


City and Borough of Sitka


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Coast Guard City, USA

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Amy Ainslie, Planning Director 

Date: November 3, 2020

Subject: **Draft RFP – 4951 HPR Development Proposal**

Background

The No Name Mountain/Granite Creek Master Plan included analysis and recommendations for use of the 17 acre waterfront parcel located at 4951 Halibut Point Road. For purposes of easier referencing, the Master Plan referred to this area as “Harbor Point” (though this is not intended to replace or usurp any other more formal naming process that may be initiated in the future).

Interest in this parcel arose in late 2019, as it was the subject of a proposed land swap in relation to construction of a boat haul-out that did not take place. Staff provided a Special Report in February 2020. There is continued interest from private entities to have this land opened for development.

An RFI was open for respondents from July 22 through August 21st in order to gauge market interest in the parcel and desired uses of the land. The Assembly reviewed these responses in Executive Session on September 8th. The Assembly directed staff to develop an RFP to either sell or lease the property with open development options for respondents. The draft RFP has been prepared for your review.

Analysis

The RFP was written to accommodate responses for many types of use/development, for either the sale or lease of the property. There are few key restrictions written into the RFP that the Assembly should be aware of:

- Sale is only considered for residential development. Leasing is the only option offered for recreational, commercial, and/or industrial developments.
- RFP reinforces the State required easements (to and along the shoreline) for public access to be platted and maintained.
- Proposed use of tidelands should be identified in RFP responses. If use of

- municipal tidelands is desired, it shall be subject to a separate approval process.
- Property is currently zoned as R-1 (single-family and duplex residential). Proposers should include desired zoning designation to match their proposed use.
 - Development, i.e. full build out of the selected proposal is expected to be completed within three years from the date of purchase/lease.
 - Proposers seeking a lease are to specify the desired length of lease with justification regarding expected breakeven period and loan requirements (if applicable).

The draft RFP has five evaluation criteria (a total of 100 points possible):

1. Development dollars invested by the proposer (0 to 15 points)
2. Employment impacts (0 to 15 points)
3. Long-term, recreational benefits to the community (0 to 15 points)
4. CBS tax, utility, and special revenues (0 to 20 points)
5. CBS sale/lease revenue (0 to 35 points)

Ultimate selection of the chosen proposal will be decided by the Assembly. Staff will organize a cross-discipline review team including Administration, Planning, Finance, Public Works, Electric, and Assessing to provide scoring on all responses and present a recommendation to the Assembly.

Fiscal Note

None at this time – future costs for potential surveying and/or appraisal costs will be dependent on the RFP responses and selected proposal. Generally, buyers/lessees are wholly responsible for survey and platting costs and at least some portion (if not all) of appraisal costs. Expected revenues will be reviewed and weighed during review of RFP responses.

Recommendation

Staff recommends approval to issue an RFP for the development of 4951 Halibut Point Road.

Staff requests direction on:

1. Any requested changes and/or additions to the RFP as written
2. How long the RFP should be open (30, 45, 60 days or longer)
3. Structure of review team – any additions from Planning Commission and/or Assembly?