

## **POSSIBLE MOTION**

**I MOVE TO** approve Resolution 2021-08 on first and final reading supporting Sitka Maritime Heritage Society's application under the FY21 Historic Preservation Fund Grant program for Certified Local Governments.



# City and Borough of Sitka


PROVIDING FOR TODAY...PREPARING FOR TOMORROW


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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:** April 7, 2021

**Subject:** **Historic Preservation Fund Grants for Certified Local Governments – Sitka Maritime Heritage Society**

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### Background

The Historic Preservation Commission has recommended approval of a Historic Preservation Fund Grant for Certified Local Governments by Rebecca Poulson on behalf of the Sitka Maritime Heritage Society, a registered non-profit organization. The recommendation was made at a special meeting on March 31, 2021, and agreed upon unanimously by a 6-0 vote.

The Sitka Tribe of Alaska also reviewed the project at their April 7<sup>th</sup> Tribal Council meeting. The project was supported by a 7-0 vote.

The intent of the grant is to fund the Japonski Island Boathouse Timbers, Wall, and Addition Interior project. Repairs will be done to the timbers of the marine ways bay, the opening on the water side that allows boats to be pulled into the repair way. A wall on the northwest end of the building will be replaced, and a restroom will be added inside.

The State of Alaska Office of History and Archeology announced the FY21 grant opportunity on February 4, 2021. The application deadline is April 16, 2021.

### Analysis

The subgrantee must follow all applicable federal, state, and city requirements regarding procurement, entity status, and reporting. Qualified historic preservation professionals must be consulted throughout the project as directed by the State Historic Preservation Office. If awarded, a municipal subgrantee agreement must be signed prior to commencement of the project. An administrative fee will be charged to the grant in accordance with Finance Department policy.

It is important to note that as we are the property owners in this case, CBS will be required to sign a covenant on the property if the grant application is approved by the State. A sample of the covenant is included as an attachment. Generally, the covenant obligates CBS to maintain the property in a good and sound state, apply *The Secretary of the Interior's Standards for the Treatment of Historic Properties* ("the Secretary's Standards") for all proposed work, receive written approval from the State Historic Preservation Office (SHPO) for any proposed alterations to the building or activities that would affect archaeological resources, and have opportunities for the public to visit the property. A similar 10 year covenant was signed in 2010 and expired in November 2020. Due to other grants received for this property in the meantime, the State has requested CBS renew this covenant to run until December of 2024. If this grant application at hand is successful, CBS will be asked to sign a 2-year extension to the covenant that would expire in approximately December of 2026.

The lease for this property was signed by CBS on February 10, 2005 and has a term of 20 years with three, 10-year extensions available. The lease requires that the lessee, Sitka Maritime Heritage Society, pay \$1 every year for the lease, and keep an active liability insurance policy of \$500,000 for the building, and name CBS as an additional insured party. Based on these lease terms, Sitka Maritime Heritage Society is currently in good standing.

### **Fiscal Note**

The grant application is for a 60-40 match grant. The Sitka Maritime Heritage Society intends to contribute \$15,224 with in-kind and donated resources and requests \$22,835 from the Historic Preservation Fund for Certified Local Governments (Federal Share). CBS retains approximately 8.5% to cover administrative costs associated with grant management and reporting requirements.

### **Recommendation**

Approve the resolution supporting the grant application.

Documents in Application & Supporting Documentation:

- Sample Covenant
- Lease Agreement
- HPC Approval Letter
- Application
- Photos
- Budget Table