



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members

From: Keith Brady, Municipal Administrator

Date: August 20, 2018

Subject: Discussion & Direction on land acquisition for the relocation and construction of the Sitka Seaplane Base (SPB)

Summary

We are looking for direction from the Assembly on whether or not to pursue the relocation, design, construction, and land acquisition of/for the new Sitka Seaplane Base (SPB).

The Updated Siting Analysis, dated November 2016 (see the link below) evaluates potential sites for the new SPB and finds, once again, the parcel at the end of Seward Street on Japonski Island is the best location, see page 45. This parcel is currently owned by the Alaska Department of Education (ADOE). <http://www.cityofsitka.com/government/departments/publicworks/documents/SitkaSitingAnalysis.FINALDRAFT.pdf>

In order to move forward with the SPB project the land must be acquired. I have spoken with the State and the State is willing to negotiate with CBS for the purchase of the property. Acquisition of the land is eligible for an AIP grant, which would require 6.25% CBS match. To determine the parcel value and purchase price, the FAA requires an appraisal performed by a certified appraiser to determine the Fair Market Value (FMV) of the parcel. FMV Land acquisition for the SPB is also possible through the \$1 billion AIP 2018-2020 Supplemental Appropriation – Airports, which provides 100% funding with no local match.

Some steps to consider if directed to pursue the seaplane base project:

- Prepare a resolution stating interest in and purpose of the property for assembly approval
 - Resolution would be used at the state level with the governor and state representatives
- Lobby our state governor and representatives to help acquire the property and
- Execute a letter of commitment for the purchase of the parcel at FMV between the CBS and the State of Alaska. This will be needed for the AIP grant for the Site Environmental Assessment & Seaplane Base Design, including permitting, surveys, and etc- the planning portion of the project.
- Pre-apply for grants from the *FAA Airport Improvement Program (AIP)* and prepare an application for the project to the *\$1 billion AIP 2018-2020 Supplemental Appropriation – Airports* for rural airports.

- These grants can be used for land acquisition, design, and building of the seaplane base

Federal (FAA AIP) grant timeline to keep in mind:

- Pre-application data sheet submitted in order to make it possible to apply for an FY19 AIP grant.
- AIP grant application due March-May 2019
- allocation of AIP grant money in summer of 2019
- To be considered for the \$1 billion AIP 2018-2020 Supplemental Appropriation, the Project Questionnaire is due to FAA October 31, 2018