



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Chair Spivey and Planning Commission Members

From: Amy Ainslie, Planning and Community Development Director

Subject: Lease of Municipal Land for Cell Tower – Harbor Mountain Bypass

Date: June 26, 2020

Request: New Horizons LLC (on behalf of Verizon Wireless) is requesting to lease a portion of Tract C ASLS 79-4 encompassing approximately 2,500 – 10,000 square feet on Harbor Mountain Bypass road near the municipal water tower. This tract remains unsubdivided and has vehicular access from the Harbor Mountain Bypass road.

The intended use of the lease area is for construction, placement, and operation of a cell tower.

This tract of land is zoned as R-1 single family and duplex residential district. However, R-1 is often used as a holding or placeholder zone for unplanned and/or undeveloped municipal lands. Per SGC 22.20.055, communications towers and antennas can be built as permitted accessory uses in the R-1 and related zones.

The necessary utility infrastructure is available in the area, primarily just electric service. The lessee intends to construct utilities and road access to the lease site.

Background: SGC 18.12.010(E), Real Property Disposal states “*Sale or lease of municipal real property, including tidelands, shall be by competitive bid, unless the assembly finds that competitive bidding is inappropriate, due to the size, shape, or location of the parcel, rendering it of true usefulness to only one party, or is waived by subsection C of this section. The assembly may also find that competitive bidding is inappropriate due to the nature of the property or the circumstances surrounding its disposal to include possible unjust results with regard to the existing lessee, or adjacent or neighboring property owners.*” Staff finds no particular characteristics of the lot that would render competitive sale of this property inappropriate. Therefore, Staff will be asking the Commission and the Assembly for a recommendation to put the lease area out to RFP (Request for Proposal). An RFP would likely be structured to put out the lease parcel specifically for the use of cell tower/communication infrastructure.

The applicants in this case have preliminary plans for a tower that would be a total of 95 feet in height. The maximum height for structures in the R-1 zoning district is 35 feet. In order to accommodate the construction of a cell tower, if a recommendation and approval is made by the Planning Commission and the Assembly (respectively) for the lease and subsequent RFP, the Planning Department will apply for a variance for the lease parcel from the Commission, and then include that variance as a known factor in the RFP. The applicants have offered to create screening/buffering for the tower including designing the access as a “dogleg” to preserve

vegetation in front of the site, as well as other means of concealing/blending the tower itself into the surroundings. Strategies for reducing visual impact could be a required and requested in the RFP.

Valuation: TBD by Assembly pursuant to SGC 18.12.015.C.3 (with assistance from Assessor or Third party Appraisal).

Process: The lease or sale of municipal land must follow Sitka General Code 18.12. Staff envisions the following process:

- 1) Initial Planning Commission recommendation of approval to City Assembly with any specific conditions;
- 2) City Assembly approval of lease subject to conditions of approval such as lease area use and restrictions, and value;
- 3) Minimum price established through the valuation process;
- 4) Commission surveying of the lease area;
- 5) PCDD Staff applies for height variance for the lease area;
- 6) Development and publishing of the RFP;
- 7) Selection of proposal
- 8) Finalization and execution of lease agreement approval by City Assembly

POSSIBLE MOTION

“I move to recommend approval for a lease of municipal property of no less than 2,500 square feet and no greater than 10,000 square feet within Tract C, ASLS 79-4 located on Harbor Mountain Bypass road for the purpose of a cell tower site.”