valuation

Parcel ID. 2-5782-000 Valuation Date: August 7, 2017

				La	nd	Sales Ad	justment Grid								
	Subject	Comparal	ble No. 1	Comparab	le l	No. 2	Comparab	le	No. 3	Comparab	le l	No. 4	Compara	ble	No. 5
Parcel ID	2-5782-000	2-5770	0-001	2-5678	2-5678-000 3920 Halibut Pt Rd		2-5885-000 4620 Halibut Pt Rd			2-5886-000 4622 Halibut Pt Rd			2-5770-002 4313 Halibut Pt Rd*		
Address	104 Pirate's Way	4311 Halib	ut Pt Rd	3920 Halib											
Proximity		250 Feet	t South	1/2 Mile	Sou	uth	1/3 Mile	No	orth	1/3 Mile North			200 Feet South		
Sale Price			\$240,000		S	105,000		S	108,400		S	91,800	*	S	265,000
Date of Sale	01/01/18	04/28/17	S -	01/13/16	\$	3,200	08/10/16	\$	-	08/10/16	S	-	07/25/17	S	-
Terms of Sale	Normal	Normal		Normal	S	-	Normal	\$	-	Normal	\$	-	List Price Sold	s	(8,000)
Size	6,813	11,054	\$ (10,600)	11,800	\$	(12,500)	10,813	\$	(10,000)	9,119	S	(5,800)	17,316	S	(26,300)
Access	Easement	Similar	S -	Similar	S	-	Similar	S	-	Similar	S	-	Similar	S	-
Location	Halibut North	Similar	S -	Similar	\$	-	Similar	S	-	Similar	S	-	Similar	S	
View	Waterfront	Similar	S -	Non-Waterfron	\$	150,000	Non-Waterfron	S	150,000	Non-Waterfron	S	150,000	Similar	\$	-
Utilities	Street	Similar	S -	Onsite	\$	(15,000)	Onsite	S	(15,000)	Onsite	S	(15,000)	Similar	S	-
Zoning	C2	Similar	S -	Similar	\$	-	Similar	S	-	Similar	\$	-	Similar	S	-
Topography	Level	Similar	S -	Similar	S	-	Similar	S	-	Similar	S	-	Similar	S	-
Encroachments	None Known	Similar	S -	Similar	\$	-	Similar	15	-	Similar	S	-	Similar	S	-
Restrictions	None Known	Similar	S -	Similar	\$	-	Similar	S		Similar	S		Similar	\$	-
Other	Cleared	Similar	S -	Similar	S	-	Similar	15	-	Similar	S	-	Similar	S	-
Net Adj.		· · · · · · · · · · · · · · · · · · ·	\$ (10,600)		\$	125,700		S	125,000		S	129,200		S	(34,300)
Indicated Value	\$ 130,000		\$ 229,400		S	230,700		\$	233,400		\$	221,000		S	230,700
		Indicated Va	ahe Range	\$			221,000		to	13			233,400		

Valuation Comments:

The subject property was inspected August 7, 2017 and was determined to be gradually sloping filled tidelands directly adjacent to this upland subject parcel. All comparables bracket the subject as best possible given the available sales dataset. The indicated value range of adjusted comparable sales is \$221,000 to \$233,400 with Comparable No. 1 weighted most heavily. Tidelands are valued as a percentage of the value of the upland parcel, and typically range from 20-50% depending on the qualities of each individual tideland parcel. Market-derived adjustments include time at 3% per year, list to sale price of 3-4% reduction, utilities at \$15,000, waterfront location at \$150,000 and land at \$2.50/sf.

Larry McCrehin's Tideland Lease Application dated July 26, 2017, for 0.11 acres (approximately 4,792 square feet) of ATS 1300 is therefore valued at \$51,100 fee simple for assessed valuation and thus City and Borough of Sitka lease application purposes. This amounts to about 22% of the primary upland parcel value of \$230,000.

Comparable Sales Map:



Primary Upland Parcel (Subject) Photo:

Samantha Pierson

From: Sent: To: Subject: Lindsey Vilandre Thursday, July 27, 2017 1:49 PM Samantha Pierson Re: McCrehin Lease

Good Afternoon,

They annual amount is \$325.00. They are current. Let me know if you have any other questions.

Thank you Have a great day Lindsey 🕃

From: Samantha Pierson Sent: Wednesday, July 26, 2017 2:59:05 PM To: Lindsey Vilandre Subject: McCrehin Lease

Lindsey,

I'm looking for information on Larry McCrehin's tideland lease at 4319 HPR. Could you tell me the current annual lease amount and if they are current on payments? Thanks!

Sam

Samantha Pierson Planner I City and Borough of Sitka 100 Lincoln Street Sitka, AK 99835 (907) 747-1814 Parcel ID: 2-5750-002 Oen, David Oen, Connie, J P.O. Box 2473 Sitka AK 99835

Parcel ID: 2-5760-001 Oen, Myron, J 4309 Halibut Point Rd Sitka AK 99835

Parcel ID: 2-5769-001 McAdams Melinda Parsons, Robert P.O. Box 6325 Sitka AK 99835

Parcel ID: 2-5770-002 Pearson, Kristopher, C Pearson, Erica, M 1935 Dodge Cir Sitka AK 99835

Parcel ID: 2-5774-000 Kelly, Jeffrey, D P.O. Box 2306 Sitka AK 99835-2306

Parcel ID: 2-5780-000 McCrehin, Larry, W McCrehin, Marlys, E P.O. Box 895 Sitta AK 99835-0895

Parcel ID: 2-5785-001 Gallagher, Eileen Swift, James P.O. Box 1193 Sitka AK 99835-1193

Parcel ID: 2-5790-001 McNamee Ventures, LLC P.O. Box 6243 Sitka AK 99835-6243

Parcel ID: 2-5800-001 McNamee Ventures, LLC P.O. Box 6243 Sitka AK 99835-6243

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Parcel ID: 2-5755-003 Tomkinson, Kerry 4309 Valhalla Dr Sitka AK 99835

Parcel ID: 2-5760-002 Cameron, Alice, M Cameron, Kenneth, M 4307 Halibut Point Rd Sitka AK 99835

Parcel ID: 2-5769-002 Oen, Amyee, M 260 Circle Dr Reno NV 89509

Parcel ID: 2-5770-003 McCrehin, Larry McCrehin, Robyn P.O. Box 895 Sitka AK 99835-0895

Parcel ID: 2-5775-000 Kehres, Gale 103 Viking Way Sitka AK 99835

Parcel ID: 2-5781-000 McCrehin, Larry, W McCrehin, Robin, J P.O. Box 895 Sitka AK 99835

Parcel ID: 2-5786-001 J and S Properties, LLC P.O. Box 936 Sitka AK 99835

Parcel ID: 2-5791-000 Bergdoll-Schmidt Rev Trust 4406 Halibut Point Rd Sitka AK 99835

Parcel ID: 2-5811-000 Gipple, Bruce, A Gipple, Margaret, L 2210 W Main St Suite 107-312 Battle Ground WA 98604 Parcel ID: 2-5755-004 Bertacchi, Bryan, J P.O. Box 1373 Sitka AK 99835-1373

Parcel ID: 2-5768-000 Adams, Harlan, J Adams, Lavina, H P.O. Box 2652 Sitka AK 99835-2652

Parcel ID: 2-5770-001 Logan, David P.O. Box 34061 Juneau AK 99811

Parcel ID: 2-5773-000 Pearson, Denton P.O. Box 336 Sitka AK 99835-0336

Parcel ID: 2-5777-000 Dzugan, Gerald 4319 Valhalla Dr Sitka AK 99835

Parcel ID: 2-5782-000 McCrehin, Larry McCrehin, Robyn P.O. Box 895 Sitka AK 99835

Parcel ID: 2-5786-002 Stengl, Del 4322 Valhalla Dr Sitka AK 99835

Parcel JD: 2-5795-000 Bergdoll-Schmidt Revocable Trus t 4406 Halibut Point Rd Sitka AK 99835

P&Z Mailing December 8, 2017

DO PAGE 004 BOOK Sicks Recording District

STATUTORY QUITCLAIM DEED

LARRY W. MCCREHIN conveys and quitclaims to Larry W. McCrehin and Robyn J. McCrehin, husband and wife, as tenants of the entirety, and whose address is Box 895, Sitka, Alaska, 99835, all right, title, interest, claim and demand whatsoever which he has or ought to have in or to the properties located at:

All of Lot Thirty-Seven A (37-A), Lot Thirty-Seven B (37-B), and Lot Thirty-Seven C (37-C) in the McCrehin Subdivision, Resubdivision of Lot Thirty-Seven (37) and a portion of Lot Thirty-Nine (39), all in U.S. Survey #3482, Sitka Recording District, First Judicial District, State of Alaska;

and

Lot 1 of John Subdivision as shown by Plat #84-11, Recorded March 22, 1984, Sitka Recording District, First Judicial District, State of Alaska.

DATED this 16 day of April, 1988 at Sitka, Alaska.

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STATE OF ALASKA FIRST JUDICIAL DISTRICT

ADDRESS Sitka

INDIVIDUAL ACKNOWLEDGEMENT

This certifies that on this *for* day of April 1988 me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Larry W. McCrehin, to me known and known to me to be the person described in and who signed in my presence the foregoing document; and under oath administered by me, he acknowledged to me that he signed the same freely and voluntarily for the uses and purposes set forth therein.

88-1043 Notary Public for Alaska 1000 BEICHNED My Commission expires: 0 213; 198 14.6 1.1 . • DISTRUCT 7 Jun 17 | 22 MY '98 REQUESTED BY Robin McCrehin



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	City and Borough of Sitka, 100 Lincoln St Sitka, AK 99835	AK
	Date: Receipt: Cashier: Received From: MCC	07/24/2017 2018-00004171 Front Counter CREHIN RENTALS
	PLAN - Planning Permits/Zo ning	300.00
-	Receipt Total	300.00
	Total Check	300.00
	Total Remitted	300.00
	Total Received	300.00

PAID JUL 2 4 2017

CITY & BOROUGH CF SAMA

INVOICE	
CITY AND BOROUGH OF SITKA	
100 LINCOLN STREET, SITKA ALASKA 99835	
DATE: 7/24/17	
To: Larry McCrehin	
ACCOUNT # 100-300-320-3201.002 PLANNING & ZONING Variance Conditional Use Permit Minor Subdivision Major Subdivision Zoning Map Change Zoning Text Change Lot Merger Boundary Line Adjustment General Permit Appeal of Enforcement Action (Pending) Other	
	>
Thank you	
	CITY AND BOROUGH OF SITKA 100 LINCOLN STREET, SITKA ALASKA 99835 DATE: 7/24/17 To: LOWY MCCrichin ACCOUNT # 100-300-320-3201.002 PLANNING & ZONING Variance. Conditional Use Permit. Minor Subdivision. Zoning Map Change. Zoning Text Change. Lot Merger. Boundary Line Adjustment. General Permit. Appeal of Enforcement Action (Pending). Other