

**ASSEMBLY STANDING COMMITTEE
LANDS AND RESOURCES COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

January 26, 2015, 5:00 PM.

Assembly Chambers

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. December 29, 2014

IV. PUBLIC PARTICIPATION

(Not to exceed a total of 10 minutes nor more than 2 minutes for any individual).

V. AGENDA TOPICS

- A. DOT Glacier Highway Reconstruction; Fritz Cove Road to Seaview Avenue Easement (Auke Bay)
- B. Ordinance 2015-02 - An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Remote Subdivisions Area Map for Hidden Valley Tract B, Located in the Upper Lemon Creek Valley, from "Not Remote" to Remote.
- C. Juneau Affordable Housing Fund Accessory Apartment Grant Incentive Program
- D. Montessori School Parking Lot Expansion and Elimination of Savikko Park RV Parking

VI. STAFF REPORTS

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

VIII. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

December 29, 2014

ATTACHMENTS:

Description	Upload Date	Type
☐ December 29, 2014	1/22/2015	Minutes

**ASSEMBLY STANDING COMMITTEE MINUTES
LANDS AND RESOURCES COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
MINUTES**

December 29, 2014, 5:00 PM.
Assembly Chambers

I. ROLL CALL

Kate Troll called the meeting to order at 5:00pm.
Members Present: Jesse Kiehl (telephonic); Mary Becker; Kate Troll; Jerry Nankervis
Other Assembly Members Present: Karen Crane
Liaisons Present: Mike Peterson, Docks & Harbors
Liaisons Absent: Jeff Wilson, Parks & Recreation Advisory Committee
Staff Present: Greg Chaney, Lands Manager; Jessica Beck, Lands Specialist; Alan Steffert, Engineering Associate
Public Present: Ben Wilcox; Mark Thorson

II. APPROVAL OF AGENDA

There were no agenda changes.

III. APPROVAL OF MINUTES

A. December 8, 2014

The minutes of the December 8, 2014 Lands Committee were approved with minor grammatical corrections.

IV. PUBLIC PARTICIPATION

Mr. Benjamin James Wilcox said regarding Item C, revising smoking ordinance to include marijuana, which seems redundant since the law states its illegal in public. Why should the city be spending valuable time and resources on such a thing. It's more hurdles just to walk down the street. For item B, the moratorium on applications, I'm curious if anyone with the City has consulted with any experts, any outside boards where it is legal to see if it's necessary. There's a time line already built in and the more we push it back, the more it screws up the time line. There's millions of dollars that are looking to get invested in this industry. Why hold it up? We need money. Instead of impeding it, why not get it going? Fairbanks was in the paper, they're a much larger municipality than us and they're on it. Lets get this going. We have a lot of tourists coming to town and people will come to town expecting it. The more we put it on the backburner the more issues we're going to face. There will be no guidelines for the police or anything. Lets look at the states where its legal and be prepared. It's an industry that's coming to town. It makes no sense with our current fiscal problems. It will be a large source of revenue for our community.

Mr. Mark Thorson, a 40 year resident of the community said prohibition of initiating marijuana sales within the City and Borough is a bad idea. We're the capital city, we need to lead by example and show the state we can take these issues on. We'll have a lot of people looking at us all summer long. I'm in the bed and breakfast business and I have more reservations for this summer than ever before. Every third call is someone asking if they're going to be able to smoke marijuana when they come to town. There'll be dock sales and people on Craigslist making home deliveries, similar to what you have in Nevada. My sister has a medical marijuana garden there, you call on the phone and they deliver to the house. If we put our heads in the sand and hope it goes away, you can expect those things to popup. The other thing, I have an anniversary this Sunday, I buried my wife in Evergreen Cemetery. She was a cancer patient, she was a resident of this community, she was the head nurse on the surgical unit at the hospital. I spent a lot of time at the Fred Hutchison Research Center and the Mayo Clinic trying to save her life. In both locations, they told me I needed to find some THC so she could eat and keep her food down. Here we are 30 years later and nothing. Juneau wants to be a cancer care center at the hospital. Let's get some product for the people who

are having to go through the chemotherapy. It's not fun. I urge this community to step up and do what's right.

V. AGENDA TOPICS

A. Update on North Lemon Creek Material Source Development

Greg Chaney said we have Alan Steffert here from the Engineering Department to talk about the details. I'm just going to give a brief overview. The Lemon Creek Gravel Pit has been active for several years and is getting near the end of its useful life. The North Lemon Creek Material Source is our new area. There is a fairly complicated land trade being discussed for the existing pit for Honsinger Pond. It was the only area considered appropriate by Bicknell, who is the current owner of Honsinger Pond. If the land trade goes through we'll need a new material source site, which would make our interest to get this done soon. The State of Alaska put out a public notice because the CBJ needs the easement to go through state property to get to our property.

Mr. Steffert: The reason we're here is because public notice the Department of Natural Resources issued for obtaining an easement across their land. It's essentially a done deal, it's just apart of their procedure. We started this project back in 2007 and it's now coming to fruition. In 2007 we realized we needed to find a new gravel source. At that time the existing gravel source was being mined at a high rate and we thought at the rate we're going we'll need a new gravel site in short order. We identified this land behind the jail. We did geological tests and mapped the resource. We got a use permit which is good for 10 years and every 10 years we have to renew it for gravel extraction of the area. We sat on it for a while. The bridge was built when we built the impound lot, after 2007. We didn't use a lot of material out of the gravel pit. It sat there so there wasn't an impedious to rush in and build it. After that our gravel usage went way down and our shot rock went way up. We had a major switch been gravel and shot rock material. So we decided to proceed at a slow development pace and mine for projects as they required it. Move material at no expense to the city and pay us as they remove it. Whereas if we put out a contract we would have been paying a unit price for excavation. We were looking at a significant amount of material to be moved, so we proceeded slowly.

We have quite an area of development in this corner. We have an 100 foot elevation gain. We have to make a massive cut to get up here so what we did originally was put up a temporary access road to start mining the terrace and mined through. As we mined we were able to identify the kind of material underneath where it was too deep for our exploratory digging and by doing that we're better able to understand the geology of the area to design a road better. We've done sufficient mining in order to see the extent of impact for the state land would be and at that point we applied to DNR for an easement. They've already receive a construction permit for early access. The easement process takes quite a while.

This is what it looked like prior to construction in 2007 (referencing on screen images) and this is what it looked like earlier this year. What we have here is a mid-height bench and we have a very steep construction road going up there. Freehand drawn it shows the final access road will be significantly less grade and turn and disappear into the hill and get somewhere over here. There's still a significant amount of material left to cut. This is a representation of the design of the current topography. Here is the easement line. When I finish this final road we'll have a massive road cut. What we've done today is sufficient enough to show where the easement line will be so they'll give us the easement. Next summer I have to get the access road though the DNR triangle with a construction contract going out to bid like our regular bids. At the end of that contract, we'll have a finalized two lane road at 7-8% grade for hauling trucks through the DNR land and keep mining along the road corridor until we open up the new phase. Its been a long process but the end is in site.

Mr. Peterson: In the past, Lemon Creek correction officers and JPD have used that area for a shooting range, how will that be impacted?

Mr. Steffert: Here's the shooting range, adjacent to the jail. It's heavily treed and it's right at the top of here. Part of our agreement with the jail when we were constructing this is that we put a fence right along the berm, not a security fence but we can hang signs. They're more than happy with that. They're more concerned about people getting out than getting in.

Mr. Nankervis: What would the lifespan of the easement be?

Mr. Steffert: It would be perpetual. We will build the road, it will still be state land but we can maintain

the road and have access through it.

Mr. Nankervis: The only thing that might change would be ownership?

Mr. Steffert: We could apply to get ownership but we're not intending to mine it, just get through to access materials.

Ms. Crane: How far back does the CBJ land go?

Mr. Steffert: The property line goes more or less like this, cuts back, ... pretty much the west side of Lemon Creek...

Ms. Crane: Are we moving closer or further away from residential area in Lemon Creek. Will noise be an issue?

Mr. Steffert: No, we discussed this when we permitted the original facility. We adjusted the boundary along the edge to keep it high. This terrace is around a valley, we're intending to dig the plateau down and leave a massive bank facing the residential development and trees help immensely too.

Ms. Troll: Is there any action needed from the Lands Committee?

Mr. Chaney: No, the chair asked for the back story concerning the easement application.

Mr. Kiehl: I appreciate the presentation. It brings me up to speed.

Ms. Troll: The Honsinger Pond land trade - does that complicate the situation or will it dovetail pretty nicely.

Mr. Chaney: We didn't really come to talk about that because it's a complicated issue. We're still working to find out how much we're going to potentially trade. We don't have an appraisal yet. If we do end up trading that is a big area we could use for storage. This is one place we could store the material cut from the road. If we don't have that we'll have to find somewhere else to store it.

Mr. Steffert: The original gravel pit is still being used by multiple contractors at this time. We have a lot of room where we can split people out. The new one will be constrained by this road cut to one spot. The Statter Harbor job that will start removing gravel from the road cut next week, it will be one contractor hauling out a lot of material. If the old gravel pit were sold, we'd have to find a new spot in this restrictive place to put those people. When we build the new road, no one will be able to get in there, except for the road contractor. Timing could be problematic.

Ms. Troll: I assume we'll get an update when its appropriate for us.

B. Ordinance 2014-50 An Ordinance Imposing a Limited Moratorium on the Receipt or Processing of Applications, Permits, or Pending Approvals Pertaining to Marijuana Establishments.

On November 4, 2014, Alaskan voters approved a ballot measure related to the legalization of marijuana. The initiative, which goes into effect on February 24, 2015, allows the State nine months to enact regulations concerning the registration and oversight of marijuana establishments, defined by the initiative as marijuana cultivation, testing and product manufacturing facilities and marijuana retail stores. The initiative requires the State to begin accepting and processing applications for the registration of marijuana establishments within one year of the effective date of the act. The initiative authorizes local governments to enact legislation concerning the time, place and manner related to the operation of registered marijuana establishments (for example, hours of operation, allowable locations, and limitations on the number of establishments allowed within the municipality.)

The purpose of the moratorium is to allow the CBJ time to consider and enact legislation concerning the operation of marijuana establishments in the CBJ. The moratorium is set to expire within one year of adoption, which is after the date the State is required to enact regulations given the fact that it may be necessary to coordinate our local legislation with the State's regulatory scheme, but before the time the State is required to begin processing applications.

Ms. Mead said the moratorium does not change any of the time lines imposed by the state initiative with respect to the operations of marijuana establishments. Marijuana establishments under the initiative are any of the commercial businesses associated with the cultivation, manufacturing, processing, anything related to the commercial use of marijuana, retail sales. Under the initiative, the ABC board, or marijuana control board if the legislature chooses to create one, has from 9 months from the effective date of legislation, which is November 2015, to put in place a regulatory

framework for these commercial businesses. Within 1 year of the effective date, so February 2016, the ABC board must start accepting applications for licenses, because under the initiative a commercial business must have a license to operate. They must begin accepting applications by February 2016. By May of 2016 they must begin the approval process and begin issuing licenses. If the ABC board fails to do any of that, then the local regulatory authorities will be able to step in and issue it's own licenses within 90 days, which is August 2016. The way our conditional use permit works is that someone could come in and ask for a permit to operate a business. For example, I could come in and file for a conditional use permit to open a bar. The Planning Commission could properly consider that and grant me a permit. One of the likely conditions of the permit will be that I have a license to operate. But, I can begin that process while I'm applying for an alcohol license. We are in the same situation with respect to the marijuana establishments, but we do not yet have a regulatory framework in place. There was a comment earlier that these laws have already passed in other states, but in those states, they've only begun allowing legal sales within the last year. This part of the process doesn't have a great track record for us to follow. We, under the initiative, have the authority to impose time, place and management regulations on marijuana establishments, basically zoning laws. We can limit the number of establishments we're going to allow in any particular zone, or in the City overall or we can decide where to allow them to operate. We haven't had time to look at any of that. By imposing the moratorium, we put the public on even footing with respect to applying for conditional use permits to operate these types of establishments and gives us time to put in regulatory framework. It does not impact the time line given by the state law.

Mr. Peterson: For the City to put in a regularly framework, wouldn't it be pertinent for the City to wait for the state to put in their regulatory framework first?

Ms. Mead: Yes and no. We have no idea what the state is going to do with respect to the regulations it imposes. The initiative specifically leaves it up to the local governments the authority to enact the zoning regulations that are going to govern these types of establishments. That is not something the state is going to do. The local governments can also put in place any regulations that won't conflict with state law, which is why the moratorium expires after one year. The moratorium can expire sooner if the CBJ is done with it's work sooner. The way the state initiative is laid out, the regulations the state imposes should be done by November 2015. Our moratorium expires in February 2016. Applications should not be accepted until February and won't begin to be processed and approved until May. So we have time after the state is finished with it's regulatory process to make whatever changes we need, make or address. Given the way the current initiative language reads the state is not going to impose specific zoning regulations on marijuana establishments.

Ms. Crane: But they may say you can have X number per community? The same way they do with alcohol.

Ms. Mead: They might. They might limit the number of establishments state wide, they might limit by type. We can further limit or not. It's one of the many things we can consider. It doesn't change the time lines the state has imposed. It just makes it clear to everyone that we will not begin processing applications. It makes us proactive rather than reactive with respect to this initiative with how we want to proceed with this new industry.

Mr. Kiehl: The initiative gave communities the right to opt out of commercial marijuana sales and I'd like to make it clear I don't think this is an opt out?

Ms. Mead: That is correct. This is not an opt out.

Mr. Kiehl: In terms of the scope of what this is. Go back to the example, if someone wants to open a bar, right now someone could not open it in the low density residential neighborhood on Hummingbird Lane off of Backloop and we don't have rules about a marijuana dispensary. I sense there's this concern that someone could put in a permit application to open a dispensary back there, before we have any rules. So all this is doing is to avoid confusion.

Ms. Mead: That is correct. If we were to do nothing and we received applications for conditional use permits to open up a retail sale operation in the valley somewhere in a residential neighborhood, the Planning Commission could consider it like it would an application for any other retail operation in a residential area. That operation could not legally begin until the license is obtained by the seller. This moratorium puts everything on hold so we can clarify how we want to proceed.

Mr. Kiehl: In terms of the length of this moratorium, if I'm reading this right, 30 days after it's effective, and its for a year, so 13 months from when we vote on it. So we're looking at the same time the state would take applications for licenses we would begin taking land use applications at the same time. Does that give someone enough time to get everything through our permitting process and the

Planning Commission?

Ms. McKibben: Yes, that is plenty of time.

Mr. Kiehl: From early February to late February should be enough time? I'm thinking about conditional use permits and appeals to the Assembly.

Ms. Mead: The way the initiative reads, licenses won't be issued until May of 2016 which is plenty of time after our moratorium expires.

Mr. Kiehl: That would be my one concern. I'm hopeful someone on staff can run me through that. My sense is that we can make our zoning decisions in 11 months as opposed to 12 and give businesses a little more lead time for permitting.

Ms. Mead: The moratorium can expire whenever the Assembly decides it needs to expire. The February time was something reasonable to put in process before the state permitting process began. But ours can begin sooner.

Ms. Troll: The fact that we put the moratorium in place, doesn't preclude us from working through the process on developing our rules and regulations?

Ms. Mead: No, that's the whole point of the moratorium, to allow that process to begin.

Ms. Troll: As soon as we get direction from the state and the key pieces are in place that then allows us to move relatively straight forward in creating the rest of the rules and regulations.

Ms. Mead: There's a lot for the Planning Commission to consider as it moves forward in this process and for the Assembly to consider. I'm not suggesting we wait until the state completes their regulatory process because I doubt the state is going to impose zoning regulations on a state level. I think we should look at it right away, with the idea that if the state does impose some limitations on time, place or manner regulations (for example, limitations with respect to where bars can be with relation to schools), those can easily be incorporated into our regulatory framework.

Ms. Troll: When is an appropriate time for us to begin addressing it through our rules and regulations and the Planning Commission?

Ms. Mead: As soon as possible.

Mr. Kiehl: I agree that we should begin looking at it as soon as we can, but I'd be reluctant to start before the legislative session is over. A number of legislators have said they plan to introduce bills that would either set a distance from schools or other issues the initiative left open. I suspect we'd be trying to hit a moving target if we do start working on this subject before the session finishes.

Motion: Ms. Becker: I move we forward Ordinance 2014-50 to the Assembly.

Mr. Nankervis: Did you want to include 2014-51 as well, or just the one?

Ms. Becker: Did you have anything you wanted to say about Ordinance 2014-51?

Ms. Mead: I just wanted to address the comment made earlier about the purpose of adding marijuana to the non-smoking ordinance. The state bans public use, but our non-smoking ordinance is a little broader. The state does not define what public use is. This ordinance puts marijuana smoking on the same plane as cigarette smoking.

Ms. Crane: It says it doesn't include something prescribed by licensed physician or approved by the US Food and Drug Administration. Does that mean those items can be used in a public place.

Ms. Mead: I see what you're saying with respect to medical marijuana use.

Ms. Crane: There are plenty of places to use that. I don't think it needs to be in a restaurant, bar or other public places we prohibit smoking.

Ms. Troll: We'll take these items one at a time. We have a motion before us to move Ordinance 2014-50 to the Assembly. Are there any objections to that?

Hearing no objections, motion passes.

C. Ordinance 2014-51 An Ordinance Amending the Second-hand Smoke Control Code to Regulate the Use of Marijuana.

This ordinance would amend the Second-hand Smoke Control Code, Chapter 36.30, to provide for the regulation of marijuana smoking in the same way the smoking of tobacco products is regulated within the City and Borough.

Ms. Mead: This language has been in place since the original ordinance was adopted. I don't have

the whole ordinance in front of me but the way it applies with respect to smoking it's already prohibited in places like bars, etc.

Ms. Crane: This says but it shall not include medical.

Ms. Mead: Let me look at this ordinance as a whole. My understanding is that you want to make it clear that smoking of any type is not allowed in those types of establishments.

Ms. Troll: I concur, treat marijuana as tobacco in all situations.

Mr. Kiehl: To be clear, the way I understand that section, we're defining smoking, includes anything with nicotine product. The exception would be that smoking not include a tobacco substitute with a prescription or would not include a tobacco cessation product. If some day, marijuana becomes prescribable by a doctor, which it is not now, it wouldn't qualify for this exception.

Ms. Mead: I think you're reading that correctly, but I think that sentence could be tightened up and clarified that it doesn't include medical marijuana.

Mr. Kiehl: If I'm understanding what Ms. Crane is wanting, I agree, we have this prescription exception for tobacco substitutes that contain nicotine. There is no way to prescribe marijuana under federal law, we don't want to get into that.

Ms. Crane: I think we're talking about two different things, but I'm not sure.

Ms. Mead: My understand is that Assemblymember Crane would like me to make sure that we're not allowing medical marijuana use in public.

Ms. Crane: Correct.

Mr. Kiehl: I did have another question regarding a private club applications. I know that there are entrepreneurs interested in opening businesses that will cater to tourists that will have no legal way for them to bring marijuana home, but who will want to consume it here. One of those individuals walked through sections of our clean air ordinance and is under the impression that it will be possible to have a large pole barn attached to their business that would be open on three sides and has a line 10 feet from the door to the inside and you can't smoke closer than that. I assume they would provide some sort of heat device for comfort. This person was under the impression that if we built a fence around the property, that this would be permissible under our clean air ordinance.

Ms. Mead: I'm having difficulty envisioning it in my mind. The purpose of the non-smoking ordinance is to prevent the harm to 3rd parties from an individual's decision to smoke, we added marijuana to keep that. Right now an enclosed space is defined, I'm not sure if it includes 4 walls, but the definition about how far from an entrance door it could take place. I can't say for sure whether this facility would pass under the ordinance. I don't know. You did bring up a good point. I know other communities, there has been talk about private clubs that are created for the sole purpose of people coming together to smoke marijuana. This ordinance would prohibit that. That is something you should consider. If you want to allow that, it would have to be exempt from the ordinance.

Ms. Troll: But we can deal with that aspect as we move through our own regulatory process? We may have to go back and amend this ordinance again.

Ms. Mead: Yes.

Ms. Becker: Will you be comfortable that the next time we see these changes will be at the Assembly level?

Ms. Mead: Yes.

Motion: Ms. Becker: I move Ordinance 2014-51 be forwarded to the Assembly.

Ms. Troll: With clarification on the items we discussed.

Hearing no objections, motion passes unanimously.

VI. STAFF REPORTS

There were no staff reports.

VII. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

Mr. Peterson: No comments.

Ms. Crane: Thank you for letting me sit it.

Mr. Nankervis: A number of people have asked me about Pederson Hill proposal. What kind of acreage are you looking at for the City development?

Mr. Chaney: We own over 100 acres, so defining the number for the end of the project would be difficult. Initially it would be about 30 acres. It would be about 200 single family lots, with 1 or 2 areas for multifamily developments.

VIII. ADJOURNMENT

Meeting adjourned at 5:52pm.

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

DOT Glacier Highway Reconstruction; Fritz Cove Road to Seaview Avenue Easement (Auke Bay)

ATTACHMENTS:

Description	Upload Date	Type
☐ Cover Memo	1/22/2015	Cover Memo
☐ Attachment A	1/21/2015	Exhibit
☐ Attachment B	1/21/2015	Exhibit
☐ Attachment C	1/21/2015	Exhibit
☐ Attachment D	1/21/2015	Exhibit

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Dan_Bleidorn@ci.juneau.ak.us

Voice (907) 586-5252
Fax (907) 586-5385

TO: Assembly Lands Committee

FROM: Dan Bleidorn 
Deputy Lands Manager

SUBJECT: ADOT Glacier Highway Reconstruction; Auke Bay, Fritz Cove Road to Seaview Ave.

DATE: January 20th 2015

The Alaska Department of Transportation (ADOT) has requested that the City grant four temporary construction easements and two permanent drainage easements in order to reconstruct Glacier Highway. The improvements to the Highway will include adding sidewalks, and lighting as well as relocating a crosswalk and adding turning lanes; the overall project was approved by the Planning Commission on 5/13/2014. The need for these additional easements is to improve drainage.

The location of one permanent easement and two temporary easements will be along the entrance of the Auke Bay Wastewater Treatment Plant. Another location will be a permanent easement and two temporary easements in front of the Auke Bay Fire Station (Attachment B). In a telephone conversation with Ray Preston, Right of Way Agent at the ADOT, assured CBJ that the temporary and permanent easements will in no way obstruct access to, or daily functions of, the treatment plant or fire station (Attachment A).

The total square footage of the permanent easements is 1,847 square feet. The total area of the temporary construction easements is 2,468 square feet. The ADOT has already completed appraisal for the easements. Appraisals were completed by Northern Appraisals and the total value was found to be \$44,350 (Attachment C). The ADOT would like to advertise the project in March of 2015.

Recommendation:

The Lands Committee forward a motion of support to the Assembly to adopt a resolution, pursuant to CBJ 53.09.300, authorizing the Manager to convey four temporary construction easements and two permanent drainage easements across CBJ property in order to complete the Glacier Highway reconstruction project from Fritz Cove Road and Seaview Ave. for \$44,350.

See attachments:

A: Letter of Offer from Ray Preston ADOT 12-18-2014

B: Easements

C: Appraisal Memos from Northern Appraisers to Ray Preston

D: Full Appraisal reports (available in online packet only)



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Transportation and Public Facilities

SOUTHCOST REGION
Design & Engineering Services
Right of Way Section

6860 Glacier Highway
PO Box 112506
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December 18, 2014

LETTER OF OFFER

Mr. Greg Chaney
Lands and Resources Manager
City and Borough of Juneau,
155 South Seward Street
Juneau, Alaska 99801

Re: Project No. 68471; FHWA #0933039
JNU – Glacier Highway Reconstruction; Fritz Cove Road to Seaview
Parcels No. E-9, TCE-9, TCE-9A, TCP-9, E-12, TCE-12, TCE-12A AND TCP-12;
TCP-20; TCP-21

Dear Mr. Chaney,

The Department of Transportation and Public Facilities has a project planned to reconstruct Glacier Highway from Fritz Cove Road to Seaview Avenue. This project was approved by the CBJ Planning Commission on May 13, 2014. Among other things, the project will include the addition of sidewalks and lighting along the entire corridor and relocation of a crosswalk near Auke Bay Elementary School. It will add a 12-foot wide two-way left turn lane in some sections and provide consistently wide shoulders throughout the corridor (8-feet to the curb face). It will also include drainage improvements, and that is why we need two permanent easements and four associated temporary construction easements for the project. One permanent easement, Parcel E-9 is along the entrance to the city's Auke Bay wastewater treatment facility. It consists of 1,654 square feet and is shown by the drawing attached to the easement deed that accompanies this letter. The associated temporary construction easements (TCE-9 and TCE-9A) consist of 524 square feet and 486 square feet respectively and are also shown on a drawing attached to the proposed temporary construction easement which also accompanies this letter. We also have a need for a permanent easement in front of the Auke Bay fire station. This has been designated as Parcel E-12. It consists of 193 square feet. There are also two temporary construction easements that are needed for this property, viz. TCE-12 consisting of 1,299 square feet and TCE-12A consisting of 159 square feet. The temporary construction easements are needed for a period of 15 months counting from April 1, 2015.

"Keep Alaska Moving through service and infrastructure."

We also have a need for four temporary construction permits, viz. TCP-9, TCP-12, TCP-20, and TCP-21 to reconnect entrance areas to the City and Borough properties. We do not offer compensation for the temporary construction permits as they are viewed as something that strictly benefits the City.

We recognize the City and Borough's need for access to both the wastewater treatment facility and especially the fire station. Therefore, you have our assurance that the construction will proceed in a manner such that access to both facilities will be maintained at all times.

In preparing to make this offer, we have been mindful of the City and Borough's ordinances (CBJ 53.09.300) regarding the acquisition of easement on city land. Therefore, accompanying this letter is a completed application form for the easements. Also accompanying the application is a state warrant payable to the City and Borough for \$15.00. Also in compliance with the city's ordinances, we have obtained an appraisal by a professional appraiser of the two permanent easements and the four temporary construction easements. We engaged the services of Roger Nash, d/b/a Northern Appraisers. Accompanying this letter is a copy of two appraisals by Mr. Nash. Both are dated October 6, 2014. Also accompanying this letter are copies of determinations of just compensation by the department's review appraiser, Mark Kasberg. Mr. Kasberg determined that based on Mr. Nash's appraisal, the total amount of just compensation due the City and Borough for Parcels, E-9, TCE-9, and TCE-9A is the sum of \$35,600. As for Parcels E-12, TCE-12, and TCE-12A, Mr. Kasberg's determination of just compensation is the sum of \$8,750. This includes \$4,195 for certain improvements, including 30 feet of a chain link fence.¹ The total amount of just compensation for all the parcels is the sum of \$44,350.00.

Also included with this letter is a Purchase Voucher for the purchase of these property rights. There we have made certain prorations of the parcels based on the total amount of \$44,350. The following table summarizes the parcels we seek to acquire for this project.

Parcel	Size in Square Feet	Value
E-9	1,654	\$33,080
TCE-9	524	1,305
TCE-9A	486	1,215
E-12	193	2,316
TCE-12	1,299	1,950
TCE-12A	159	240
E-12 improvements		4,244
	Total	\$44,350

The Department hereby offers to purchase all the identified parcels together with the value of certain improvements for the sum of **\$44,350**.

We would like to advertise the project in March of next year.

¹ See Page 15 of Mr. Nash's appraisal.

If the amount offered for this easement is acceptable, I have enclosed other documents that are necessary to complete the transaction. They include a Memorandum of Agreement, a Purchase Voucher, and a W-9 form. Also enclosed is a state warrant for \$15.00 payable to the City and Borough for the required application fee.

I thank you for your consideration. If you have any questions or concerns, I can be reached at 465-4519 or by E-mail at: ray.preston@alaska.gov However, I should inform you that after December 31, 2014 I will no longer be employed here. After that date, you should contact Debby Stephens at 465-2837.

Yours truly,


Ray C. Preston
Right of Way Agent

Enclosures:

- (1) State Warrant for \$15.00
- (2) Purchase Voucher
- (3) Memorandum of Agreement
- (4) Easement E-9
- (5) Easement E-12
- (6) Temporary Construction Easements TCE-9 and TCE-9A
- (7) Temporary Construction Easements TCE-12 and TCE-12A
- (8) Temporary Construction Permit TCP-20
- (9) Temporary Construction Permit TCP-21
- (10) Appraisal for Parcels E-9; TCE-9 & TCE-9A
- (11) Appraisal for Parcels E-9; TCE-9 & TCE-9A



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

EASEMENT
(Standard/Partial Property)

PROJECT NAME: JNU-GLACIER HWY
RECONSTRUCTION; FRITZ COVE ROAD TO
SEAVIEW

STATE PROJECT #: 68471

FEDERAL-AID PROJECT #: 0933039

PARCEL #: E-9

The GRANTOR, the CITY AND BOROUGH OF JUNEAU, whose mailing address is 155 South Seward Street, Juneau, Alaska 99801, for and in consideration of THIRTY-THREE THOUSAND, EIGHTY AND NO/100 DOLLARS (\$33,080.00), and other valuable consideration, in hand paid, conveys and warrants to the GRANTEE, the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT/PF), whose mailing address is P.O. Box 112506, Juneau, Alaska 99811-2506, its successors or assignees, a perpetual, full, exclusive, and unrestricted easement along, over, under, and across the following-described tract of land located in the State of Alaska:

A portion of Fraction Lot 2, U.S.S. 3819, Juneau
Recording District, First Judicial District, State of Alaska,

delineated on the plat attached hereto and made a part hereof as pages three and four of this instrument and designated as Parcel No.E-9. Said parcel, which is a part of DOT/PF's Project No. 68471, containing 1,654 square feet of land, more or less, in addition to existing right-of-way, is hereby conveyed to the State of Alaska, Department of Transportation and Public Facilities for the purpose of:

installing and maintaining a new drainage structure and
for public highway and utility purposes

The above-named Grantor hereby covenants with the State of Alaska that said Grantor has good title to the above-described tract of land and covenants that the State of Alaska shall have quiet and peaceable possession thereof; and shall have a free and unrestricted right to maintain said facilities as long as the right-of-way of which this easement area is a part, remains a public way.

Dated this _____ day of _____, 2015

Filed for Record at the Request of
and Return to:
State of Alaska – DOT&PF
P.O. Box 112506
Juneau, Alaska 99811-2506
State Business-No Charge

CITY ACKNOWLEDGMENT

STATE OF ALASKA)
 : ss
FIRST JUDICIAL DISTRICT)

On this ____ day of _____, 2015, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared _____,

(Name)

_____ for the City and Borough of Juneau, and known to me to

(Position) ,

be the person who executed the foregoing instrument, and who acknowledged to me that he or she executed the same as their free and voluntary act and with full knowledge of its contents, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

[NOTARY SEAL]

My Commission Expires: _____

CERTIFICATE OF ACCEPTANCE

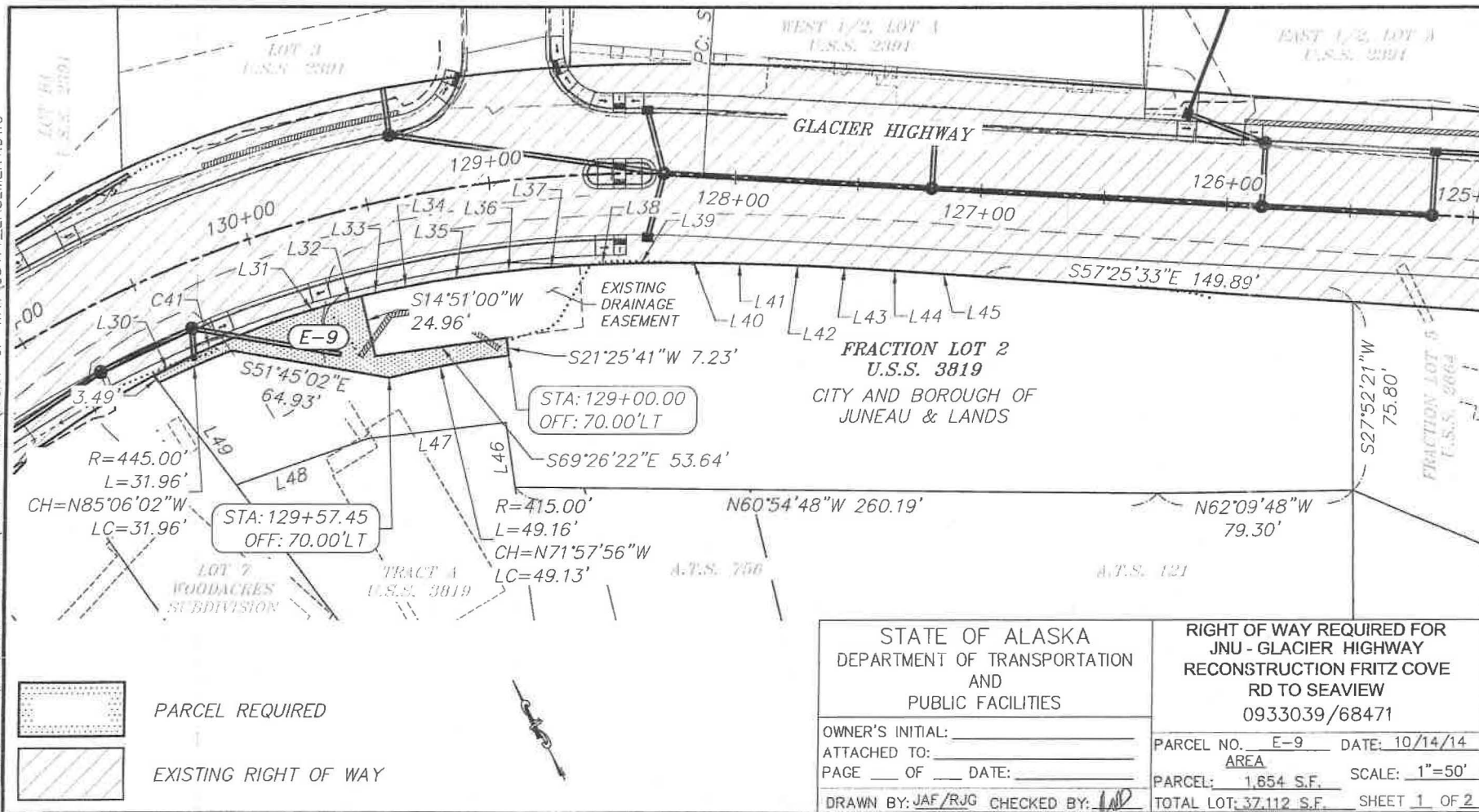
THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, Grantee herein, acting by and through its Commissioner, hereby accepts for public purposes the real property, or interest therein, described in this instrument and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2015

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

By: _____
For the Commissioner

C:\JNU\68471\RW\FRITZ-SEAVIEW\SOURCE DWGS\RIGHT-OF-WAY\68471_EASEMENT.DWG



STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES		RIGHT OF WAY REQUIRED FOR JNU - GLACIER HIGHWAY RECONSTRUCTION FRITZ COVE RD TO SEAVIEW 0933039/68471	
OWNER'S INITIAL: _____ ATTACHED TO: _____ PAGE ____ OF ____ DATE: _____		PARCEL NO. <u>E-9</u> DATE: <u>10/14/14</u> AREA PARCEL: <u>1,854 S.F.</u> SCALE: <u>1"=50'</u> TOTAL LOT: <u>37,112 S.F.</u> SHEET <u>1</u> OF <u>2</u>	
DRAWN BY: <u>JAF/RJG</u> CHECKED BY: <u>LAD</u>			



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

EASEMENT
(Standard/Partial Property)

PROJECT NAME: JNU-GLACIER HWY
RECONSTRUCTION; FRITZ COVE ROAD TO
SEAVIEW

STATE PROJECT #: 68471

FEDERAL-AID PROJECT #: 0933039

PARCEL #: E-12

The GRANTOR, the CITY AND BOROUGH OF JUNEAU, whose mailing address is 155 South Seward Street, Juneau, Alaska 99801, for and in consideration of TWO THOUSAND THREE HUNDRED, SIXTEEN AND NO/100 DOLLARS (\$2,316), and other valuable consideration, in hand paid, conveys and warrants to the GRANTEE, the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT/PF), whose mailing address is P.O. Box 112506, Juneau, Alaska 99811-2506, its successors or assignees, a perpetual, full, exclusive, and unrestricted easement along, over, under, and across the following-described tract of land located in the State of Alaska:

A portion of Lot 2, Kirkevold Subdivision, Juneau
Recording District, First Judicial District, State of Alaska,

as shown on the plat attached hereto and made a part hereof as pages three and four of this instrument and designated as Parcel No.E-12. Said parcel, which is a part of DOT/PF's Project No. 68471, contains 193 square feet of land, more or less. It is hereby conveyed to the State of Alaska, Department of Transportation and Public Facilities for the purpose of:

installing and maintaining a new drainage structure and
for public highway and utility purposes

The above-named Grantor hereby covenants with the State of Alaska that said Grantor has good title to the above-described tract of land and covenants that the State of Alaska shall have quiet and peaceable possession thereof; and shall have a free and unrestricted right to maintain said facilities as long as the right-of-way of which this easement area is a part, remains a public way.

Dated this _____ day of _____, 201__

CITY AND BOROUGH OF JUNEAU

By: _____

Print Name

ACKNOWLEDGMENT

STATE OF ALASKA)
 : ss
FIRST JUDICIAL DISTRICT)

On this ____ day of _____, 201__, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared _____,

(Name)

_____ for the City and Borough of Juneau, and
(Position), known to me to be the person who executed the foregoing instrument, and who acknowledged to me that he or she executed the same as their free and voluntary act and with full knowledge of its contents, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

[NOTARY SEAL]

My Commission Expires: _____

CERTIFICATE OF ACCEPTANCE

THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, Grantee herein, acting by and through its Commissioner, hereby accepts for public purposes the real property, or interest therein, described in this instrument and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 201__

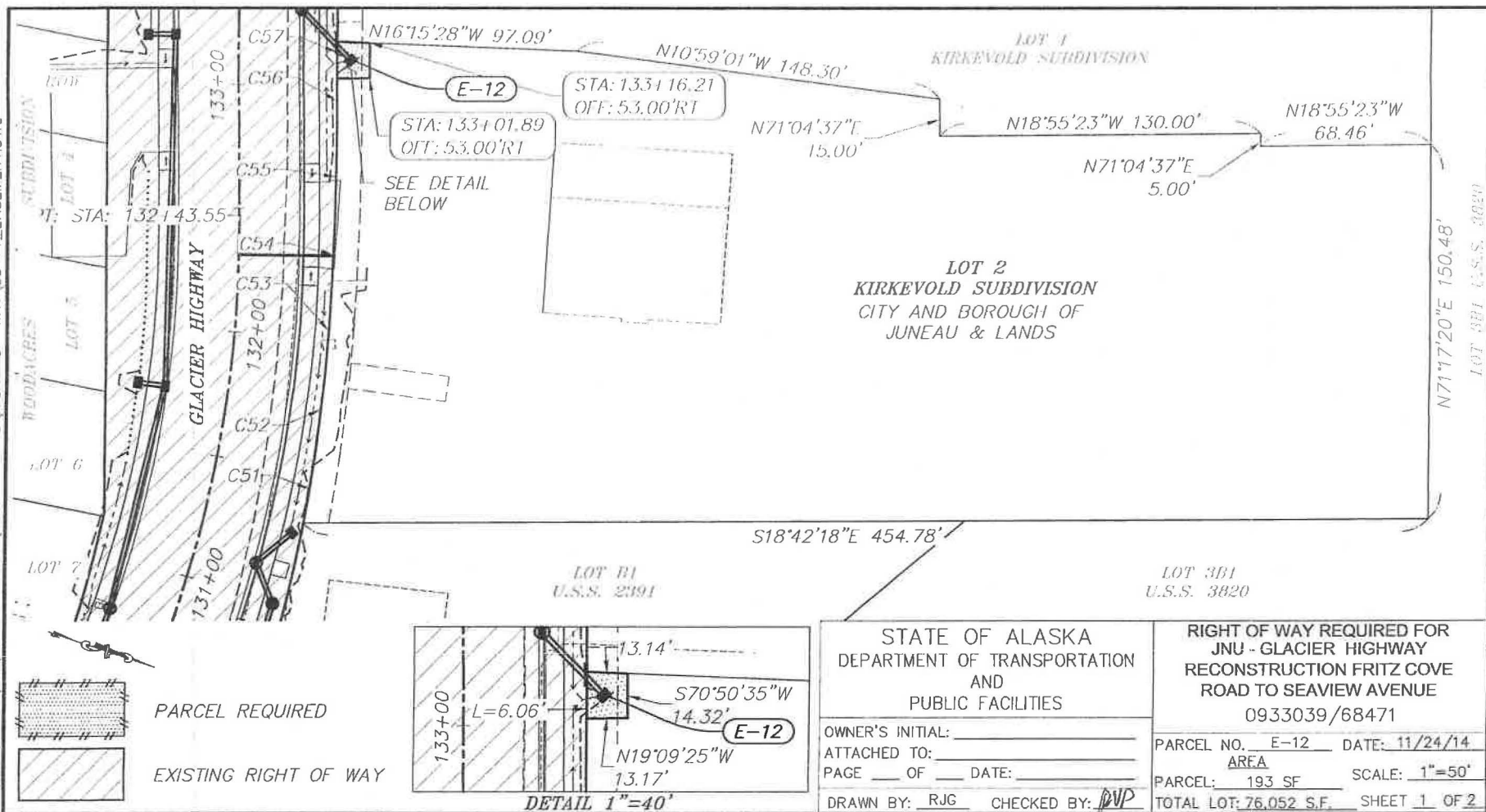
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

By: _____

Joe Buck, P.E.
Chief Right of Way Agent
Southcoast Region

Filed for Record at the Request of
and Return to:
State of Alaska – DOT&PF
P.O. Box 112506
Juneau, Alaska 99811-2506
State Business-No Charge

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STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

**TEMPORARY CONSTRUCTION
EASEMENT**
(Standard/Partial Property)

**PROJECT NAME: JNU-GLACIER HWY
RECONSTRUCTION; FRITZ COVE ROAD TO
SEAVIEW**

STATE PROJECT #: 68471

FEDERAL-AID PROJECT #: 0933039

PARCEL #: TCE-9 AND TCE-9A

The GRANTOR, the CITY AND BOROUGH OF JUNEAU, whose mailing address is 155 South Seward Street, Juneau, Alaska 99801, for and in consideration of TWO THOUSAND, FIVE HUNDRED, TWENTY AND NO/100 DOLLARS **(\$2,520.00)**, and other valuable consideration, in hand paid, conveys and warrants to the GRANTEE, the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT/PF), whose mailing address is P.O. Box 112506, Juneau, Alaska 99811-2506, its successors or assignees, an unrestricted temporary easement, over, and across the following-described tract of land located in the State of Alaska::

A portion of Fraction Lot 2, U.S.S. 3819, Juneau
Recording District, First Judicial District, State of Alaska,

delineated on the plat attached hereto and made a part hereof as pages three and four of this instrument and designated as Parcels No.TCE-9 and TCE-9A. Said parcels, which are a part of DOT/PF's Project No. 68471, contain 524 square feet (TCE-9) and 486 square feet of land (TCE-9A), more or less, in addition to existing right-of-way, is hereby conveyed to the State of Alaska, Department of Transportation and Public Facilities for the purpose of:

allowing men and equipment on the property
for the construction of a new drainage structure.

The Grantor hereby covenants with the State of Alaska that the Grantor has good title to the above-described tract of land, and covenants that the State of Alaska shall have quiet and peaceable possession thereof and use thereof during the period of the temporary construction easement. The period shall begin on the 1st day of April, 2015, and end on the 30th day of June 2016, at which time this easement shall expire and be of no force and effect.

The Grantee, the State of Alaska, shall leave said premises in a clean and presentable condition when said construction has been completed.

Dated this _____ day of _____, 201__

CITY AND BOROUGH OF JUNEAU

By: _____

Print Name

CITY ACKNOWLEDGMENT

STATE OF ALASKA)
 : ss
FIRST JUDICIAL DISTRICT)

On this _____ day of _____, 201____, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared _____,
(Name)

_____ for the City and Borough of Juneau, and
 _____ (Position), known to me to be the person who executed the foregoing instrument, and who
 acknowledged to me that he or she executed the same as their free and voluntary act and with full
 knowledge of its contents, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

Notary Public in and for the State of Alaska
My Commission Expires: _____

CERTIFICATE OF ACCEPTANCE

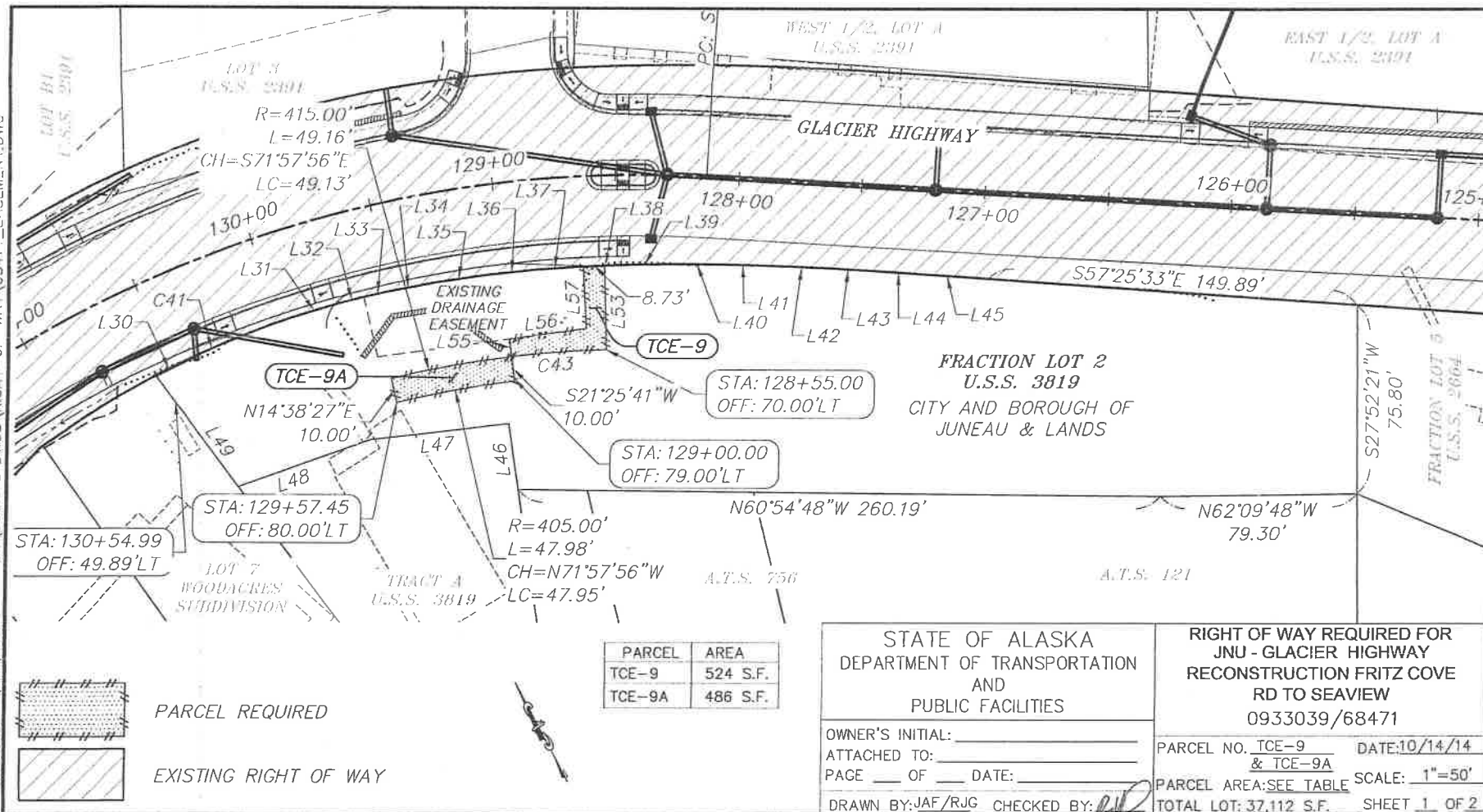
THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, Grantee herein, acting by and through its Commissioner, hereby accepts for public purposes the real property, or interest therein, described in this instrument and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2014

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

By: _____
Joe Buck, P.E.
Chief Right of Way Agent
SouthCoast Region

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PARCEL	AREA
TCE-9	524 S.F.
TCE-9A	486 S.F.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES		RIGHT OF WAY REQUIRED FOR JNU - GLACIER HIGHWAY RECONSTRUCTION FRITZ COVE RD TO SEAVIEW 0933039/68471	
OWNER'S INITIAL: _____ ATTACHED TO: _____ PAGE ____ OF ____ DATE: _____		PARCEL NO. TCE-9 DATE: 10/14/14 & TCE-9A PARCEL AREA: SEE TABLE SCALE: 1"=50' TOTAL LOT: 37,112 S.F. SHEET 1 OF 2	
DRAWN BY: JAF/RJG CHECKED BY: <i>[Signature]</i>			



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

**TEMPORARY CONSTRUCTION
EASEMENT**
(Standard/Partial Property)

**PROJECT NAME: JNU-GLACIER HWY
RECONSTRUCTION; FRITZ COVE ROAD TO
SEAVIEW**

STATE PROJECT #: 68471

FEDERAL-AID PROJECT #: 0933039

PARCEL #: TCE-12 AND TCE-12A

The GRANTOR, the CITY AND BOROUGH OF JUNEAU, whose mailing address is 155 South Seward Street, Juneau, Alaska 99801, for and in consideration of TWO THOUSAND, ONE HUNDRED, NINETY AND NO/100 DOLLARS (**\$2,190.00**), and other valuable consideration, in hand paid, conveys and warrants to the GRANTEE, the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT/PF), whose mailing address is P.O. Box 112506, Juneau, Alaska 99811-2506, its successors or assignees, two unrestricted temporary easements, over, and across the following-described tract of land located in the State of Alaska::

A portion of Lot 2, Kirkevold Subdivision, Juneau
Recording District, First Judicial District, State of Alaska,

delineated on the plat attached hereto and made a part hereof as pages three and four of this instrument and designated as Parcels No.TCE-12 and TCE-12A. Said parcels, which are a part of DOT/PF's Project No. 68471, contain 1,299 square feet (TCE-12) and 159 square feet of land (TCE-12A) respectively. They are hereby conveyed to the State of Alaska, Department of Transportation and Public Facilities for the purpose of:

allowing men and equipment on the property
for the construction of a new drainage structure.

The Grantor hereby covenants with the State of Alaska that the Grantor has good title to the above-described tract of land, and covenants that the State of Alaska shall have quiet and peaceable possession thereof and use thereof during the period of the temporary construction easement. The period shall begin on the 1st day of April, 2015, and end on the 30th day of June 2016, at which time this easement shall expire and be of no force and effect.

The Grantee, the State of Alaska, shall leave said premises in a clean and presentable condition when said construction has been completed.

Dated this _____ day of _____, 201__

CITY AND BOROUGH OF JUNEAU

By: _____

Print Name

CITY ACKNOWLEDGMENT

STATE OF ALASKA)
 : ss
FIRST JUDICIAL DISTRICT)

On this ____ day of _____, 201__, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared _____,
(Name)

_____ for the City and Borough of Juneau, and
(Position), known to me to be the person who executed the foregoing instrument, and who
acknowledged to me that he or she executed the same as their free and voluntary act and with full
knowledge of its contents, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

Notary Public in and for the State of Alaska
My Commission Expires: _____

CERTIFICATE OF ACCEPTANCE

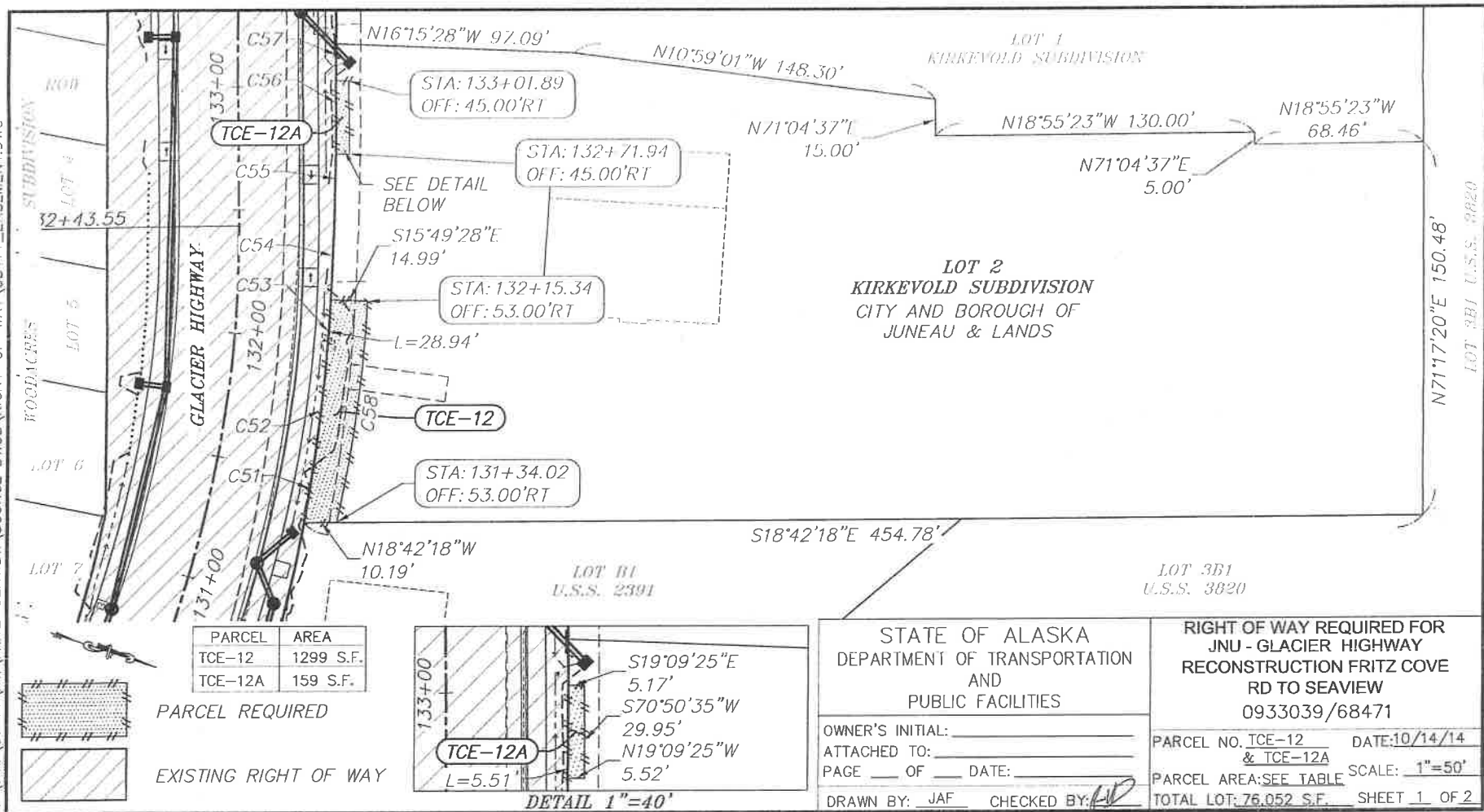
THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, Grantee herein, acting by and through its Commissioner, hereby accepts for public purposes the real property, or interest therein, described in this instrument and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2014

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

By: _____
Joe Buck, P.E.
Chief Right of Way Agent
Southcoast Region

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STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

TEMPORARY CONSTRUCTION PERMIT

PROJECT NAME: JNU-GLACIER HIGHWAY
RECONSTRUCTION FRITZ COVE ROAD TO
SEAVIEW AVENUE

STATE PROJECT #: 68471

FEDERAL-AID PROJECT #: 0933039

PARCEL #: TCP-20

The GRANTOR, The **City and Borough of Juneau**, whose mailing address is 155 South Seward Street, Juneau, Alaska 99801, for and in consideration of ONE DOLLAR, and other valuable consideration, in hand paid, grants unto the GRANTEE, **State Of Alaska, Department Of Transportation & Public Facilities**, whose mailing address is PO Box 112506, Juneau, Alaska 99811-2506, its agents or contractors, during the period of construction of Alaska Project No. 67987, permission to enter upon a portion of the following-described property:

A portion of Lot 3 U.S.S 2391, Juneau
Recording District, First Judicial District,
State of Alaska.

This parcel, which has been designated as Temporary Construction Permit twenty-one (**TCP-15**) of Alaska Project No. 68471, is shown on the plat attached hereto and made a part hereof as page three of this instrument and containing 1,110 square feet, is for the purpose of making the following alterations and changes:

to allow persons and equipment on the property to re-
establish sidewalk connections and a street intersection

This permit will be in effect for a period of 15 months counting from April 1, 2015 and ending on June 30, 2016.

The Grantee, the State of Alaska, shall leave said premises in a clean and presentable condition when said construction has been completed.

DATED this ____ day of _____ 2015.

Greg Chaney
Land and Resources Manager
City and Borough of Juneau

GRANTOR ACKNOWLEDGMENT

State of Alaska)
 : ss
First Judicial District)

On this _____ day of _____, 2015 before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Greg Chaney, known to me to be the identical person who executed the foregoing instrument and who acknowledged to me that he signed the same freely and voluntarily, with full knowledge of its contents, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

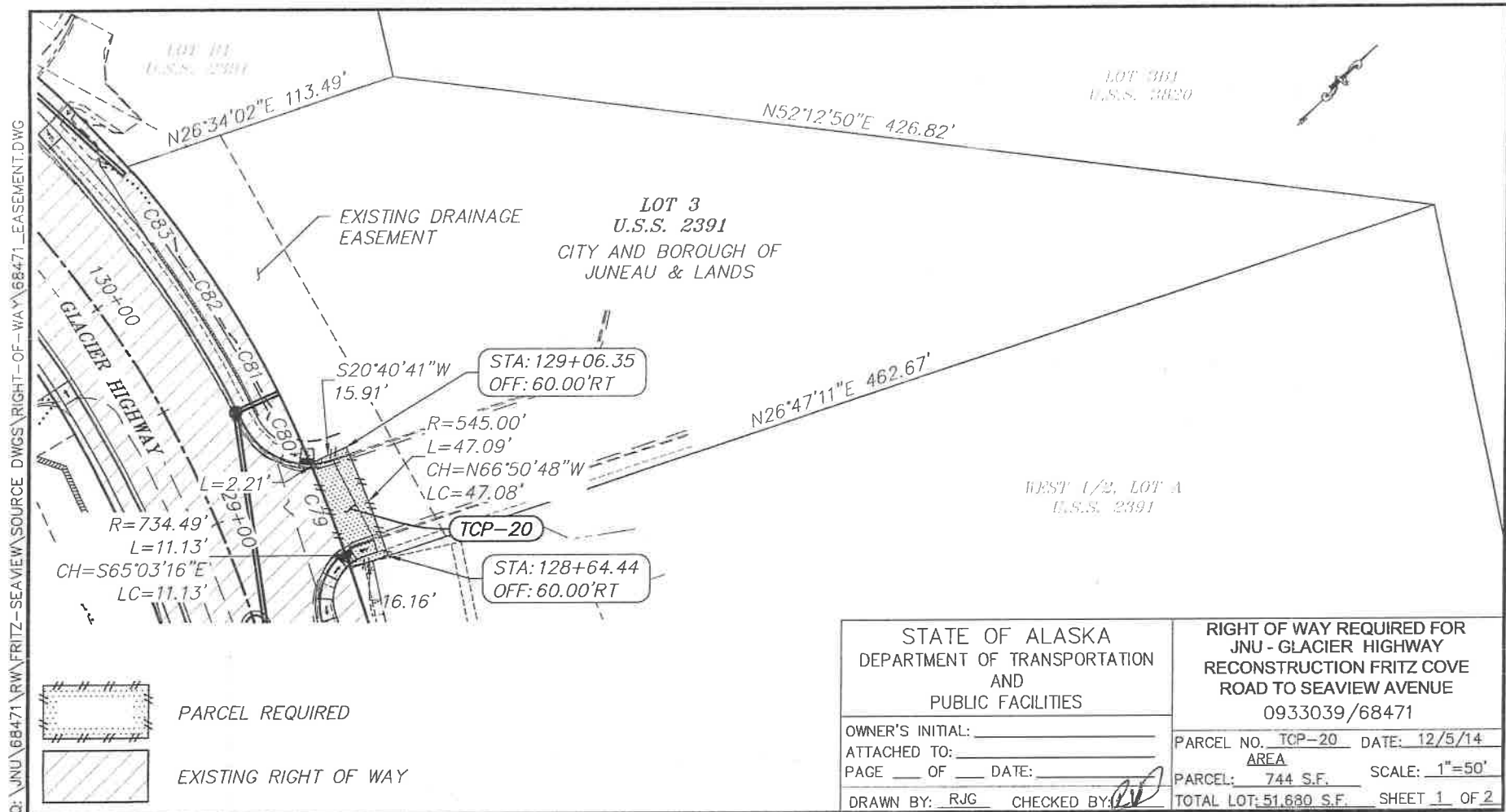
[NOTARY SEAL]

Notary Public in and for the State of Alaska
My Commission Expires: _____

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

The State of Alaska, Department of Transportation and Public Facilities, hereby accepts this permit of this ____ day of _____ 2015.

By: _____
Joe Buck
Chief Right of Way Agent, Southcoast Region
For the Commissioner



STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES		RIGHT OF WAY REQUIRED FOR JNU - GLACIER HIGHWAY RECONSTRUCTION FRITZ COVE ROAD TO SEAVIEW AVENUE 0933039/68471	
OWNER'S INITIAL: _____		PARCEL NO. <u>TCP-20</u> DATE: <u>12/5/14</u>	
ATTACHED TO: _____		AREA	
PAGE ____ OF ____ DATE: _____		PARCEL: <u>744 S.F.</u>	SCALE: <u>1"=50'</u>
DRAWN BY: <u>RJG</u> CHECKED BY: <u>[Signature]</u>		TOTAL LOT: <u>51,680 S.F.</u>	SHEET <u>1</u> OF <u>2</u>



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

TEMPORARY CONSTRUCTION PERMIT

PROJECT NAME: JNU-GLACIER HIGHWAY
RECONSTRUCTION FRITZ COVE ROAD TO
SEAVIEW AVENUE

STATE PROJECT #: 68471

FEDERAL-AID PROJECT #: 0933039

PARCEL #: TCP-21

The GRANTOR, The **City and Borough of Juneau**, whose mailing address is 155 South Seward Street, Juneau, Alaska 99801, for and in consideration of ONE DOLLAR, and other valuable consideration, in hand paid, grants unto the GRANTEE, **State Of Alaska, Department Of Transportation & Public Facilities**, whose mailing address is PO Box 112506, Juneau, Alaska 99811-2506, its agents or contractors, during the period of construction of Alaska Project No. 67987, permission to enter upon a portion of the following-described property:

A portion of a Right of Way owned by the City and Borough of Juneau which is part of the Woodacres Subdivision, Juneau Recording District, First Judicial District, State of Alaska.

This parcel, which has been designated as Temporary Construction Permit twenty-one (**TCP-15**) of Alaska Project No. 68471, is shown on the plat attached hereto and made a part hereof as page three of this instrument and containing 1,110 square feet, is for the purpose of making the following alterations and changes:

to allow persons and equipment on the property to to re-grade the area.

This permit will be in effect for a period of 15 months counting from April 1, 2015 and ending on June 30, 2016.

The Grantee, the State of Alaska, shall leave said premises in a clean and presentable condition when said construction has been completed.

DATED this ____ day of _____ 2015.

Greg Chaney
Land and Resources Manager
City and Borough of Juneau

GRANTOR ACKNOWLEDGMENT

State of Alaska)
 : ss
First Judicial District)

On this ____ day of _____, 2015 before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Greg Chaney, known to me to be the identical person who executed the foregoing instrument and who acknowledged to me that he signed the same freely and voluntarily, with full knowledge of its contents, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

[NOTARY SEAL]

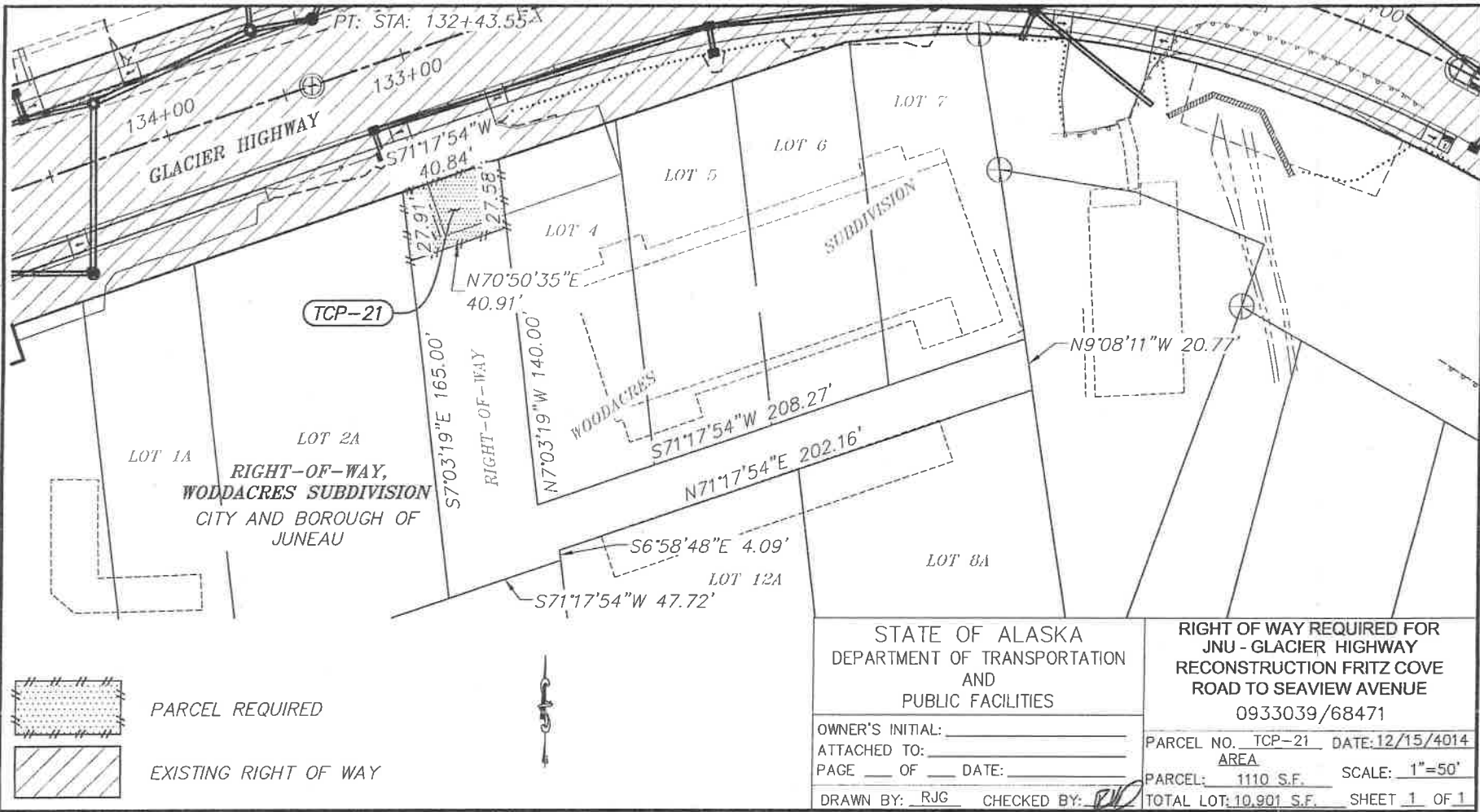
Notary Public in and for the State of Alaska
My Commission Expires: _____

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

The State of Alaska, Department of Transportation and Public Facilities, hereby accepts this permit of this ____ day of _____ 2015.

By: _____
Joe Buck
Chief Right of Way Agent, Southcoast Region
For the Commissioner

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454 SLATER DRIVE, FAIRBANKS, ALASKA 99701

907-451-8674

FAX 907-451-7298

Email roger@northernappraisers.com

October 30, 2014

STATE OF ALASKA

Department of Transportation
and Public Facilities
Southeast Region
6860 Glacier Highway
Juneau, Alaska 99801-7999

Attention: Ray Preston, Contract Manager

Re: Appraisal of Parcels E-12, TCE-12, & TCE-12A
Lot 2, Kirkevold Subdivision
JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview
Project No. 0933039/68471
Juneau, Alaska

Dear Mr. Preston:

I have completed an appraisal of the above-identified property for the purpose of estimating the market value of the fee simple estate of a parcel of land to be acquired as a result of the proposed JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview Project.

This appraisal report describes the appraised property and the appraisal process that concludes with the opinion of market value of the proposed acquisition. Based on the analysis contained herein, the estimated market value of the acquisition of Parcels E-12, TCE-12, & TCE-12A as of October 6, 2014 is:

**EIGHT THOUSAND SEVEN HUNDRED ONE DOLLARS
(\$8,701)**

STATE OF ALASKA

Department of Transportation

and Public Facilities

Southeast Region

Appraisal of Parcels E-12, TCE-12, & TCE-12A

Lot 2, Kirkevold Subdivision

JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview

Project No. 0933039/68471

Juneau, Alaska

Page 2

Thank you for this opportunity to be of service. Should questions arise regarding this appraisal, please contact me at this office.

Respectfully;

NORTHERN APPRAISERS

Roger W. Nash

Certified General Real Estate Appraiser



454 SLATER DRIVE, FAIRBANKS, ALASKA 99701
907-451-8674
FAX 907-451-7298
Email roger@northernappraisers.com

October 30, 2014

STATE OF ALASKA

Department of Transportation
and Public Facilities
Southeast Region
6860 Glacier Highway
Juneau, Alaska 99801-7999

Attention: Ray Preston, Contract Manager

Re: Appraisal of Parcel E-9, TCE-9, & TCE-9A
Fraction of lot 2, USS 3819
JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview
Project No. 0933039/68471
Juneau, Alaska

Dear Mr. Preston:

I have completed an appraisal of the above-identified property for the purpose of estimating the market value of the fee simple estate of a parcel of land to be acquired as a result of the proposed JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview Project.

This appraisal report describes the appraised property and the appraisal process that concludes with the opinion of market value of the proposed acquisition. Based on the analysis contained herein, the estimated market value of the acquisition of Parcels E-9, TCE-9 & TCE-9A as of October 6, 2014 is:

THIRTY FIVE THOUSAND SIX HUNDRED DOLLARS
(\$35,600)

STATE OF ALASKA

Department of Transportation

and Public Facilities

Southeast Region

Appraisal of Parcels E-9, TCE-9 & TCE-9A

Fraction of lot 2, USS 3819

JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview

Project No. 0933039/68471

Juneau, Alaska

Page 2

Thank you for this opportunity to be of service. Should questions arise regarding this appraisal, please contact me at this office.

Respectfully;

NORTHERN APPRAISERS

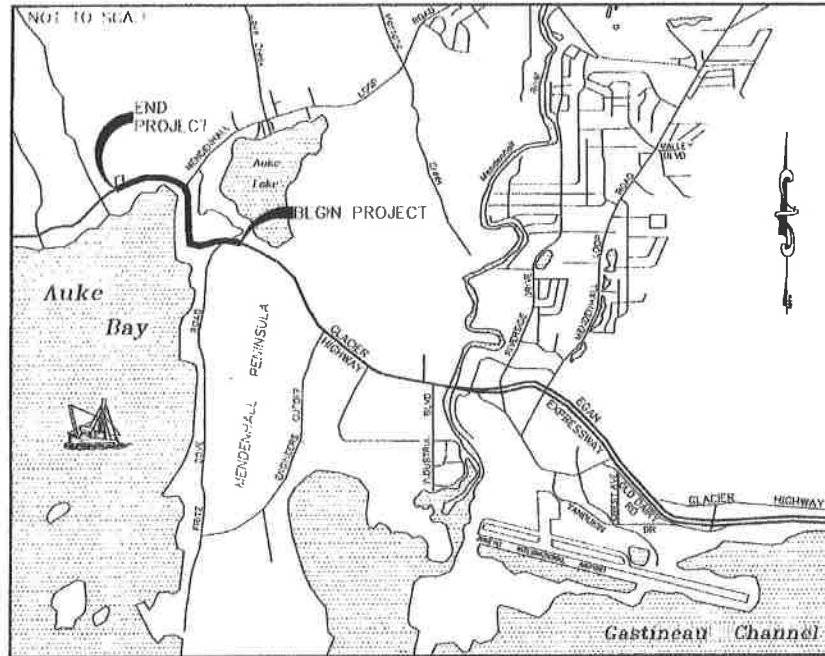


Roger W. Nash

Certified General Real Estate Appraiser

**REAL ESTATE APPRAISAL
JNU-GLACIER HIGHWAY RECONSTRUCTION
FRITZ COVE TO SEAVIEW
PROJECT NOS. 0933039/68471**

0933039 / 68471



Vicinity Map

**STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
SOUTHEAST REGION
6860 GLACIER HIGHWAY
JUNEAU, ALASKA 99801-7999**

**PARCEL E-12, TCE-12 & TCE-12A
LEGAL DISCRIPTION: LOT 2, KIRKEVOLD SUBDIVISION
OWNER: CITY AND BOROUGH OF JUNEAU**

DATE OF VALUE: OCTOBER 6, 2014



454 SLATER DRIVE, FAIRBANKS, ALASKA 99701

907-451-8674

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Email roger@northernappraisers.com

October 30, 2014

STATE OF ALASKA

Department of Transportation
and Public Facilities
Southeast Region
6860 Glacier Highway
Juneau, Alaska 99801-7999

Attention: Ray Preston, Contract Manager

Re: Appraisal of Parcels E-12, TCE-12, & TCE-12A
Lot 2, Kirkevold Subdivision
JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview
Project No. 0933039/68471
Juneau, Alaska

Dear Mr. Preston:

I have completed an appraisal of the above-identified property for the purpose of estimating the market value of the fee simple estate of a parcel of land to be acquired as a result of the proposed JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview Project.

This appraisal report describes the appraised property and the appraisal process that concludes with the opinion of market value of the proposed acquisition. Based on the analysis contained herein, the estimated market value of the acquisition of Parcels E-12, TCE-12, & TCE-12A as of October 6, 2014 is:

**EIGHT THOUSAND SEVEN HUNDRED ONE DOLLARS
(\$8,701)**

STATE OF ALASKA

Department of Transportation

and Public Facilities

Southeast Region

Appraisal of Parcels E-12, TCE-12, & TCE-12A

Lot 2, Kirkevold Subdivision

JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview

Project No. 0933039/68471

Juneau, Alaska

Page 2

Thank you for this opportunity to be of service. Should questions arise regarding this appraisal, please contact me at this office.

Respectfully;

NORTHERN APPRAISERS



Roger W. Nash

Certified General Real Estate Appraiser

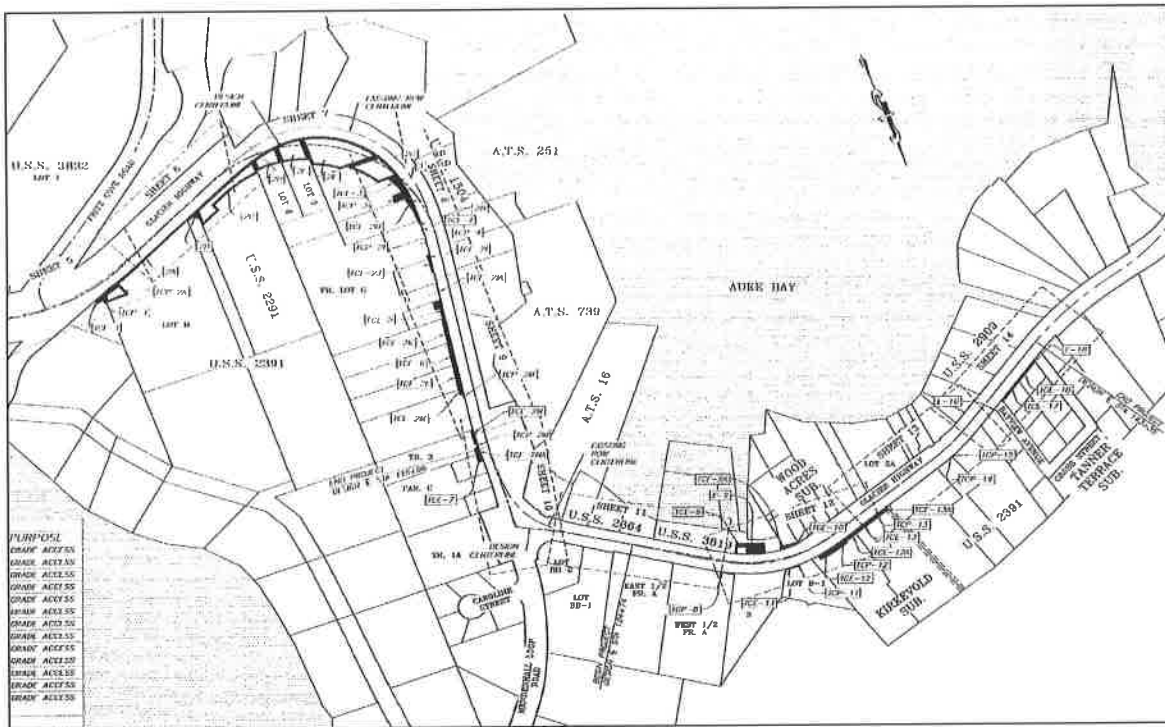
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ADDENDUM

NARRATIVE APPRAISAL SUMMARY

Property Location: The subject property is the Auke Bay Fire Station property at 11900 Glacier Highway, which is on the north side of Glacier Highway just west of the new round-about.



Rights Appraised:	Fee Simple Estate
Zoning:	LC – Light Commercial District
Highest & Best Use:	As vacant – Immediate sale As improved – Present public use
Inspection Date:	October 6, 2014
Valuation Date:	October 28, 2014
Total Area:	76,052 square feet or 1.746 acres
Easements:	None
Permit:	None
Area Subject to PLO/ Section line Easement:	None

ACQUISITION SUMMARY

Market Value Before Acquisition:	Land:	\$912,624
	Improvements:	<u>-0-</u>
	Total:	\$912,624

Less Acquisition Value as Part of Whole:	Land:	\$2,316
	Improvements:	<u>-0-</u>
	Total:	\$2,316

Remainder Value as Part of Whole:	\$910,308
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Estimated Market Value of Remainder:	Land:	\$910,308
	Improvements:	<u>-0-</u>
	Total:	\$910,308

Improvements:	\$4,195
Special Benefits:	-0-
Damages Incurable:	-0-
Net Damages:	-0-
Cost-to-Cure:	-0-
Permits:	-0-
Easements:	\$2,190
PLO or Sectionline Easements:	-0-
Other:	-0-

MARKET VALUE OF THE ACQUISITION: \$8,701

CERTIFICATE OF APPRAISER

JNU-GLACIER HIGHWAY RECONSTRUCTION – FRITZ COVE TO SEAVIEW
PROJECT NO: 0933039/68471 PARCELS: E-12, TCE-12, & TCE-12A

I CERTIFY THAT:

I personally inspected the property appraised in this report on 10-06-2014 I personally verified the facts, prices, terms, and conditions of sales used as comparable data with the parties to each transaction except to the extent otherwise indicated in the body of my report; I made a personal field inspection of any comparable properties referred to in the report; The narrative analysis and conclusions contained with this appraisal report are my own; I have acknowledged the names of assistants (if any) in the body of my report; and I have limited their services to photography, basic research, and general data gathering.

I have afforded the property owner(s) the opportunity to accompany me at the time of my inspection of the property.

To the best of my knowledge and belief the statements contained in the appraisal report are true and correct, and the information upon which my opinions are based is accurate, subject only to the assumptions and limiting conditions set forth in this report.

I understand that my appraisal report is to be used in connection with the acquisition of right of way for a transportation project to be constructed by the State of Alaska funds.

This appraisal report has been made in conformity with State laws, regulations and policies and procedures applicable to valuation of lands for such purposes. To the best of my knowledge no portion of the value, which I have assigned to the property, consists of items which are noncompensable under the established law of the State of Alaska, nor do the values assigned reflect a decrease or increase due to the proposed project.

Neither my employment nor my compensation for making this appraisal report are in any way contingent upon the reporting of a predetermined value that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.

I have no present or prospective interest in such property; and I have no personal interest or bias with respect to the parties involved, nor will I in any way benefit from the acquisition of such property.

I have not revealed the findings and results of this report to anyone other than the proper officials of the Alaska Department of Transportation and Public Facilities, the Federal Highway Administration or the Federal Aviation Administration, and I will not do so until so authorized by proper officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

My professional opinion of fair market value of the property rights appraised is \$8,701 or EIGHT THOUSAND SEVEN HUNDRED ONE DOLLARS as of the 6th day of October, 2014.

This opinion is based upon my personal, unbiased professional analysis, opinions, and conclusions.



Signed: Roger W. Nash

10-28-2014

Date of signature

PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of this appraisal report is to:

1. Estimate the market value of the property owner's rights immediately before the proposed acquisition;
2. Estimate the market value of the property owner's rights immediately after the proposed acquisition;
3. Estimate the value of the part taken as a part of the whole, and;
4. Estimate damages and/or special benefits, if any, to the remainder, after the acquisition.

The function of this appraisal is to appraise the value of the ownership rights of a parcel of land to be acquired for the proposed Juneau-Glacier Highway Reconstruction – Fritz Cove to Seaview project. The appraisal problem is to locate and analyze sufficient market data to provide an estimate of the market value of the subject property before the acquisition. If required, additional market data will be analyzed to estimate the market value of the property following the proposed acquisition and to identify the extent of damages and/or special benefits that may accrue to the property as a result of the acquisition. Property owners, Realtors, assessors, bankers, and other knowledgeable individuals were interviewed to provide insight into the real estate market as it pertains the subject property, both before and after the proposed acquisition

DESCRIPTION OF PROPOSED PROJECT

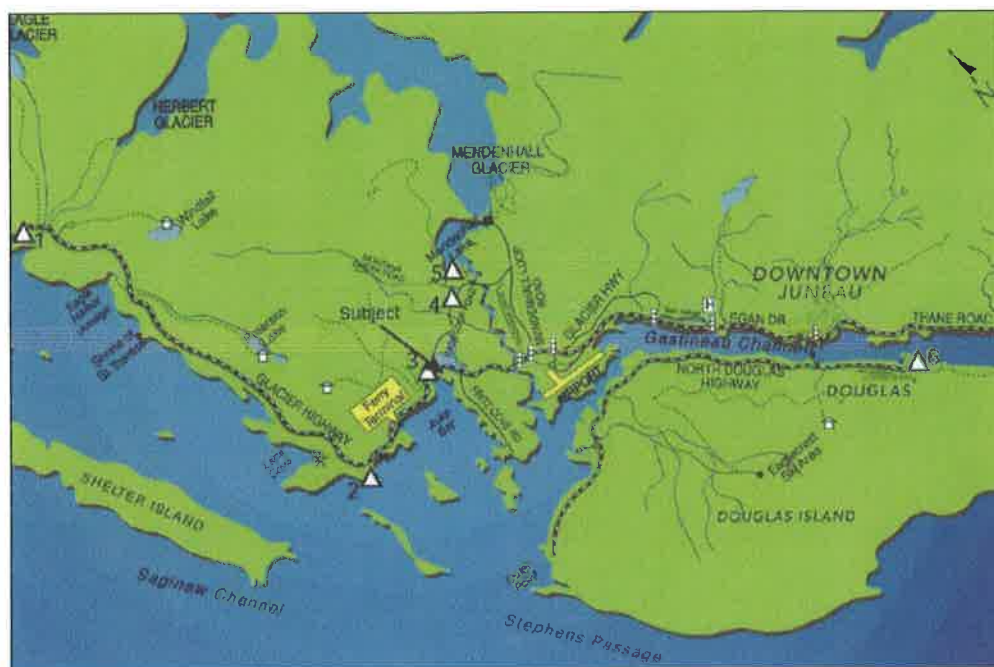
The Alaska Department of Transportation and Public Facilities (ADOT&PF) proposes to reconstruct Glacier Highway from Fritz Cove Road to Seaview. The project will entail reconstruction of segments of road sub-base, widen the roadway, flatten curve alignments, improve intersections, drainage systems, resurface the road way, add lighting, and guardrail, improve bicycle and pedestrian facilities including improved curb ramps to meet ADA standards, and add a center turn lane through the Auke Bay business area. Length of the project is approximately one mile.

Go to dot.alaska.gov/sereg/projects/abcorr/index.shtml to view full details regarding the proposed project. The graphic on the following page depicts the limits and intents of the proposed project

VISUAL OF THE PROPOSED PROJECT



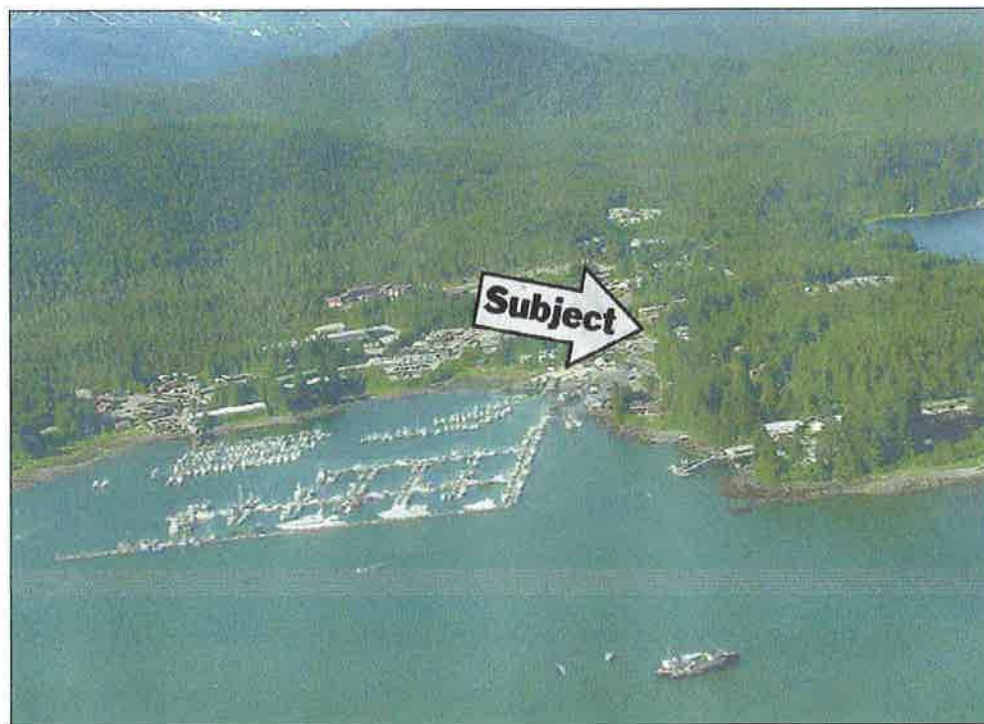
NEIGHBORHOOD DESCRIPTION



Auke Bay, the subject neighborhood, is about 11 miles north of downtown Juneau along Glacier Highway.

The focus of the area is Statter Harbor, the only semi-protected public harbor north of the city center. The harbor is a hub of commercial activity and the northernmost extent of commercial activity north of the city center. DeHart's Marina was acquired by the City in 2005, which immediately created a master plan for

expansion of the harbor and its immediate surrounds. The overall plan will add boat floats, two boat launches, and improve existing docks. Parking has always been a premium and there are plans to expand off-street parking as well.



While the harbor dominates the waterfront, the University of Alaska Southeast campus that occupies a hillside between Auke Bay and Auke Lake is a major feature of the area as well. It has grown over the years with on campus student housing and a full complement of institutional buildings. A new dorm has just been completed. NOAA has an office building, lab, and dock located just south of Statter Harbor.

Northward of the Glacier Highway/Back Loop intersection is a commercial

area with strip centers, a US Postal Service facility, a mobile home park, and numerous small businesses. DeHart's store, a small convenience store, appears to be the loci of the neighborhood and provides fuel and goods for Statter Harbor users. The Alaska Marine Ferry Terminal is two miles north of DeHart's and provides a significant amount of passenger and freight activity.

South of DeHart's on Glacier Highway is the Fritz Cove area, a large residential neighborhood with hillside and waterfront homes that capitalize on the Auke Bay environs. Fritz Cove appears to be near full development with a few single lots available. Local Realtors indicate an appreciation in pricing for the remaining land. Residential neighborhoods dominate the landscape north along the Back Loop Road area and northward past the ferry terminal. If expansion is to occur in the Auke Bay area it will have to trend northward along Glacier Highway as the general area appears to be near full development. The harbor improvements will increase activity in the area and place additional pressure on the existing infrastructure.

SUBJECT PROPERTY PHOTOGRAPHS



View of the subject looking northward from
Glacier Highway



View of the subject looking westward along
Glacier Highway at E-12 & TCE-12A

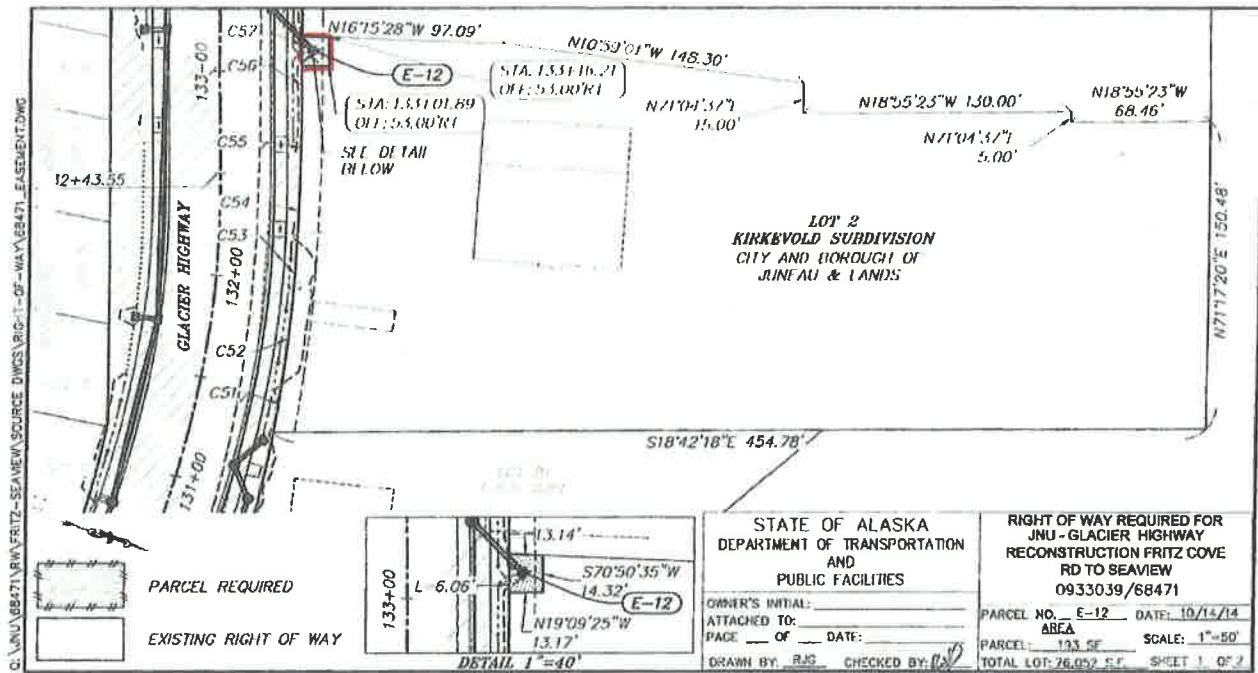


Looking eastward along Glacier Highway at
TCE-12

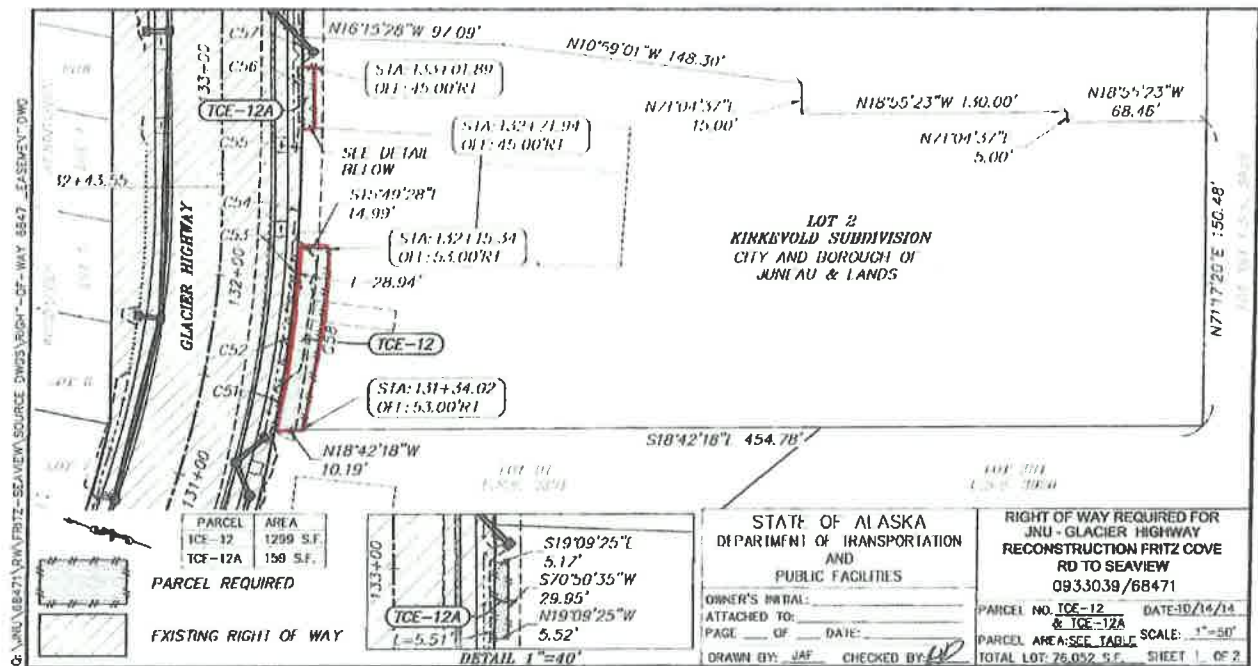


Looking westward along Glacier Highway –
subject on right in background of photo

ADOT RIGHT OF WAY MAPS – AREAS TO BE ACQUIRED OUTLINED IN RED PARCEL E-12



TCE-12 & TCE-12A



THE APPRAISAL PROCESS

The previous graphics illustrate the location and size of the land valued in this report that is owned by the City & Borough of Juneau. An appraisal is the process of developing an opinion of value, and begins with an identification of the property to be appraised, the appraisal problem, and determination of the scope of work that sets forth the type and extent of research and analysis to be performed. Data is then gathered regarding the subject property and research is conducted to assemble the most appropriate market data suited for analysis. The approaches to value are applied, which culminates in an opinion of value of the subject property. In this case, the direct sales comparison approach is selected as the most appropriate appraisal methodology to value unimproved land. The appraisal of the subject property follows based on this protocol.

MARKET VALUE

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, both acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto, and;
4. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROPERTY RIGHTS APPRAISED

The fee simple estate is valued in this appraisal. Fee simple estate is defined in The Dictionary of Real Estate Appraisal as follows:

"Absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation."

PROPERTY OWNERSHIP

Public records indicate the subject property is owned by City & Borough of Juneau.

REAL ESTATE TAXES

The subject land is under public ownership and is not subject to real estate taxation.

LEGAL DESCRIPTION

The legal description of the subject property is Lot 2, Kirkevold Subdivision.

DATE OF APPRAISAL

The date of the appraisal is the date of inspection October 6, 2014.

SITE DESCRIPTION

Following is a description of the significant factors regarding the subject land (highlighted in red) based on a physical inspection and data from available mapping.



Shape, dimensions and area

The land tract depicted in the adjacent graphic is irregular in shape that fronts Glacier Highway just west of the Back Loop Road/Glacier Highway roundabout. ADOT maps indicate the subject contains 76,052 square feet or 1.746 acres.

Topography, soils and drainage

The topography is generally sloping to level in a southward direction towards the road frontage. Soils are unreported but appear suited to support improvements based on an existing building on the site. Drainage appears good due to the topography.

Utilities

Telephone, electricity, water and sewer are available to the subject property and are suited for development of the land to its highest and best use.

Access and street improvements

The subject fronts the north side of Glacier Highway. The Glacier Highway Road improvements consist of the paved roadway, street lights and curb/sidewalk. Overall, the subject enjoys significant road frontage, and has good access for this location.

Easements

No easements are delineated on the ADOT maps. There are aerial utility lines and poles along the road frontages and a sign indicates presence of a sewer. It is assumed any easements do not cause issues with development of the land.

Zoning

According to the Juneau Land Use Ordinance Title 49, the subject is zoned LC-Light Commercial District. This district is intended to accommodate commercial development that is less intensive than that permitted in the GC district. LIC districts are primarily located adjacent to existing residential areas. Although many uses allowed in this district are also allowed in the GC district they are listed as conditional uses and require commission review. A lower level intensity development is also achieved by stringent height and setback restrictions. Residential development is allowed in mix- and single-use developments in this district.

Improvements Description

The subject is improved with the Auke Bay Fire Station. None of the improvements are affected by the acquisition except for a small patch of lawn at E-12; 30 feet of chain link and lawn in TCE-12A and a planted area in TCE-12A. The lawn areas will be re-established by the contractor after completion of construction to stabilize the surface. The replacement cost of the 30 feet of chain link fence is \$35 per linear foot or \$1,050. The fence is in good condition with 10% deducted for physical depreciation. Depreciated value of the fence is \$945. The plants in TCE-12A are estimated to cost \$2.50 per square foot to re-establish. At 1,299 square feet and \$2.50 per square foot, the owner will be paid \$3,250(rd). The contractor will stabilize the land disturbed by the TCE but not re-establish the plants.

HIGHEST AND BEST USE

In accordance with AKDOT/PF Right of Way Manual, Section 4.11 and appraisal theory and practice, the concept of highest and best use represents the premise upon which value is based. The determination of highest and best use is the result of the appraiser's analytical skills and judgment. Highest and best use is a matter of opinion, not a fact to be found.

Highest and best use is defined in The Appraisal of Real Estate (14th Edition, American Institute of Real Estate Appraisers) as:

"The reasonably probable and legal use of vacant land or an improved property which is found to be physically possible, appropriately supported, financially feasible, and which results in the highest present value."

The four factors considered in formulating the opinion of highest and best use of a site or an improved property are additionally described as follows:

1. Possible Use: What uses of the site in question are physically possible?
2. Legally Permissible Use: What uses are permitted by zoning and deed restrictions on the site in question?
3. Financially Feasible Use: Which physically possible and legally permitted uses will produce a net return to the owner of the site?
4. Maximally Productive Use: Among the financially feasible uses, which use will produce the highest net return or the highest present worth?

Following is an analysis of the highest and best use of the subject site as vacant, following the steps in the above described analytical procedure.

HIGHEST AND BEST USE - AS VACANT

Physically Possible Use

The physical characteristics of the site as discussed in the "Site Description" section of the report indicate the subject is the location of the Auke Bay Fire Station that fronts Glacier Highway that has a gently sloping topography is served by all public utilities. Overall, the physical aspects of the subject site present minimal challenges.

Legally Permissible Use

Legal restrictions that apply to development of the subject land include deed restrictions, environmental concerns, easements, and zoning. A title report was not provided but no private deed restrictions are anticipated since it is owned by the CBJ. Easements have not been identified and, if present, are assumed to be of no consequence. This are assumed to be no wetlands; therefore, no environmental issues are expected. No reports have been made available regarding other environmental issues such as in-ground contamination and the like. It is assumed there are no issues of this nature. The LC zoning is intended to provide various commercial and dense residential development consistent with its surroundings.

Financially feasible

Juneau, like elsewhere in the State, experienced a slight downtrend in economic activity from the 2009 recession. Residential and commercial development was sluggish primarily as costs are ever increasing and appraised values were not keeping pace. However, recently Juneau has seen an increase in residential and commercial development with a couple of good sized subdivisions currently under construction, a couple of condominium projects being built and some commercial construction. Given present market conditions and lack of reasonably-priced developable land, the most financially feasible use of the subject is immediate sale.

Maximally Productive and Highest and Best Use

Given development options offered in the zoning code and present market conditions, the maximally productive and highest and best use of the subject land is immediate sale for light commercial development. Under most circumstances the land price is too high to justify residential development.

HIGHEST AND BEST USE - AS IMPROVED

The subject is improved with a public facility that benefits the general public and is compatible with the neighborhood. This use is consistent with zoning and meets the criteria for highest and best use.

THE APPRAISAL

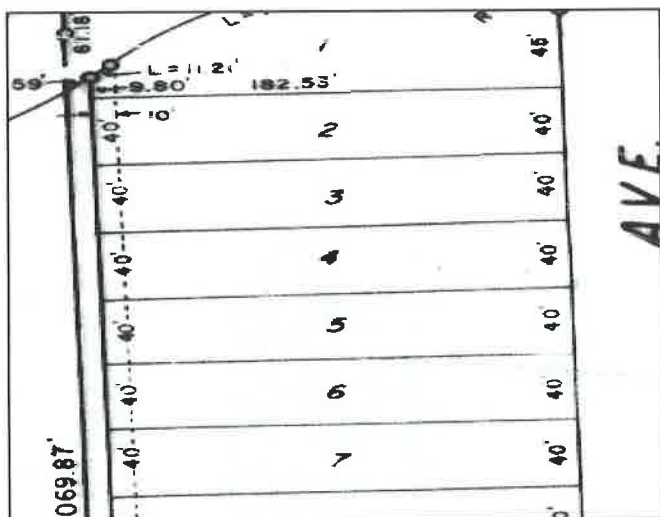
The direct sales comparison is the preferred method to estimate land value and will be applied in this analysis. The sales comparison method is based on the principle of substitution, the rationale being an informed buyer will pay no more for a given site than the cost of an alternative site offering the same utility. A basic assumption of this approach is that the site is valued as vacant and development is its highest and best use. The land sales summarized below represent the current market for lands most similar in use to the subject. The sales are briefly described, compared to the subject, and reconciled in this section of the report to result in an estimate of the market value of the subject site before the acquisition. Complete descriptions of the sales can be found in the addendum.

<u>Sale No.</u>	<u>Location</u>	<u>Sale Date</u>	<u>Sales Price</u>	<u>Size/SF</u>	<u>\$/SF</u>
1	2035 Jordan Ave	07-14	\$415,000	44,756	\$9.27**
2	11265 Glacier Hwy.	07-10	\$560,000	40,510	\$13.82
3	2160 Fritz Cove Road	6-13	\$330,000	34,237	\$9.64
4	12135 Glacier Highway	Listing	\$3,490,000	150,156	\$23.24

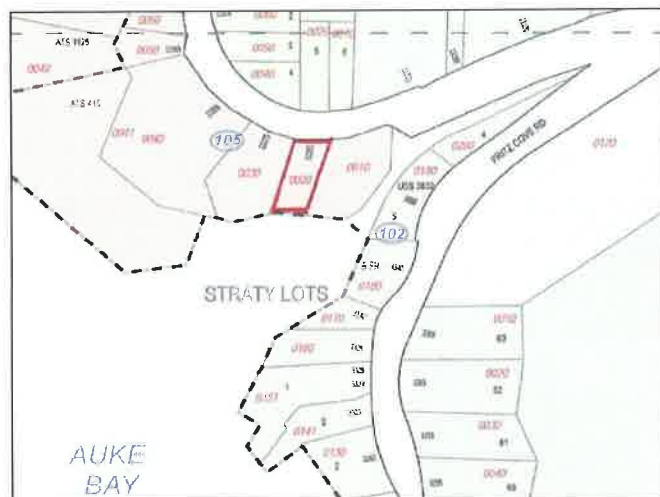
SUBJECT

76,052

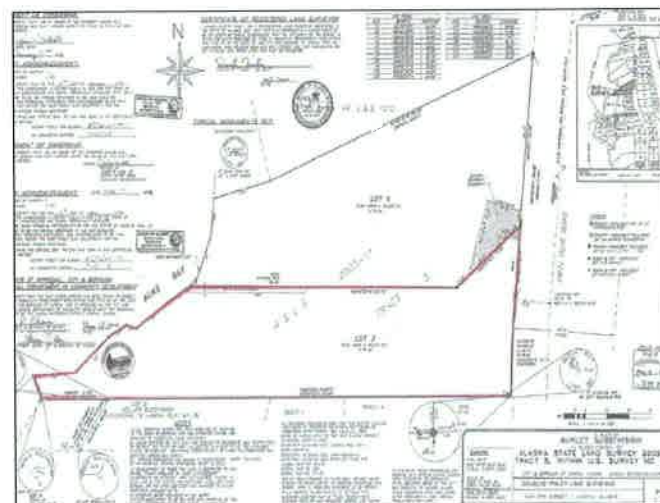
** \$30,000 added to sales price to connect electric to site – adjusted price is \$9.94/SF



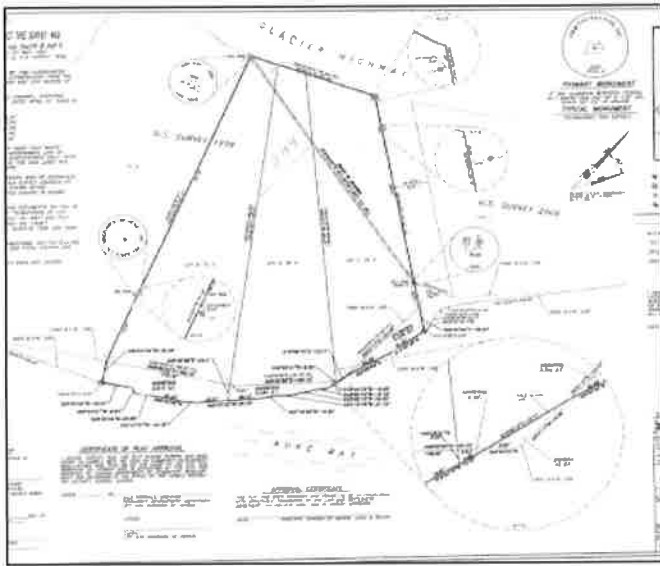
Comparable Land Sale No. 1 is the July 2014 sale of a general commercial zoned land tract, comprised of 6 lots on Jordan Avenue behind the Nugget Mall. It is a 44,756 square foot site with all utilities available and off-frontage access. The property was bought by a developer for development of condos. It has a moderately sloping topography and will require a significant amount of site preparation to be suited for development.



Comparable Land Sale No. 2 is a WC-zoned, 40,510 square foot site at 11265 Glacier Highway that sold in July 2010 for \$560,000 or \$13.82 per square foot. It is a hillside site with a moderate to steep topography sloping from the highway to the waterfront that would require major excavation and fill to be suited for development and to connect utilities. It is on the south side of Glacier Highway next to the former NOAA building that the University of Alaska now owns.



Comparable Land Sale No. 3 is a 34,237 square foot Auke Bay water front site at 2160 Fritz Cove Road that sold in June 2013 for \$330,000 or \$9.64 per square foot. The topography is a gentle slope from Fritz Cove Road towards the water front. City water is available; sewer is not. Access is via a joint access point with an adjacent home owner. It was purchased by a realtor/broker for development of a private residence.



Comparable Land Sale No. 4 is a 150,156 square foot Auke Bay water front site at 12135 Glacier Highway currently listed for \$3,490,000 or \$23.24 per square foot. Much of this land is level along the road with the remainder in a moderate slope from the highway towards the water front. All utilities are available and access is via Glacier Highway. This location is within ½ mile of the subject on the opposite side of the highway. It is being marketed as an ideal place to put hotels, condominiums or mixed use buildings.

Comparative analysis

In this section of the report the sales are compared with the subject based on market-derived elements of comparison. Given the lack of a large number of comparable land sales, it is difficult to find a sufficient number of sales and listings to extract paired sales to formulate quantitative adjustments. Therefore, a qualitative comparison is used to reflect the relationship of the sales to the appraised property.

In a qualitative analysis the sales are categorized as to whether their characteristics are inferior, equal, or superior to the appraised property. Except for accounting for changes in value over time, adjustments are not expressed as a percentage or dollar amount; rather, by a plus and minus relationship.

Property Rights & Legal Encumbrances –The sales all involved transfer of the fee simple estate, similar to the subject. No adjustment is made for this factor in this part of the appraisal.

Financing Terms - The sales utilized in this analysis were all-cash transactions or involved short-term seller terms. No adjustment for financing is deemed appropriate to the sales.

Conditions of Sale – All of the comparable sales appear to be arms length with no duress on either the part of the seller or buyers; therefore, no adjustment is required.

Market Conditions or Changes in Value over time - An analysis of older sales indicates the vacant land market in Juneau has rebounded from a lull following the 2009 recession. The absence of a large data base of sales makes it difficult to estimate the rate of change that covers the period for the comparable sales listed above. The borough assessor has generally increased assessed values 5% per year since 2010 but bases most of the rate of change on observed economic activity rather than an analysis of paired land sales. The comparable sales do not contribute much to the analysis since they represent a varied and diverse spectrum of land from home sites to a large land tract listing. Recognizing the lack of supportive data, and relying more on anecdotal evidence that supports the general appearance of increased demand, a 5% per year or .42% per month increase in land prices is utilized for all the sales in this analysis. No adjustments were made for the sales that occurred in 2014.

Location – Sales 2 & 4 are nearby and similar in location to the subject. Sale 1 is near a developed commercial district but off frontage and inferior in location. Sale 3 is on Fritz Cove Road and inferior in location.

Zoning – The sales range in zoning from residential, to general commercial, to waterfront uses. Sale 1 is zoned for commercial development and is approximately equal to the subject's LC zoning. Sales 2 & 4 are zoned WC for water front development and are superior. The Sale 3 zoning is for residential development and significantly inferior to the subject's LC zoning.

Access/exposure – Sale 1 is off-frontage on Jordan Ave and inferior to the subject. Sales 2 & 4 have similar road frontage and access as the subject. The access to Sale 3 off Fritz Cove Road is inferior.

Size - It is a generally held rule the unit price of raw land decreases as the overall size of the property increases and vice versa. This axiom is evident in the local market, albeit at an inconsistent and difficult to quantify rate. The larger the size differential, the larger the magnitude of the adjustment.

Soils/Topography – Soils and topography vary across the spectrum of the sales and the subject. The subject has been filled and is mostly level, superior in topography to all the sales.

Utilities – Sale 3 lacks access to city sewer and is rated inferior. The remaining sales are equal to the subject in availability of utilities.

Configuration – Shape/configuration do not appear to be a factor relative to the sales and the subject. No adjustments are warranted.

The following grid shows the relative adjustments (plus or minus) that are applied to the sales when compared to the subject.

Sale No.	Subject	Sale –1	Sale 2	Sale 3	Sale 4
Sale Date		07-14	07-10	6-13	Listing
Size (SF)	76,052	44,756	40,510	34,237	150,156
Sales Price		\$415,000	\$560,000	\$330,000	\$3,490,000
Price/SF		\$9.94**	\$13.82	\$9.64	\$23.24
Property rights & encumbrances		-0-	-0-	-0-	-0-
Sales Conditions		-0-	-0-	-0-	-0-
Time Adjustment		-0-	\$2.96	\$.65	-0-
Cash Equivalency		-0-	-0-	-0-	-0-
Adjusted Price /SF)		\$9.94	\$16.78	\$10.29	\$23.24
Location		+	-0-	+	-0-
Zoning		-0-	-	+	-
Access/exposure		+	-0-	+	-0-
Size		-	-	-	+
Soils/Topo.		+	+	+	-0-
Utilities		-0-	-0-	+	-0-
Configuration		-0-	-0-	-0-	-0-
Total Adjustment		+	-0-	+	-0-
Indicated Market Value		>\$9.94	<\$16.78	>10.29	\$23.24

Reconciliation and Correlation

These sales are the most recent subject's immediate neighborhood and vary considerably from the subject in terms of size, zoning, and amenities. Comparatively, Sale 4, the active listing, is a waterfront site across the highway from the subject that sets the far upper end of the value range. Realtors surveyed, except the listing Realtor, feel the list price is too high to justify economic development. Sale 2 is a recent sale of a waterfront commercial lot in the area that is smaller than the subject and benefits from its waterfront location. Overall, this sale is superior to the subject. Sale 1 is an off-frontage commercial-zoned site that is inferior to the subject in soils and access. Sale 3 is least comparable as it is zoned for residential development and is located on the waterfront.

To conclude the process, the following grid places the final perspective as to the position of the subject as it relates to the sales.

Sale No.	\$/SF	Adjustment	Discussion
1	\$9.94	+	Off frontage commercial, require fill/site prep
3	\$10.29	+	Residential site lacks sewer
Subject			
2	\$16.78		WC zoned, Inferior topography, equal access/location
4	\$23.24	-	Similar listing that is listed above the current market.

Sales 1 & 3 are the low end indicators and receive limited weight in reconciliation. Sale 1 has a similar commercial zoning but it is off frontage. It is most comparable to the subject in zoning but its soils and access are inferior. Sale 3 is a residential home site and is least comparable of the group. It is from the same general neighborhood and therefore has some relevance. The grid indicates the market value of the subject falls above the low end indicators and below the time adjusted price for Sale 2, the WC zoned site just south of the subject. Since the subject is larger and lacks the waterfront amenity, the subject's market value falls below this benchmark.

After considering the available market data, interviews with local Realtors, and the subject's larger size relative to the sales, the market value of the subject land is concluded at \$12.00 per square foot. Total fee simple land value is calculated as follows:

$$76,052 \text{ SF} \times \$12.00/\text{SF} = \$912,624$$

VALUE OF THE PART TAKEN AS PART OF THE WHOLE

The ADOT&PF intends to acquire a 193 square foot easement, designated as Parcel E-12, from the subject property along the Glacier Highway frontage for the proposed project. The market value of the area to be acquired is calculated as follows:

$$\text{Land Value} \times \text{Size of Affected Property} = \text{Market Value Part Taken}$$

$$\$12.00/\text{SF} \times 193 \text{ SF} = \$2,316$$

VALUE OF THE PART TAKEN AS PART OF THE WHOLE

\$2,316

VALUE OF THE REMAINDER AS PART OF THE WHOLE

MARKET VALUE BEFORE THE TAKING:	\$912,624
MARKET VALUE OF THE PART TAKEN:	<u>-2,316</u>
MARKET VALUE OF REMAINDER AS PART OF THE WHOLE:	\$910,308

VALUE OF THE REMAINDER AS A SEPARATE PARCEL

The market value of the subject, as a separate parcel on a per square foot basis at \$12.00/SF is similar to its market value before the acquisition. In the after situation, access to the subject stays the same. Therefore, there is no change in land value due to the acquisition. The market value of the acquired area is deducted to reflect its value as a separate parcel.

MARKET VALUE BEFORE THE TAKING	\$912,624
LESS: ACQUIRED AREA	<u>- 2,316</u>
VALUE OF REMAINDER AS A SEPARATE PARCEL	\$910,308

DAMAGES AND COST-TO-CURE

There are no damages of cost-to-cure items.

DAMAGES	-0-
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SPECIAL BENEFITS TO THE REMAINDER

The subject derives no special benefits as a result of the proposed project and the value of the underlying land does not change after the acquisition. The amount of the special benefits that accrue to the subject is calculated by comparing the market value of the subject's remainder as a separate parcel against the value of the remainder as a part of the whole.

VALUE OF THE REMAINDER AS A SEPARATE PARCEL:	\$910,308
LESS: VALUE OF THE REMAINDER AS A PART OF THE WHOLE:	<u>-910,308</u>
SPECIAL BENEFITS:	-0-

TEMPORARY CONSTRUCTION EASEMENTS – TCE-12 & TCE-12A

There are two temporary construction easements that impact the subject property labeled on mapping as TCE-12 & TCE-12A. The total land area contained in these easements is 1,458 square feet. (TCE-12 = 1,299 SF; TCE-12A = 159 SF). According to ADOT sources, the term of the easements will be 15 months and is expected to last from initiation of construction until completion. Essentially, the State is temporarily leasing a portion of the subject for duration of the project to facilitate construction. The 1,458 SF contained in TCE's will be rented from the owner for a period of 15 months during the construction period based on an annual rental rate of 10% per year of the land value. The rental value of TCE-12 & TCE-12A is calculated as follows: 1,458 SF x \$12/SF = \$17,496 x .10/12 MO = \$146/MO x 15 MO = \$2,190.

MARKET VALUE OF THE ACQUISITION

The market value of the acquisition is summarized as follows:

1.	Land Acquired	2,316
2.	Improvements Acquired	4,195
3.	Net Damages	-0-
4.	Cost-to-Cure	-0-
5.	Permits Acquired	-0-
6.	Easements Acquired	2,190
7.	PLO or section line easements	-0-
8.	Other interests acquired	-0-
TOTAL MARKET VALUE OF THE ACQUISITION		\$8,701

PROPERTY OWNER'S COMMENTS

I met with Greg Chaney, Lands and Resources Manager and his staff for the City/Borough of Juneau on October 7, 2014 to inform him as to the plans for the proposed project and to identify and discuss the implications of the project relative to the subject valued in this report. He and his staff members were not aware of the immediacy of the project but anticipated its coming in the future. We discussed its location that is in front of the sewage treatment facility in Auke Bay. They noted constant access was needed to service the facility and expressed concern as to its impact on the facility itself. No other issues were discussed. They await further contact from ADOT/PF officials.

At a later date ADOT added Parcel 12 to the list of parcels to be valued. On October 29, I emailed Mr. Chaney the additional maps and revised maps for Parcel 9.

ADDENDUM

ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

FIVE YEARS SALES REPORT

Project No.: 0933039/68471
JNU-Glacier Highway Reconstruction
Fritz Cove Road to Seaview

SALES OF THE SUBJECT:

PRICE:	N/A	DATE OF SALE:	N/A
TERMS:			
RECORDED DATE:		INSTRUMENT:	
GRANTOR:		BOOK/PAGE:	
GRANTEE:			
INTERVIEWED:		DATE CONFIRMED:	

PRICE:		DATE OF SALE:	
TERMS:			
RECORDED DATE:		INSTRUMENT:	
GRANTOR:		BOOK:	
GRANTEE:		PAGE:	
INTERVIEWED:		DATE CONFIRMED:	

SALES OF THE SUBJECT MUST BE REPORTED AND ANALYZED AS COMPARABLE DATA. THE APPRAISER MUST INCLUDE SALES THAT OCCUR SUBSEQUENT TO THE TITLE SEARCH.

APPRAISER: Roger W. Nash DATE: 10/07/2014

VERIFIED WITH: Public Records DATE: _____

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

OPPORTUNITY TO ACCOMPANY THE APPRAISER

CITY AND BOROUGH OF JUNEAU

155 S. Seward Street
Juneau, Alaska 99801

Attention: Greg Chaney
Lands and Resources Manager

Juneau-Glacier Highway - Fritz Cove Road to Seaview
Project No. 9033039
Juneau, Alaska

Dear Mr. Chaney:

As owner or owner's representative of the above described property, I hereby acknowledge that Roger W. Nash of Northern Appraisers, a professional appraiser, has advised me that Public Law 91-646 requires that I or my designated representative be given the opportunity to accompany the appraiser during their inspection of the property.

☒

I hereby decline the offer to inspect the property with the appraiser

☐

I will accompany the appraiser during inspection on the following date:

☐

I appoint the following person as my designated representative.

☐

I accompanied the appraiser during inspection on the following date:

Signed:

Greg F Chaney

Owner:

City and Borough of Juneau

Date:

Oct 7 2014

State of Alaska Department of Transportation and Public Facilities

MARKET DATA SHEET – LAND SALE 1

Location: 2035 Jordan Ave, Juneau, Alaska

Legal Description: Lots 2, 3, 4, 5A, 6A & 7 Block D, Valley Centre Subdivision, Plat 518

Grantor: Valley Centre Development
Grantee: R & S Construction LLC

Sales Price: \$415,000** **Site Size(SF):** 44,756 SF **Price/SF:** \$9.94/\$9.27** **Terms:** Cash
Sale Date: 7-2014 **Recording Date:** 7-2014 **Instrument:** **Book/Page:** 2014-003274

Zoning: General Commercial
Highest & Best Use: Commercial

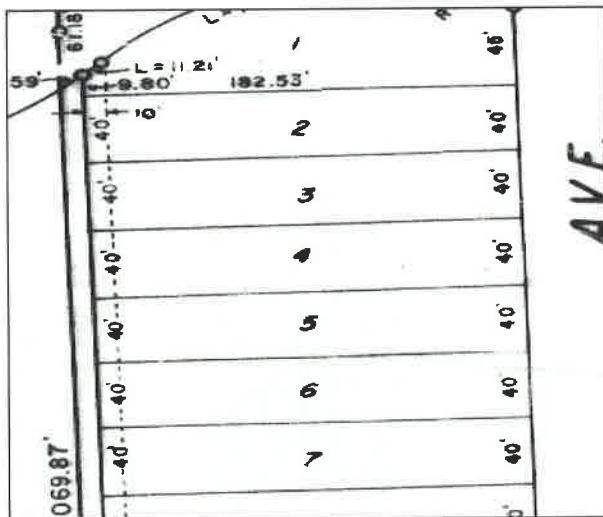
Size & Shape: 44,756 SF (1.03 AC) Rectangular
Topography: Sloped down slightly from road **Utilities:** Telephone electricity, water, sewer
Soils: Required a lot of fill/site prep **Access:** Jordan Ave.

Improvements: The land was unimproved prior to sale. The buyers indicated that they had to move electrical to the site which was an additional \$30,000 and was considered when the purchase price of \$415,000 was negotiated (\$445,000/44756=\$9.94 per square foot). The site now has a set of condos going in with large garages on the first floor and living spaces above.

Neighborhood Description: This area is a mostly developed commercial neighborhood behind the Nugget Mall.

Verified with: Scott Jenkins: Grantee

Date/By: 10/14/SDK



State of Alaska Department of Transportation and Public Facilities

MARKET DATA SHEET – LAND SALE 2

Location: 11265 Glacier Hwy. Auke Bay, AK

Legal Description: Fraction of USS 1500

Grantor: Donald Bedford
Grantee: University of Alaska

Sales Price: \$560,000 **Site Size(SF):** 40,510 SF
Sale Date: 07-10 **Recording Date:** 07-10

Price/SF: \$13.82 **Terms:** Cash
Instrument: **Book/Page:** 2010-004143-0

Zoning: Waterfront Commercial
Highest & Best Use: Commercial

Size & Shape: 40,510 sf Almost Rectangular
Topography: Slopes down steeply to water
Soils: Presumed stable

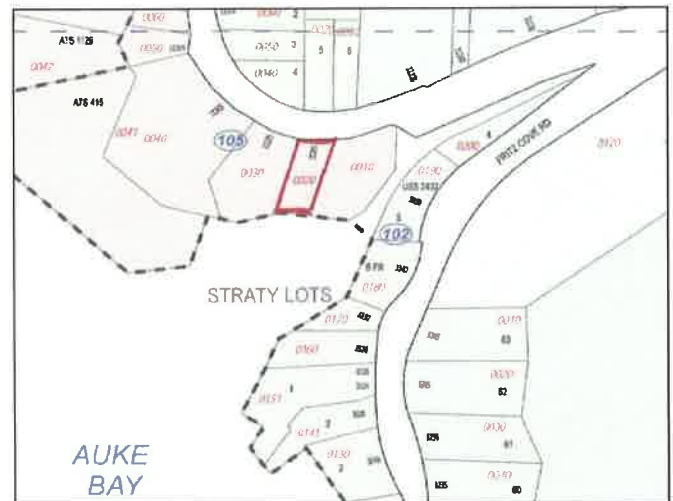
Utilities: Telephone, electricity, water, sewer
Access: Glacier Highway

Improvements: No improvements known.

Neighborhood Description: This is a mostly developed waterfront area that is in Auke Bay. The neighboring property is the old NOAA building that is now owned by the University of Alaska, and they purchased this lot.

Verified with: John Hagmeier (Neighboring property owner)

Date/By: 07/14/SDK



MARKET DATA SHEET – LAND SALE 3

Location: 2160 Fritz Cove Rd.

Legal Description: Lot 2, Auklet Subdivision, Plat 2012-10

Grantor: John Bursell

Grantee: Christopher & Debbie White

Sales Price: \$330,000

Site Size(SF): 34,237 SF

Price/SF: \$9.64

Terms: Conventional

Sale Date: 06/2013

Recording Date: 6-2013

Instrument:

Book/Page: 2013-004150

Zoning: D-1, single family and duplex residential

Highest & Best Use: Residential

Size & Shape: 34,237 SF (.78 AC) irregular

Topography: Gentle Slope downhill from road

Utilities: Telephone electricity, water

Soils: Appear suitable for development

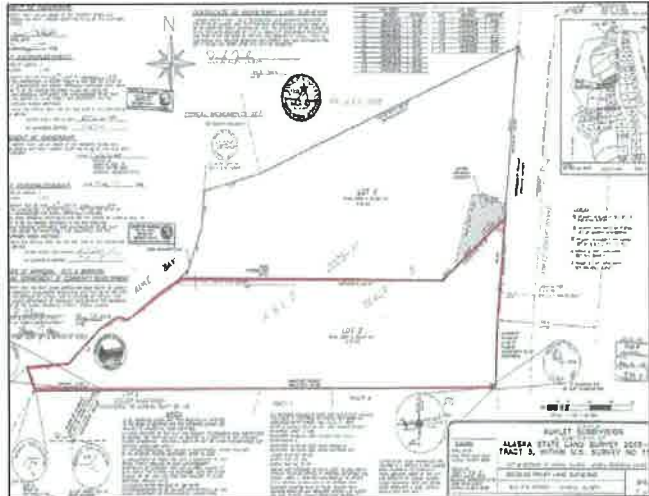
Access: Fritz Cove Road

Improvements: No site improvements.

Neighborhood Description: This area is a near fully developed residential neighborhood.

Verified with: Debbie White, Grantee

Date/By: 05/13/SDK



State of Alaska Department of Transportation and Public Facilities

MARKET DATA SHEET – LAND SALE 4

Location: NHN Glacier Highway, Juneau, Alaska

Legal Description: Lots 1, 2A & 3A, Tract C, USS 1939

Grantor: Lloyd E. Lindegaard

Grantee: N/A

Sales Price: \$3,490,000

Site Size(SF): 150,156 SF

Price/SF: \$23.24

Terms: N/A

Sale Date: Listing

Recording Date: N/A

Instrument:

Book/Page:

Zoning: Waterfront Commercial

Highest & Best Use: Residential

Size & Shape: 150,156 SF (3.45 AC) irregular

Topography: Slopes down to water

Utilities: Telephone electricity, water, sewer

Soils: Appear suitable for development

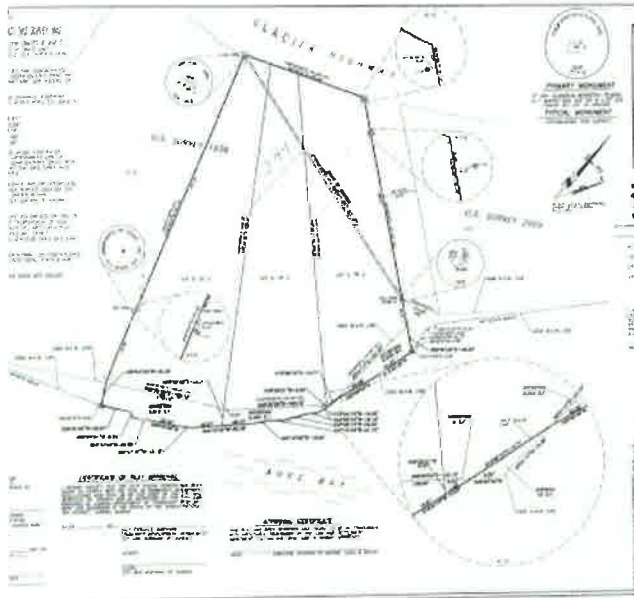
Access: Glacier Highway

Improvements: There is an old, rough, driveway down towards the water.

Neighborhood Description: This land has excellent road frontage on Glacier Highway. This property is located just before Spaulding Beach Condos, and is being marketed as an ideal place to put in "Hotels, Condominium project, Mixed Use Buildings, restaurants ...the possibilities are endless!"

Verified with: Marty McKeown, Realtor

Date/By: 10-14/SDK



ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following assumptions and limiting conditions:

1. The title to the property is assumed to be marketable and free of all liens and encumbrances, except as noted in this report.
2. No responsibility is assumed for matters that are legal in nature, nor is any opinion rendered on the title of the land appraised.
3. All maps, areas, and other data furnished have been assumed to be correct. The information obtained from others is considered to be reliable, but no guarantee is made to the absolute correctness of this information.
4. No part of this appraisal should be used out of context. The value of the land and improvements when shown separately must not be used in conjunction with any other appraisal and are invalid if so used.
5. There shall be no obligation to appear or testify in court by reason of this appraisal, unless mutually satisfactory arrangements are made in advance.
6. Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute. Neither all, nor any part of, the contents of this report shall be disseminated to the public without the prior written consent and approval of the appraiser.
7. The appraisal is subject to your agreement that the liability of Northern Appraisers, as well as, the individual appraiser signing the report, due to professional negligent acts, errors or omissions of the appraisers, are limited to the amount of the appraisal fee. All persons utilizing and relying upon this report, in any manner, bind themselves to accept this limitation of liability.
8. The valuation assumes the appraised property is free and clear of hazardous contaminants, unless specifically noted. If the appraised property is suspected of contamination, then the client is urged to retain an engineer's report. The appraisers reserve the right to review value conclusions if documentation, including cost-to-cure estimates, is provided.

QUALIFICATIONS OF APPRAISER
ROGER W. NASH

EDUCATION:

Bachelor of Science in Agriculture, Ohio State University-1969

Course or Seminar Title	Sponsor/Provider	Dates:
		Mo./Yr.
Residential Report Writing	Appraisal Institute	4-13
Applications in Litigation Valuation	Appraisal Institute	3-13
USPAP 2012 Update	Appraisal Institute	2-12
Real Estate Finance, Statistics & Valuation Modeling	Appraisal Institute	5-11
USPAP 2010 Update	Appraisal Institute	4-10
Litigation: Specialized Topics	Appraisal Institute	2-10
General Appraiser Sales Comparison Approach	Appraisal Institute	5-09
Standards of Professional Practice - Update 2009	Appraisal Institute	3-09
Federal Land Acquisitions	US Dept. Interior	5-07
Federal Aid Highway Appraisal	USDOT	4-07
USPAP Update	Appraisal Institute	3-07
Highest and Best Use	Appraisal Institute	4-05
Appraisal of Land	Intl. Assoc. of Assessing Officers	11-02
Standards of Professional Practice - Part C	Appraisal Institute	1-00
Technical Inspection of RE	Beckman	5-00
Special Purpose Properties	Appraisal Institute	3-99
Appraisal of Non-Conforming Uses	Appraisal Institute	3-99
Appraisal of Local Retail Properties	Appraisal Institute	4-99
Supporting Sales Adjustments For Residential Properties	Appraisal Institute	4-99
Eminent Domain and Condemnation Appraising	Appraisal Institute	4-99
Dynamics of Office Buildings	Appraisal Institute	10-96
Dynamics of Retail Properties	Appraisal Institute	10-96
Standards of Professional Practice	Appraisal Institute	9-95

Appraisal Practices for Litigation	Appraisal Institute	5-95
Appraiser as an Expert Witness	Appraisal Institute	5-95
HUD/FHA Refresher	HUD/FHA Anchorage	5-95
Appraisal Reporting Options-Residential	Appraisal Institute	7-94
Appraisal Reporting Options-Commercial	Appraisal Institute	7-94
Advanced Income Cap.	Appraisal Institute	7-93
Standards of Professional Practice	Appraisal Institute	7-93
Partial Acquisitions	American Right-of-Way Association	4-92
Residential Seminar	FNMA	1-91
Standards of Professional Practice	American Institute of Real Estate Appraisers	11-87
Case Studies in Real Estate	American Institute of Real Estate Appraisers	4-85
Valuation Analysis & Report Writing	American Institute of Real Estate Appraisers	4-85
Investment Analysis	American Institute of Real Estate Appraisers	4-84
Capitalization Theory	American Institute of Real Estate Appraisers	11-83
Real Estate Appraisal Principles/Basic Valuation	American Institute of Real Estate Appraisers	11-82

BUSINESS EXPERIENCE

Fee Appraiser - Street King and Associates - 1978
 Fee Appraiser & Partner - Price and Associates - 1980-1985
 Appraiser/owner - Northern Appraisers - 1985 to Present

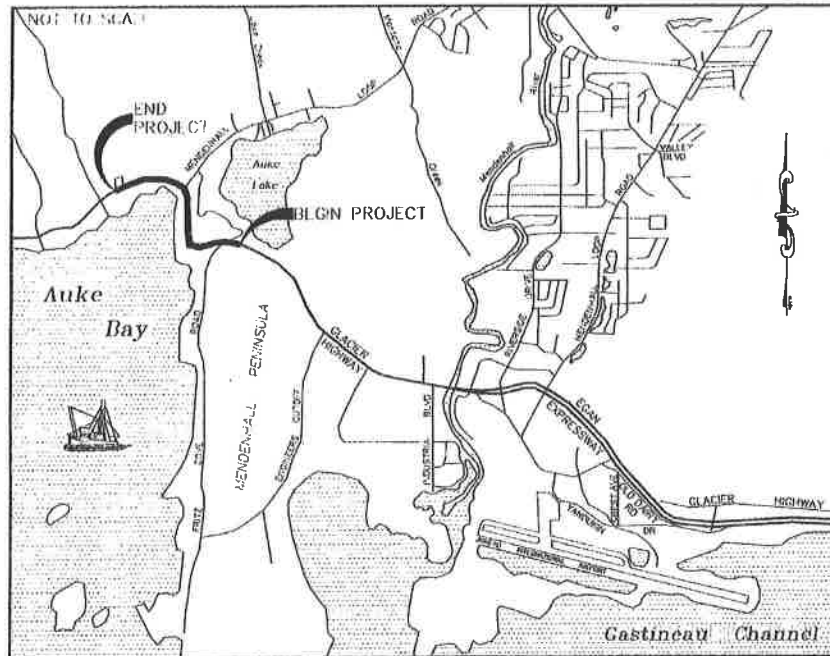
PROPERTIES APPRAISED

Urban & remote residential properties including single family, duplex, and multi-plex housing, and condos, remote homesites, and cabins. Commercial properties of all types including office buildings, apartment, industrial properties, retail malls and buildings, hotels, motels, convenience stores, car washes, service stations, bulk plants, recreational lodges, remote land, land leases. Appraisal locations span the state including the communities of Anchorage, Barrow, Cantwell, Cordova, Craig, Delta Junction, Fairbanks, Galena, Glennallen, Healy, Homer, Juneau, Kenai, Ketchikan, King Salmon/Naknek, Kotzebue, Nenana, Nome, Palmer, Petersberg, Prudhoe Bay, Seward, Soldotna, Tok, Valdez, Wasilla.

State of Alaska - General Appraiser Certification No. AA-43 - Expires 6-30-15

**REAL ESTATE APPRAISAL
JNU-GLACIER HIGHWAY RECONSTRUCTION
FRITZ COVE TO SEAVIEW
PROJECT NOS. 0933039/68471**

0933039 / 68471



Vicinity Map

**STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
SOUTHEAST REGION
6860 GLACIER HIGHWAY
JUNEAU, ALASKA 99801-7999**

**PARCEL E-9, TCE-9, & TCE-9A
LEGAL DESCRIPTION: FRACTION OF LOT 2 USS 3819
OWNER: CITY AND BOROUGH OF JUNEAU**

DATE OF VALUE: OCTOBER 6, 2014



454 SLATER DRIVE, FAIRBANKS, ALASKA 99701
907-451-8674
FAX 907-451-7298
Email roger@northernappraisers.com

October 30, 2014

STATE OF ALASKA

Department of Transportation
and Public Facilities
Southeast Region
6860 Glacier Highway
Juneau, Alaska 99801-7999

Attention: Ray Preston, Contract Manager

Re: Appraisal of Parcel E-9, TCE-9, & TCE-9A
Fraction of lot 2, USS 3819
JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview
Project No. 0933039/68471
Juneau, Alaska

Dear Mr. Preston:

I have completed an appraisal of the above-identified property for the purpose of estimating the market value of the fee simple estate of a parcel of land to be acquired as a result of the proposed JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview Project.

This appraisal report describes the appraised property and the appraisal process that concludes with the opinion of market value of the proposed acquisition. Based on the analysis contained herein, the estimated market value of the acquisition of Parcels E-9, TCE-9 & TCE-9A as of October 6, 2014 is:

**THIRTY FIVE THOUSAND SIX HUNDRED DOLLARS
(\$35,600)**

STATE OF ALASKA

Department of Transportation

and Public Facilities

Southeast Region

Appraisal of Parcels E-9, TCE-9 & TCE-9A

Fraction of lot 2, USS 3819

JNU-Glacier Highway Reconstruction – Fritz Cove to Seaview

Project No. 0933039/68471

Juneau, Alaska

Page 2

Thank you for this opportunity to be of service. Should questions arise regarding this appraisal, please contact me at this office.

Respectfully;

NORTHERN APPRAISERS



Roger W. Nash

Certified General Real Estate Appraiser

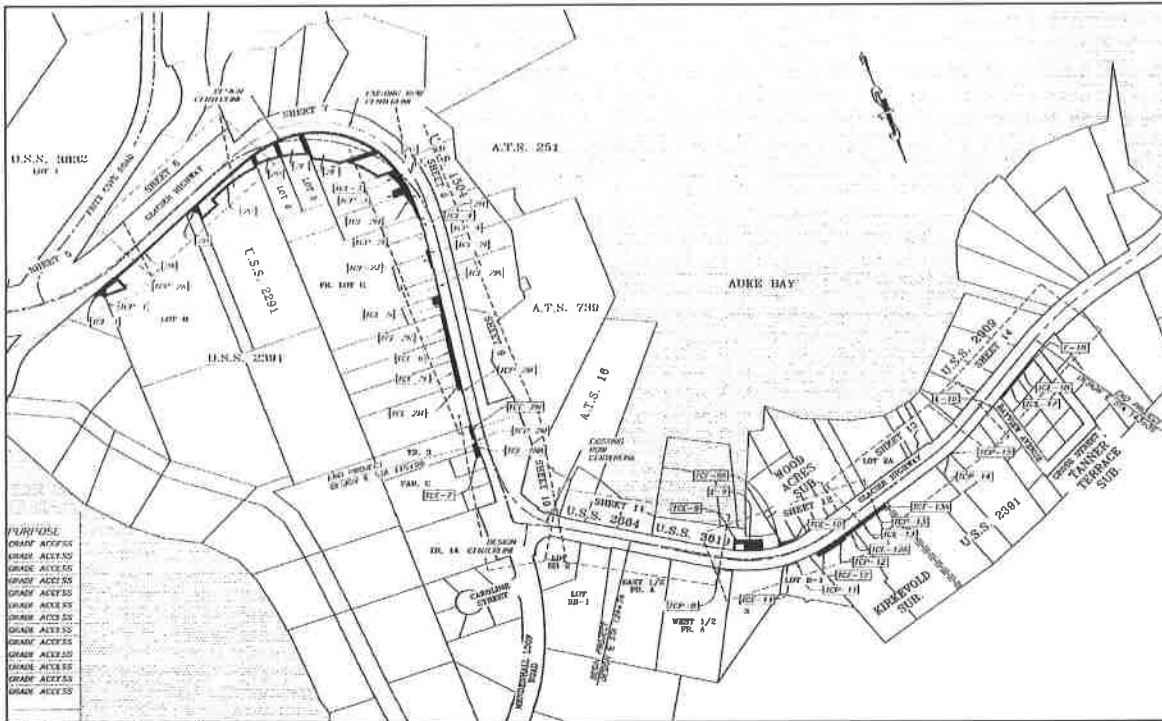
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ADDENDUM

NARRATIVE APPRAISAL SUMMARY

Property Location: The subject property is located along the south side of Glacier Highway just past the new round-about and adjacent to the sewage pump station with frontage on Glacier Highway.



5

ACQUISITION SUMMARY

Market Value Before Acquisition:	Land:	\$742,240
	Improvements:	<u>-0-</u>
	Total:	\$742,240
Less Acquisition Value as Part of Whole:	Land:	\$33,080
	Improvements:	<u>-0-</u>
	Total:	\$33,080
Remainder Value as Part of Whole:		\$709,160
Estimated Market Value of Remainder:	Land:	\$709,160
	Improvements:	<u>-0-</u>
	Total:	\$709,160
Special Benefits:		-0-
Damages Incurable:		-0-
Net Damages:		-0-
Cost-to-Cure:		-0-
Permits:		-0-
Easements:		\$2,520
PLO or Sectionline Easements:		-0-
Other:		-0-
MARKET VALUE OF THE ACQUISITION:		\$35,600

CERTIFICATE OF APPRAISER

JNU-GLACIER HIGHWAY RECONSTRUCTION – FRITZ COVE TO SEAVIEW

PROJECT NO: 0933039/68471 PARCELS: E-9, TCE-9, & TCE-9A

I CERTIFY THAT:

I personally inspected the property appraised in this report on 10-06-2014 I personally verified the facts, prices, terms, and conditions of sales used as comparable data with the parties to each transaction except to the extent otherwise indicated in the body of my report; I made a personal field inspection of any comparable properties referred to in the report; The narrative analysis and conclusions contained with this appraisal report are my own; I have acknowledged the names of assistants (if any) in the body of my report; and I have limited their services to photography, basic research, and general data gathering.

I have afforded the property owner(s) the opportunity to accompany me at the time of my inspection of the property.

To the best of my knowledge and belief the statements contained in the appraisal report are true and correct, and the information upon which my opinions are based is accurate, subject only to the assumptions and limiting conditions set forth in this report.

I understand that my appraisal report is to be used in connection with the acquisition of right of way for a transportation project to be constructed by the State of Alaska funds.

This appraisal report has been made in conformity with State laws, regulations and policies and procedures applicable to valuation of lands for such purposes. To the best of my knowledge no portion of the value, which I have assigned to the property, consists of items which are noncompensable under the established law of the State of Alaska, nor do the values assigned reflect a decrease or increase due to the proposed project.

Neither my employment nor my compensation for making this appraisal report are in any way contingent upon the reporting of a predetermined value that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.

I have no present or prospective interest in such property; and I have no personal interest or bias with respect to the parties involved, nor will I in any way benefit from the acquisition of such property.

I have not revealed the findings and results of this report to anyone other than the proper officials of the Alaska Department of Transportation and Public Facilities, the Federal Highway Administration or the Federal Aviation Administration, and I will not do so until so authorized by proper officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

My professional opinion of fair market value of the property rights appraised is \$35,600 or THIRTY FIVE THOUSAND SIX HUNDRED DOLLARS as of the 6th day of October, 2014.

This opinion is based upon my personal, unbiased professional analysis, opinions, and conclusions.



Signed: Roger W. Nash

10-27-2014

Date of signature

PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of this appraisal report is to:

1. Estimate the market value of the property owner's rights immediately before the proposed acquisition;
2. Estimate the market value of the property owner's rights immediately after the proposed acquisition;
3. Estimate the value of the part taken as a part of the whole, and;
4. Estimate damages and/or special benefits, if any, to the remainder, after the acquisition.

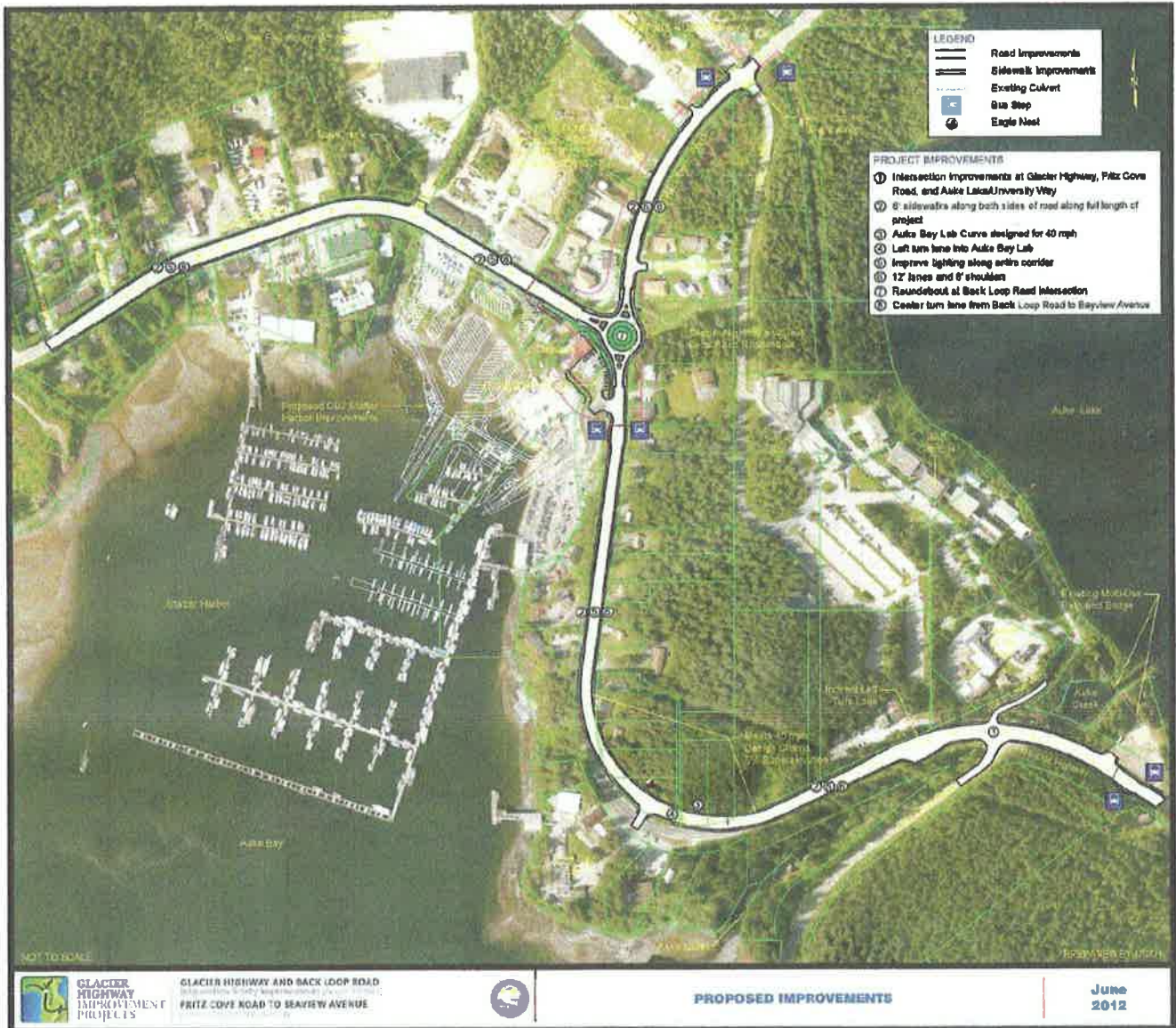
The function of this appraisal is to appraise the value of the ownership rights of a parcel of land to be acquired for the proposed Juneau-Glacier Highway Reconstruction – Fritz Cove to Seaview project. The appraisal problem is to locate and analyze sufficient market data to provide an estimate of the market value of the subject property before the acquisition. If required, additional market data will be analyzed to estimate the market value of the property following the proposed acquisition and to identify the extent of damages and/or special benefits that may accrue to the property as a result of the acquisition. Property owners, Realtors, assessors, bankers, and other knowledgeable individuals were interviewed to provide insight into the real estate market as it pertains the subject property, both before and after the proposed acquisition

DESCRIPTION OF PROPOSED PROJECT

The Alaska Department of Transportation and Public Facilities (ADOT&PF) proposes to reconstruct Glacier Highway from Fritz Cove Road to Seaview. The project will entail reconstruction of segments of road sub-base, widen the roadway, flatten curve alignments, improve intersections, drainage systems, resurface the road way, add lighting, and guardrail, improve bicycle and pedestrian facilities including improved curb ramps to meet ADA standards, and add a center turn lane through the Auke Bay business area. Length of the project is approximately one mile.

Go to dot.alaska.gov/sereg/projects/abcorr/index.shtml to view full details regarding the proposed project. The graphic on the following page depicts the limits and intents of the proposed project

VISUAL OF THE PROPOSED PROJECT



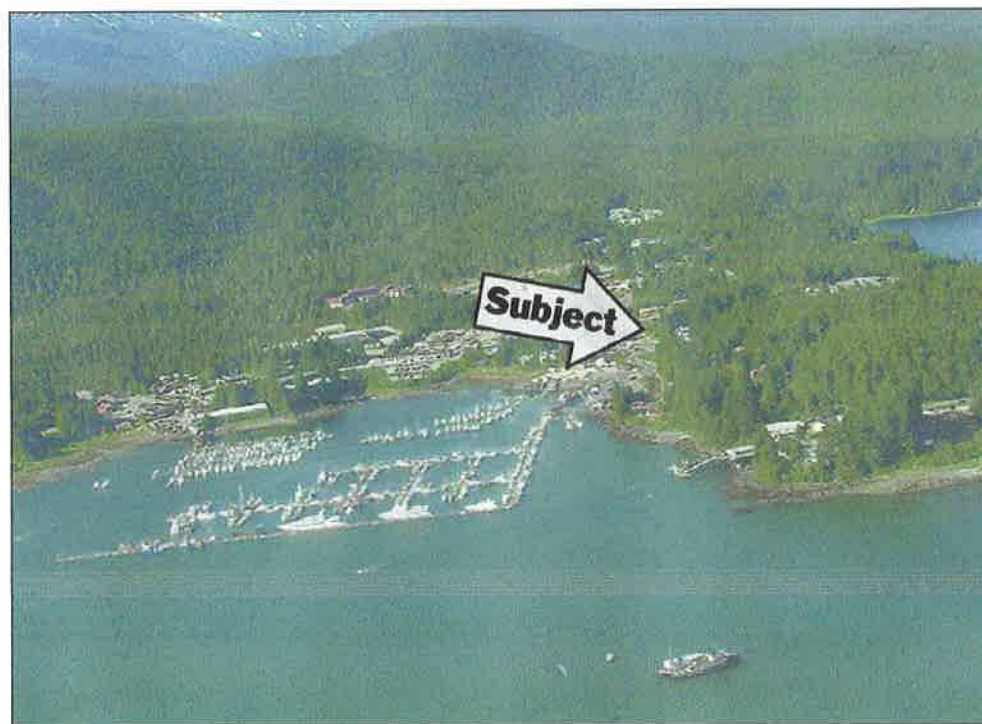
NEIGHBORHOOD DESCRIPTION



Auke Bay, the subject neighborhood, is about 11 miles north of downtown Juneau along Glacier Highway.

The focus of the area is Statter Harbor, the only semi-protected public harbor north of the city center. The harbor is a hub of commercial activity and the northernmost extent of commercial activity north of the city center. DeHart's Marina was acquired by the City in 2005, which immediately created a master plan for

expansion of the harbor and its immediate surrounds. The overall plan will add boat floats, two boat launches, and improve existing docks. Parking has always been a premium and there are plans to expand off-street parking as well.



While the harbor dominates the waterfront, the University of Alaska Southeast campus that occupies a hillside between Auke Bay and Auke Lake is a major feature of the area as well. It has grown over the years with on campus student housing and a full complement of institutional buildings. A new dorm has just been completed. NOAA has an office building, lab, and dock located just south of Statter Harbor.

Northward of the Glacier Highway/Back Loop intersection is a commercial

area with strip centers, a US Postal Service facility, a mobile home park, and numerous small businesses. DeHart's store, a small convenience store, appears to be the loci of the neighborhood and provides fuel and goods for Statter Harbor users. The Alaska Marine Ferry Terminal is two miles north of DeHart's and provides a significant amount of passenger and freight activity.

South of DeHart's on Glacier Highway is the Fritz Cove area, a large residential neighborhood with hillside and waterfront homes that capitalize on the Auke Bay environs. Fritz Cove appears to be near full development with a few single lots available. Local Realtors indicate an appreciation in pricing for the remaining land. Residential neighborhoods dominate the landscape north along the Back Loop Road area and northward past the ferry terminal. If expansion is to occur in the Auke Bay area it will have to trend northward along Glacier Highway as the general area appears to be near full development. The harbor improvements will increase activity in the area and place additional pressure on the existing infrastructure.

SUBJECT PROPERTY PHOTOGRAPHS



View of the subject looking southward from Glacier Highway – Auke Bay in background



View of the subject looking southwestward from Glacier Highway

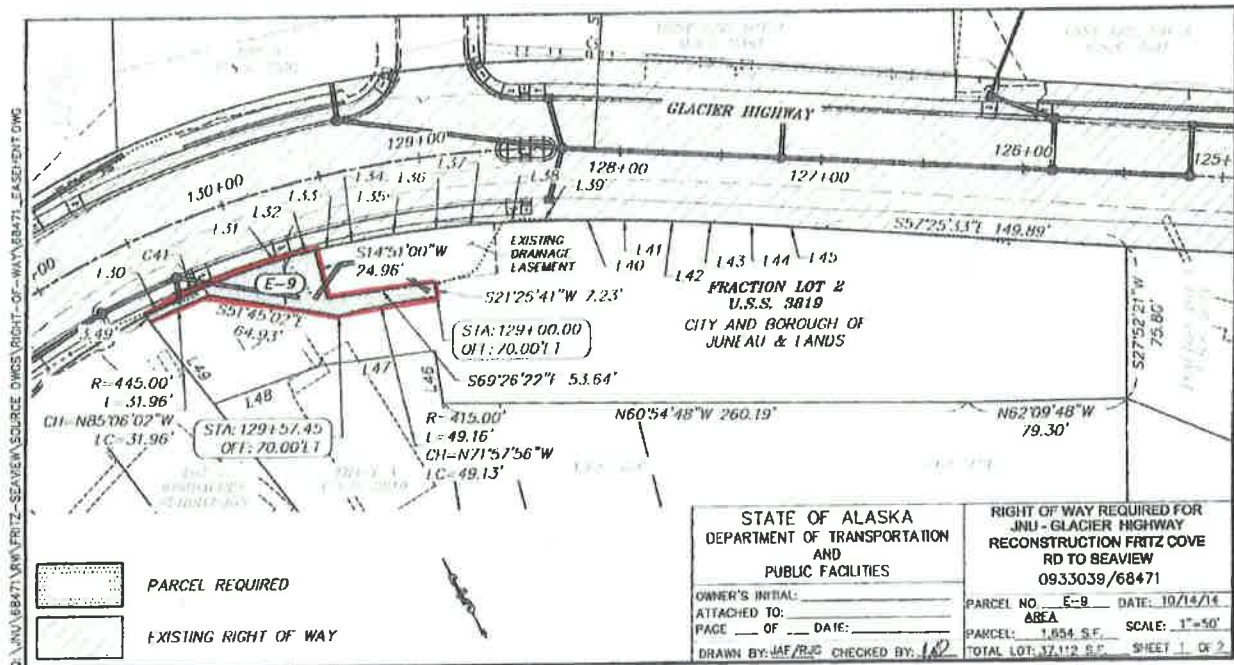


Looking eastward along Glacier Highway – subject on right

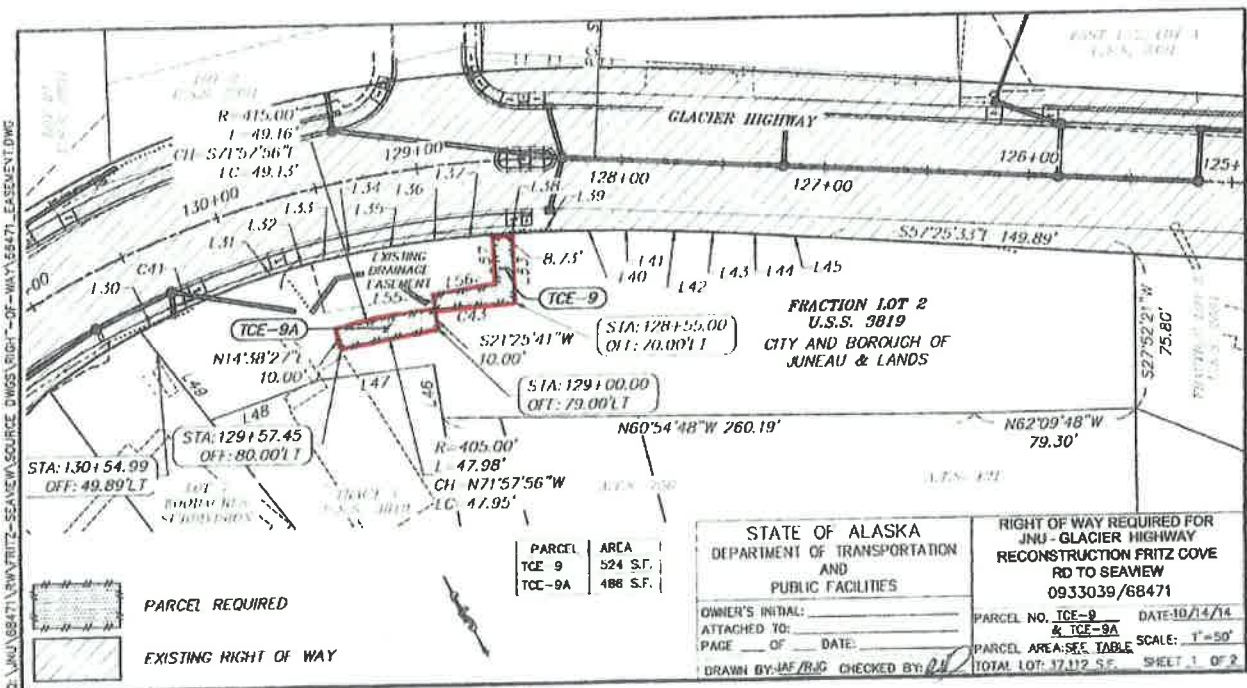


Looking westward along Glacier Highway – subject on left

ADOT RIGHT OF WAY MAPS – AREAS TO BE ACQUIRED OUTLINED IN RED PARCEL E-9 MAP



TCE-9 & TCE-9A MAP



THE APPRAISAL PROCESS

The previous graphics illustrate the location and size of the land valued in this report that is owned by the City & Borough of Juneau. An appraisal is the process of developing an opinion of value, and begins with an identification of the property to be appraised, the appraisal problem, and determination of the scope of work that sets forth the type and extent of research and analysis to be performed. Data is then gathered regarding the subject property and research is conducted to assemble the most appropriate market data suited for analysis. The approaches to value are applied, which culminates in an opinion of value of the subject property. In this case, the direct sales comparison approach is selected as the most appropriate appraisal methodology to value unimproved land. The appraisal of the subject property follows based on this protocol.

MARKET VALUE

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, both acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto, and;
4. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROPERTY RIGHTS APPRAISED

The fee simple estate is valued in this appraisal. Fee simple estate is defined in The Dictionary of Real Estate Appraisal as follows:

"Absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation."

PROPERTY OWNERSHIP

The title report indicates the land is owned by City & Borough of Juneau.

REAL ESTATE TAXES

The subject land is under public ownership and is not subject to real estate taxation.

LEGAL DESCRIPTION

The legal description of the subject property is a Fraction of lot 2 of US Survey 3819.

DATE OF APPRAISAL

The date of the appraisal is the date of inspection October 06, 2014.

SITE DESCRIPTION

Following is a description of the significant factors regarding the subject land (highlighted in red) based on a physical inspection, and data from available mapping.



Shape, dimensions and area

The land tract depicted in the adjacent graphic is irregular in shape that fronts Glacier Highway just west of the Back Loop Road/Glacier Highway roundabout and next to a strip center where the US Post Office is located. ADOT maps indicate the subject contains 37,112 square feet or .85 acres.

Topography, soils and drainage

The topography is generally level at the road frontage to some portions sloping moderately towards the water. Soils are

unreported but appear suited to support improvements based on existing buildings on adjacent land. Drainage is good due to the topography.

Utilities

Telephone, electricity, water and sewer are available to the subject property and are suited for development of the land to its highest and best use.

Access and street improvements

The subject fronts the south side of Glacier Highway. The Glacier Highway Road improvements consist of the paved roadway, street lights and curb/sidewalk. Overall, the subject enjoys significant road frontage, and is in a very good location to benefit from the waterfront commercial zoning.

Easements

No easements are delineated on the ADOT maps. There are aerial utility lines and poles along the road frontages and a sign indicates presence of a sewer. It is assumed any easements do not cause issues with development of the land.

Zoning

According to the Juneau Land Use Ordinance Title 49, the subject is zoned WC-Waterfront Commercial District. This district is intended to provide both land and water space for uses which are directly related to or dependent upon a marine environment. Such activities include private boating, commercial freight and passenger traffic, commercial fishing, floatplane operations, and retail services directly linked to a maritime clientele. Other uses may be permitted if water-dependent or water-oriented. Residential development is allowed in mixed-and single-use developments.

Improvements Description

The larger portion of the subject is Improved with a paved parking area and a separate parking area used for access to the sewage treatment facility, which is on land situated between the highway and Auke Bay.

HIGHEST AND BEST USE

In accordance with AKDOT/PF Right of Way Manual, Section 4.11 and appraisal theory and practice, the concept of highest and best use represents the premise upon which value is based. The determination of highest and best use is the result of the appraiser's analytical skills and judgment. Highest and best use is a matter of opinion, not a fact to be found.

Highest and best use is defined in The Appraisal of Real Estate (14th Edition, American Institute of Real Estate Appraisers) as:

"The reasonably probable and legal use of vacant land or an improved property which is found to be physically possible, appropriately supported, financially feasible, and which results in the highest present value."

The four factors considered in formulating the opinion of highest and best use of a site or an improved property are additionally described as follows:

1. Possible Use: What uses of the site in question are physically possible?
2. Legally Permissible Use: What uses are permitted by zoning and deed restrictions on the site in question?
3. Financially Feasible Use: Which physically possible and legally permitted uses will produce a net return to the owner of the site?
4. Maximally Productive Use: Among the financially feasible uses, which use will produce the highest net return or the highest present worth?

Following is an analysis of the highest and best use of the subject site as vacant, following the steps in the above described analytical procedure.

HIGHEST AND BEST USE - AS VACANT

Physically Possible Use

The physical characteristics of the site as discussed in the "Site Description" section of the report indicate the subject is one lot that fronts Glacier Highway and spans down to the water, .85 acres, mostly level to moderately steep sloping down to the water, views over Auke Bay and is served by all public utilities. Overall, the physical aspects of the subject site present minimal challenges.

Legally Permissible Use

Legal restrictions that apply to development of the subject land include deed restrictions, environmental concerns, easements, and zoning. A title report was not provided but no private deed restrictions are anticipated since it is owned by the CBJ. Easements have not been identified and, if present, are assumed to be of no consequence. This are assumed to be no wetlands; therefore, no environmental issues are expected. No reports have been made available regarding other environmental issues such as in-ground contamination and the like. It is assumed there are no issues of this nature. The WC zoning is intended to provide both land and water space for uses which are directly related to or dependent upon a marine environment.

Such activities include private boating, commercial freight and passenger traffic, commercial fishing, floatplane operations, and retail services directly linked to a maritime clientele. Other uses may be permitted if water-dependent or water-oriented. In conclusion, the subject's zoning allows any number of waterfront related uses, consistent with the neighborhood development.

Financially feasible

Juneau, like elsewhere in the State, experienced a slight downtrend in economic activity from the 2009 recession. Residential and commercial development was sluggish primarily as costs are ever increasing and appraised values were not keeping pace. However, recently Juneau has seen an increase in residential and commercial development with a couple of good sized subdivisions currently under construction, a couple of condominium projects being built and some commercial construction. Given present market conditions and lack of reasonably-priced developable land, the most financially feasible use of the subject is immediate sale.

Maximally Productive and Highest and Best Use

Given development options offered in the zoning code and present market conditions, the maximally productive and highest and best use of the subject land is immediate sale for development of any one of the waterfront/commercial zoning-compliant uses.

HIGHEST AND BEST USE - AS IMPROVED

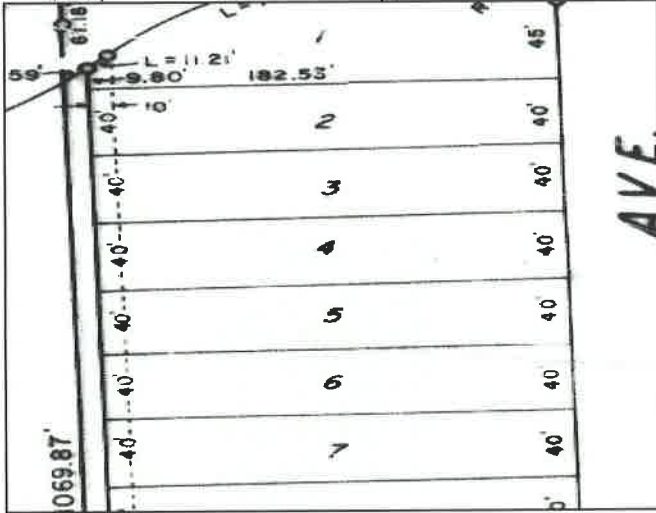
The subject is improved with public-owned parking facilities that benefit the general public and are compatible with the neighborhood. This use is consistent with zoning and meets the criteria for highest and best use.

THE APPRAISAL

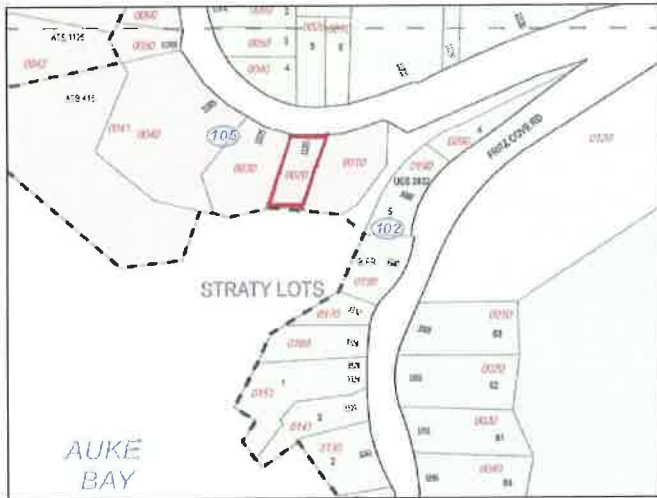
The direct sales comparison is the preferred method to estimate land value and will be applied in this analysis. The sales comparison method is based on the principle of substitution, the rationale being an informed buyer will pay no more for a given site than the cost of an alternative site offering the same utility. A basic assumption of this approach is that the site is valued as vacant and development is its highest and best use. The land sales summarized below represent the current market for lands most similar in use to the subject. The sales are briefly described, compared to the subject, and reconciled in this section of the report to result in an estimate of the market value of the subject site before the acquisition. Complete descriptions of the sales can be found in the addendum.

<u>Sale No.</u>	<u>Location</u>	<u>Sale Date</u>	<u>Sales Price</u>	<u>Size/SF</u>	<u>\$/SF</u>
1	2035 Jordan Ave	07-14	\$415,000	44,756	\$9.27**
2	11265 Glacier Hwy.	07-10	\$560,000	40,510	\$13.82
3	2160 Fritz Cove Road	6-13	\$330,000	34,237	\$9.64
5	NHN Glacier Highway	Listing	\$3,490,000	150,156	\$23.24
SUBJECT				37,112	

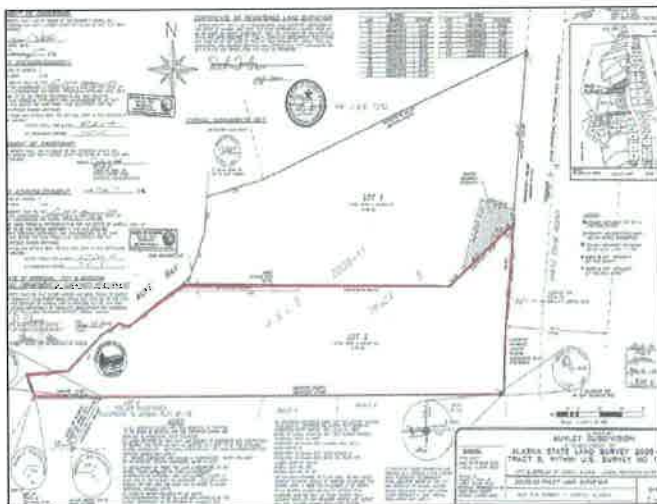
** \$30,000 added to sales price to account for moving electric to site – adjusted price is \$9.94/SF



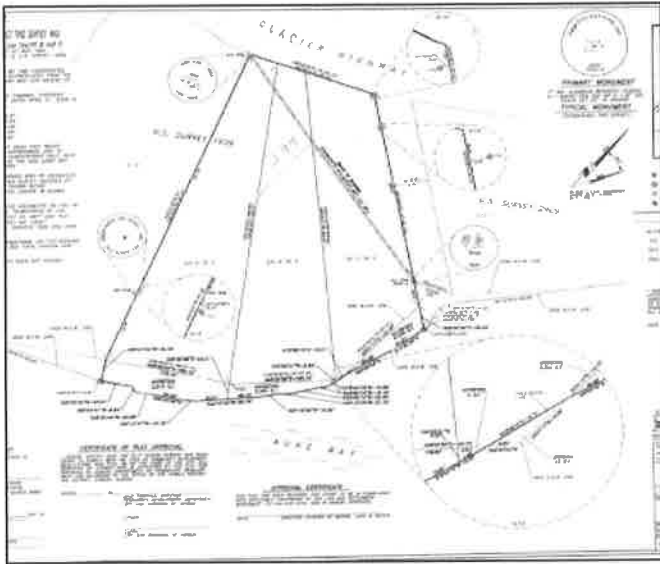
Comparable Land Sale No. 1 is the July 2014 sale of a general commercial zoned land tract, comprised of 6 lots, on Jordan Avenue behind the Nugget Mall. It is a 44,756 square foot site with all utilities available and off-frontage access. The property was bought by a developer for development of commercial condos. It has a moderately sloping topography and will require a significant amount of site preparation to be suited for development.



Comparable Land Sale No. 2 is an WC- zoned, 40,510 square foot site at 11265 Glacier Highway that sold in July 2010 for \$560,000 or \$13.82 per square foot. It is a hillside site with a moderate to steep topography sloping from the highway to the waterfront that would require major excavation and fill to be suited for development and to connect utilities. It is on the south side of Glacier Highway next to the former NOAA building that the University of Alaska now owns.



Comparable Land Sale No. 3 is a 34,237 square foot Auke Bay water front site at 2160 Fritz Cove Road that sold in June 2013 for \$330,000 or \$9.64 per square foot. The topography is a gentle slope from Fritz Cove Road to the water front. City water is available to the site; sewer is not. This is an off-frontage, residential site with access is via a joint access point with an adjacent home owner. It was purchased by a realtor/broker for development of a private residence.



Comparable Land Sale No. 4 is a 150,156 square foot Auke Bay water front site currently listed for \$3,490,000 or \$23.24 per square foot. The topography is a moderate slope from the highway towards the water front. All utilities are available and access is via Glacier Highway. This location is within ½ mile of the subject on the same side of the highway. It is being marketed as an ideal place to put in "Hotels, Condominium project, Mixed Use Buildings, restaurants ...the possibilities are endless!"

Comparative analysis

In this section of the report the sales are compared with the subject based on market-derived elements of comparison. Given the lack of a large number of comparable land sales, it is difficult to find a sufficient number of sales and listings to extract paired sales to formulate quantitative adjustments. Therefore, a qualitative comparison is used to reflect the relationship of the sales to the appraised property.

In a qualitative analysis the sales are categorized as to whether their characteristics are inferior, equal, or superior to the appraised property. Except for accounting for changes in value over time, adjustments are not expressed as a percentage or dollar amount; rather, by a plus and minus relationship.

Property Rights & Legal Encumbrances –The sales all involved transfer of the fee simple estate, similar to the subject. No adjustment is made for this factor in this part of the appraisal.

Financing Terms - The sales utilized in this analysis were all-cash transactions or involved short-term seller terms. No adjustment for financing is deemed appropriate to the sales.

Conditions of Sale – All of the comparable sales appear to be arms length with no duress on either the part of the seller or buyers; therefore, no adjustment is required.

Market Conditions or Changes in Value over time - An analysis of older sales indicates the vacant land market in Juneau has rebounded from a lull after the 2009 recession to the present. The absence of a large data base of sales makes it difficult to estimate the rate of change that covers the period for the comparable sales listed above. The borough assessor has generally increased assessed values 5% per year since 2010 but bases most of the rate of change on observed economic activity rather than an analysis of paired land sales. The comparable sales do not contribute much to the analysis since they represent a varied and diverse spectrum of land from home sites to a large land tract listing. Recognizing the lack of supportive data, and relying more on anecdotal evidence that supports the general appearance of increased demand, a 5% per year or .42% per month increase in land prices is utilized for all the sales in this analysis. No adjustments were made for the sales that occurred in the last year.

Location – Sales 2, 3 & 4 are similar in location to the subject. Sale 1 is an inferior upland site.

Zoning – The sales range in zoning from residential, to general commercial, to waterfront uses. Sales 2 & 4 are similar to the subject in zoning; Sale 1 is a commercial-zoned site that lacks the subject's waterfront designation. In general, higher per square foot prices are generated by WC-zoned sites and similar GC-zoned sites. Sale 3 has inferior residential zoning.

Access/exposure – The subject presently has good access from Glacier Highway. Sale 1 is off-frontage on Jordan Ave and inferior to the subject. Sales 2 & 4 have similar road frontage and access as the subject. Access to Sale 3 off Fritz Cove Road is inferior.

Size - It is a generally held rule the unit price of raw land decreases as the overall size of the property increases and vice versa. This axiom is evident in the local market, albeit at an inconsistent and difficult to quantify rate. The larger the size differential, the larger the magnitude of the adjustment.

Soils/Topography – Soils and topography vary across the spectrum of the sales and the subject. The subject has been filled and is mostly level, superior in topography to all the sales.

Utilities – Sale 3 lacks access to city sewer and is rated inferior. The remaining sales are equal to the subject in availability of utilities.

Configuration – Shape/configuration do not appear to be a factor relative to the sales and the subject. No adjustments are warranted.

The following grid shows the relative adjustments (plus or minus) that are applied to the sales when compared to the subject.

Sale No.	Subject	Sale -1	Sale 2	Sale 3	Sale 4
Sale Date		07-14	07-10	6-13	Listing
Size (SF)	37,112	44,766	40,610	34,237	160,166
Sales Price		\$416,000	\$660,000	\$330,000	\$3,490,000
Price/SF		\$9.94**	\$13.82	\$9.64	\$23.24
Property rights & encumbrances		-0-	-0-	-0-	-0-
Sales Conditions		-0-	-0-	-0-	-0-
Time Adjustment		-0-	\$2.96	\$6.65	-0-
Cash Equivalency		-0-	-0-	-0-	-0-
Adjusted Price /SF)		\$9.94	\$16.78	\$10.29	\$23.24
Location		+	-0-	+	-0-
Zoning		+	-0-	+	-0-
Access/exposure		+	-0-	+	-0-
Size		-0-	-0-	-0-	+
Soils/Topo.		+	+	+	+
Utilities		-0-	-0-	+	-0-
Configuration		-0-	-0-	-0-	-0-
Total Adjustment		+	+	+	+
Indicated Market Value		>\$9.94	>\$16.78	>10.29	>\$23.24

Reconciliation and Correlation

These are the most recent and relevant sales in the subject's immediate neighborhood pertinent to this analysis. They vary considerably from the subject in terms of size and amenities. Sale 4, the active listing, is a water-front site that sets the far upper end of the value range. Realtors surveyed, except the listing Realtor, feel the list price is too high to allow economic development. Sale 2 is the

most recent sale of a waterfront commercial lot in the area. It is inferior to the subject in several respects but after adjusting for time it is considered a reliable indicator of value for the subject.

To conclude the process, the following grid places the final perspective as to the position of the subject as it relates to the sales.

Sale No.	\$/SF	Adjustment	Discussion
1	\$9.94	+	Non Waterfront, required major fill/site prep
3	\$10.29	+	Residential site lacks city sewer
2	\$16.78	+	Inferior topography
Subject			
4	\$23.24	-	Similar listing that is listed above the current market.

The grid indicates the market value of the subject falls between Sales 2 & 4, which is reasonable given its topography and road front access and visibility. Sale 4, the listing, exceeds the reasonable price for this location with the subject market value falling below this benchmark. Sale 2 is most similar but its inferior topography justifies an upward adjustment to its time adjusted price to be equal to the subject. The other sales are inferior and do not factor into the final conclusion of value.

After considering the available market data, interviews with local Realtors, and the subject's physical aspects, the market value of the subject land is concluded at \$20.00 per square foot. Total fee simple land value is calculated as follows:

$$37,112 \text{ SF} \times \$20.00/\text{SF} = \$742,240$$

VALUE OF THE PART TAKEN AS PART OF THE WHOLE

The ADOT&PF intends to acquire a 1,654 square foot easement, designated as Parcel E-9, from the subject property along the Glacier Highway frontage for the proposed project. The market value of the area to be acquired is calculated as follows:

$$\text{Land Value} \times \text{Size of Affected Property} = \text{Market Value Part Taken}$$

$$\$20.00/\text{SF} \times 1,654 \text{ SF} = \$33,080$$

VALUE OF THE PART TAKEN AS PART OF THE WHOLE

\$33,080

VALUE OF THE REMAINDER AS PART OF THE WHOLE

MARKET VALUE BEFORE THE TAKING:	\$742,240
MARKET VALUE OF THE PART TAKEN:	<u>-33,080</u>
MARKET VALUE OF REMAINDER AS PART OF THE WHOLE:	\$709,160

VALUE OF THE REMAINDER AS A SEPARATE PARCEL

The market value of the subject, as a separate parcel on a per square foot basis at \$20.00/SF is similar to its market value before the acquisition. In the after situation, access to the subject stays the same. Therefore, there is no change in land value due to the acquisition.

The market value of the acquired area is deducted to reflect its value as a separate parcel.

MARKET VALUE BEFORE THE TAKING	\$742,240
LESS: ACQUIRED AREA	<u>- 33,080</u>
VALUE OF REMAINDER AS A SEPARATE PARCEL	\$709,160

DAMAGES AND COST-TO-CURE

There are no damages of cost-to-cure items.

DAMAGES	-0-
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SPECIAL BENEFITS TO THE REMAINDER

The subject derives no special benefits as a result of the proposed project and the value of the underlying land does not change after the acquisition. The amount of the special benefits that accrue to the subject is calculated by comparing the market value of the subject's remainder as a separate parcel against the value of the remainder as a part of the whole.

VALUE OF THE REMAINDER AS A SEPARATE PARCEL:	\$709,160
LESS: VALUE OF THE REMAINDER AS A PART OF THE WHOLE:	<u>-709,160</u>
SPECIAL BENEFITS:	-0-

TEMPORARY CONSTRUCTION EASEMENTS – TCE-9 & TCE-9A

There are two temporary construction easements that impact the subject property labeled on mapping as TCE-9 & TCE-9A. The total land area contained in these easements is 1,010 square feet. (TCE-9 = 524 SF; TCE-9A = 498 SF). According to ADOT sources, the term of the easements will be 15 months and is expected to last from initiation of construction until completion. Essentially, the State is temporarily leasing a portion of the subject for duration of the project to facilitate construction. The 1,010 SF contained in TCE's will be rented from the owner for a period of 15 months during the construction period based on an annual rental rate of 10% per year of the land value. The rental value of TCE-9 & TCE-9A is calculated as follows: $1,010 \text{ SF} \times \$20/\text{SF} = \$20,200 \times .10/12 \text{ MO} = \$168/\text{MO} \times 15 \text{ MO} = \$2,520$.

MARKET VALUE OF THE ACQUISITION

The market value of the acquisition is summarized as follows:

1.	Land Acquired	33,080
2.	Improvements Acquired	-0-
3.	Net Damages	-0-
4.	Cost-to-Cure	-0-
5.	Permits Acquired	-0-
6.	Easements Acquired	2,520
7.	PLO or section line easements	-0-
8.	Other interests acquired	<u>-0-</u>
TOTAL MARKET VALUE OF THE ACQUISITION		\$35,600

PROPERTY OWNER'S COMMENTS

I met with Greg Chaney, Lands and Resources Manager and his staff for the City/Borough of Juneau on October 7, 2014 to inform him as to the plans for the proposed project and to identify and discuss the implications of the project relative to the subject valued in this report. He and his staff members were not aware of the immediacy of the project but anticipated its coming in the future. We discussed its location that is in front of the sewage treatment facility in Auke Bay. They noted constant access was needed to service the facility and expressed concern as to its impact on the facility itself. No other issues were discussed. They await further contact from ADOT/PF officials.

ADDENDUM

ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

FIVE YEARS SALES REPORT

Project No.: 0933039/68471
JNU-Glacier Highway Reconstruction
Fritz Cove Road to Seaview

SALES OF THE SUBJECT:

PRICE:	N/A	DATE OF SALE:	N/A
TERMS:			
RECORDED DATE:		INSTRUMENT:	
GRANTOR:		BOOK/PAGE:	
GRANTEE:			
INTERVIEWED:		DATE CONFIRMED:	

PRICE:		DATE OF SALE:	
TERMS:			
RECORDED DATE:		INSTRUMENT:	
GRANTOR:		BOOK:	
GRANTEE:		PAGE:	
INTERVIEWED:		DATE CONFIRMED:	

SALES OF THE SUBJECT MUST BE REPORTED AND ANALYZED AS COMPARABLE DATA. THE APPRAISER MUST INCLUDE SALES THAT OCCUR SUBSEQUENT TO THE TITLE SEARCH.

APPRAISER:	<u>Roger W. Nash</u>	DATE:	<u>10/07/2014</u>
VERIFIED WITH:	<u>Public Records</u>	DATE:	<u></u>

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

OPPORTUNITY TO ACCOMPANY THE APPRAISER

CITY AND BOROUGH OF JUNEAU

155 S. Seward Street
Juneau, Alaska 99801

Attention: Greg Chaney
Lands and Resources Manager

Juneau-Glacier Highway - Fritz Cove Road to Seaview
Project No. 9033039
Juneau, Alaska

Dear Mr. Chaney:

As owner or owner's representative of the above described property, I hereby acknowledge that Roger W. Nash of Northern Appraisers, a professional appraiser, has advised me that Public Law 91-646 requires that I or my designated representative be given the opportunity to accompany the appraiser during their inspection of the property.

☒

I hereby decline the offer to inspect the property with the appraiser

☐

I will accompany the appraiser during inspection on the following date:

☐

I appoint the following person as my designated representative.

☐

I accompanied the appraiser during inspection on the following date:

Signed:

Greg P Chaney

Owner:

City and Borough of Juneau

Date:

Oct 7 2014

State of Alaska Department of Transportation and Public Facilities

MARKET DATA SHEET – LAND SALE 1

Location: 2035 Jordan Ave, Juneau, Alaska

Legal Description: Lots 2, 3, 4, 5A, 6A & 7 Block D, Valley Centre Subdivision, Plat 518

Grantor: Valley Centre Development
Grantee: R & S Construction LLC

Sales Price: \$415,000** **Site Size(SF):** 44,756 SF **Price/SF:** \$9.94/\$9.27** **Terms:** Cash
Sale Date: 7-2014 **Recording Date:** 7-2014 **Instrument:** **Book/Page:** 2014-003274

Zoning: General Commercial
Highest & Best Use: Commercial

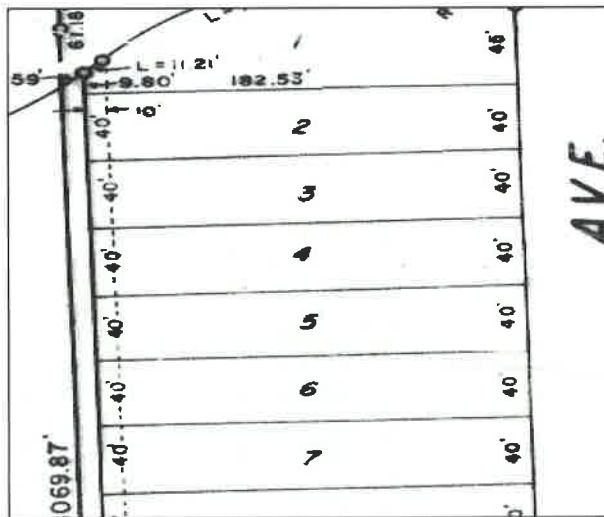
Size & Shape: 44,756 SF (1.03 AC) Rectangular
Topography: Sloped down slightly from road **Utilities:** Telephone electricity, water, sewer
Soils: Required a lot of fill/site prep **Access:** Jordan Ave.

Improvements: The land was unimproved prior to sale. The buyers indicated that they had to move electrical to the site which was an additional \$30,000 and was considered when the purchase price of \$415,000 was negotiated (\$445,000/44756=\$9.94 per square foot). The site now has a set of condos going in with large garages on the first floor and living spaces above.

Neighborhood Description: This area is a mostly developed commercial neighborhood behind the Nugget Mall.

Verified with: Scott Jenkins: Grantee

Date/By: 10/14/SDK



State of Alaska Department of Transportation and Public Facilities

MARKET DATA SHEET – LAND SALE 2

Location: 11265 Glacier Hwy. Auke Bay, AK

Legal Description: Fraction of USS 1500

Grantor: Donald Bedford

Grantee: University of Alaska

Sales Price: \$560,000

Site Size(SF): 40,510 SF

Price/SF: \$13.82

Terms: Cash

Sale Date: 07-10

Recording Date: 07-10

Instrument:

Book/Page: 2010-004143-0

Zoning: Waterfront Commercial

Highest & Best Use: Commercial

Size & Shape: 40,510 sf Almost Rectangular

Topography: Slopes down steeply to water

Soils: Presumed stable

Utilities: Telephone, electricity, water, sewer

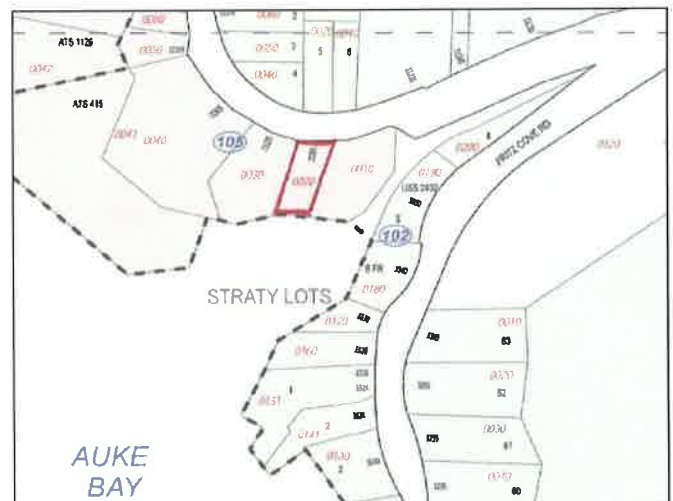
Access: Glacier Highway

Improvements: No improvements known.

Neighborhood Description: This is a mostly developed waterfront area that is in Auke Bay. The neighboring property is the old NOAA building that is now owned by the University of Alaska, and they purchased this lot.

Verified with: John Hagmeier (Neighboring property owner)

Date/By: 07/14/SDK



MARKET DATA SHEET – LAND SALE 3

Location: 2160 Fritz Cove Rd.

Legal Description: Lot 2, Auklet Subdivision, Plat 2012-10

Grantor: JOHN BURSELL

Grantee: Christopher & Debbie White

Sales Price: \$330,000

Site Size(SF): 34,237 SF

Price/SF: \$9.64

Terms: Conventional

Sale Date: 06/2013

Recording Date: 6-2013

Instrument:

Book/Page: 2013-004150

Zoning: D-1, single family and duplex residential

Highest & Best Use: Residential

Size & Shape: 34,237 SF (.78 AC) irregular

Topography: Gentle Slope downhill from road

Utilities: Telephone electricity, water

Soils: Appear suitable for development

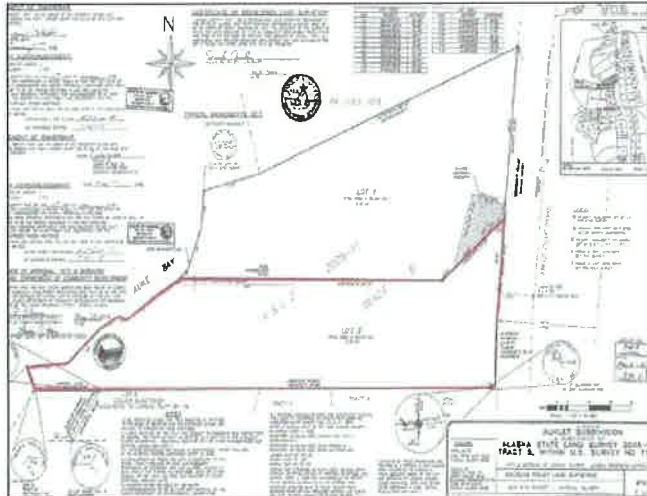
Access: Fritz Cove Road

Improvements: No site improvements.

Neighborhood Description: This area is a near fully developed residential neighborhood.

Verified with: Debbie White, Grantee

Date/By: 05/13/SDK



State of Alaska Department of Transportation and Public Facilities

MARKET DATA SHEET – LAND SALE 4

Location: NHN Glacier Highway, Juneau, Alaska

Legal Description: Lots 1, 2A & 3A, Tract C, USS 1939

Grantor: Lloyd E. Lindegaard

Grantee: N/A

Sales Price: \$3,490,000

Site Size(SF): 150,156 SF

Price/SF: \$23.24

Terms: N/A

Sale Date: Listing

Recording Date: N/A

Instrument:

Book/Page:

Zoning: Waterfront Commercial

Highest & Best Use: Residential

Size & Shape: 150,156 SF (3.45 AC) irregular

Topography: Slopes down to water

Utilities: Telephone electricity, water, sewer

Soils: Appear suitable for development

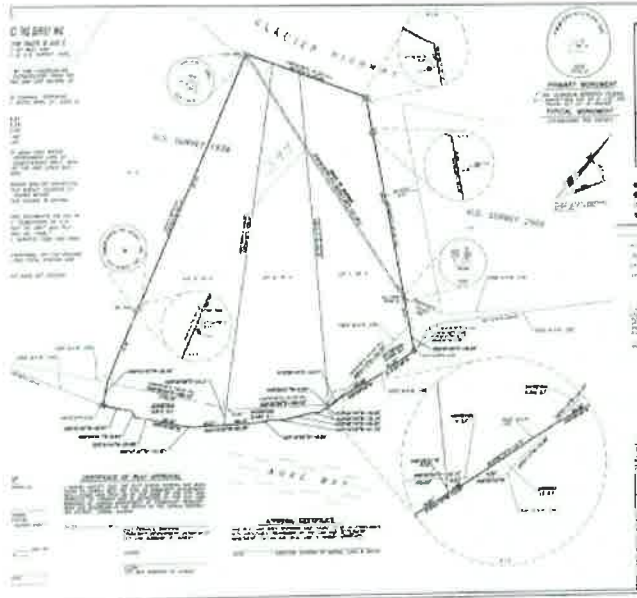
Access: Glacier Highway

Improvements: There is an old, rough, driveway down towards the water.

Neighborhood Description: This land has excellent road frontage on Glacier Highway. This property is located just before Spaulding Beach Condos, and is being marketed as an ideal place to put in "Hotels, Condominium project, Mixed Use Buildings, restaurants ...the possibilities are endless!"

Verified with: Marty McKeown, Realtor

Date/By: 10-14/SDK



ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following assumptions and limiting conditions:

1. The title to the property is assumed to be marketable and free of all liens and encumbrances, except as noted in this report.
2. No responsibility is assumed for matters that are legal in nature, nor is any opinion rendered on the title of the land appraised.
3. All maps, areas, and other data furnished have been assumed to be correct. The information obtained from others is considered to be reliable, but no guarantee is made to the absolute correctness of this information.
4. No part of this appraisal should be used out of context. The value of the land and improvements when shown separately must not be used in conjunction with any other appraisal and are invalid if so used.
5. There shall be no obligation to appear or testify in court by reason of this appraisal, unless mutually satisfactory arrangements are made in advance.
6. Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute. Neither all, nor any part of, the contents of this report shall be disseminated to the public without the prior written consent and approval of the appraiser.
7. The appraisal is subject to your agreement that the liability of Northern Appraisers, as well as, the individual appraiser signing the report, due to professional negligent acts, errors or omissions of the appraisers, are limited to the amount of the appraisal fee. All persons utilizing and relying upon this report, in any manner, bind themselves to accept this limitation of liability.
8. The valuation assumes the appraised property is free and clear of hazardous contaminants, unless specifically noted. If the appraised property is suspected of contamination, then the client is urged to retain an engineer's report. The appraisers reserve the right to review value conclusions if documentation, including cost-to-cure estimates, is provided.

QUALIFICATIONS OF APPRAISER
ROGER W. NASH

EDUCATION:

Bachelor of Science in Agriculture, Ohio State University-1969

Course or Seminar Title	Sponsor/Provider	Dates:
		Mo./Yr.
Residential Report Writing	Appraisal Institute	4-13
Applications in Litigation Valuation	Appraisal Institute	3-13
USPAP 2012 Update	Appraisal Institute	2-12
Real Estate Finance, Statistics & Valuation Modeling	Appraisal Institute	5-11
USPAP 2010 Update	Appraisal Institute	4-10
Litigation: Specialized Topics	Appraisal Institute	2-10
General Appraiser Sales Comparison Approach	Appraisal Institute	5-09
Standards of Professional Practice - Update 2009	Appraisal Institute	3-09
Federal Land Acquisitions	US Dept. Interior	5-07
Federal Aid Highway Appraisal	USDOT	4-07
USPAP Update	Appraisal Institute	3-07
Highest and Best Use	Appraisal Institute	4-05
Appraisal of Land	Intl. Assoc. of Assessing Officers	11-02
Standards of Professional Practice - Part C	Appraisal Institute	1-00
Technical Inspection of RE	Beckman	5-00
Special Purpose Properties	Appraisal Institute	3-99
Appraisal of Non-Conforming Uses	Appraisal Institute	3-99
Appraisal of Local Retail Properties	Appraisal Institute	4-99
Supporting Sales Adjustments For Residential Properties	Appraisal Institute	4-99
Eminent Domain and Condemnation Appraising	Appraisal Institute	4-99
Dynamics of Office Buildings	Appraisal Institute	10-96
Dynamics of Retail Properties	Appraisal Institute	10-96
Standards of Professional Practice	Appraisal Institute	9-95

Appraisal Practices for Litigation	Appraisal Institute	5-95
Appraiser as an Expert Witness	Appraisal Institute	5-95
HUD/FHA Refresher	HUD/FHA Anchorage	5-95
Appraisal Reporting Options-Residential	Appraisal Institute	7-94
Appraisal Reporting Options-Commercial	Appraisal Institute	7-94
Advanced Income Cap.	Appraisal Institute	7-93
Standards of Professional Practice	Appraisal Institute	7-93
Partial Acquisitions	American Right-of-Way Association	4-92
Residential Seminar	FNMA	1-91
Standards of Professional Practice	American Institute of Real Estate Appraisers	11-87
Case Studies in Real Estate	American Institute of Real Estate Appraisers	4-85
Valuation Analysis & Report Writing	American Institute of Real Estate Appraisers	4-85
Investment Analysis	American Institute of Real Estate Appraisers	4-84
Capitalization Theory	American Institute of Real Estate Appraisers	11-83
Real Estate Appraisal Principles/Basic Valuation	American Institute of Real Estate Appraisers	11-82

BUSINESS EXPERIENCE

Fee Appraiser - Street King and Associates - 1978
 Fee Appraiser & Partner - Price and Associates - 1980-1985
 Appraiser/owner - Northern Appraisers - 1985 to Present

PROPERTIES APPRAISED

Urban & remote residential properties including single family, duplex, and multi-plex housing, and condos, remote homesites, and cabins. Commercial properties of all types including office buildings, apartment, industrial properties, retail malls and buildings, hotels, motels, convenience stores, car washes, service stations, bulk plants, recreational lodges, remote land, land leases. Appraisal locations span the state including the communities of Anchorage, Barrow, Cantwell, Cordova, Craig, Delta Junction, Fairbanks, Galena, Glennallen, Healy, Homer, Juneau, Kenai, Ketchikan, King Salmon/Naknek, Kotzebue, Nenana, Nome, Palmer, Petersburg, Prudhoe Bay, Seward, Soldotna, Tok, Valdez, Wasilla.

State of Alaska - General Appraiser Certification No. AA-43 - Expires 6-30-15

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Ordinance 2015-02 - An Ordinance Amending the Official Zoning Map of the City and Borough to
Change the Remote Subdivisions Area Map for Hidden Valley Tract B, Located in the Upper
Lemon Creek Valley, from "Not Remote" to Remote.

ATTACHMENTS:

Description	Upload Date	Type
☐ Cover Memo	1/22/2015	Cover Memo
☐ Regional Map	1/22/2015	Exhibit
☐ Ordinance 2015-02	1/22/2015	Ordinance

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Greg_Chaney@ci.juneau.ak.us
Voice (907) 586-0205
Fax (907) 586-5385

TO: Assembly Lands Committee

FROM: Greg Chaney, Lands and Resources Manager



DATE: January 21, 2015

LOCATION: Lemon Creek, Hidden Valley

SUBJECT: Ordinance 2015-02 an Ordinance Changing the Status of Hidden Valley Tract B to an Area Zoned To Allow Remote Subdivisions

The remote subdivision designation allows subdivisions to be platted without installation of public utilities or publicly maintained access roads. The primary purpose of the Remote Subdivision provision is to allow lots on islands to be subdivided where building a road would be impossible. On May 14 2014 the Planning Commission recommended approval of an application to have Hidden Valley, Tract B a 66 acre lot rezoned to allow subdivisions to be established under the Remote Subdivision standards of Title 49. A 25 lot major subdivision application (SMP2015 0001) for this site was submitted to the Community Development Department on January 8, 2015.

This case is somewhat unique because the property is located in Hidden Valley and although it is not an island, it is difficult to access. Two basic routes are available to reach the property, one option is the Lemon Creek Trail with a trailhead near Home Depot. An alternative access uses the Hidden Valley Haul Road which passes through CBJ property and Secon's quarry operation. The Haul Road is not open to the public since it was constructed primarily for heavy trucks hauling sand, gravel and rock products. The road does not have standard sight distances and is often restricted to a single travel lane. Furthermore, the road is maintained for large trucks and due to mud, rocks, potholes, etc. the driving surface is not always appropriate for passenger vehicles. Another issue of concern is that there are explosive storage sites along the haul road. These installations are not supposed to be located near public roads. CBJ Law has inquired with the Federal Bureau Alcohol Tabaco and Firearms (ATF) to see if approval of the proposed subdivision will require relocating these facilities. The issues of industrial traffic, substandard road design, maintenance, driving conditions and explosive storage sites should be carefully evaluated before this route is approved for a major subdivision.

In addition to the concerns mentioned above, the property owners built a pioneer road from the end of the haul road to the proposed subdivision location. This road followed the alignment of a previously existing, but abandoned logging/placer mining road. The road

was re-graded with heavy equipment and a bridge was installed. Unfortunately all of this work was done without required grading and building permits. It appears that some of this road was built through CBJ property without permission. A survey is needed to establish the alignment of this road in relation to property boundaries. If the road passes through CBJ property, recorded access easements will be required.

Staff Recommendation

Therefore the CBJ Lands Division recommends that Ordinance 2015-02 be approved with the following conditions:

Prior to approval of a subdivision of the property, the property owner shall complete the following:

- Address the Potential Need to Relocate Powder Magazines
- Survey Recently Constructed Access Road
- Complete a Grading Permit
- Receive a Building Permit and Final Inspection for Existing Private Bridge
- Secure Access Easements Through CBJ Property
- Address Haul Road Traffic Safety Conflicts



Hidden Valley Tract B

CBJ Property

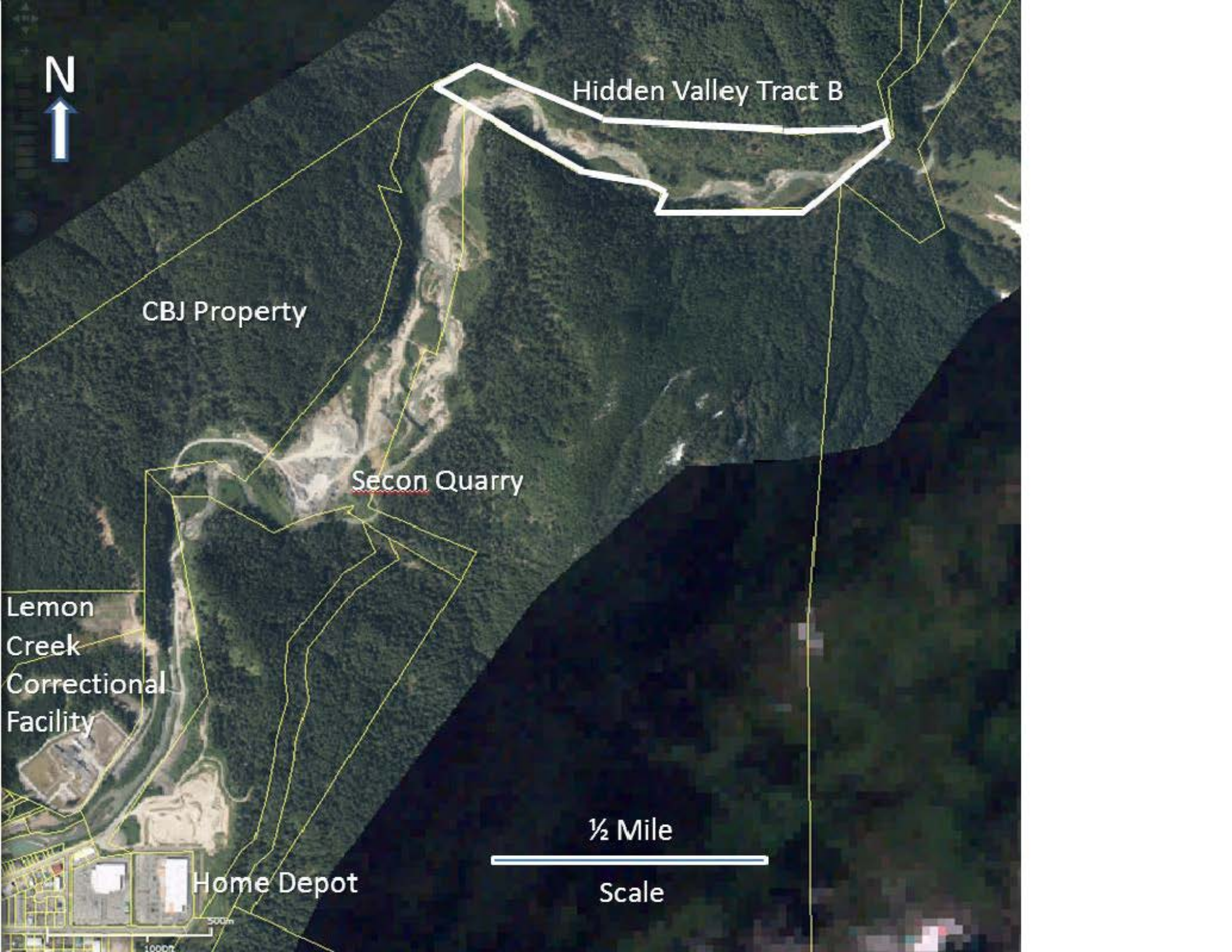
Secon Quarry

Lemon
Creek
Correctional
Facility

Home Depot

½ Mile

Scale



Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-02

An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Remote Subdivisions Area Map for Hidden Valley Tract B, Located in the Upper Lemon Creek Valley, from “Not Remote” to Remote.

WHEREAS, the City and Borough Comprehensive Plan supports the facilitation of recreational uses; and

WHEREAS, the City and Borough Comprehensive Plan supports use of remote areas for recreational cabins; and

WHEREAS, the lots in question are currently designated as Not Remote on the Remote Subdivisions Areas map of the City and Borough’s official zoning atlas; and

WHEREAS, the applicant wishes to make a map amendment to designate the subject parcel as Remote; and

WHEREAS, the map amendment application meets the following characteristics of a Remote Subdivisions Area, CBJ 49.70.1120, in that the subject parcel should not be:

- (a) In the general proximity of a capital improvement listed in the current capital improvements program;
- (b) Subject to a new growth area master plan, or other private plan adopted by the City and Borough;
- (c) Connected to the road system; or

1
2 (d) Served by a right-of-way, sewer system, water system, fire protection
3 service, or police protection service, operated or maintained by an agency of
4 government.
5

6 NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND
7 BOROUGH OF JUNEAU, ALASKA:
8

9 **Section 1. Classification.** This ordinance is of a general and permanent nature
10 and shall become a part of the City and Borough of Juneau Code.
11

12 **Section 2. Amendment to the Official Zoning Map.** The official zoning map of
13 the City and Borough, adopted pursuant to CBJ 49.25.110, is amended to change the
14 designation of Hidden Valley Tract B from “Not Remote” to “Remote.”

15 The described map amendment is shown on the attached Exhibit “A” illustrating the
16 area of the proposed zone change.
17

18 **Section 3. Effective Date.** This ordinance shall be effective 30 days after its
19 adoption.
20

21 Adopted this _____ day of _____, 2015.
22

23 _____
Merrill Sanford, Mayor

24 Attest:

25 _____
Laurie J. Sica, Municipal Clerk

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Juneau Affordable Housing Fund Accessory Apartment Grant Incentive Program

ATTACHMENTS:

Description	Upload Date	Type
☐ Cover Letter	1/22/2015	Cover Memo
☐ Program Description	1/22/2015	Exhibit

Juneau Affordable Housing Commission

2014 Commissioners

Tamara Rowcroft, Chair
Mandy O'Neal Cole, Vice Chair
Norton Gregory
Russ McDougal
Honey Bee Anderson
Wayne Coogan
Justin Shearer
Margaret O'Neal

January 21, 2015

Jesse Kiehl, Chair
Lands and Resources Committee
City and Borough of Juneau
155 S. Seward Street
Juneau, AK 99801

Re: Pilot Program for the Homeowner Accessory Apartment Incentive Grant

Dear Mr. Kiehl and the Lands and Resources Committee,

The Juneau Affordable Housing Commission (AHC) has been working on several pilot programs to help address the need for additional affordable housing units in our community. One of these proposed programs is the accessory apartment incentive grant (see attached program description). The adoption of accessory apartments in the City and Borough of Juneau's permitted housing options matrix has proved to be a successful option. The AHC believes there are still a number of home owners who are interested in adding an accessory apartment to their homes. This grant would provide an incentive to homeowner's to move forward with their plans and add affordable housing units to help meet our community's critical need for more affordable housing options.

We are asking the Lands and Resources Committee to support our pilot program concept and move it forward for review and approval by the Assembly.

Sincerely,



Tamara Rowcroft, Chair
Juneau Affordable Housing Commission

Homeowner Accessory Apartment Incentive Grant Program

The goal of the rental unit incentive program is to leverage a limited amount of JAHF funds to pilot an incentive program targeting existing homeowners who are considering adding an accessory apartment rental unit to their home. The incentive is a \$5000 grant per new rental unit created. Funds are disbursed after the certificate of occupancy for the new unit is issued. The application and approval processes are intentionally simplified to minimize the operating costs of the program.

Application and Disbursement Process:

The Homeowner applies for a Homeowner Accessory Apartment Incentive Grant at the Community Development Department at the same time they are applying for an Accessory Apartment building permit.

Grant approval will be determined by the Community Development Department subject to funding available. As this is a pilot project, it is anticipated more applications will be received than can be funded. Preference will be given to: properties within the transit corridor, especially those located within ¼ mile of a Capital City Transit stop.

Grant proceeds will be disbursed after a Certificate of Occupancy is issued.

Improvements must be complete within 12 months of issuance of the permit. Applicants may ask for an extension for extenuating circumstances 60 days in advance of the twelve month deadline. The decision for these extensions will be approved by the AHC on a case-by-case basis.

Specific Eligibility Requirements:

Only new rental units added to owner-occupied existing homes are eligible for this incentive program.

The grants are limited to one per owner occupied house.

Source of Funds for Pilot Program:

There is \$77,000 left in the grant that Juneau Affordable Housing Fund (JAHF) received from the state. The Affordable Housing Commission (AHC) would like to use the rest of these funds for this pilot program. The grant currently expires on 6/30/16, but a one year extension has been requested.

Program Benefits:

This program would be utilizing grant funds for housing, it will bring in more tax dollars and potentially add up to fifteen (15) new affordable housing units to our community.

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Montessori School Parking Lot Expansion and Elimination of Savikko Park RV Parking

ATTACHMENTS:

Description	Upload Date	Type
☐ Memo	1/22/2015	Cover Memo

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
155 S. Seward St., Juneau, Alaska 99801
Greg_Chaney@juneau.org
Voice (907) 586-0205
Fax (907) 586-5385

TO: Assembly Lands Committee

Greg Chaney

FROM: Greg Chaney, Lands and Resources Manager

DATE: January 20, 2014

LOCATION: Mayflower Building and Savikko Park

SUBJECT: Montessori School Parking Lot Expansion and Elimination of Savikko Park RV Parking

Ordinance 2014-44 authorized the manager to execute a renewed lease of the Mayflower Building to the Juneau Montessori School which has occupied the site for many years. The Mayflower Building is located at the north end of Savikko Recreation Area in Douglas. On January 5th 2015 the Juneau Montessori School requested to revise parking for the Mayflower building and shift parking from the upper lot to the lower lot (Figure 1).



Figure 1. Parking lot layout near Mayflower Building. Upper lot accommodates flow through traffic.

Currently, the primary parking lot for the school is located on the upper lot on the Saint Ann's side of the Mayflower building. The primary advantage of using the upper lot for parking is that it allows for flow through circulation and dropping off or picking up students. This reduces the need to back up and turn around in the parking lot which enhances safety and efficiency.

The lower lot requires vehicles to turn around in the lot before exiting. Exclusive use of the upper lot is included in the Mayflower Building's lease however the lower lot is open to the public and is shared with Savikko Park users. The lower lot also contains four designated Recreational Vehicle parking spaces. The RV spaces are managed by CBJ's Harbor Department. These spaces are rented to RV's and are primarily occupied during the summer months. Although the RV spaces are often vacant, there have been over 100 rentals in the last three years.



Figure 2. Four RV parking spaces are shown in the lower lot. These spaces are managed by CBJ Harbors.

Records indicate that most of these rentals were to a single RV at a time, occasionally there were two RV's occupying spaces. This indicates that two of the four existing RV spaces could be removed and the demand would still be met.

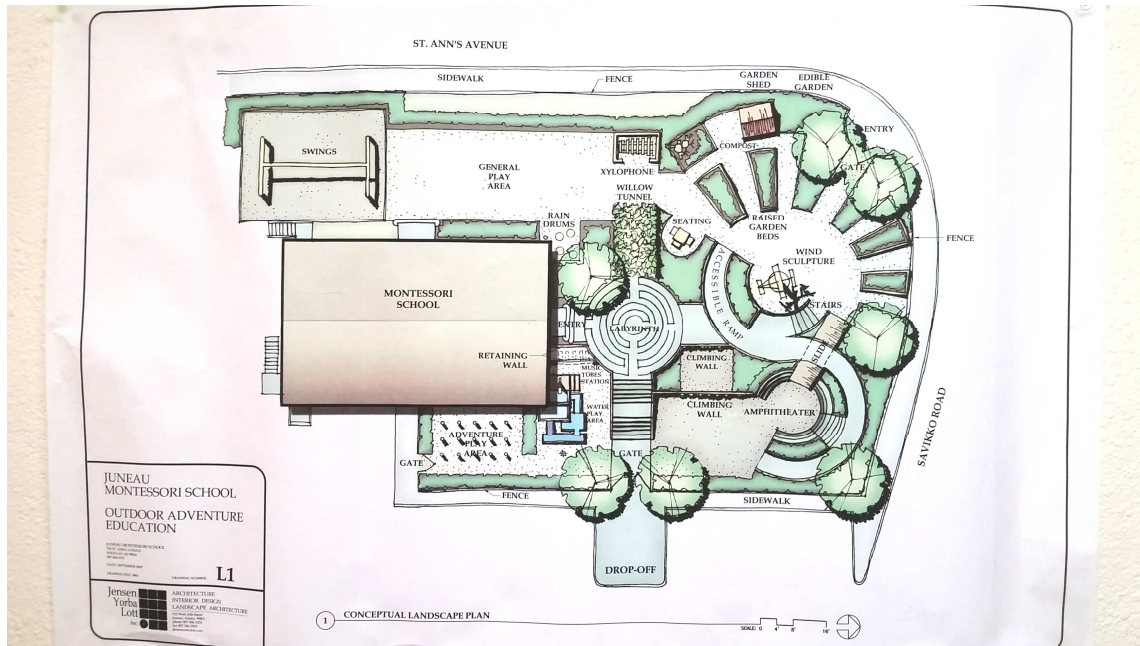


Figure 3. This design shows the upper parking lot developed as a playground. The design has been rotated so that north is not at the top of the image.

The Juneau Montessori School wishes to replace the upper parking lot with a playground and shift all parking for the school to the lower lot (Figure 3).

In order to switch to the lower lot, the school proposes to reconfigure the lower lot to allow flow through parking. Ordinance 2008-37 authorized the Montessori school to expand its playground provided it would be available for public use when the school was not in session. Furthermore it allowed Montessori to utilize a portion of the lower parking lot for its use as long as this use did not conflict with Savikko Park operations. Ordinance 2014-44, adopted November 10th 2014, reauthorized this arrangement.

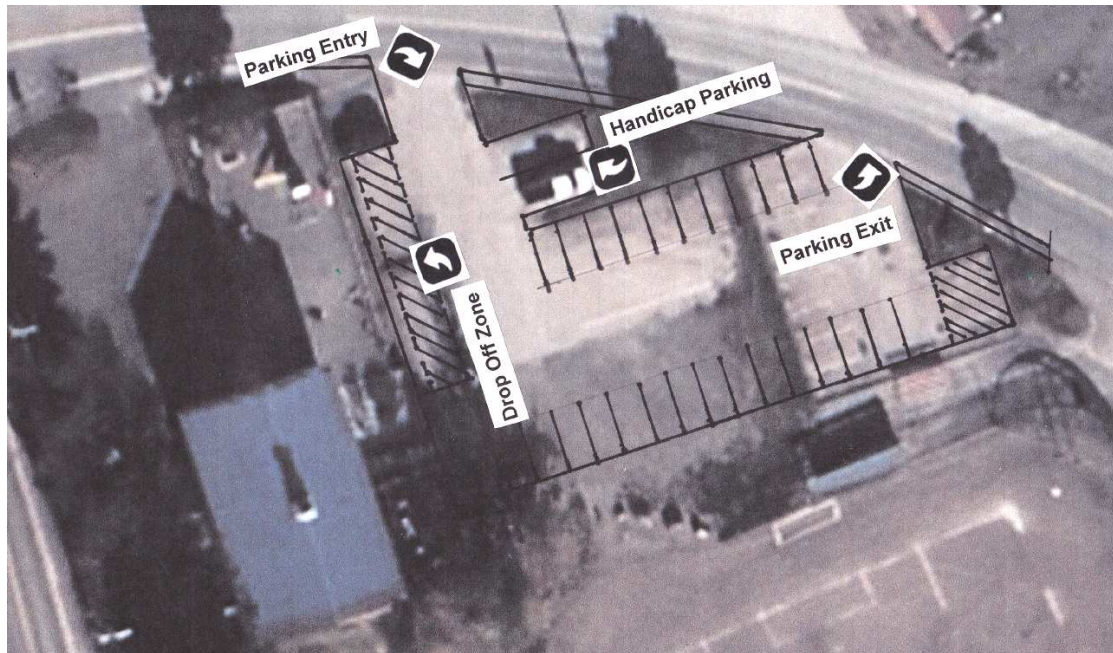


Figure 4. Diagram submitted by Juneau Montessori School shows lower parking lot revised to accommodate a drop off zone and flow through circulation. RV parking spaces have been eliminated.

The revised lower parking lot design submitted by Juneau Montessori School would combine the lower parking lot with the adjacent ballfield parking lot to allow for flow through circulation. This design is more efficient and would probably be safer than the current configuration. Unfortunately the modified design does not accommodate any RV parking. Harbors OPS/Planning Committee will be reviewing this topic after the packet deadline but before the Lands Committee meeting so the Harbors OPS/Planning Committee recommendation concerning this topic will be presented at the Lands Committee meeting.

Staff Recommendation:

Lands staff recommends that the Lands Committee adopt a motion of support for remodeling the lower parking lot to accommodate a flow through traffic pattern. However, Lands and Harbors staff should work with the Juneau Montessori School to develop a parking lot design that includes two RV parking spaces that would continue to be managed by the CBJ Harbors Department.